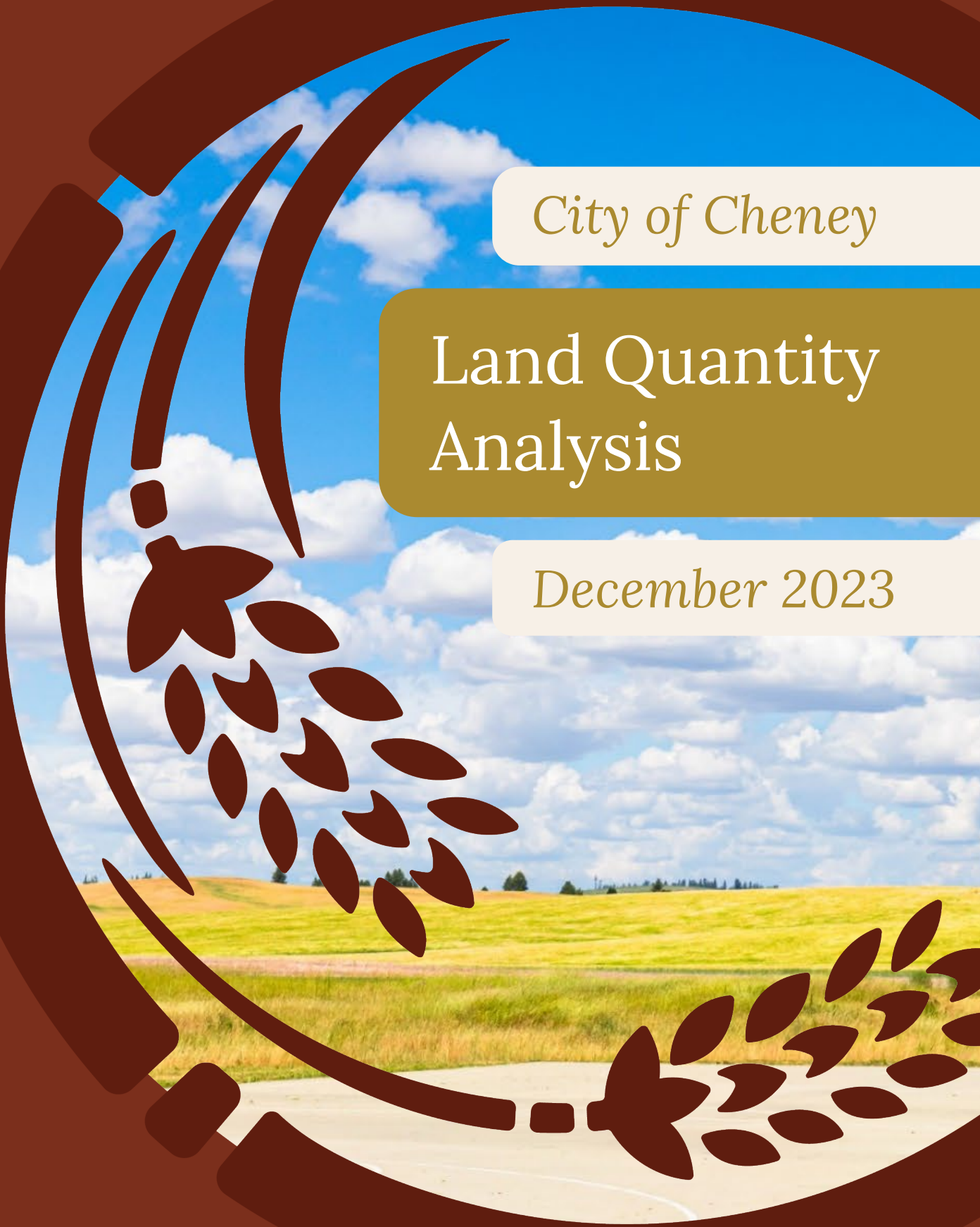

City of Cheney

Land Quantity Analysis

December 2023

Cheney

SCJ ALLIANCE
CONSULTING SERVICES

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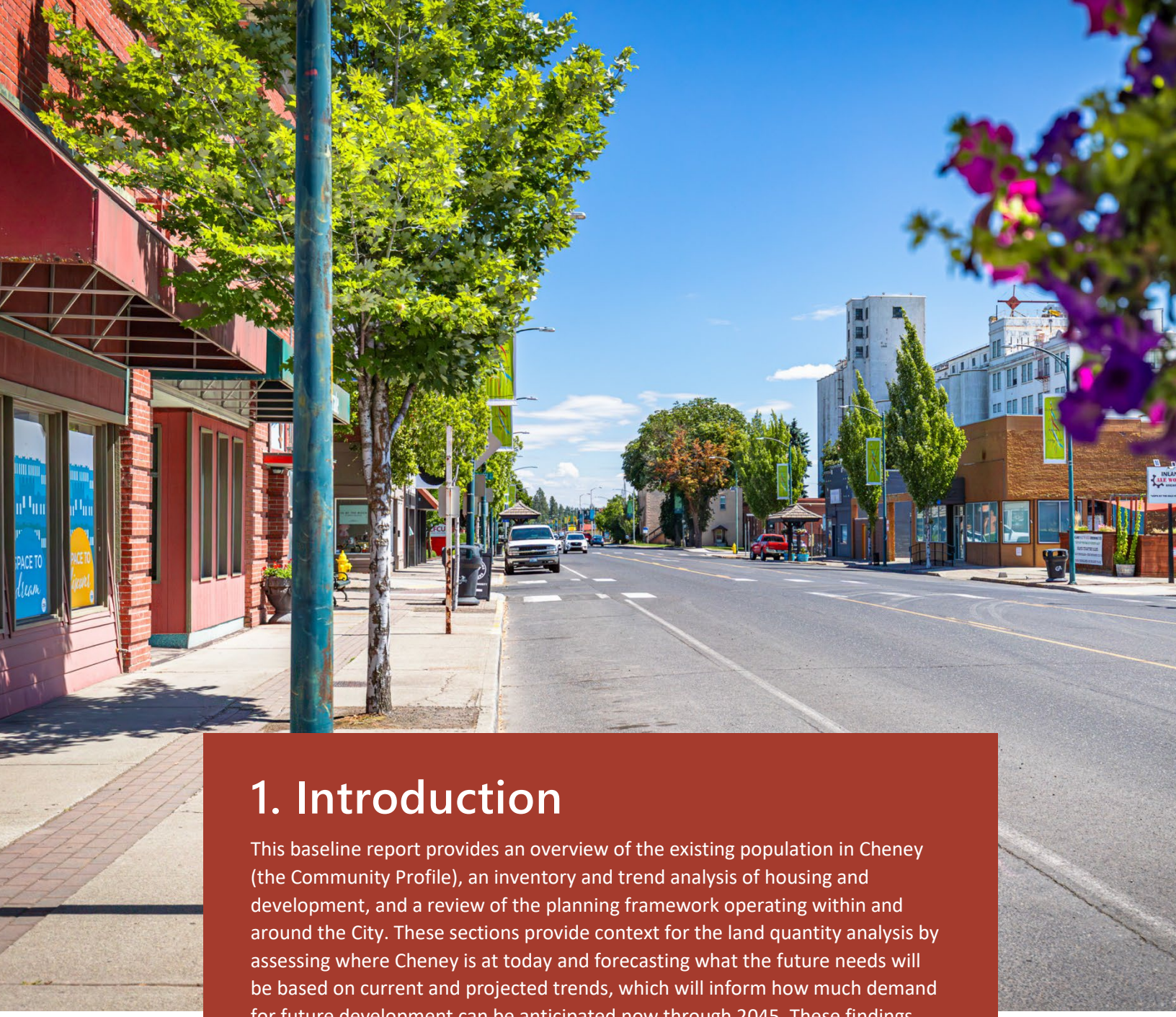
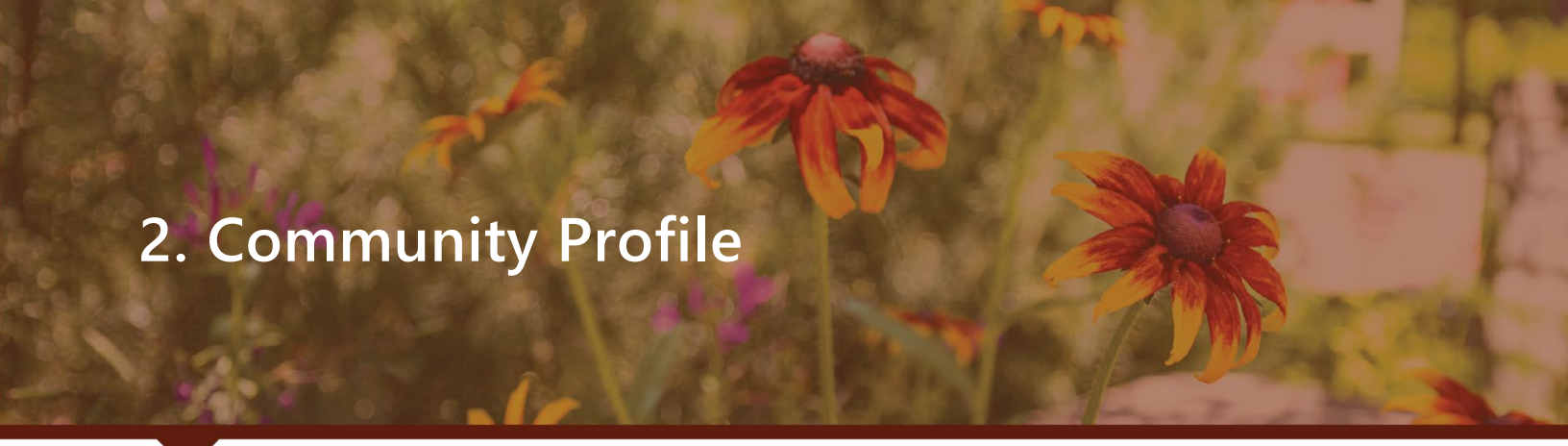


1. Introduction

This baseline report provides an overview of the existing population in Cheney (the Community Profile), an inventory and trend analysis of housing and development, and a review of the planning framework operating within and around the City. These sections provide context for the land quantity analysis by assessing where Cheney is at today and forecasting what the future needs will be based on current and projected trends, which will inform how much demand for future development can be anticipated now through 2045. These findings will be compared to the supply-side findings about how much buildable land is available within the city in order to make recommendations regarding the development of affordable housing, potential UGA expansion/amendment, coordination between EWU and the City, and economic development opportunities.

Note: The data and findings in this report are meant to assist in the City's 2026 Periodic Comprehensive Plan Update. These findings may be updated in coming years to reflect new numbers and/or requirements.

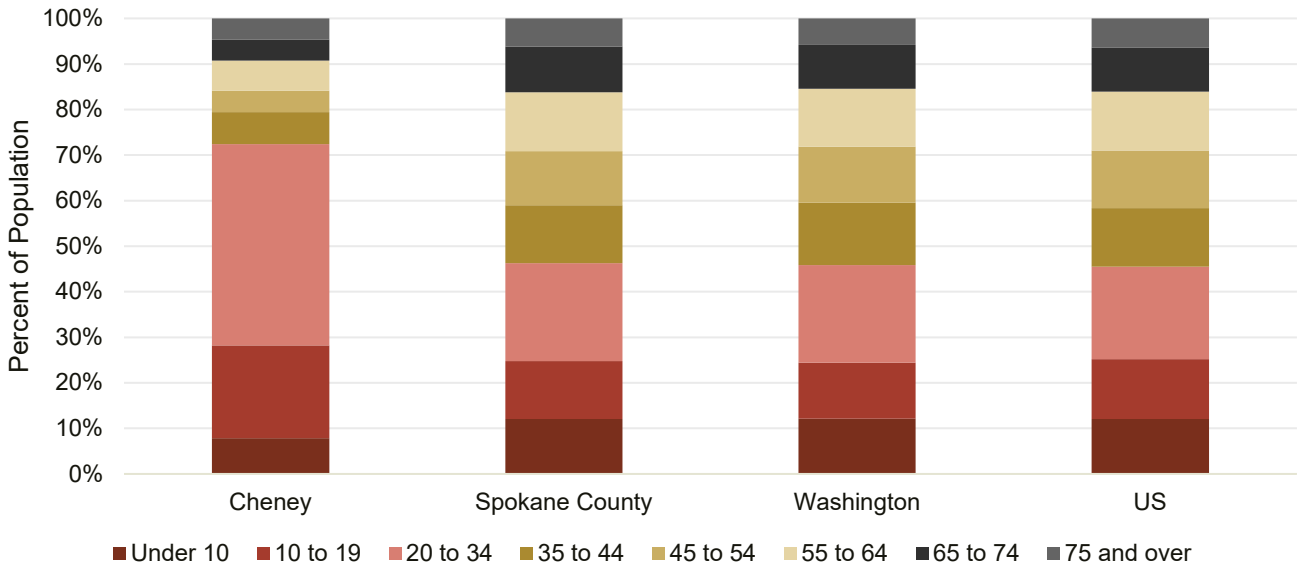


2. Community Profile

2.1 Age

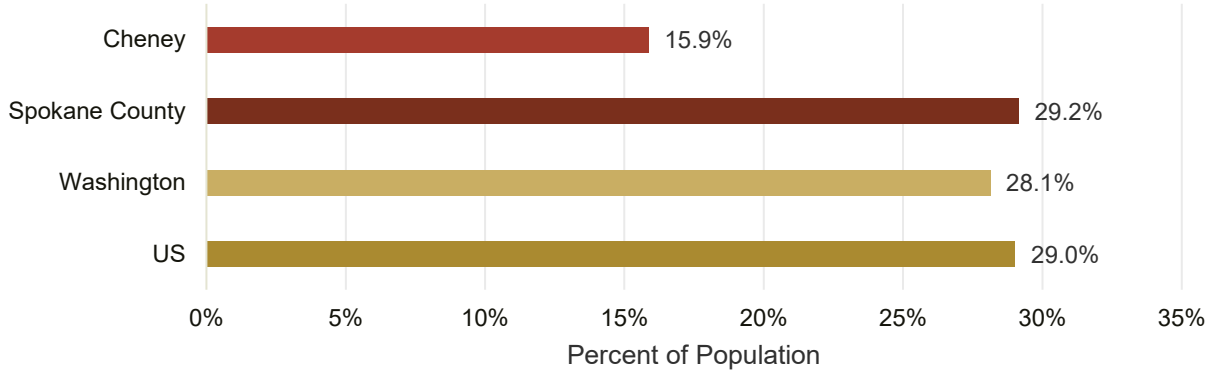
Housing needs vary based on population, including factors such as parcel size, home size, and proximity to services. Age is important to monitor as well when projecting housing markets over the next 10 to 20 years, as many in the Baby Boomer generation will have vacated their homes between 2030 and 2050. Figure 1 and Figure 2 show the distribution of age ranges in Cheney, Spokane County, Washington, and the US. Spokane County, Washington, and the US have similar proportions of residents aged 55 and older, while Cheney has a lower proportion of residents aged 55 and older, which is more clearly seen in Figure 2. Cheney has the highest proportion of its population in the age cohorts of 10-19 and 20-34 years old. Overall, the US, Washington, and Spokane County have generally aging populations. This is an area of opportunity for Cheney as it has a generally younger population. Spokane County has almost identical proportions of age ranges as the state and the US, so Cheney's population being younger makes it unique within the county.

Figure 1: Population by Age, 2021



Source: 2021 Census ACS 5-year Estimate

Figure 2: Population Aged 55+, 2021



Source: 2021 Census ACS 5-year Estimate

Being conscious of the age distribution in a region is necessary, since the housing needs of an aging population are going to be different to those of younger renters and first-time homebuyers. Cheney has a younger population, so focusing on the needs of younger renters and first-time homebuyers will be significant. A Bankrate survey, conducted from March 22, 2022 – March 24, 2023, shows insights to issues aspiring homeowners are facing.1 According to the survey, 53% of older Millennials (ages 34-42) point to being unable to afford the down payment and closing costs. Comparatively, 49% of younger Millennials (ages 28-33) report not having enough income, 47% of younger Millennials report home prices being too high, and 42% of younger Millennials report not being able to afford the down payment and closing costs. The Bankrate survey also shows that 48% of Gen Z (ages 20-27) report not having enough income. Some mechanisms that can be used to make homes more affordable for a younger population include zoning to permit different levels of density of housing, allowing mixed-use developments, and increasing the supply of homes to buy or rent. Many younger buyers are also looking for smaller starter homes, where they can purchase a property and build equity.

2.2 Education Level

Figure 3 provides a snapshot of educational attainment in Cheney, Spokane County, Washington state, and the US. While Cheney falls behind on high school diploma attainment compared to the county, state, and nation, it outperforms all three in bachelor's degree and graduate or professional degree attainment. Specifically, 28% of residents in Cheney have a bachelor's degree. In contrast, 23% of Washington residents have a bachelor's degree, 21% of all US residents, and 20% of residents in Spokane County.

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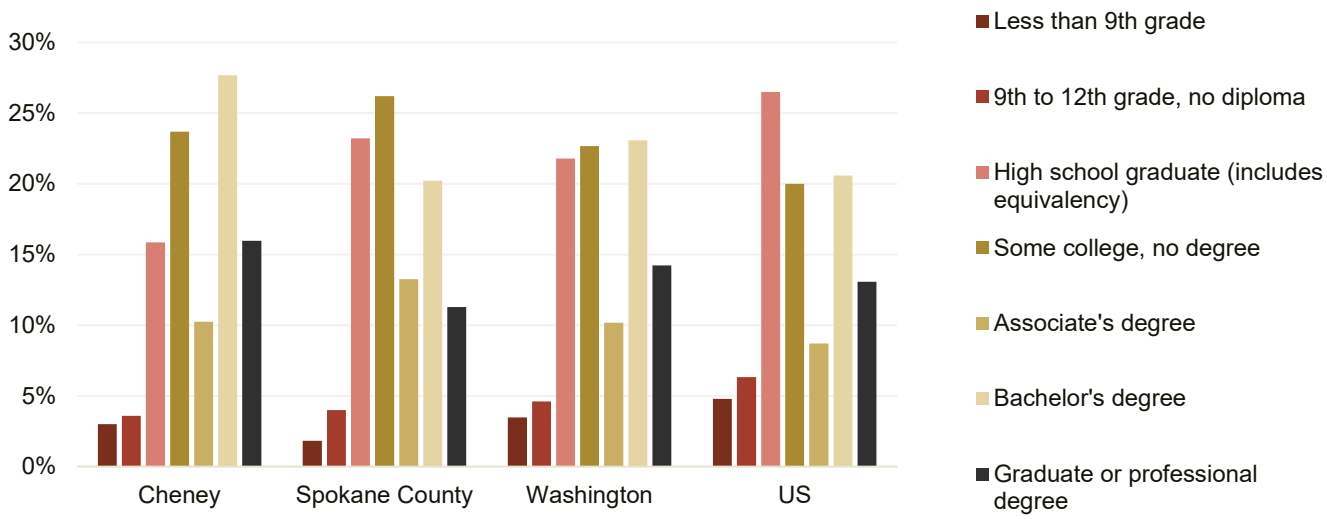
[1] *Jeff Ostrowski, "73% of aspiring homeowners cite affordability as their primary obstacle," https://www.bankrate.com/mortgages/homeownership-remains-centerpiece-of-american-dream/#generation.*

Cheney's greater performance in college-level attainment is due, in part, to its status as a college town, being home to Eastern Washington University. Cheney has a lower percentage of residents that have some college experience but no degree than Spokane County, but a higher percentage than Washington state and the US. These statistics are significant because educational attainment is often linked to other population characteristics, such as poverty and disability rates.

Figure 3: Educational Attainment, 2021



Source: 2021 Census ACS 5-year Estimates

2.3 Race/Ethnicity

Race/ethnicity characteristics are a critical factor associated with housing needs and markets, as factors such as multi-generational living, income levels, and persons per household are highly associated with race/ethnicity. For example, a study done by Boston Consulting Group found that 68% of white Washington residents own a home, compared to only 35% of Black or African American residents and only 47% of Hispanic or Latino residents. [2] This disparity continues at each income level as well where Black or African American, Hispanic or Latino, and Asian residents have lower levels of homeownership than white residents. For those that make 81-100% of the area median income (AMI), 66% of white residents own a home compared to 61% of Asian residents, 46% of Hispanic or Latino residents, and only 31% of Black or African American residents. Another striking comparison is the percentage of Washington households that have zero net worth. The study found that 42% of Black or African American households have zero net worth compared to only 14% of white households. Housing affordability remains an issue for these populations because many still struggle to find the money to own homes, and it points to further systemic issues that make it difficult for certain races or ethnicities to build wealth.

In both Washington and Cheney, the Hispanic or Latino population is the largest non-white demographic group. In fact, 13% of the population in Cheney identifies as Hispanic or Latino, slightly below the state's percentage of 13.8%. This is lower than the national average of 19%, but higher than Spokane County's percentage of 6.6%. Cheney, Spokane County, and Washington all have lower percentages of Black or African American residents than the US as a whole. Cheney, Spokane County, and Washington have higher percentages of Native Hawaiian & Other Pacific Islander than the US, however most other demographic groups are comparable with a few outliers shown in Table 1.

Table 1: Race and Ethnicity Comparison, 2022

Region	White	Black or African American	American Indian & Alaska Native	Asian	Native Hawaiian & Other Pacific Islander	Some Other Race	Two or More Races	Hispanic or Latino
Cheney	73.3%	3.9%	1.7%	3.2%	0.8%	6.1%	11.2%	13.0%
Spokane County	81.7%	2.1%	1.5%	2.4%	0.8%	2.3%	9.3%	6.6%
Washington	66.0%	4.0%	1.6%	9.7%	0.9%	6.8%	11.1%	13.8%
United States	61.0%	12.4%	1.1%	6.1%	0.2%	8.6%	10.6%	19.0%

Source: Esri Business Analyst, 2023

[2] *Boston Consulting Group, "The Conspicuous Crisis: Addressing Housing Affordability in Washington," https://www.challengeseattle.com/_files/ugd/e29733_79f2eacd75d34c24861a6b2273c50ff4.pdf.*

2.4 Planning Framework

2.4.1 Review of Existing Plans

The following existing plans provide valuable context for the City of Cheney's goals and priorities.

2017-2037 Cheney Comprehensive Plan

The Cheney Comprehensive Plan provides a vision for the community and outlines goals and policies to achieve that vision. The plan identifies the following themes to guide the City's future growth:

- Keeping downtown as the "heart" of Cheney, and improving its overall vitality
- Maintaining the scale and improving the vitality of Cheney's neighborhoods
- Retaining Cheney's "small-town" feel
- Retention of Cheney's agricultural economy
- Maximizing opportunity/growing a collaborative relationship between Cheney and EWU
- Preservation and enhancement of Cheney's natural and open space

Eastern Washington University Master Plan (2014)

Eastern Washington University Comprehensive Campus Master Plan (EWU CCMP) is a critical part of the university's strategic planning process. It is a guide to plan and achieve a campus that reflects the programmatic and cultural needs of the university. The plan provides a means to track facility needs as driven by both individual condition and overall institutional growth. Some key takeaways from the plan are:

- The University is planning for moderate growth. A strategic plan for the 2018-2023 period anticipated student headcount increasing from 12,279 to 13,611. Student headcount has since fallen to 10,915 as of Fall 2022, which is attributed to the COVID-19 pandemic which caused a downturn in college admission nationwide. EWU has seen signs of recovery with a slight increase in students between 2021 and 2022.
- EWU's master plan considered student housing, its current capacity, and plans for remodeling and replacement of existing student housing developments.

Spokane County Comprehensive Plan

The Spokane County Comp Plan states the following regarding how Cheney fits into the larger regional context:

- Cheney has great access to regional trail systems such as the Fish Lake Trail, Columbia Plateau Trail, and the Cheney Wetlands Trail System.
- The County Comp Plan states that housing should be coordinated at a regional level across jurisdictions, including Cheney.
- Natural resource and recreation lands should be conserved and protected. Cheney contains and borders natural resource lands and agricultural lands, which restricts its potential for growth in certain directions.

SRTC Regional Transportation Plan

SRTC's Regional Transportation Plan addresses the following items related to how Cheney fits in to the larger regional transportation context:

- SR 904 is a highly trafficked roadway and is Cheney's main connection to I-90. The plan identifies new passing lanes on SR 904 as a long-term regional priority to improve safety.
- The plan identifies STA's plans for a high frequency bus route to Cheney
- Cheney is included in Spokane Transit's Public Transportation Benefit Area (PTBA)

2.4.2 Review of Zoning and Future Land Use

Cheney Zoning Code

Cheney's Municipal Code distinguishes residential zones by low density (R-1 and R-2) and high density (R-3 and R-3H) residential areas, as well as a separate limited residential zone where critical areas are prevalent (CALR)[3]. The low-density zones supply land for single-family neighborhoods and small multifamily units up to duplexes, allowing 5-9 units per acre depending on the specific zone (R-1 or R-2) and the structure type (single-family or duplex). For example, duplexes are not allowed in R-1 in the current code.

The high-density zone allows multi-dwelling structures. The R-3 zone allows medium densities up to 21 units per acre, and the R-3H zone allows high densities up to 32 units per acre. The CALR zone does allow for multifamily development, though there are standards including clustering to protect and preserve critical areas.

Cheney's commercial zones include a Downtown Commercial (C-1), a General Commercial (C-2), and a Mixed Use (MX) zone. Downtown commercial provides a range of commercial uses suitable to a pedestrian-friendly downtown, including development standards that align with higher land use intensities and fewer accommodations for vehicles, such as parking. The General Commercial Zone supplies areas for businesses that require motor vehicle parking and/or heavy equipment. The MX zone provides the opportunity to mix commercial and residential uses on the same block or building, allowing for greater densities similar to the Downtown Commercial zone, but with modifications to ensure development is relevant to the nearby neighborhood.

Light Industrial zoning provides clean industrial land suitable for larger operations that may require rail access or outdoor storage, and therefore have more relaxed development standards.

Business Park zoning provides areas for job centers with low off-site impacts. Development standards ensure these zones are attractive and pedestrian friendly.

Public zoning encourages coordination between EWU and the City, ensuring compatibility with EWU's development plans and surrounding neighborhoods. The zone also provides a method for expedited development review.

[3] Cheney's Municipal Code defines CALR, but the current zoning map does not designate any areas CALR. The zoning map does designate Semi-rural residential (SR-2) areas, which are not defined in the CMC. This was likely an oversight at some point and these two zoning designations essentially act the same, so they are treated as interchangeable for this analysis. The City should clarify this in future zoning actions.

Future Land Use Map

Cheney's future land use designations provide direction for future land use decisions. The future land use map (Figure 5) provides the following designations:

- **Multi-Family** – typically higher density residential
- **General Residential** – These include low to medium density residential areas, providing flexibility in zoning decisions based on which is most compatible with the surrounding area.
- **CA/Limited Residential** – These are residential lands on or near critical areas that provide mitigation designs. High densities can be accommodated through clustering techniques in these areas.
- **Very Low Density** – very little land in city limits is designated as very low density, it is reserved for areas with access or environmental constraints.
- **Mixed-Use** – These are more urban areas incorporating a variety of uses and modes of transportation.
- **Commercial** – Dedicated to retail, office, and similar uses. This may also incorporate mixed uses.
- **Industrial** – Allows for manufacturing and light industrial uses
- **University** – These are lands currently owned by EWU
- **Institutional** – These are government and other publicly-owned lands such as schools and municipal services.
- **Open Space** – These are parks and open space areas not intended for future development.

Urban Growth Area (UGA)

Analysis of Figure 5 shows that Cheney's UGA consists largely of land designated for open space and Critical Areas on the city's southeast side. The city's northern UGA is designated for commercial land uses.

This presents potential issues as the City looks to continue growing and providing enough residential units to keep up with the demand and the growing region. The land quantity analysis will review how much buildable land within the current UGA is suitable for residential development and compare that to the anticipated growth through 2045.

Figure 4: Cheney Zoning Map

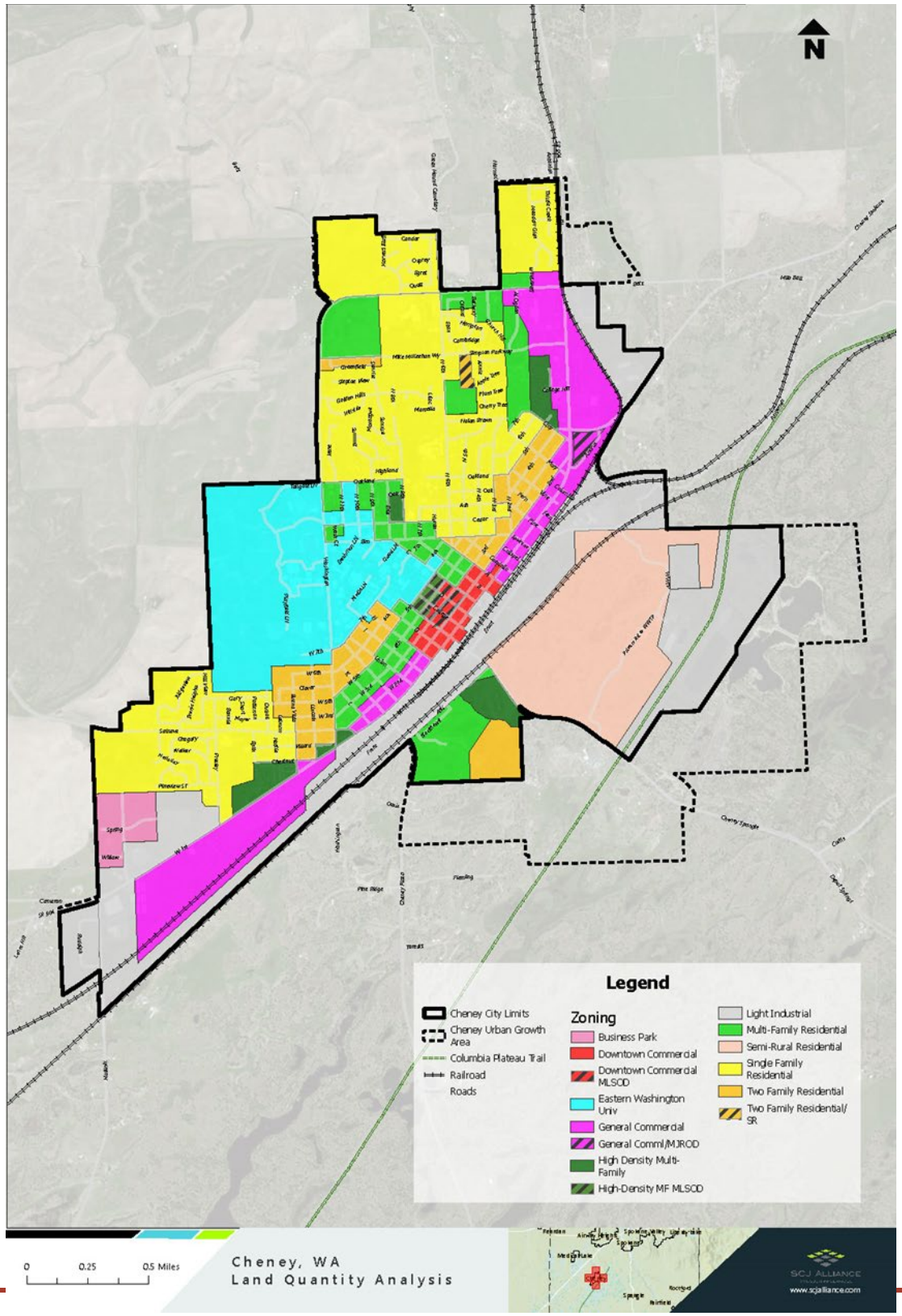
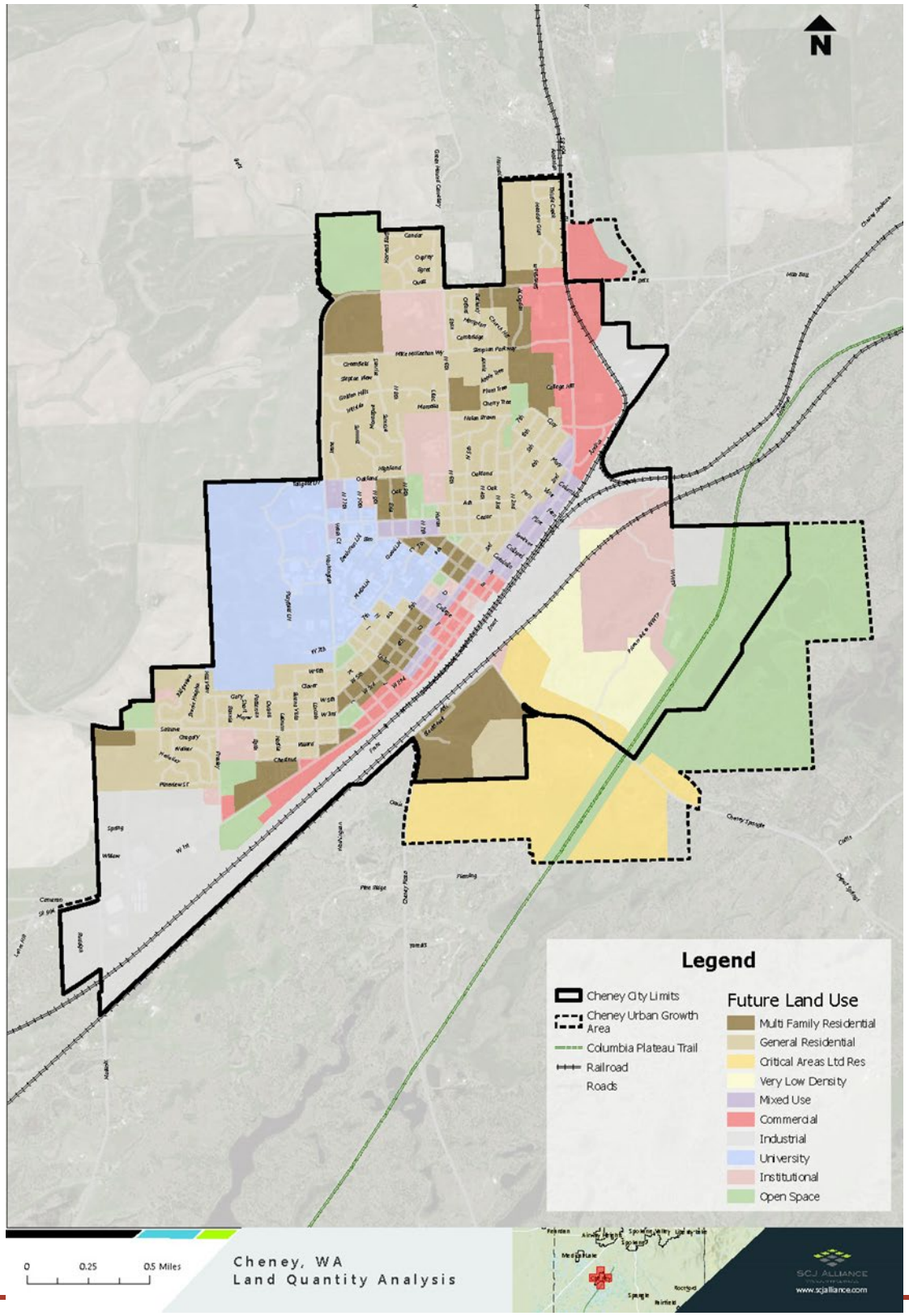


Figure 5: Cheney Future Land Use Map



3. Housing Needs Analysis

3.1 Population

Trends in Population Growth

Population and demographics are a natural starting point in assessing the economic conditions affecting housing markets. Some factors that are unique to the state of Washington are that it is the 13th most populous state and it ranked 16th in population growth for 2022.[4] Over the last twelve years, Washington has grown twice as fast as the national average. Cheney's population is under 15,000, but it grew at an impressive 25% over the past twelve years. Similar to the state as a whole, Spokane County grew at 17.2%, nearly twice as fast as the national average. Table 2 provides a comparison of Cheney's population growth to the county, state, and national levels from 2010 to 2022. Table 3 shows the compound annual growth rate (CAGR) for population over time.

Table 2: Population Change, 2010-2022

Area	2010 Population	2022 Population	Numerical Change	% Change
Cheney	10,795	13,494	2,699	25.0%
Spokane County	471,221	552,077	80,856	17.2%
Washington	6.7M	7.9M	1.2M	17.4%
United States	308.7M	335.7M	27M	8.7%

Source: Washington Office of Financial Management, Esri Business Analyst, and US Census Bureau, 2023

Table 3: Population Growth Over Time

Region	Compound Annual Growth Rate Past 5 Years	2022 Population	CAGR 5-Yrs.
Cheney	1.87%	13,494	0.46%
Spokane County	1.53%	552,077	0.58%
Washington	1.46%	7.9M	0.52%
United States	0.61%	335.7M	0.25%

Source: Washington Office of Financial Management, Esri Business Analyst, and US Census Bureau, 2023

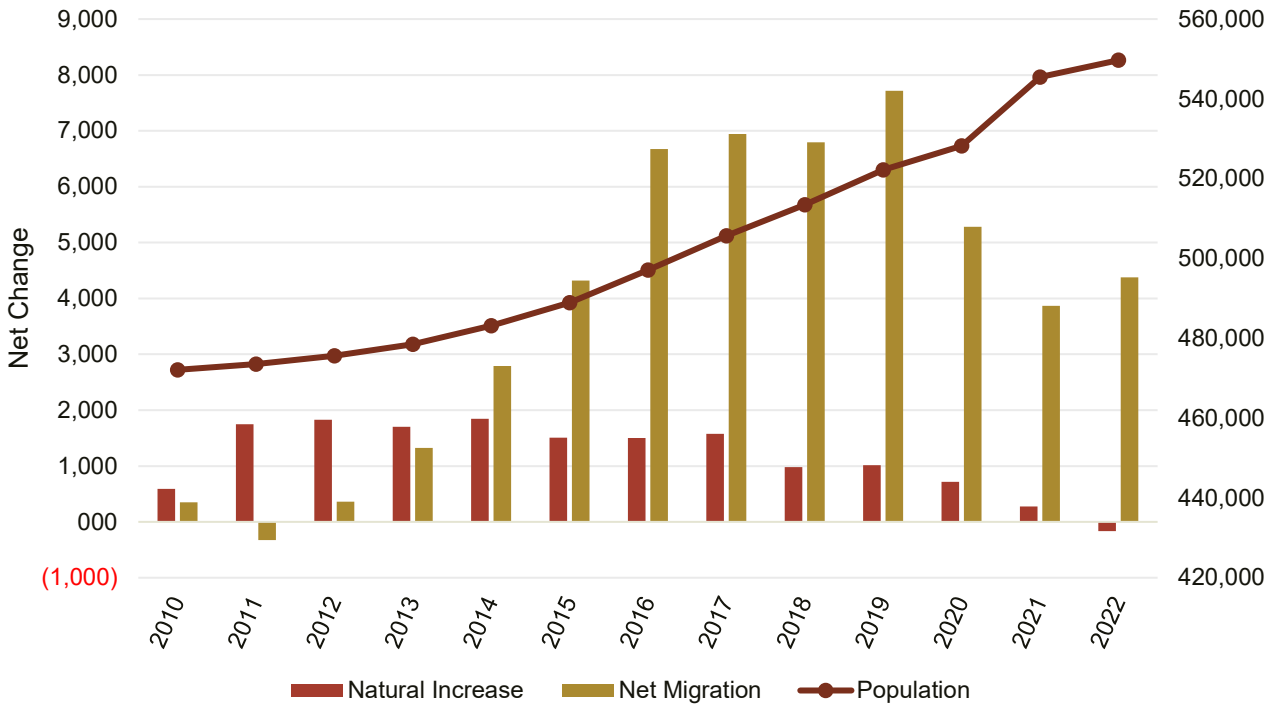
[4] *Gene Balk, "WA sees big shift in who moves to the state," https://www.seattletimes.com/seattle-news/data/wa-sees-big-shift-in-who-moves-to-the-state/.*

Sources of Population Change and Migration

Population growth is influenced by three primary factors: births, deaths, and migration. Figure 6 - Figure 8 illustrate how these sources of population change have evolved from 2010 to 2022.

From 2010 to 2013, a natural increase in the population, or more births than deaths, was the main driver of population growth in Spokane County. It was in 2014 that this trend changed with net migration over taking natural increase as the main driver of population growth. In 2019, net migration peaked in Spokane County, adding just over 7,700 to the population. In 2022, natural increase contributed negatively to population growth, seeing more deaths than births for the first time in Spokane County over this time period.

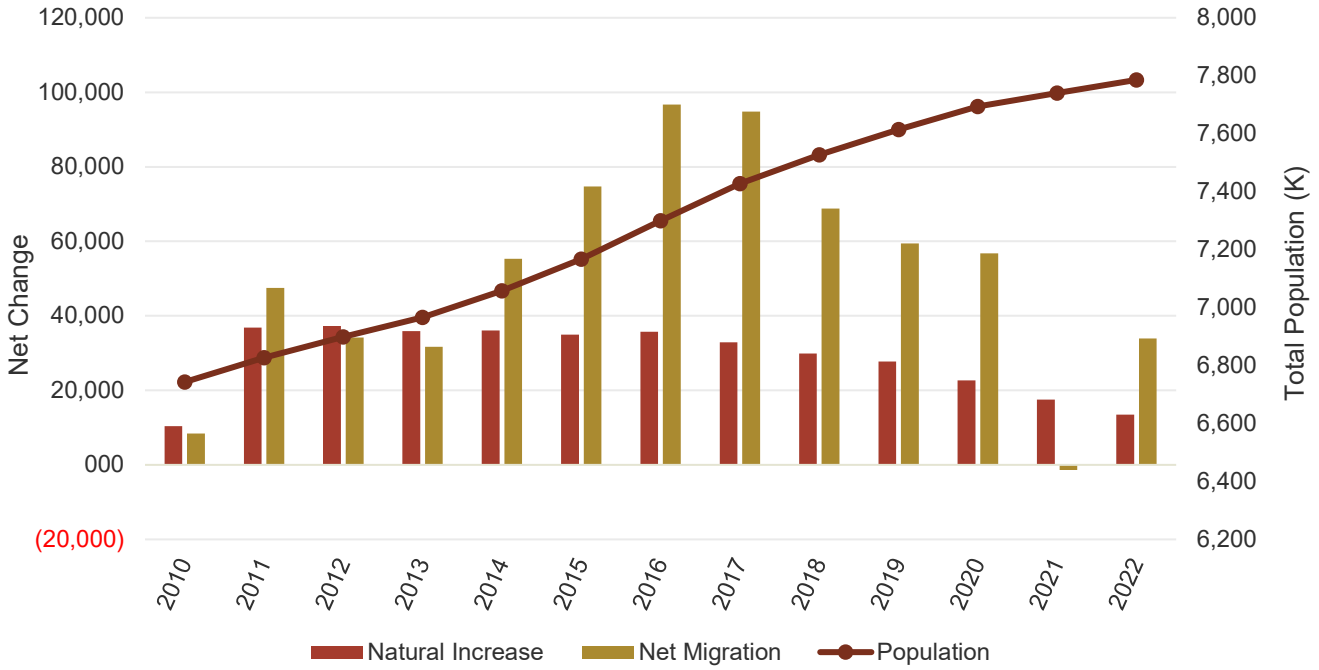
Figure 4: Sources of Population Change in Spokane County, 2010-2022



Source: US Census Bureau, Population and Housing Unit Estimates

In the state of Washington, natural increase and net migration had contributed to population growth evenly from 2010 to 2013. Similar to Spokane County, net migration became the main driver of population growth in the state as a whole in 2014. The trend has been consistent throughout the time period, with the exception of 2021 which saw a negative contribution of net migration to population growth in Washington.

Figure 5: Sources of Population Change in Washington, 2010-2022



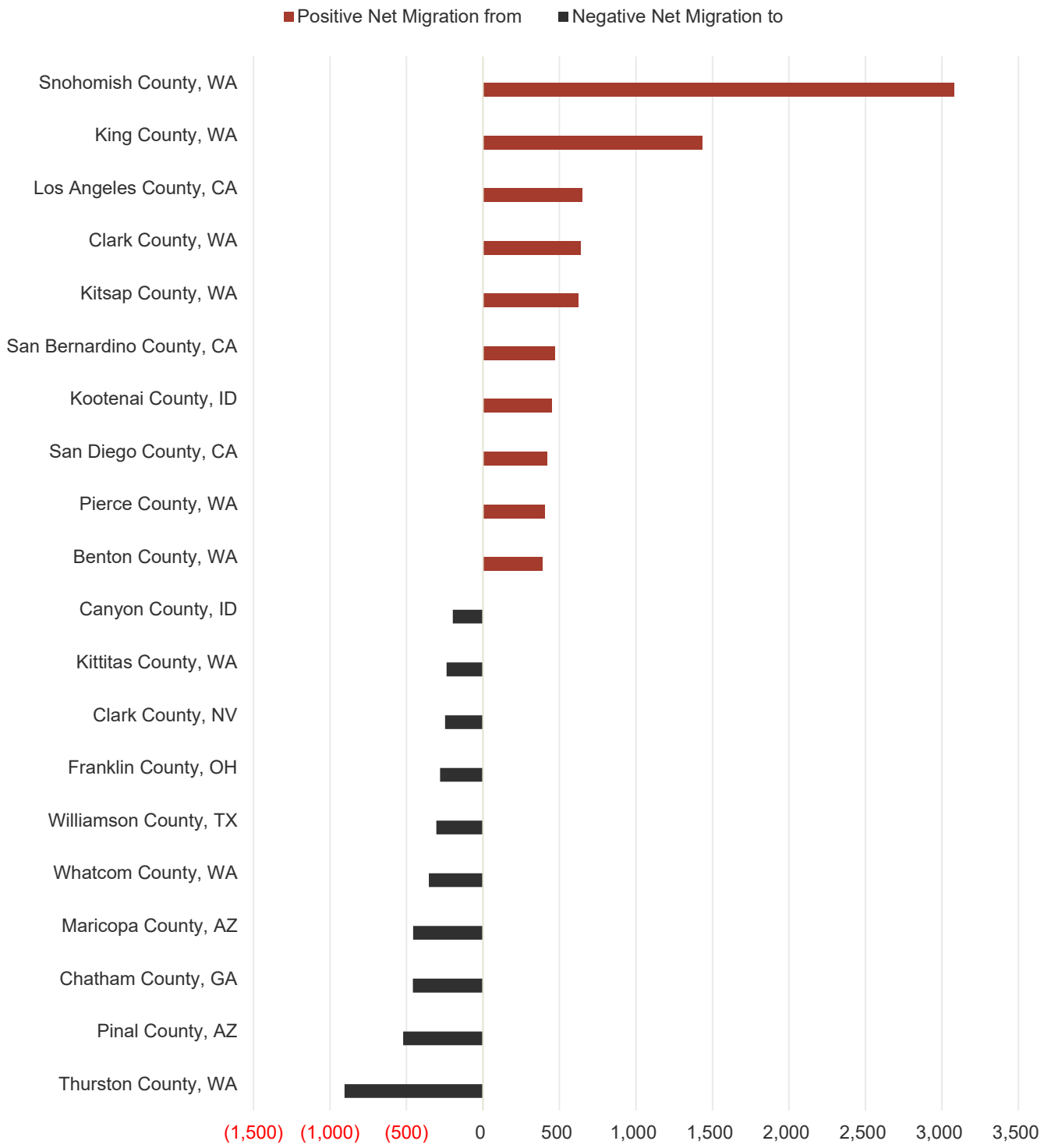
Source: US Census Bureau, Population and Housing Unit Estimates

Table 4: Spokane County Top In & Out Migration Counties, 2016-2020			
Positive Net Migration From		**Negative Net Migration To**	
Snohomish County, WA	+3,477	King County, WA	(1,612)
King County, WA	+3,045	Kootenai County, ID	(1,324)
Kootenai County, ID	+1,776	Stevens County, WA	(1,086)
Pierce County, WA	+1,250	Thurston County, WA	(1,067)
Stevens County, WA	+1,234	Maricopa County, AZ	(882)
Benton County, WA	+925	Pierce County, WA	(844)
Clark County, WA	+910	Whatcom County, WA	(794)
Kitsap County, WA	+845	Benton County, WA	(533)
Los Angeles County, CA	+841	Pinal County, AZ	(521)
Whitman County, WA	+687	Chatham County, GA	(458)

Source: United States Census American Community Survey, 2016-2020

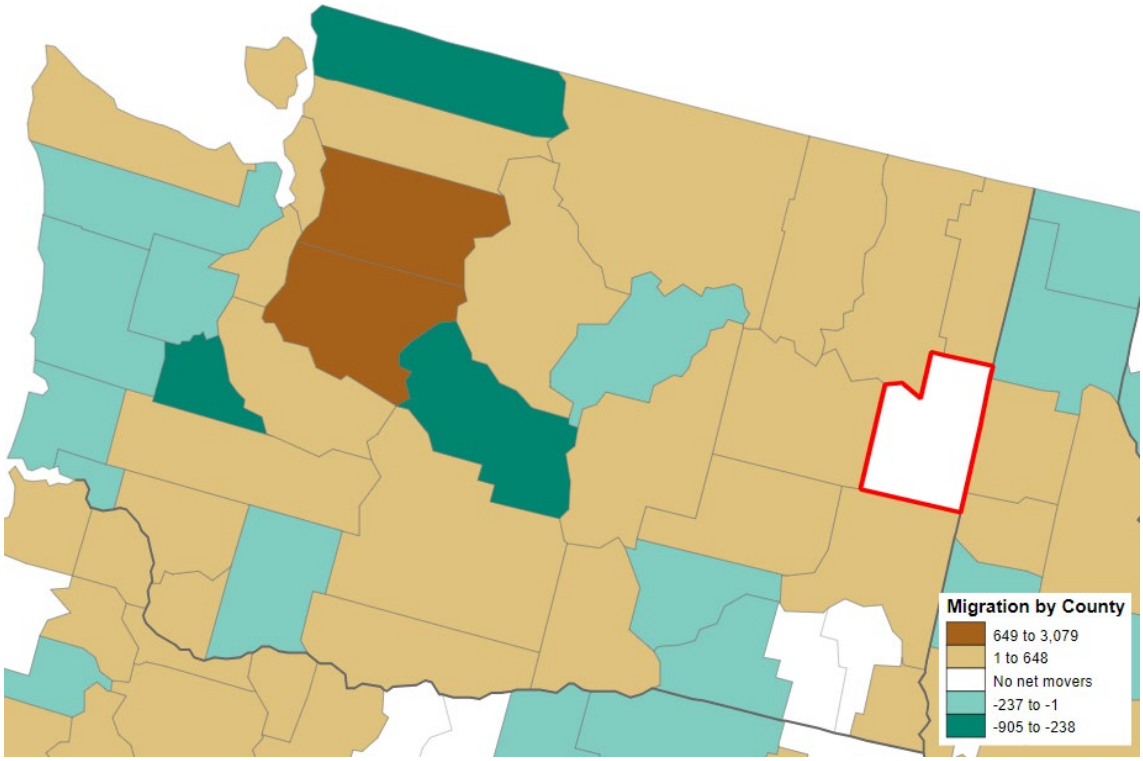
Table 4 elaborates on migration by showing the top 10 in-and-out-migration counties for the period between 2016 and 2020. This helps to understand where people are coming to Spokane County from or leaving to go to. Most of the in-migration flows to Spokane County came from within Washington, with the largest number of migrants coming from Snohomish and King Counties, both in Washington. Out-migration is directed towards several areas, including the West side of the state, Northern Idaho, and surrounding counties, with a few exceptions in Arizona and Georgia. The top county for out-migration is King County, Washington, followed by Kootenai County in Northern Idaho. Figure 9 displays a map with color-coded migration flows by county, where red indicates positive net migration to Spokane County, and gray indicates negative net migration to those counties.

Figure 6: Spokane County Top In & Out Migration Counties, 2016-2020



Source: United States Census American Community Survey, 2016-2020

Figure 7: Spokane County In- and Out-Migration Trends



Source: United States Census American Community Survey, 2016-2020

3.2 Population Forecast

Cheney is in a unique position within the state of Washington under the Growth Management Act (GMA). The GMA typically carries more responsibilities for more urban locations, but Cheney must abide by certain aspects of the GMA due to being within Spokane County, which is a designated urban county according to the state's population thresholds. There are currently 83 cities in Washington subject to RCW 36.701.130. Among these, Cheney is the 23rd smallest, and one of only nine such cities in Eastern Washington.[5]

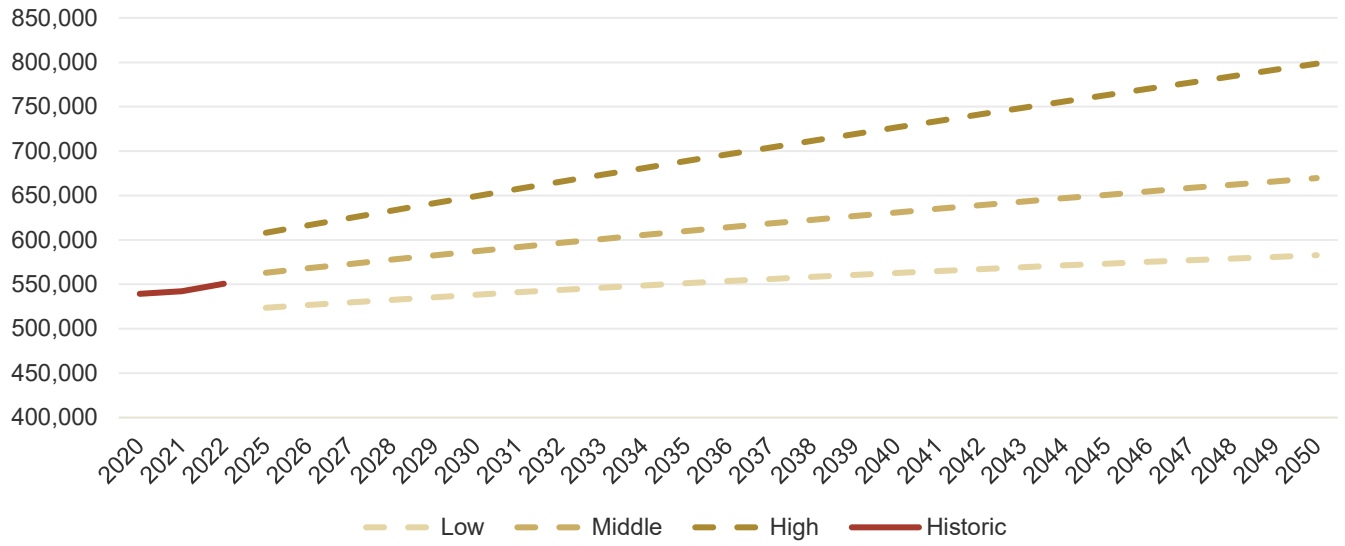
The responsibility for determining 20-year growth forecasts for GMA jurisdiction begins with County officials determining whether to adopt the low, middle or high range planning targets provided by Washington's

[5] *Points Consulting tabulations based on "Cities meeting RCW 36.70A.130 Criteria (as modified by 2022 1241-S2.SL)" from Washington OFM, https://ofm.wa.gov/washington-data-research/population-demographics/population-forecasts-and-projections/growth-management-act-county-projections*

Department of Commerce. Once determined, constituent cities determine how the population is likely to be allocated within the cities of each County.

Although the County level 2022 population forecast has been published by OFM, Spokane County and City of Cheney officials are still working on the population distribution process. Once this is determined, the consulting team will integrate them into this report. However, for the purpose of this report, we will assume a middle-level growth forecast for Spokane County, and project Cheney's future population using the county share method. This projection can be seen in Figure 10 by following the green line for a middle-level growth.

Figure 8: Population Growth Forecast for Spokane County, 2022-2050



Source: Washington OFM, 2022 County Projections

According to OFM, Spokane County is the fourth largest county in Washington in terms of population, and the largest county east of the Cascades. OFM forecasts Spokane County's population to be between 582K and 798K by 2050. At the mid-range estimate of 669,670, Spokane County would compose 6.7% of the state's total population. Though it does not substitute for a formal population forecast for the city, it is helpful to extrapolate the population of Cheney assuming it maintains a similar portion of Spokane County's total population. Using 2022 ratios as the baseline, the population of Cheney by 2050 would be in the range of 13,670 and 18,730, which is consistent with the county share method's middle range projection of 15,825, seen in Table 6.

County Share Projection Method

The county share population projection method takes the percentage of Spokane County's population that resides in Cheney and assumes that the relative percentage will remain the same in the future. By looking at the

most recent OFM data for Cheney and Spokane County's population, we calculated an average percentage over the years 2020-2022.

Table 5: Spokane County and Cheney's County Share Population Projections			
Jurisdiction	**2020 Census**	**2021 OFM Estimate**	**2022 OFM Estimate**
Spokane County	539,339	542,100	550,700
Cheney	13,255	12,390	12,920
Cheney / Spokane County %	2.46%	2.29%	2.35%

Source: 2020 Census and Washington OFM, 2021-2022 County Projections

The average of 2.46%, 2.29%, and 2.35% is 2.36%, which is the percentage we used to project Cheney's population through 2050 based on OFM's middle-range county projections for Spokane County.

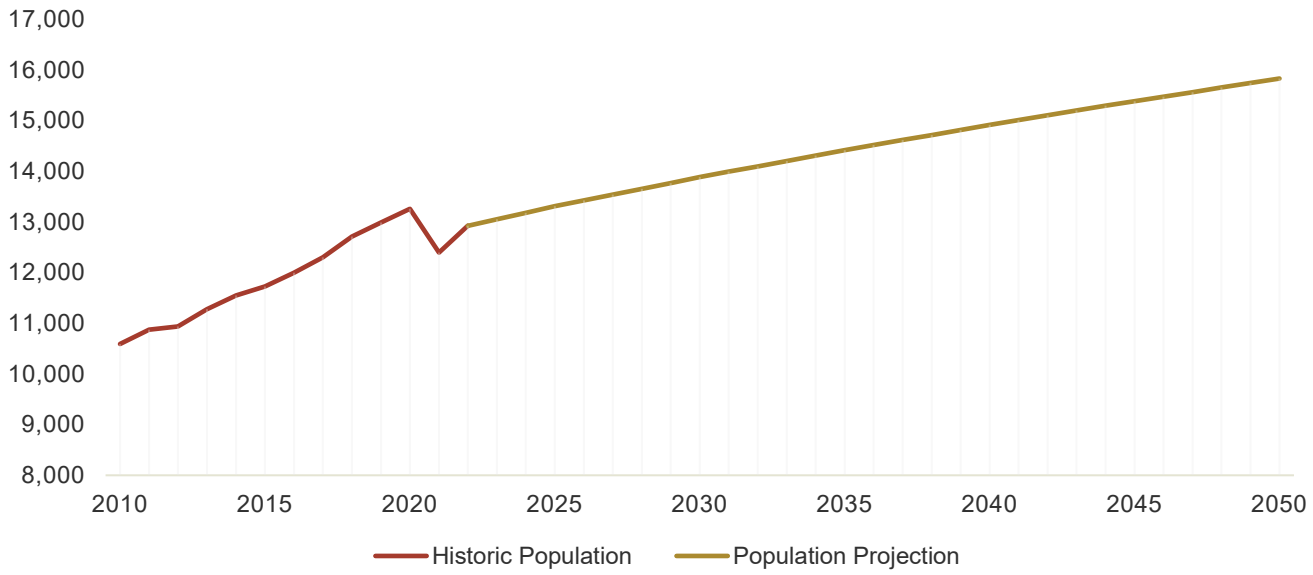
Based on this analysis, until the City adopts an updated official population projection, Cheney's population by 2045 is projected to be 15,379 people, a 19% increase (2,459 people) from 2022. Table 6 shows population projections every five years until 2050 for Cheney.

Figure 11 shows Cheney's historic population from 2010 through 2022, and then shows Cheney's population projection through the year 2050, based on mid-level growth through the county share population projection method.

Table 6: Cheney Population Projections (2020-2050)	
Year	**Population Projection**
2020	13,255
2022	12,920
2025	13,305
2030	13,880
2035	14,414
2040	14,911
2045	15,379
2050	15,825

Source: 2020 Census, Washington OFM 2022 County Projection, SCJ Projections 2025-2050.

Figure 9: Population Growth Forecast for Cheney, 2022-2050



Source: Census Data, Washington OFM 2022 County Projection, SCJ Projections 2023-2050.

3.3 Housing Projections Based on Population

The Housing for All Planning Tool (HAPT) is a 2023 tool published by the Washington State Department of Commerce that provides projections for housing needs across economic segments. This formulaic tool utilized the Washington State Office of Financial Management's (OFM) official county population projections, which are then used to estimate population projections for individual cities within each county. The population projection methods used by the HAPT and in the analysis above are consistent, both citing OFM's mid-level county projections for 2045.

The HAPT was utilized to estimate housing needs in Cheney for 2045. The HAPT assumed, as in Section 2.2, that Cheney will continue to account for 2.36% of Spokane County's population through 2045. The results of the HAPT are shown in Table 7.

Table 7: Permanent Housing Needs by Income Level (% of Area Median Income)

City of Cheney	Total	0-30%		>30-50%	>50-80%	>80-100%	>100-120%	>120%	Emergency Housing Needs (Temporary)
		Non–PSH	PSH						
Estimated Housing Supply (2020)	5,354	256	0	935	3,097	690	153	223	0
Percentage of 2020 Housing Supply	100.0%	4.8%	0.0%	17.5%	57.8%	12.9%	2.9%	4.2%	0.0%
Additional Housing Units needed by 2045 - Allocation Method A (2020-2045)	1,724	464	135	316	200	107	88	413	71
Total Housing Units (2045)	7,078	720	135	1,251	3,297	797	241	636	71
Percentage of additional housing units needed by 2045	100.0%	26.9%	7.8%	18.3%	11.6%	6.2%	5.1%	24.0%	N/A
Percentage of Total Housing Units (2045)	100.0%	10.2%	1.9%	17.7%	46.6%	11.3%	3.4%	9.0%	N/A

Source: Washington State Dept. of Commerce Housing for All Planning Tool (HAPT).

The HAPT projects the need for 1,724 new housing units by 2045. According to the population projection above, Cheney expects a population of 15,379 by 2045.

Cheney's current average household size is 2.63 people per household. If that number remains the same through 2045, we would anticipate a need for 935 new housing units to accommodate the projected population. However, the Department of Commerce's HAPT tool projects a need for 1,724 new housing units by 2045, which means that the average household size would be 2.17.

The benefit of using the HAPT tool is that is provides insight into how many housing units are needed to meet the needs of all income levels in Cheney. For example, the tool shows that over one-third (34.7%) of new housing units through 2045 should be for people making 30% or lower of the area median income (AMI). And another one-third should be for people making between 30% and 80% AMI. This means that **approximately two-thirds of the new housing units in Cheney should be for those making 80% of AMI or lower.**

3.4 Types and Tenure

This chapter focuses on highlighting important trends related to various housing topics. Trends in housing supply are measured with an array of metrics including building permits, home values, and home sales data. These data are collected from various platforms, each providing a different angle on the region's housing situation.

Table 8 provides a broad overview of housing in the City of Cheney and Spokane County. Many of the housing in the area are single-family detached homes, and large apartment buildings compared to other housing types. The City, as indicated in Figure 12, has the greatest share of renter-occupied units (66%) and least share of owner-occupied (34%) compared to County, State, and US levels.

Table 8: Percent Housing by Type

Housing Type	Cheney		Spokane County		Washington	USA
	#	%	#	%	%	%
Occupied Housing Units	4,839	100.0%	209,640	100.0%	100.0%	100.0%
1, detached	1,977	40.9%	139,024	66.3%	63.4%	62.7%
1, attached	288	6.0%	7,277	3.5%	4.2%	6.2%
2 apartments	462	9.5%	4,869	2.3%	2.2%	3.3%
3 or 4 apartments	496	10.3%	5,922	2.8%	3.5%	4.2%
5 to 9 apartments	220	4.5%	8,789	4.2%	4.4%	4.5%
10+ unit apartments	1,136	23.5%	32,588	15.5%	16.3%	13.6%
Mobile home or other type of housing	260	5.4%	11,171	5.3%	5.9%	5.4%

Source: American Community Survey, 2021 5-Year Estimates, Table 2504

3.5 Household Size

Utilizing the 2021 American Community Survey data from the US Census data, the average household size in Cheney is 2.63. This is anticipated to decrease in the future per trends discussed later in this report.

Table 9: Average Household Size of Various College Towns

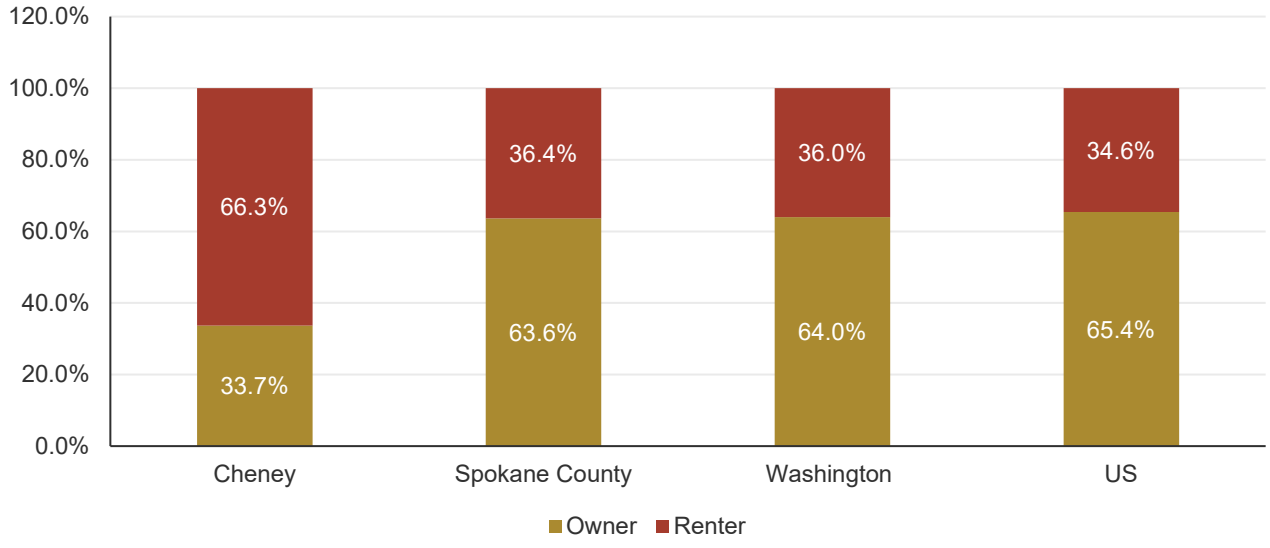
Location	Average Household Size (2021)
Cheney	2.33
Corvallis	2.24
Missoula	2.21
Pullman	2.19
Bellingham	2.15
Ellensburg	2.04
Bozeman	2.26
Eugene	2.21
Moscow	2.18
La Grande	2.43
Pocatello	2.54

Source: US Census DP02 and DP05 2021

3.6 Housing Stock and Occupancy Rates

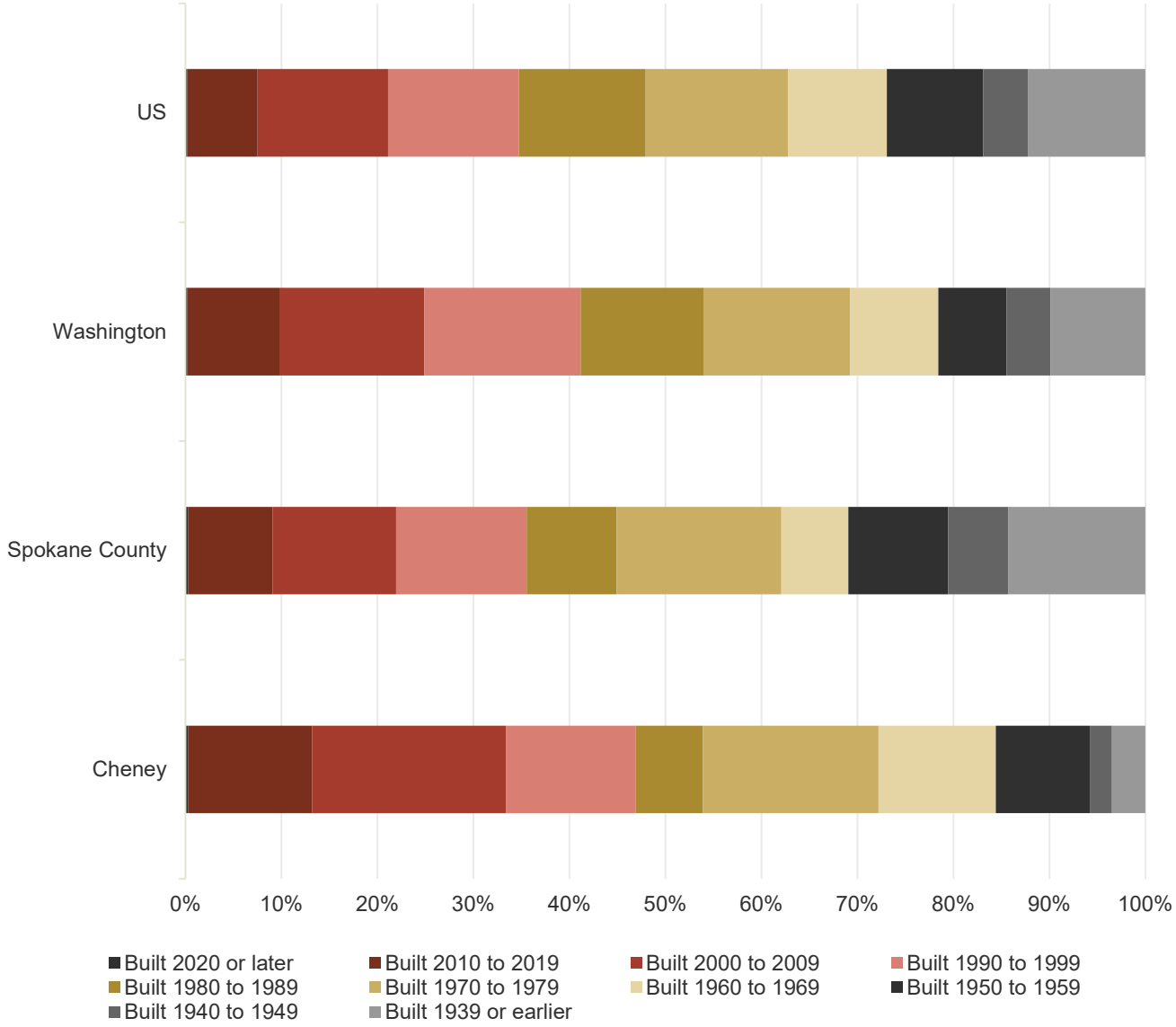
Figure 13 shows that a larger percentage of homes were built between 2000 to 2009 in Cheney, compared to the County and national average. Precisely, 33% of the City's housing stock was built between 2000 to 2019, while the comparable figures for the County, State, and country are 22%, 25%, and 21%, respectively. This spurt of development in Cheney during the 2000 to 2009 time period shows how much of the City's housing development occurred during a distinct period. While the only other period of increasing housing development was between 1970 to 1979, these levels of development have not been repeated in years since. Housing stock in 2020 and into 2021 for City, County, State and National levels are all currently reported as less than one percent.

Figure 10: Owner- and Renter-Occupied Homes, 2021



Source: U.S. Census ACS, B25014, 2021

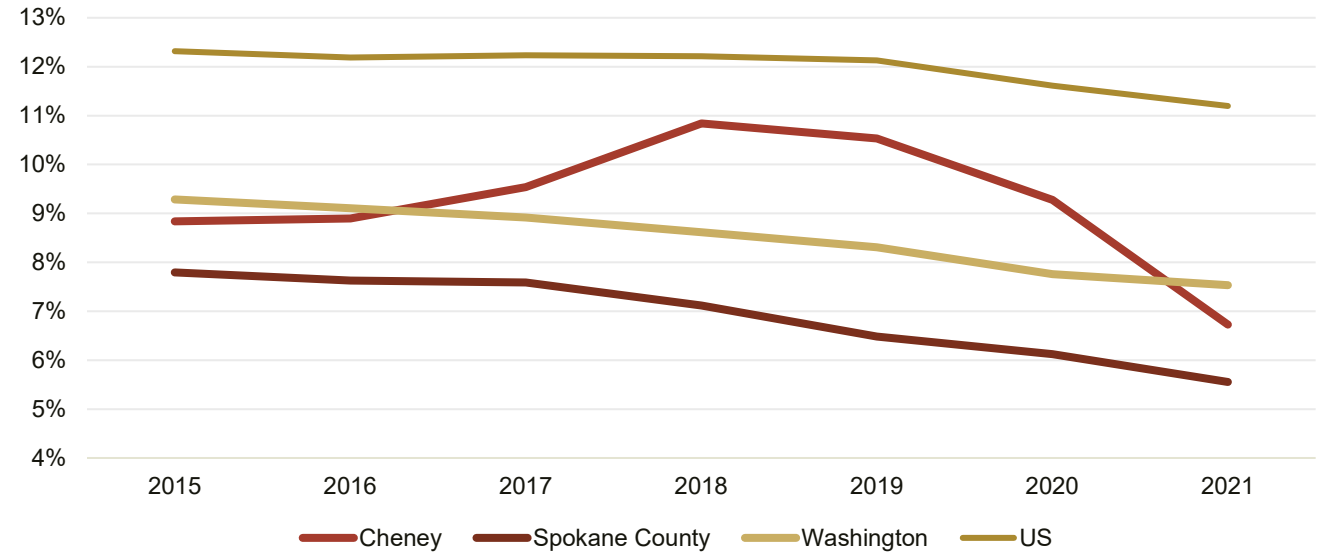
Figure 11: Age of Housing Stock



Source: US Census ACS, DP04, 2021

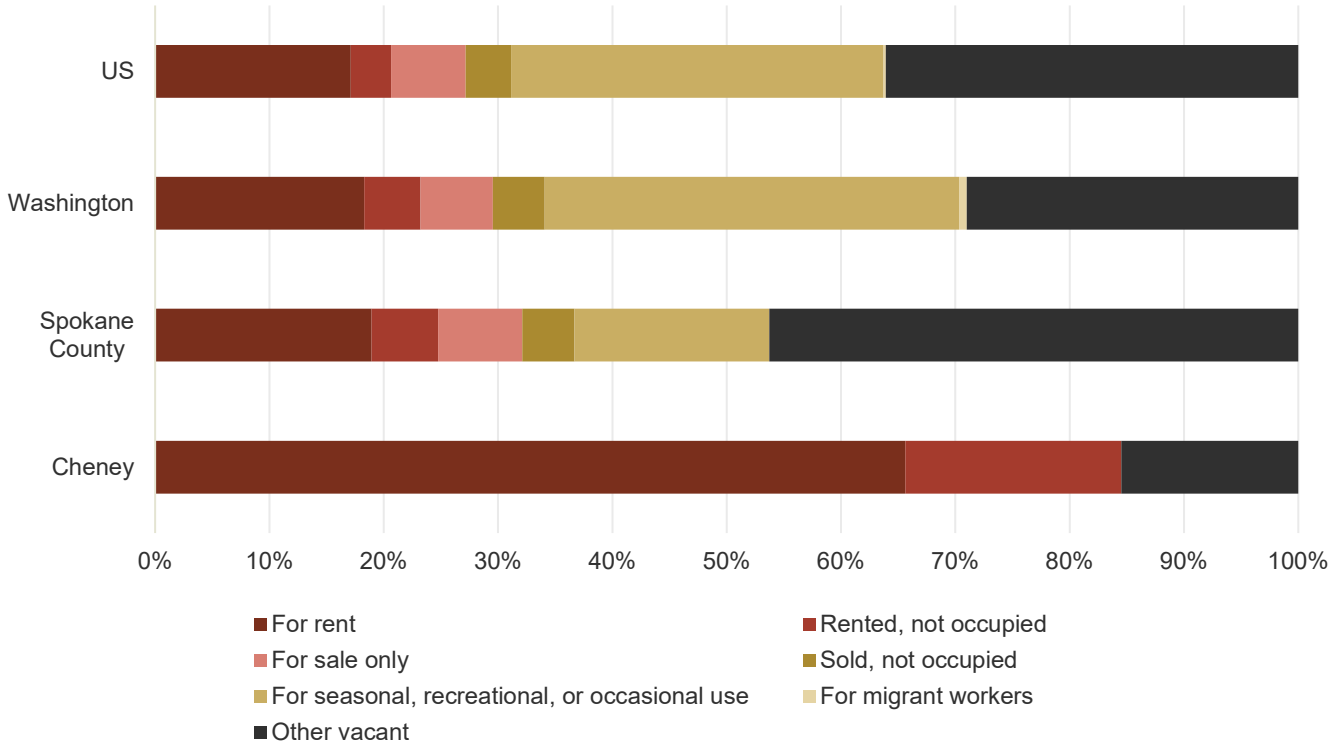
Vacancy rates are a signal of consumer demand within the real estate market. Over the past decade, vacancies in the City have fluctuated and typically been greater compared to the County and State, while being lower than the national benchmarks. By 2021 the vacancy rate in Cheney dropped below the State average, though remained higher than the County. Moreover, as shown in Figure 15, the greatest categories for vacancy at the City level is “for rent,” with the second largest being “rent not occupied” meaning that someone is paying for the space but has not yet moved in.

Figure 12: Vacancy Rate, 2015-2021



Source: US Census ACS, 2015-2021

Figure 13: Vacancy Status, 2021



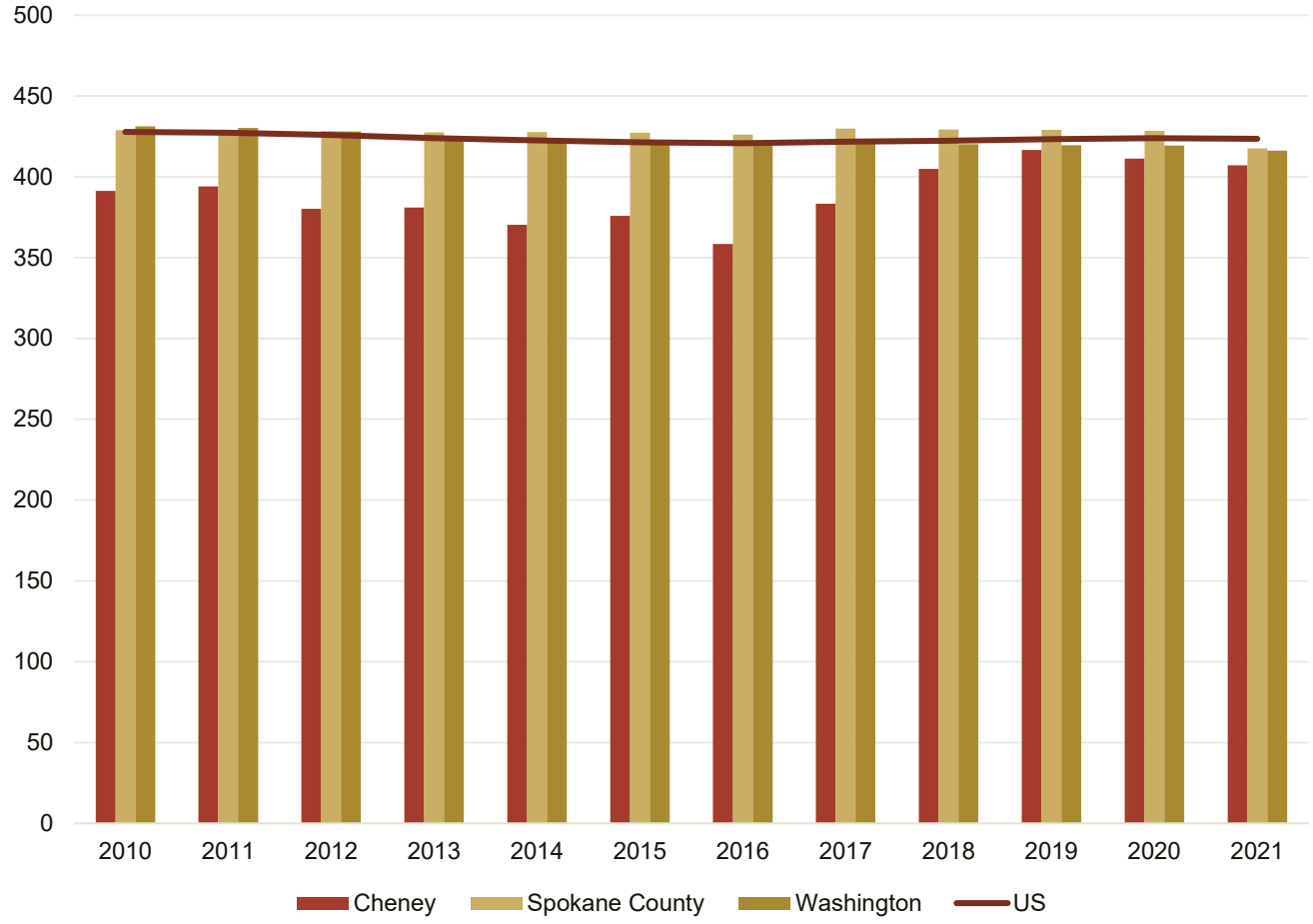
Source: US Census ACS, 2021

3.7 Residences to Employment Metrics

According to Figure 16, the number of housing units per 1,000 residents in Cheney have steadily increased between 2016 to 2021, and by 2019 has nearly met the County and State benchmarks. From 2018 to 2021 Cheney has been able to maintain above 400 units per 1,000 residents.

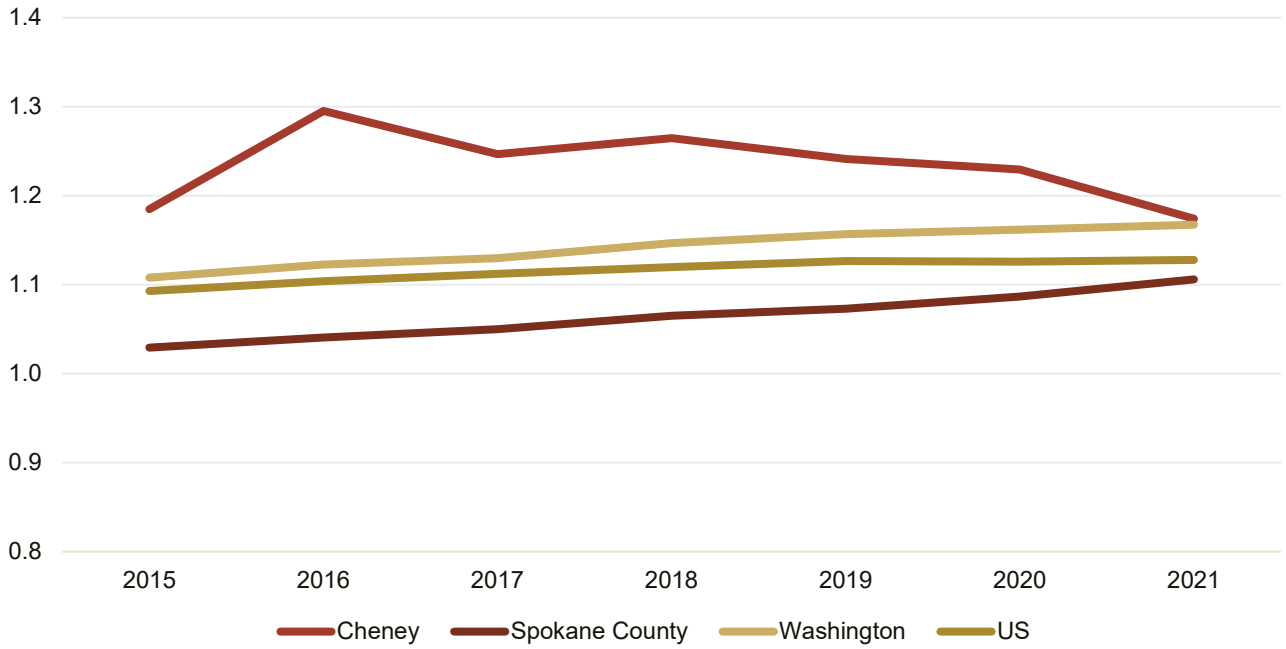
The jobs-to-housing ratio in Cheney, shown in Figure 17, has remained relatively stables throughout the years, with a slight increase in 2016 and a decline by 2021 coming out from the 2019-2020 pandemic. Whereas Spokane County, Washington, and the US steadily increased over the years and post pandemic. The jobs-to-housing ratio is a critical metric that measures the number of jobs available in a particular region relative to the available housing units. The City of Cheney has the greatest amount of jobs-to-housing ratio than the County and Nation, and identical amount to the State of 1.2 in 2021, which is indicative of 12 jobs for every 10 housing units. Higher jobs-to-housing ratios are indicative of a mismatch in the housing supply and the number of workers in a region.

Figure 14: Housing Units per 1,000 Residents, 2010-2021



Source: US Census ACS, 2010-2021

Figure 15: Jobs-to-Housing Ratio, 2015-2021



Source: US Census ACS, 2015-2021

This ratio is significant to look at since communities low in the jobs-to-housing ratio are typically more expensive or remote and may have difficulty retaining service workers due to long commute time, while communities too high in this ratio could experience talent shortages in the long-run and may lack certain community assets that would attract residents.

3.8 Residential Density

The City of Cheney has both owner- and renter-occupied housing units that are primarily inhabited by at least one person in a 2-bedroom unit. The City has had an increase in occupancy of owner-occupied homes (30%) with at least one person living in a 2-bedroom unit, or two people living in a 2-bedroom unit[6]. However, renter-occupied housing units with at least 2 bedrooms and two to three individuals living in the unit has increased the most (14%) within the City. This is not too surprising given that splitting rent costs greater than two-ways is more affordable for most renters, particularly those of college level students in the area.

Table 10: Residence by Occupants Per Room in Cheney, 2020-2021

	2020	2021	Change	% Change
Total:	**4,839**	**4,647**	**(192)**	**(4.0%)**
Owner occupied:	**1,631**	**1,538**	**(93)**	**(5.7%)**
0.50 or less occupants per room	1,329	1,145	(184)	(13.8%)
0.51 to 1.00 occupants per room	302	393	91	30.1%
1.01 to 1.50 occupants per room	0	0	0	0.0%
1.51 to 2.00 occupants per room	0	0	0	0.0%
2.01 or more occupants per room	0	0	0	0.0%
Renter occupied:	3,208	3,109	(99)	(3.1%)
0.50 or less occupants per room	1,857	1,925	68	3.7%
0.51 to 1.00 occupants per room	1,222	1,160	(62)	(5.1%)
1.01 to 1.50 occupants per room	7	8	1	14.3%
1.51 to 2.00 occupants per room	98	16	(82)	(83.7%)
2.01 or more occupants per room	24	0	(24)	(100.0%)

Source: U.S. Census ACS 5-year, B25014

3.9 New Housing Production

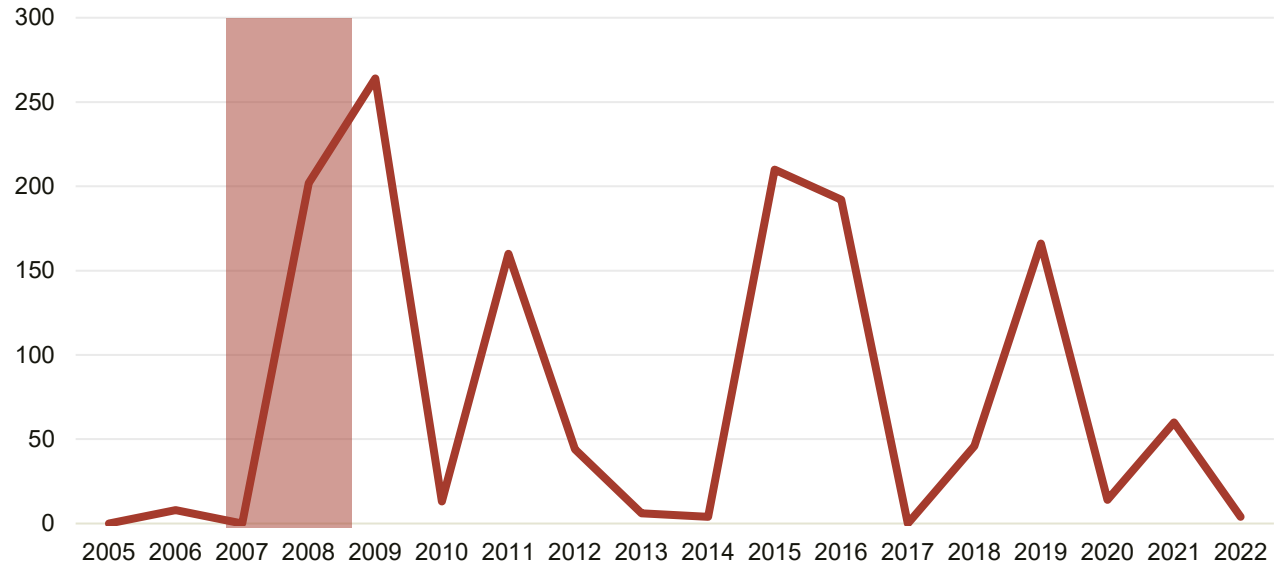
Figure 18 and Figure 19 depict the housing permit trends for Cheney and for Spokane County outside of Cheney City limits between 2005 and 2022. Leading up to, and through the Great Recession (illustrated by the shaded region), the total number of housing permits in Spokane County declined. It wasn't until 2013 that signs of recovery were seen. In contrast, the number of housing permits actually had a sharp increase during the Great Recession in Cheney City limits.

[6] Owner occupied units of 1.01 to 1.50 indicate that no more than three individuals own an occupied unit with at least two bedrooms, 1.51 to 2 occupants per room would signify four individuals in a 2-bedroom house or six people living in a 3-bedroom home, and so forth.

This is a complete break from the norm in the nation as a whole when the whole world was affected by the Great Recession. In fact, there is a piece of land that was annexed by the City of Cheney on the southern edge of the urban growth boundary in the early 2000s.[7] The piece of land became the subject of a City Comprehensive Plan Amendment, and has Grove Apartments with 190 units, the Terra Vista Preliminary Plat to allow single-family and multi-family units, along with two other plats offering additional lots. These developments explain, in part, the spike in permits during 2007 to 2008 for Cheney.

From 2005 to 2022, the ratio between homes built in Cheney and in Spokane County outside the city limits has never been above 0.177, where it peaked in 2009. This ratio shows that, in 2009, for every six permits issued in Spokane County outside of city limits, there was approximately one permit issued in Cheney. In 2022, the ratio has reached its lowest point since 2006 at 0.003 – meaning for every thousand permits issued in Spokane County outside of city limits that three permits were issued in Cheney. Specific to single-family, the ratio between homes built in Cheney versus the rest of the County peaked at 0.034 in 2017 showing that for every 30 single-family permits issued in the county, one permit would be issued in Cheney. However, the ratio between multi-family homes built in the city compared to the county reached better than a 10-to-1 ratio seven times from 2005 to 2022. The ratio of multi-family homes built in Cheney compared to the County peaked in 2009 at 0.37, so for every multi-family permit issued in the city, two to three permits would be issued in the County.

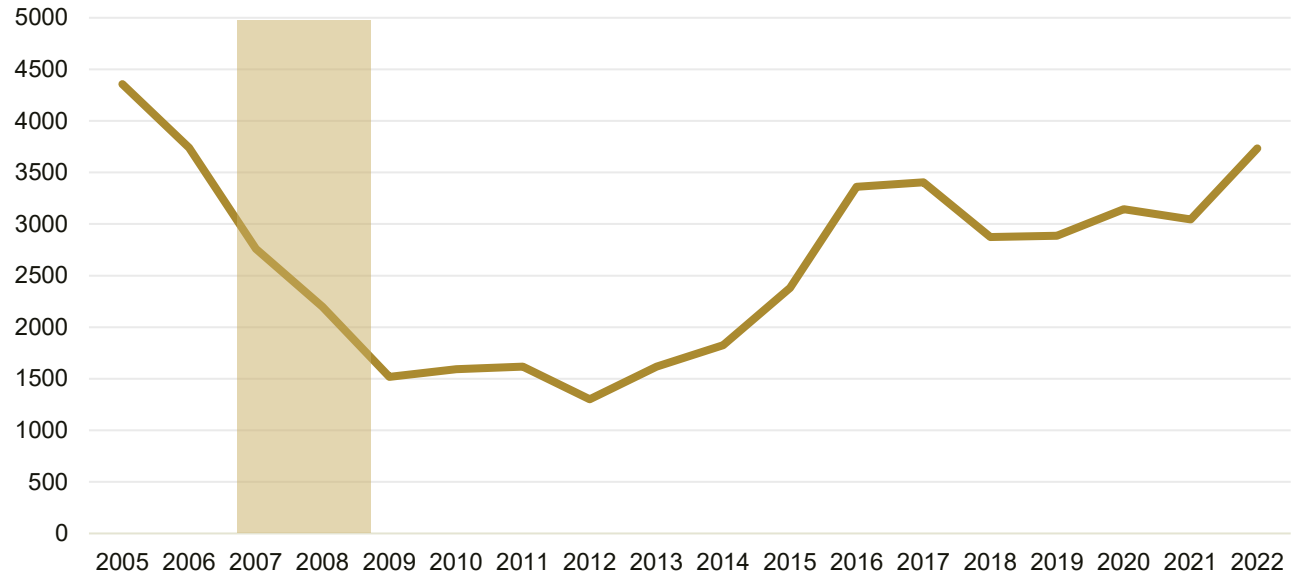
Figure 16: Total Housing Permits in Cheney, 2005-2022



Source: Housing and Urban Development, State of the Cities Data Systems

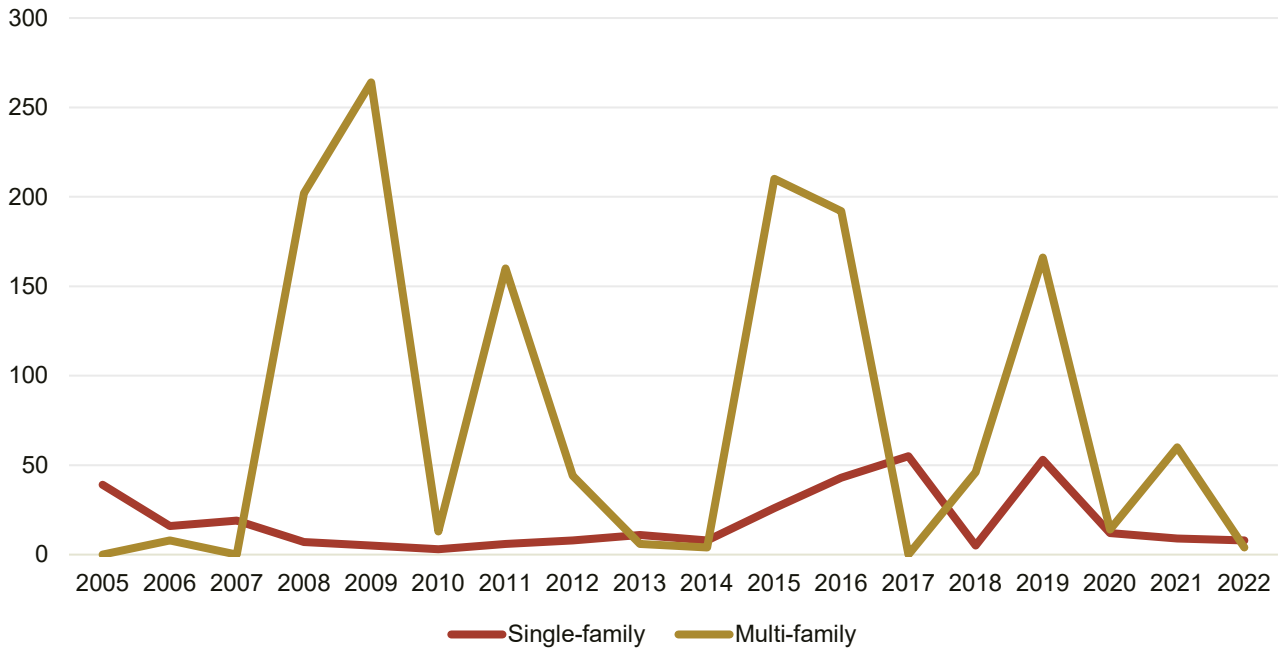
[7] *City of Cheney, Washington, "Resolution No. E-700,"* https://www.cityofcheney.org/AgendaCenter/ViewFile/Item/1440?fileID=2714.

Figure 17: Total Housing Permits in Spokane County Outside of Cheney City Limits, 2005-2022



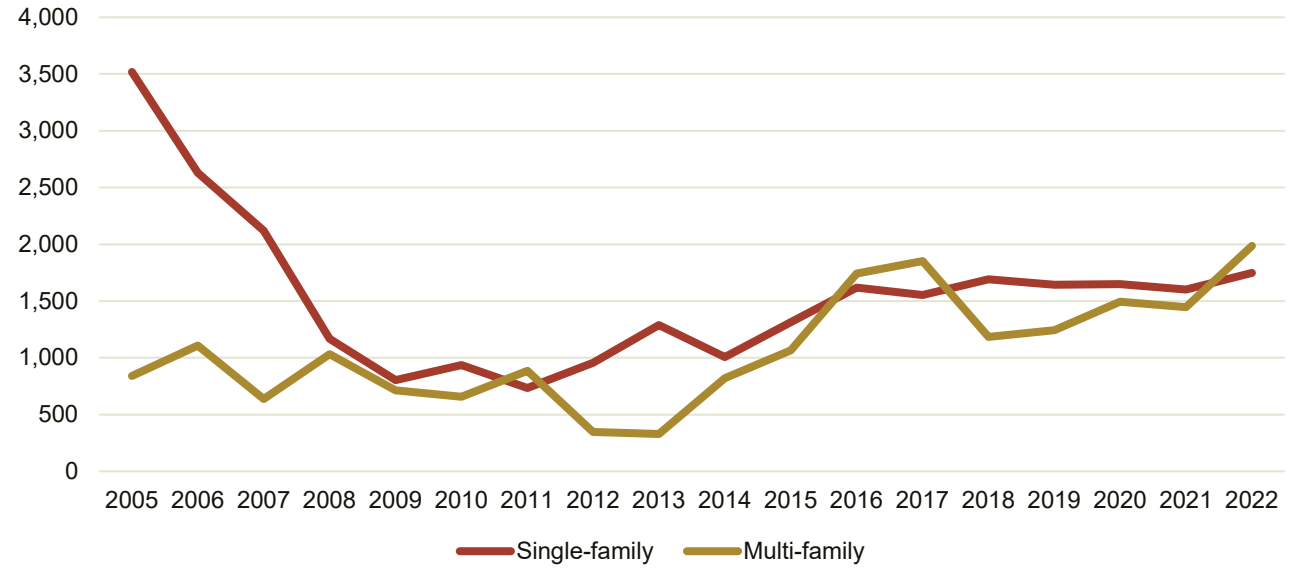
Source: Housing and Urban Development, State of the Cities Data Systems

Figure 18: Single-Family and Multi-Family Permits in Cheney, 2005-2022



Source: Housing and Urban Development, State of the Cities Data Systems

Figure 19: Single-Family and multi-Family Permits in Spokane County Outside of Cheney City Limits, 2005-2022



Source: Housing and Urban Development, State of the Cities Data Systems

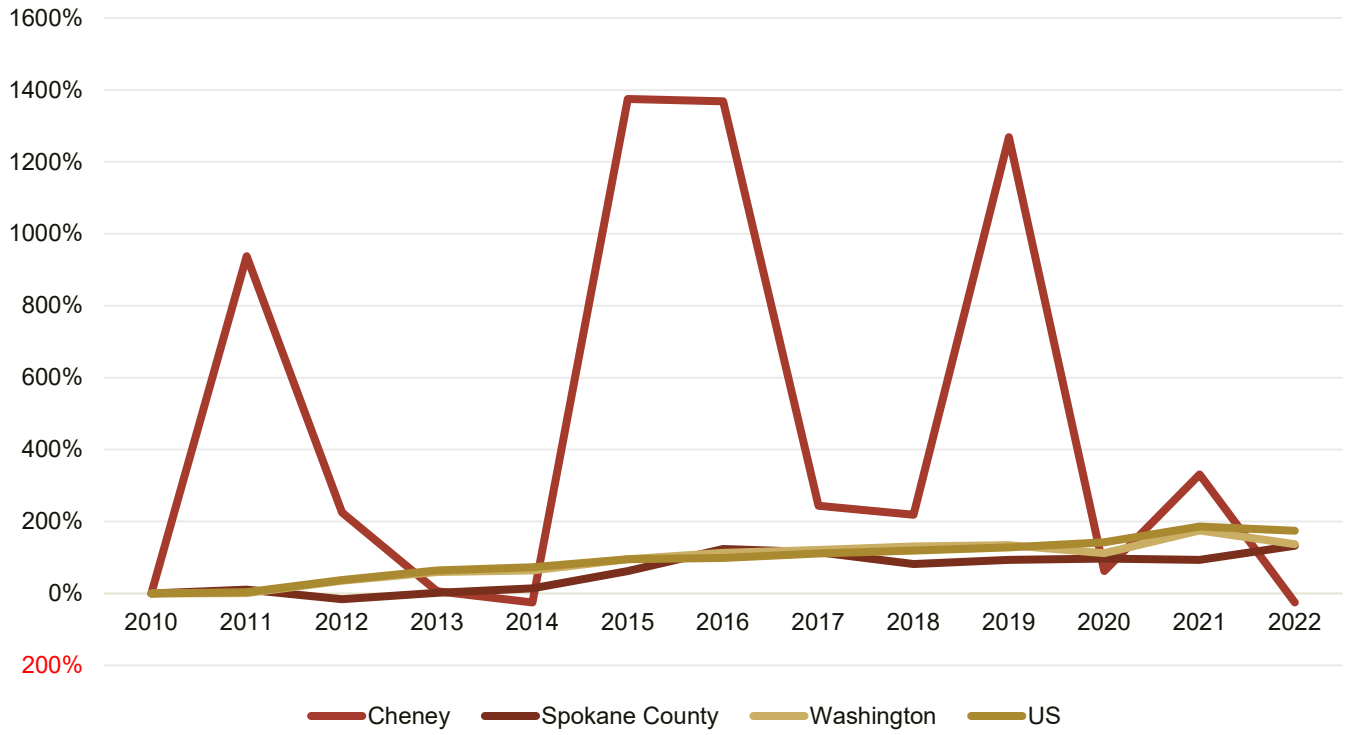
Figure 22 illustrates the cumulative growth rate for permits in the region when compared to the state and the nation. This chart compares the building permits issued in 2010 to each subsequent year[8].

In 2010, Cheney issued 16 total housing permits. The low number of permits in the year the cumulative growth is based on will show highly inflated numbers in years when high numbers of permits are issued. This occurred in 2011, 2015, 2016, and 2019 for Cheney with permits issued being at least ten times more in those years than in 2010. These astoundingly high rates of growth can be explained by apartment complexes being built throughout the 2010s. In 2011, permits were issued for the first phase of the Eagle Point apartments, followed by permits for the second and final phases in 2015 and 2016. The complex is the largest in Cheney's history at 24 buildings with 576 units.[9] The Salnave Glen Apartments also received permits in 2015 for the 3 building, 75-unit complex, and is a certified Equal Housing Opportunity complex.[10]

[8] For clarification, negative change represents a lower number of permits being issued relative to 2010, such as 2014 and 2022 for Cheney.
[9] Becky Thomas, "First phase of Eagle Point apartments nears completion," https://www.cheneyfreepress.com/story/2010/05/13/front-page/first-phase-of-eagle-point-apartments-nears-completion/2639.html.
[10] Paul Delaney, "Salnave Glen brings first of three buildings online," https://www.cheneyfreepress.com/story/2017/03/23/news/salnave-glen-brings-first-of-three-buildings-online/20255.html.

Finally, the Cheney Park Apartments received permits for a 90-unit complex in 2019. The complex may be the first of its kind, as it is built in a "pod" and "stack" modular design with a studio, a one-bedroom, and a two-bedroom unit in each pod.[11]

Figure 20: Cumulative Building Permit Growth Rate, 2005-2022



Source: Housing and Urban Development, State of the Cities Data Systems

Table 6: Single-Family Permits by Region		
Region	**2010**	**2022**
Cheney	3	8
Spokane County	939	1755
Washington	14,702	20,401

Source: Housing and Urban Development, State of the Cities Data Systems

[11] *John McCallum, "A first of its kind for Cheney and Spokane County," https://www.cheneyfreepress.com/story/2019/09/05/news/a-first-of-its-kind-for-cheney-and-spokane-county/25313.html.*

Table 7: Multi-Family Permits by Region		
Region	**2010**	**2022**
Cheney	13	4
Spokane County	670	1990
Washington	5,989	28,632

Source: Housing and Urban Development, State of the Cities Data Systems

3.10 Home Value Trends

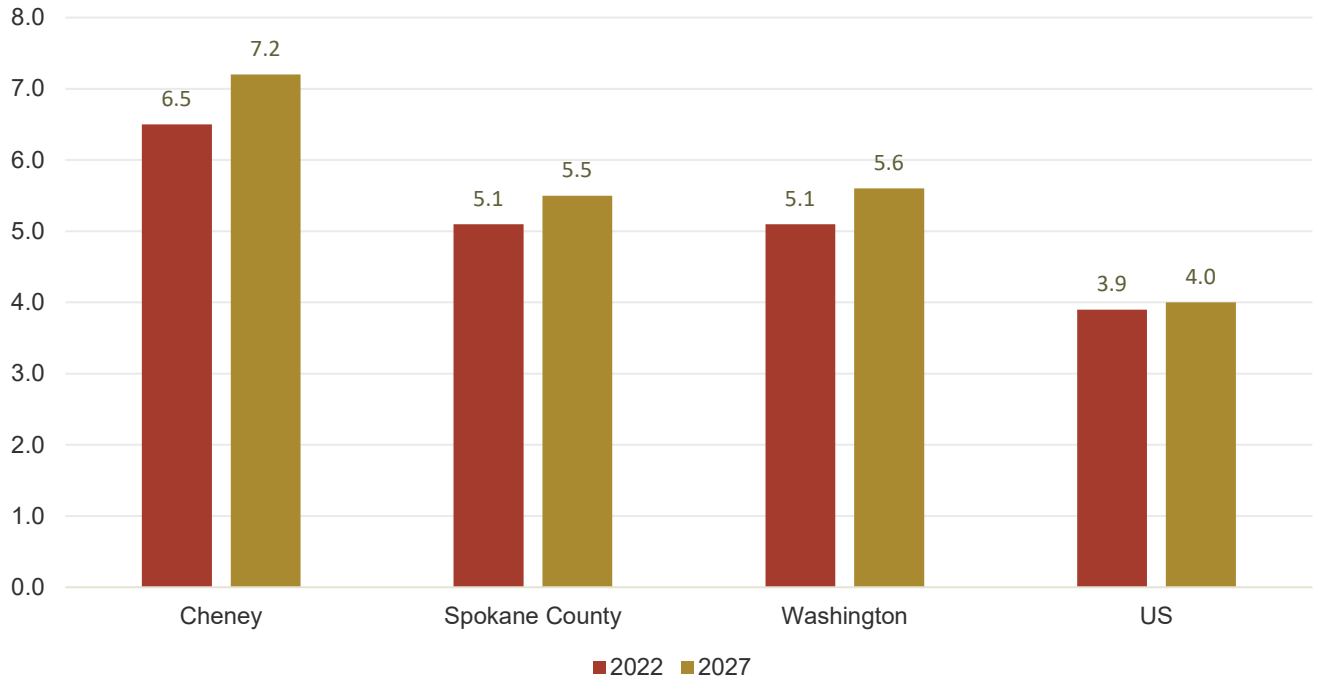
Housing conversations often revolve around mid-point estimates such as averages and medians, but housing values are distributed unevenly so this results in the loss of valuable information. As indicated in Table 13, the average market value for homes in Cheney were $350K in 2022, and closely yet slightly higher average rates in the County ($375K). The median home values in the region are greater than the national level of $283K, as Cheney was $305K and the County at $333K, yet national home values tend to be more evenly distributed. The state's home valuations are spread out quite differently, with most home values in the $500k to $749K range and the median home value of $450K.

Table 8: Owner Occupied Housing Units by Vale and Median Home Value						
Home Value	**Cheney**		**Spokane County**		**Washington**	**USA**
	Number	**%**	**Number**	**%**	**%**	**%**
<$50K	29	1.5%	2,960	2.1%	2.0%	5.2%
$50K - $99K	10	0.5%	3,687	2.7%	1.4%	7.5%
$100K - $149K	45	2.3%	6,834	5.0%	1.9%	8.2%
$150K - $199K	134	7.0%	10,311	7.5%	3.5%	11.2%
$200K - $249K	495	25.7%	15,052	10.9%	4.7%	11.0%
$250K - $299K	218	11.3%	16,900	12.3%	6.5%	10.3%
$300K - $399K	600	31.1%	39,257	28.5%	21.6%	15.8%
$400K - $499K	218	11.3%	19,403	14.1%	16.4%	9.9%
$500K - $749K	105	5.4%	16,921	12.3%	22.4%	11.8%
$750K - $999K	11	0.6%	3,950	2.9%	10.9%	4.8%
$1M - $1.5M	57	3.0%	1,195	0.9%	5.6%	2.3%
$1.5M - $1.9M	4	0.2%	406	0.3%	1.9%	0.9%
$2M +	2	0.1%	851	0.6%	1.0%	1.1%
Median Home Value	**$305,500**	**--**	**$333,420**	**--**	**$450,471**	**$283,272**
Average Home Value	**$346,460**		**$375,130**		**$550,561**	**$374,078**

Source: Esri Business Analyst, 2022

The ratio of median home value to median household income is a useful indicator of the cost of living in different housing markets. Figure 23 displays this ratio for Cheney, the county, the state, and the US. The City has a ratio higher than both the statewide benchmark (5.2) and national ratio of 3.9. This means that a household in Cheney would need to incest more than 6 times the median annual income in order to purchase a home, such standards are quite more out of reach than the average American whose ratio sits at 3.9. In 2027, the ration in Cheney is anticipated to increase, and steadily rise in the County and in the State. Table 14 summarized these statistics that tie together housing and residents' income.

Figure 21: Median Home Value to Median Household Income Ratio



Source: Points Consulting using Esri Business Analyst, 2023

Table 14: Median Home Value, Median Household Income, and Price-to-Income Ratio, 2022

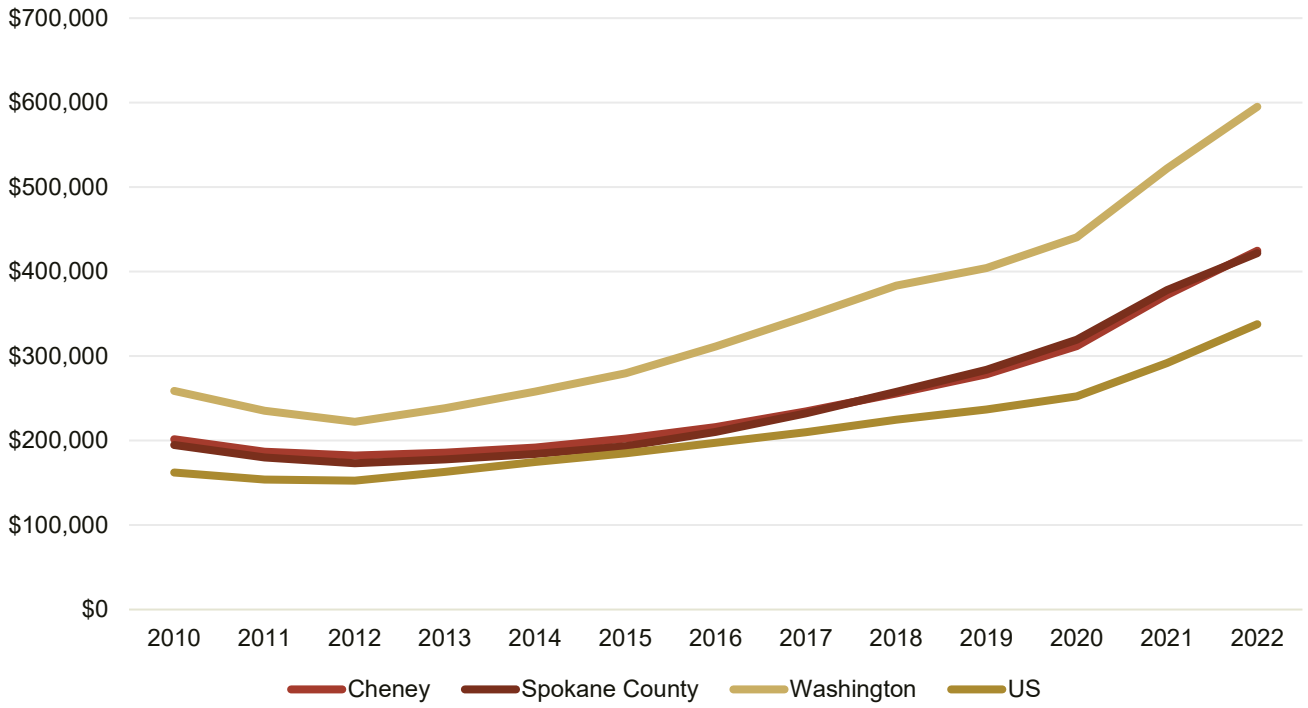
Region	Median Home Value	Median Household Income	Price-to-Income Ratio	Change in 2027
Cheney	$305,500	$47,031	6.5	0.7
Spokane County	$333,420	$65,289	5.1	0.4
Washington	$450,471	$88,312	5.1	0.5
US	$283,272	$72,414	3.9	0.1

Source: Esri Business Analyst, 2023

Single Family Home Value Trends

The City of Cheney in recent years experienced significant home value appreciation. Price escalation exceeding inflation extends back for the last few years. The COVID pandemic and associated policy decisions during 2020/21 hyper-charged these trends to create unprecedented home value appreciation across the country. As shown in Figure 24, home value trends were steadily on the ride between 2012 and 2020, by the end of 2020 home values in the City and the County reached an acute incline through 2021 into 2022.

Figure 22: Zillow Home Value Growth 2010 – 2022



Source: Points Consulting Using Zillow ZHVI

Table 15, displayed below, reports the Zillow Home Value Index (ZHVI) for several regions, and how it has changed over time. This metric is different from median and average home values reported by the U.S. Census Bureau since it represents the "typical" home value. It takes into account the weighted average of the middle third of homes in a region, and therefore has a different dollar value. Among comparable regions to Cheney, Liberty Lake has seen the largest increase in terms of home values.

MLS data, shown in Table 16, indicates that home sale prices have increased from 2021 to 2022 in Spokane County, as well as a substantial increase in inventory during this period. New home listings – new homes enter the market – have steadily increased overtime.

Table 15: Zillow Home Value Growth 2010 – 2022				
Region	ZHVI	CAGR		
		10 Years	5 Years	3 Years
Liberty Lake	$584,438.52	8.8%	11.7%	13.6%
Ashland	$567,309.02	6.6%	5.3%	6.9%
Ellensburg	$442,265.06	8.7%	11.2%	12.6%
Moscow	$430,091.30	6.3%	10.9%	12.9%
Cheney	**$424,705.75**	**8.8%**	**12.6%**	**15.1%**
Pullman	$411,006.53	7.3%	9.1%	11.1%
Spokane County	$421,862.89	9.3%	12.7%	14.1%
Washington	**$595,081.68**	**10.4%**	**11.4%**	**13.8%**
US	**$337,717.47**	**8.3%**	**10.0%**	**12.6%**

Source: Points Consulting Using Zillow ZHVI

Table 16: Residential Sales in Spokane County				
Metric	Aug. 2021 3-Month MA	Aug. 2022 3-Month MA	Change	% Change
Avg Home Sale Price	$420,191	$461,951	$41,761	9.9%
Median Home Sale Price	$388,243	$426,667	$38,424	9.9%
Inventory	379	949	570	150.5%
New Listings	954	998	44	4.6%
Months of Supply	1	1.5	0.5	50.0%

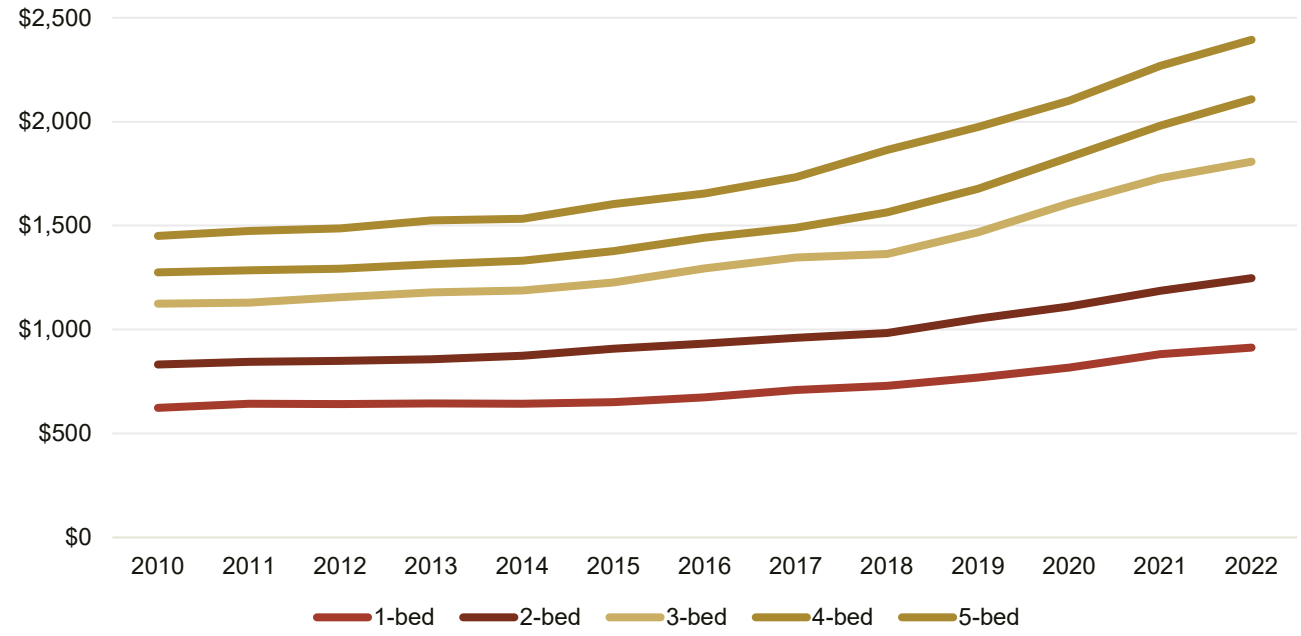
Source: Spokane County Association of Realtors, 2023

Rental Rates

Generally speaking, there are fewer metrics available on rental markets, as it is more difficult for federal agencies to track, and for-profit data providers do not have as much incentive to collect and report such information. However, there are several sources that use combinations of MLS data along with proprietary methods to produce reports on rental market conditions. So, although these sources differ in their methods, they tell the same story of increasing rental costs.

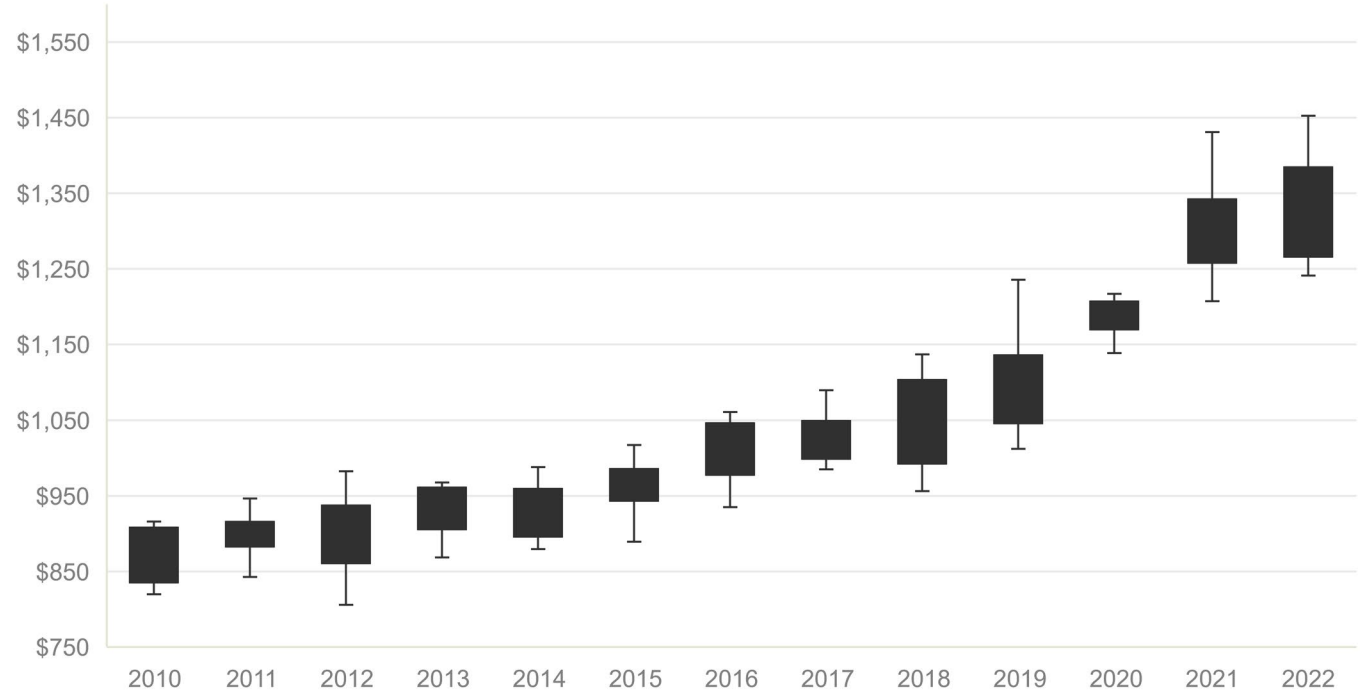
As Figure 25 and Figure 26 show, the data available indicate that rents for all unit sizes have been increasing since 2012. On average, rental prices of all unit sizes increased by 19.2% in the last three years. In fact, three-, four-, and five-bedroom units have increased at slightly faster rates (25.7%, 28.2%, and 22.3%) in the same time span. Additionally, all unit types except for one-bedroom units (27.7%) have increased by greater than 30% in the last five years. The steep increase in price is shocking because of how many multi-family permits have been issued in Cheney throughout the 2010s.

Figure 23: Rental Prices in Cheney by Unit Size, 2010-2022



Source: Rentrange, Market Metric Report, 2023

Figure 24: Rental Price Range for All Unit Sizes, 2010-2022



Source: Rentrange, Market Metric Report, 2023

Shown in Table 17 are the average monthly rental listings for 2020 and 2022 by bedroom number. The low number of listings points to a general lack of rental housing supply, and the rapid increase in rental rates supports this. However, it is notable that listings have increased in the last two years with the greatest increases coming from three-, four-, and five-bedroom units. Despite the increase in rentals available, rental prices have increased by more than 10% in the last two years. The recent increase in prices could be due in part to the low number of building permits being issued from 2020 to 2022. Without a consistent increase in rental supply, prices will continue to increase and create a tighter market among rental housing.

Table 17: Average Monthly Listings Change, 2020-2022

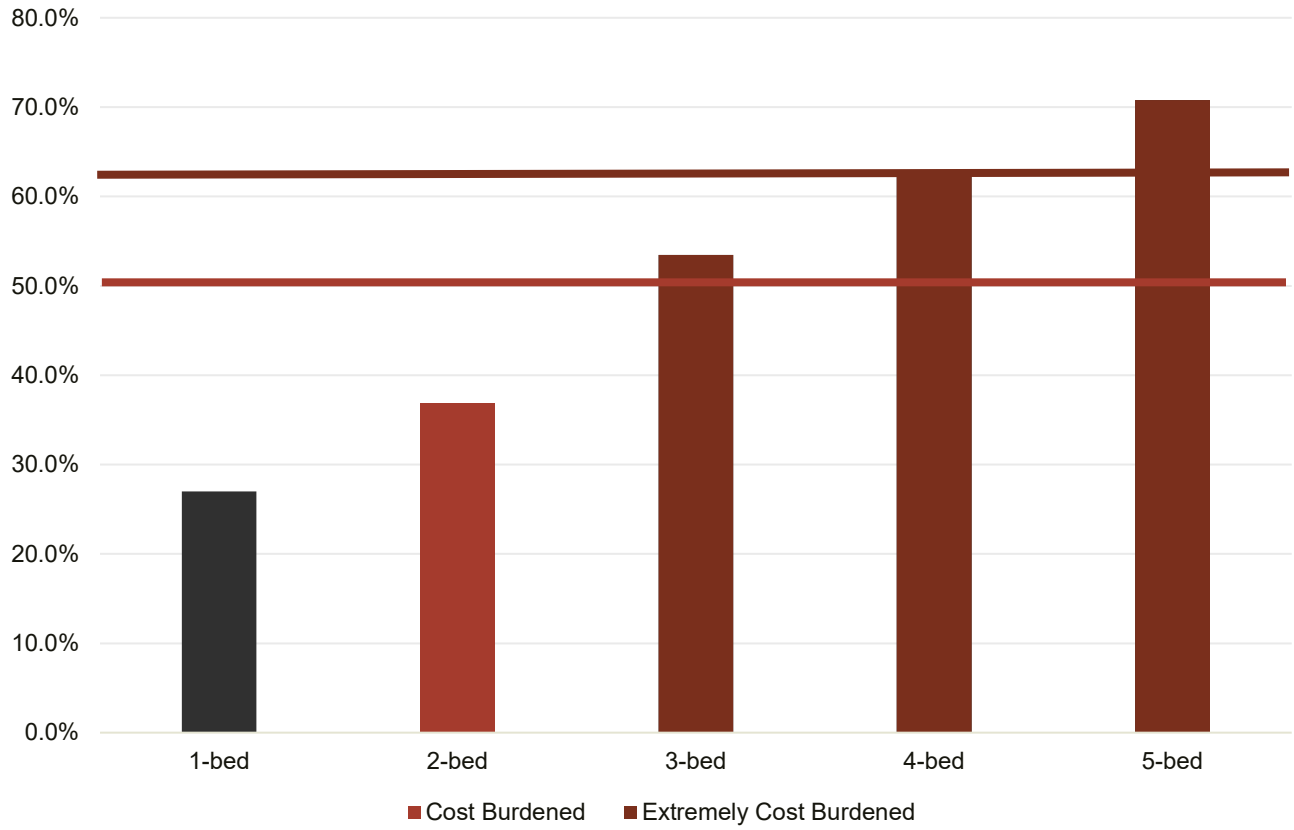
	Average Monthly 2020 Listings	Average Monthly 2022 Listings	Numerical Change	% Change
1-bed	4.00	4.08	0.08	2.1%
2-bed	4.00	4.08	0.08	2.1%
3-bed	4.58	6.17	1.58	34.5%
4-bed	4.50	5.58	1.08	24.1%
5-bed	4.33	5.50	1.17	26.9%

Source: Rentrange, Market Metric Report, 2023

Increasing rental prices will create a greater cost burden for renters, forcing them to spend more money on rent and less on other necessities, such as food, clothing, and transportation. Figure 27 shows the rent-to-income ratio of renters in Cheney. Being cost burdened is defined as those who pay more than 30% of their income on housing.[12] Additionally, being extremely cost burdened is defined as those who pay more than 50% of their income on housing. Households living in three-, four-, and five-bedroom rentals are extremely cost burdened, with households living in two-bedroom units being cost burdened. At 27% rent-to-income ratio, those living in one-bedroom rentals may soon become cost burdened as well. If this happens, all households renting in Cheney will be considered cost burdened.

[12] *HUD, "Rental Burdens: Rethinking Affordability Measures,"* https://www.huduser.gov/portal/pdredge/pdr_edge_featd_article_092214.html.

Figure 25: Rent-to-Income and Level of Cost Burden, 2022



Source: Rentrange, Market Metric Report, 2023

3.11 Low Income Population Groups

Tables 18 and 19 show the composition of low-income households in Cheney and Spokane County[13]. The largest segment of extremely low-income households in Cheney are those of elderly families with 1,155 households. In contrast, the largest sector of extremely low-income households in the County are those living with an unspecified family composition with 10,105 households.

Elderly families are also the largest segment of low income-households in Cheney. This sector makes up 16.3% of all households at the City level. However, the largest sector of low-income households in the County are small families, which make up 5.7% of all households. This sector is defined as households with two to four people under 62 years of age.

[13] Household and population values are based on the year 2019 and are therefore less accurate than previously presented data on population. They are, however, very valuable for uncovering cost-burdened details.

Table 18: Composition of Low-Income Households in Cheney			
Family Comp	**Income Level**	**Households**	**Percent of Total Housing Stock**
Elderly Family	Extremely Low Income	1,155	22.3%
Elderly Family	Very Low Income	715	13.8%
Elderly Family	Low Income	845	16.3%
Elderly Family	Moderate	495	9.5%
Small Family	Extremely Low Income	14	0.3%
Small Family	Very Low Income	0	0.0%
Small Family	Low Income	0	0.0%
Small Family	Moderate	0	0.0%
Large Family	Extremely Low Income	220	4.2%
Large Family	Very Low Income	45	0.9%
Large Family	Low Income	0	0.0%
Large Family	Moderate	0	0.0%
Elderly Living Alone	Extremely Low Income	0	0.0%
Elderly Living Alone	Very Low Income	0	0.0%
Elderly Living Alone	Low Income	0	0.0%
Elderly Living Alone	Moderate	0	0.0%
Other	Extremely Low Income	20	0.4%
Other	Very Low Income	35	0.7%
Other	Low Income	0	0.0%
Other	Moderate	0	0.0%

Source: Housing and Urban Development

Table 19: Composition of Low-Income Households in Spokane County			
Family Comp	**Income Level**	**Households**	**Percent of Total Housing Stock**
Elderly Family	Extremely Low Income	1,200	0.5%
Elderly Family	Very Low Income	2,825	1.3%
Elderly Family	Low Income	5,570	2.5%
Elderly Family	Moderate	3,905	1.8%
Small Family	Extremely Low Income	5,935	2.7%
Small Family	Very Low Income	7,200	3.2%
Small Family	Low Income	12,665	5.7%
Small Family	Moderate	8,775	4.0%
Large Family	Extremely Low Income	1,015	0.5%
Large Family	Very Low Income	1,980	0.9%
Large Family	Low Income	3,450	1.6%
Large Family	Moderate	1,585	0.7%
Elderly Living Alone	Extremely Low Income	7,205	3.2%
Elderly Living Alone	Very Low Income	6,955	3.1%
Elderly Living Alone	Low Income	7,855	3.5%
Elderly Living Alone	Moderate	2,620	1.2%
Other	Extremely Low Income	10,105	4.6%
Other	Very Low Income	6,515	2.9%
Other	Low Income	9,530	4.3%
Other	Moderate	5,080	2.3%

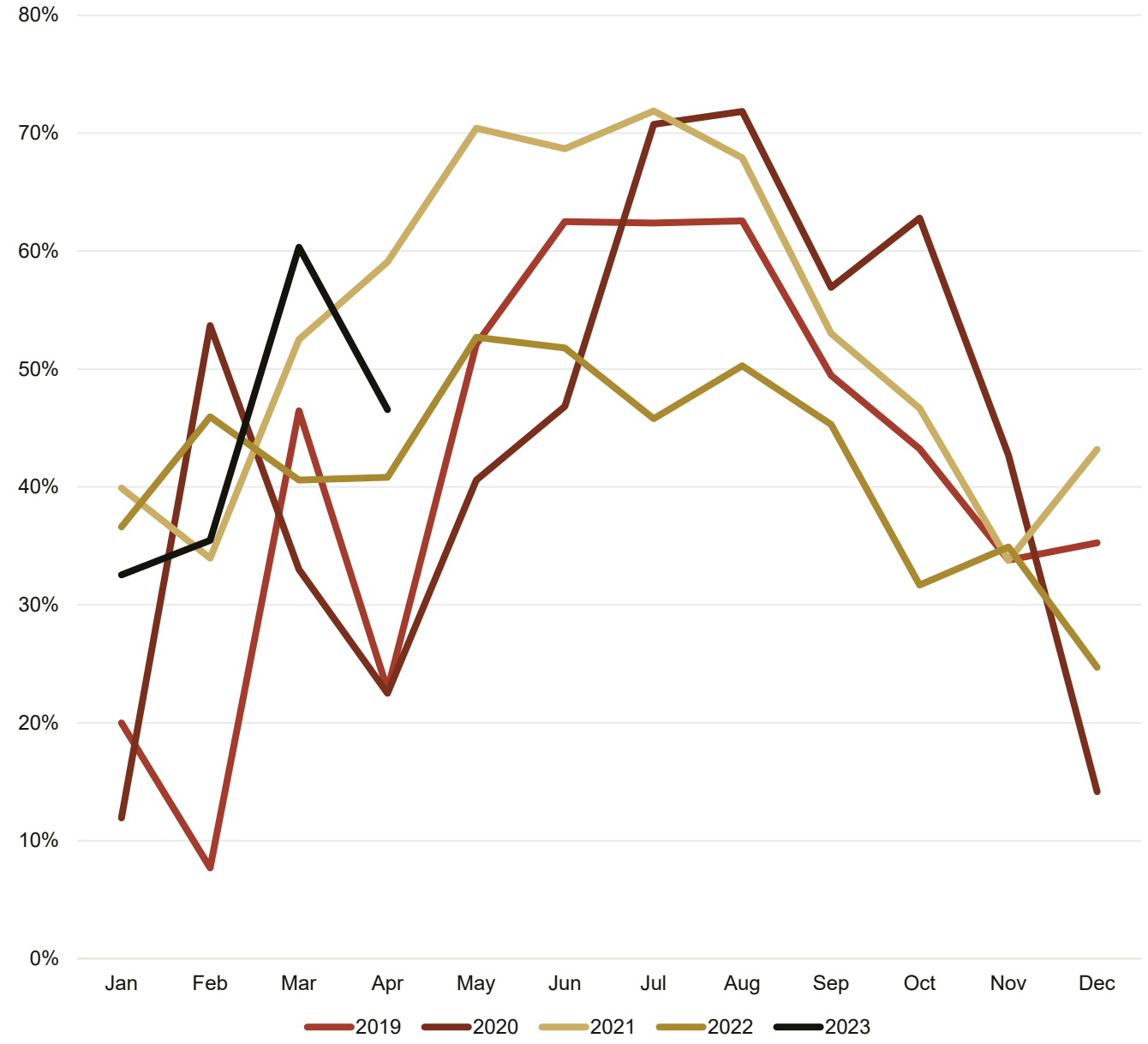
Source: Housing and Urban Development

3.12 Short-Term Rentals

The short-term rental industry (i.e., AirBnB) is increasingly playing a significant role in local housing markets. The model is a two-edged sword, in that it provides a potential source of "side-hustle" revenue for existing residents, but also has the opportunity to increase home prices further because single-family homes could be valued at the expectation levels of commercial real estate.

Figure 28 depicts occupancy rates of short-term rentals (STRs) in Cheney throughout the calendar year. A common trend from 2019 to 2022 is that occupancy rates peak during the summer months of June, July, and August. The highest occupancy rates for STRs in Cheney are seen in 2020 and 2021 during August and July at approximately 72%. Another trend that has continued throughout the years PC observed is that occupancy rates are always the lowest during the winter. In 2022, occupancy rates have been the lowest on average during the time period.

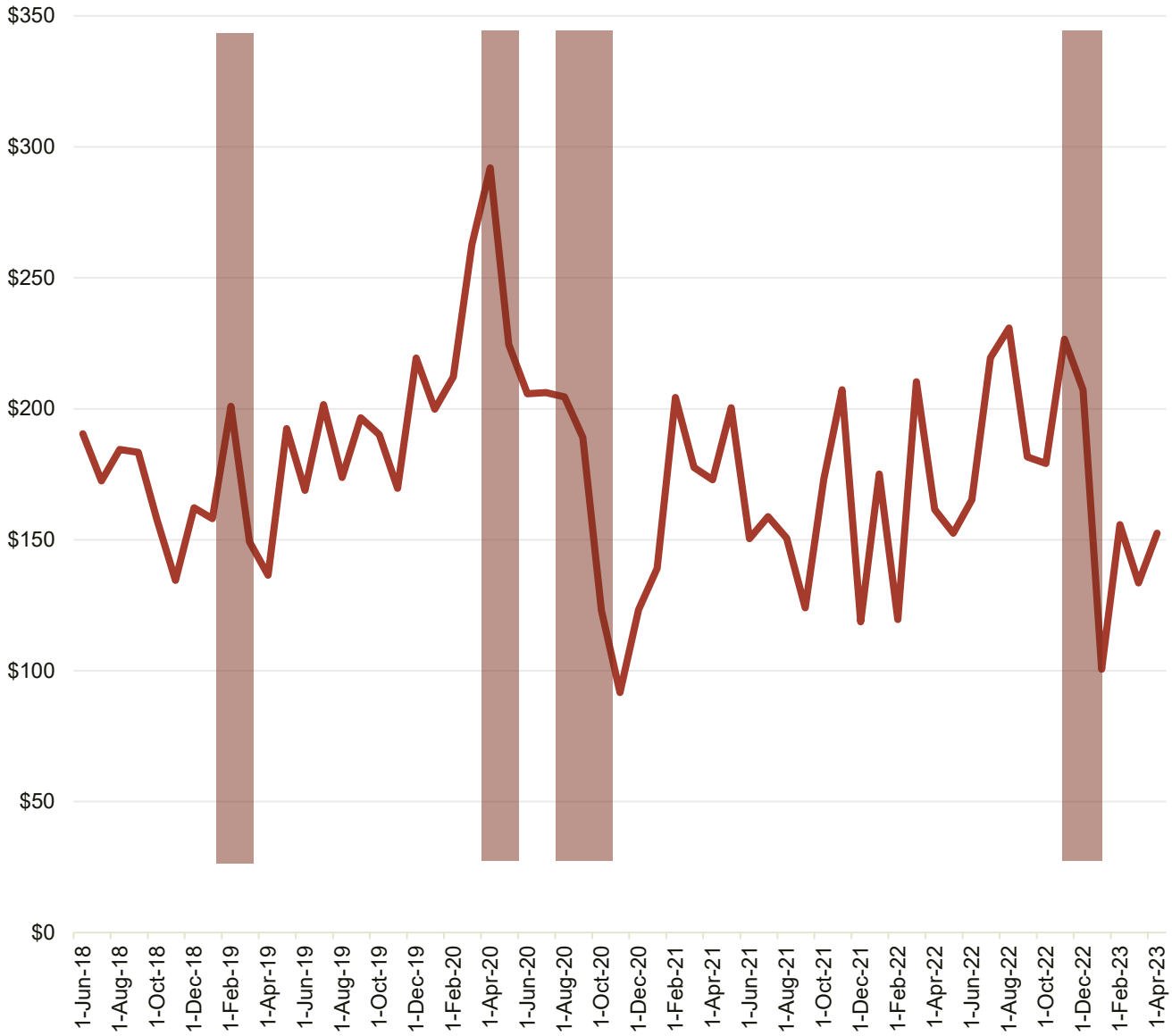
Figure 26: Cheney Short-Term Rental Occupancy Rates



Source: AirDNA, 2023

The overall average daily rental price for Cheney STRs is illustrated in Figure 29. Prices were relatively steady from June of 2018 to December of 2019. From there, the average rental price climbed to a peak of approximately $292 in April of 2020 during the COVID pandemic. The peak was followed by a sharp decline to less than $100 in November of 2020. Since the beginning of 2021, there has been no steady increase or decrease in average STR prices. Additionally, average prices have been volatile to date, going from over $200 in some months to less than $150 in others. Shaded areas in the figure represent visible declines in average rental price.

Figure 27: Average Daily Rental Price for Short-Term Rentals



Source: AirDNA, 2023

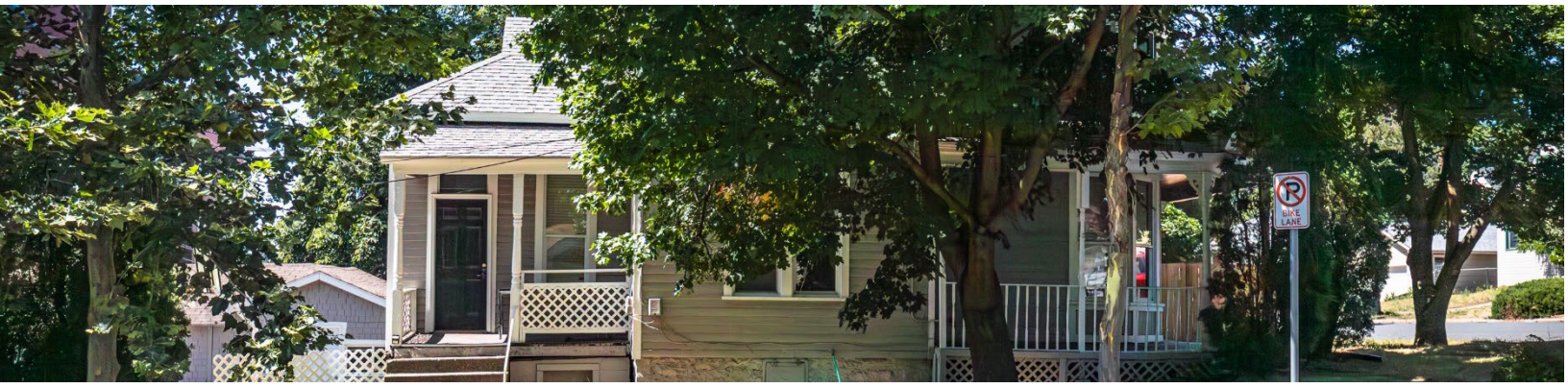
A summarization of STR patterns for Cheney and peer communities is shown in Table 20. Peer communities were determined by observing other cities in the Pacific Northwest, having a similar population to Cheney, or being a college town like Cheney with Eastern Washington University. The nearest big city, Spokane, was also included as a peer community. Cheney has a similar number of active STRs to Snoqualmie and Liberty Lake, both cities in Washington, at less than 30. The number of active STRs in Cheney is equivalent to only 0.4% of the occupied housing units. To note, Cheney ranks near or at the bottom of all STR measures included in the

analysis. Specifically, Cheney has the fourth lowest average daily rate at $144 and the absolute lowest median occupancy rate of 43%.

Table 20: Short-Term Rental Patterns in Cheney and Peer Communities

City	Occupied Housing Units	Active Short-Term Rentals	Percentage STR Stock	Median Occupancy Rate	Average Daily Rate
Cheney, WA	4,839	21	0.4%	43%	$144
Spokane, WA	94,105	931	1.0%	67%	$145
Pullman, WA	11,927	150	1.3%	64%	$226
Snoqualmie, WA	4,381	19	0.4%	76%	$235
Moses Lake, WA	8,748	91	1.0%	58%	$250
Liberty Lake, WA	4,287	26	0.6%	63%	$228
Ellensburg, WA	8,924	86	1.0%	59%	$145
Rathdrum, ID	3,173	44	1.4%	59%	$246
Hayden, ID	6,057	135	2.2%	63%	$342
Sandpoint, ID	3,945	486	12.3%	53%	$302
Moscow, ID	10,827	165	1.5%	55%	$162
Baker City, OR	4,131	117	2.8%	58%	$143
La Grande, OR	5,220	67	1.3%	70%	$135
Corvallis, OR	25,518	219	0.9%	74%	$142
Ashland, OR	1,134	336	29.6%	55%	$216

Source: AirDNA and US Census Bureau, 2023



4. Buildable Lands Analysis

4.1 Methodology

Spokane County provided a revised Land Capacity Analysis (LCA) Methodology outline in 2023 (Appendix A). Cheney utilized this as a template for completing its Buildable Lands Analysis, following the steps below.

1) Define "Buildable Lands"
   a. Define vacant land
   b. Define underutilized land
   c. Define partially utilized land
2) Identify Buildable Lands within each zone/land use designation using GIS analysis
3) Refine GIS-generated buildable lands through local knowledge
4) Deduct land prohibited by the presence of critical areas
5) Account for reduction factors.
   a. Deduct land for roads and public right-of-way
   b. Deduct land for future public facilities needs
   c. Deduct land that will be unavailable due to private property preferences and market fluctuations (this is called the "market factor")
6) Calculate the net buildable land by zone/land use
7) Apply the maximum density/development standards in each zone to yield the maximum population and/or employment capacity for each zone and the City as a whole.

Figure 30: Land Supply and Capacity Analysis Process

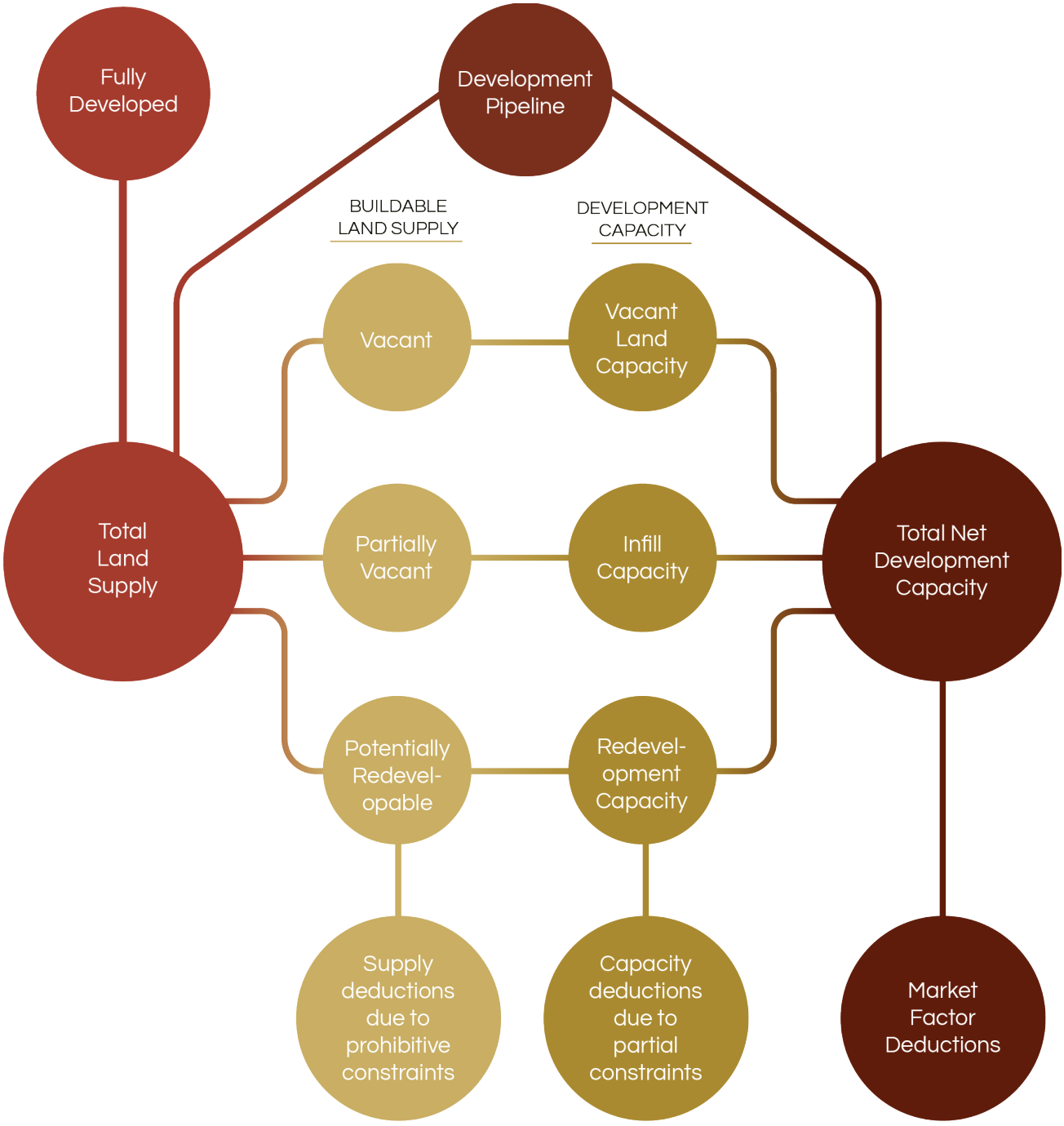


Table 21 provides a summary of how each step was calculated in Cheney's process. The full methodology, including detailed process notes, can be found in Appendix B.

Table 21: Cheney Buildable Lands Methodology		
#	Methodology	Notes
1	Define Buildable Lands	**Define vacant land:** ♦ Parcels with an improvement value of $5000 or lower ♦ Parcels with an Assessor's Property Code ending in '91', representing vacant land
		Define underutilized land: ♦ Excludes vacant land and partially utilized land ♦ Residential Parcels where the improvement value is less than two-times the land value[14] ♦ Employment Parcels where the improvement is less than four-times the land value ♦ Parcels with a single-family home in a multi-family zone. ♦ Parcels with a residential use in a commercial or industrial zone.
		Define partially utilized land: ♦ Parcels that can be split into 6 or more lots per the current zoning regulations. This differs slightly from the Spokane County Methodology of 8 or more lots because Cheney's minimum lot size is larger than other cities in the County. ♦ Of these parcels, those that have an improvement value at least 8-times greater than the land value are not considered partially utilized because they are much less likely to divide or redevelop.
2	Identify Buildable Lands within each zone/land use designation using GIS analysis	GIS analysis to calculate total buildable land area within each zone and land use.
3	Refine GIS-generated buildable lands through local knowledge	City staff analysis of GIS-generated buildable lands to further filter based on local knowledge.

[14] An improvement to land value ratio of 4 to 1 is considered average by the Spokane County Assessor, per the Spokane County Land Capacity Analysis Methodology guidance. However, when applied to Cheney this yielded nearly two-thirds of all parcels, which seemed excessive and unreasonable. Therefore, a ratio of 2 to 1 was selected, which yielded one-fourth of all properties, a much more reasonable number. See Appendix B for more information.

Table 21: Cheney Buildable Lands Methodology		
#	Methodology	Notes
4	Deduct land prohibited by the presence of critical areas	Cheney identifies wetlands, wetland buffers, steep slopes, and 100-year floodplains as critical areas. These are non-buildable lands, and the land area of these critical areas within each zone/land use was deducted from the total buildable land area.
5	Account for reduction factors.[15] Total Range: 50% - 80% **Cheney Final: 65%**	**Deduct land for roads and public right-of-way:** ♦ Typical range: 20% - 30% ♦ **Cheney Final: 25%**
		Deduct land for future public facilities needs: ♦ Typical range: 10% - 20% ♦ **Cheney Final: 15%**
		Deduct land that will be unavailable due to private property preferences and market fluctuations (this is called the "market factor"): ♦ Typical range: 20% - 30% ♦ **Cheney Final: 25%**
6	Calculate the net buildable land by zone/land use	Subtract critical areas and reduction factors from the total buildable lands. This represents the total buildable land capacity by acre.
7	Apply the maximum density/development standards in each zone to yield the maximum population and/or employment capacity for each zone and the City as a whole.	Using the Cheney Comprehensive Plan, Cheney Municipal Code, and best practices, define a maximum density for each zone and land use designation. Use that maximum density and the buildable acres in each zone to calculate the capacity in terms of: ♦ **Residential Land:** population and households ♦ **Employment Land:** employees per acre

Residential vs. Employment Lands

The buildable lands analysis ultimately looks at two different land types to determine future needs: residential and employment-based lands. Residential land capacity helps determine how much additional population can be accommodated by the City, and employment land capacity helps determine how much economic opportunity and how many jobs the City can support.

[15] Steps 5 requires a percentage of the total buildable lands to be subtracted. In order to simplify the analysis, these three factors (roads and public right-of-way, public facilities, and the market factor) will be referred to as the LQA Reduction Factor (LQARF). The total ranges defined in Steps 6-8 add up to a total LQARF range of 50% - 80%. To avoid an analysis with such wide ranges, the City decided to split the difference and landed on an LQARF of 65%.

To distinguish between these two land types, Table 21 indicates which zoning types and which land use types were used throughout this analysis to identify lands where the *primary* use is residential and lands where the *primary* use is employment.

The Mixed Use future land use and zoning designation was included in both the residential and employment categories, since its aim is to provide land for both residential and commercial uses, and the two uses are not mutually exclusive in the Mixed Use zone.

The 'Other' category represents zones and land uses that are not considered primary lands for residential or employment uses. This includes Eastern Washington University, which is analyzed separately in this report.

Note: in order to assign one zone or land use to each parcel in Cheney, a GIS analysis was used to assign the zone or land use that occupied the center point of the parcel. Most parcels were not divided by zoning or land use, so this process did not impact the overall zoning or land use analysis significantly. "

Table 22: Primary Land Use Designations

Primary Use	Zoning Designations	Future Land Use Designations
Residential	♦ High Density Multi-Family ♦ Multi-Family Residential ♦ Semi-Rural Residential ♦ Single Family Residential ♦ Two Family Residential	♦ Critical Areas Limited Residential ♦ General Residential ♦ Mixed Use ♦ Multifamily Residential ♦ Very Low Density Residential
Employment	♦ Business Park ♦ Downtown Commercial ♦ General Commercial ♦ Light Industrial	♦ Commercial ♦ Industrial ♦ Mixed Use
Other	♦ Eastern Washington University	♦ Institutional ♦ Open Space ♦ University

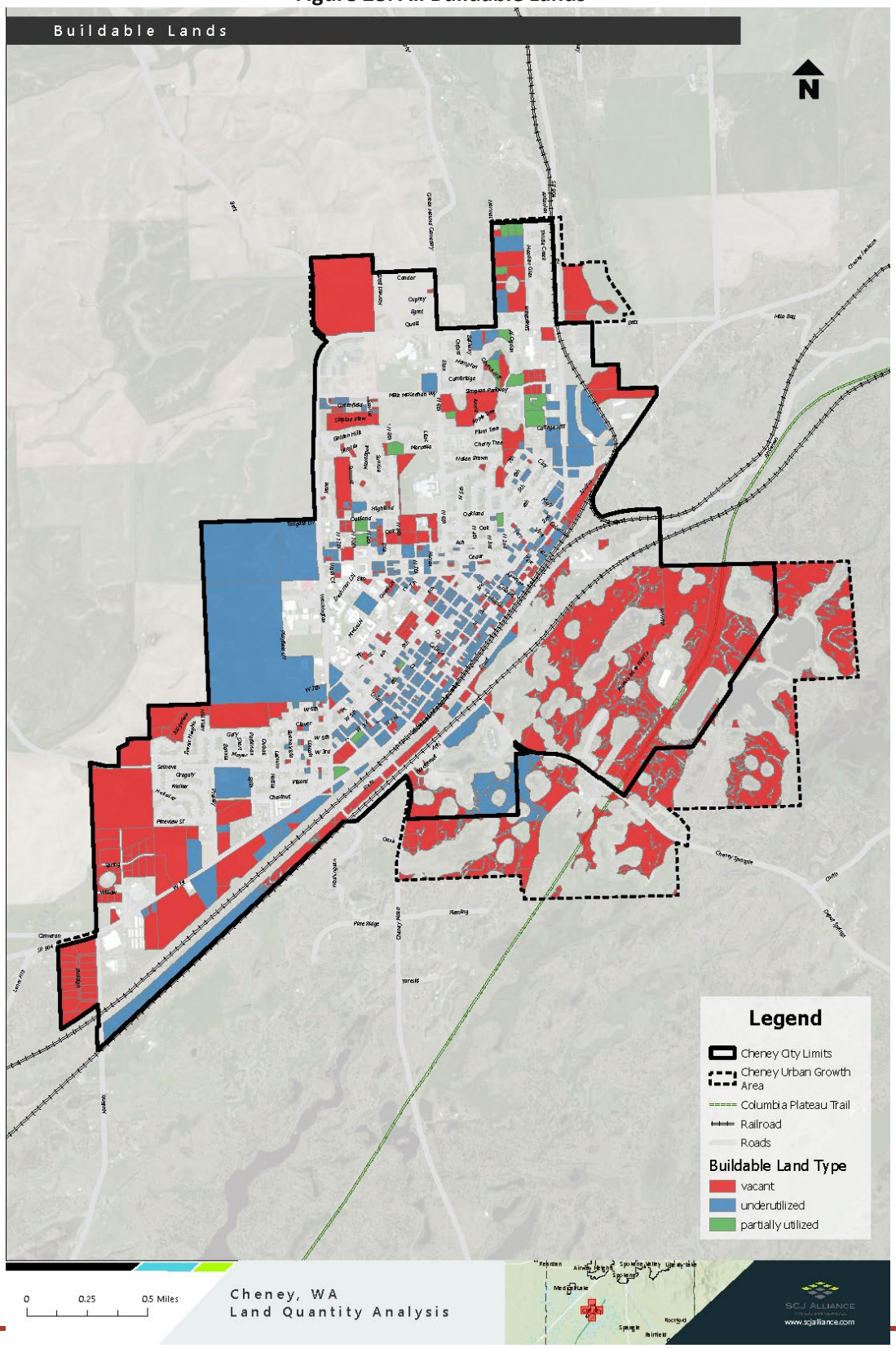
4.2 Buildable Acres

Based on the methodology and assumptions above, Cheney is estimated to have 451.03 acres of buildable land within its city limits and UGA. Tables 23 and 24 show how these acres are distributed among Cheney's zones and future land use designations. Figure 31 provides a map of these buildable lands, designated by vacant, underutilized, or partially utilized categories.

Table 23: Buildable Acres by Future Land Use	
Future Land Use Designation	**Buildable Acres**
Commercial	32.08
Critical Areas Ltd Res	49.12
General Residential	35.14
Industrial	78.39
Institutional	31.89
Mixed Use	9.93
Multi-Family Residential	40.99
Open Space	93.74
University	79.75
Very Low Density	0.00
Total	**451.03**

Table 24: Buildable Acres by Zone	
Zone	**Buildable Acres**
Business Park	11.62
Downtown Commercial	5.89
Eastern Washington University	79.50
General Commercial	43.43
High Density Multi-Family	4.10
Light Industrial	70.24
Multi-Family Residential	29.81
Semi-Rural Residential	51.27
Single Family Residential	79.34
Two Family Residential	6.65
UGA	69.17
Total	**451.03**

Figure 28: All Buildable Lands



4.3 Residential Capacity

This section analyzes how much residential capacity there is within Cheney's buildable lands. First, the section looks at residential capacity based on the current zoning within Cheney. This, however, does not represent the full potential of the land because much of that land has the potential to be rezoned to higher density uses based upon the Future Land Use map in the Cheney Comprehensive Plan. Therefore, the second part of this section looks at residential land based on the future land use designation provided in the Comprehensive Plan.

Residential Capacity Utilizing Zoning

This section analyzes the residential capacity of Cheney's current zoning. By looking at the Cheney Municipal Code, a density limit is established for each zone that allows residential development, as shown in Table 25. Note that the Commercial C-2 zone does allow residential development, but does not apply a maximum density. Therefore, for the sake of simplicity of this analysis, and assuming that the C-2 zone will largely accommodate commercial-only development, that zone is not considered in the residential capacity analysis.

Table 25: Zoning Residential Density Limits

Land Use	Residential Density Limits	Reference
High Density Multi-Family	32 du/acre	CMC
Multi-Family Residential	21 du/acre	CMC
Semi-Rural Residential	4 du/acre	CMC
Single Family Residential	6 du/acre	CMC
Two Family Residential	9 du/acre	CMC
Downtown Commercial	21 du/acre	CMC

With these density limits in Table 25 and the buildable acres in each zone provided in Table 24, the number of dwelling units (or households) possible in each zone is shown in Table 26. According to this analysis, Cheney's city limits can accommodate 1,622 under the current zoning in place today.

Table 26: Residential Capacity Analysis, Zoning

Zone	Buildable Acres	Residential Capacity (DUs)	Percentage of total Population Capacity
High Density Multi-Family	4.10	131	8.1%
Multi-Family Residential	29.81	626	38.6%
Semi-Rural Residential	51.27	205	12.6%
Single Family Residential	79.34	476	29.3%
Two Family Residential	6.65	60	3.7%
Downtown Commercial	5.89	124	7.6%
Total	**177.06**	**1,622**	**100.0%**

However, this type of analysis does not explain the true potential of the land in Cheney over the next 20 years. The zoning landscape is likely to change, and the Comprehensive Plan supports zoning amendments that are consistent with the Future Land Use Map. Additionally, land in the UGA is not zoned, and therefore was not considered in this analysis by zoning type. Therefore, it is important to look at the residential capacity by the future land use designation, rather than the current zoning, as this represents the true potential of the residential land in Cheney.

Residential Capacity Utilizing Future Land Use

This section analyzes the residential capacity of Cheney and its UGA using the future land use designations as mapped and defined in Cheney's Comprehensive Plan, as these represent the *potential* for the land.

For the residential component of the buildable lands analysis, only those land uses where residential is a primary use was analyzed, as defined in Table 22. These areas are shown on the map in Figure 32.

The Comprehensive Plan defines a density limit for some of these land uses, but not all. For the land uses where a density limit was not defined, the Cheney Municipal Code (CMC) was referenced to provide general density limitations on the most applicable related zone, and staff then agreed upon a density maximum consistent with the CMC. The Critical Areas Limited Residential (CALR) land use is not given a density limitation in either the comprehensive plan or the CMC. Therefore, staff estimated that a maximum of 4 units per acre could be developed due to the strong presence of critical areas in these zones. Table 27 shows the assumed residential density limits used in this analysis.

Table 27: Future Land Use Residential Density Limits		
Land Use	**Residential Density Limits**	**Reference**
Critical Areas Limited Residential	4 du/acre	Staff Estimate
General Residential	12 du/acre	Comprehensive Plan
Mixed Use	21 du/acre	CMC 21.32.030-1
Multi-Family Residential	25 du/acre	Comprehensive Plan
Very Low Density	5 du/acre	Comprehensive Plan

With the estimates in Table 27, it is possible to calculate how many households the buildable lands can accommodate. The household capacity analysis is shown in Table 28. This analysis shows that 1,851 households can be accommodated in Cheney's buildable lands. More than half (55%) of that capacity resides in Cheney's Multi-Family Residential land use areas, and almost one-quarter (23%) resides in the General Residential land use areas.

Table 28: Residential Capacity Analysis, Future Land Use				
Future Land Use Designation	**Primary Housing Type**	**Buildable Acres**	**Residential Capacity (Households)**	**Percentage of total Population Capacity**
Critical Areas Ltd Res (CALR)	Single-Family	49.12	196	10.61%
General Residential	Single-Family	35.14	422	22.78%
Mixed Use	Multi-Family	9.93	209	11.26%
Multi-Family Residential	Multi- Family	40.99	1,025	55.35%
Total		**135.18**	**1,851**	**100.00%**

Residential Capacity Analysis

The residential capacity analysis based on zoning yielded 1,622 units within 177.06 acres for an average density of 9.2 units per acre. Whereas the capacity analysis based on future land use designation yielded 1,851 units within 135.18 acres, for an average density of 13.7 units per acre.

This result shows that the future land use designations have significantly more potential for housing development than the current zoning designations. It is important to remember that this analysis aims to discover the true potential of the land within Cheney, and therefore the future land use designations are considered the true capacity of the land within Cheney if all land was zoned and utilized to its highest density.

Therefore, this report assumes that the residential capacity of Cheney's buildable lands is 1,851 dwelling units, which align with the areas in Figure 32.

Next, this capacity number (the "supply") of 1,851 units needs to be compared with the forecasted dwelling units provided by the Department of Commerce's HAPT (the "demand") which was 1,724 units. Upon initial analysis, it appears that Cheney has just enough capacity to accommodate the projected demand over the next 20 years, with 93% of maximum capacity being met by 2045.

However, it also needs to be considered that many "underutilized" parcels currently have at least one occupied residence on them. Therefore, the new housing replacing the "underutilized" housing is not capable of accommodating new residents, only replacing housing for current residents. Additionally, it is assumed that the HAPT estimate is for housing to accommodate *new population growth.*

This analysis identified 206 parcels that prioritize residential uses and are designated "underutilized". This essentially removes 206 housing units from the total capacity for new residents. This results in a maximum capacity of (1,851 – 206) = 1,645 housing units that could accommodate new population growth.

Therefore, the number of households needed by 2045 according to the HAPT (1,724) exceeds the City's capacity to accommodate that growth by 79 units.

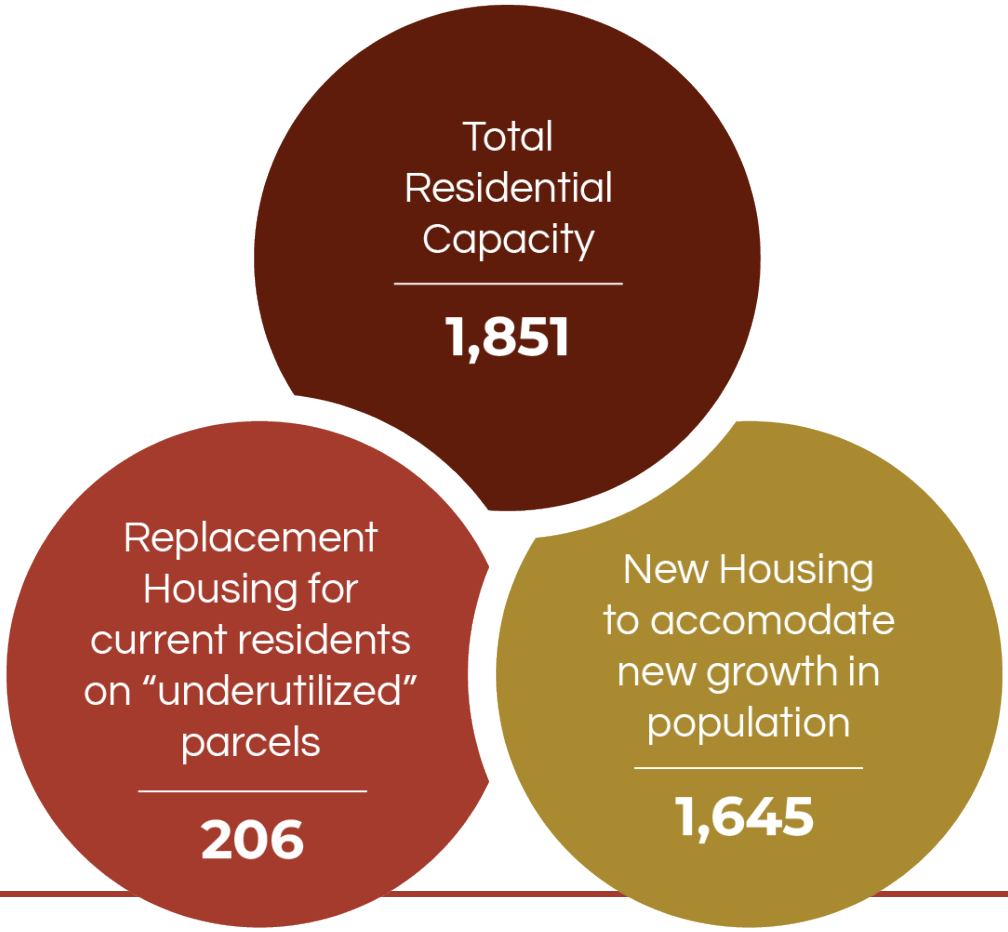
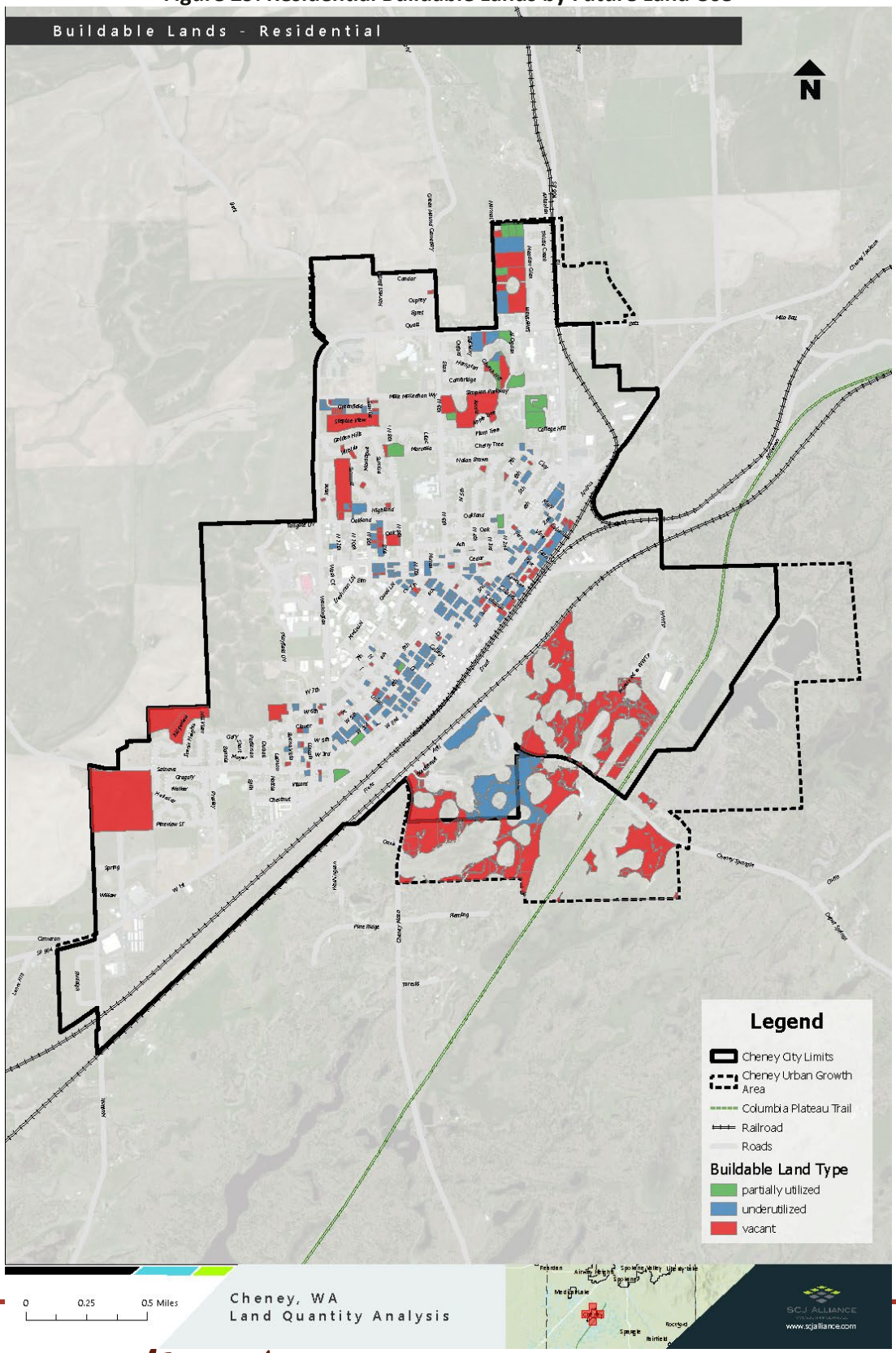


Figure 29: Residential Buildable Lands by Future Land Use



Urban Growth Area Analysis

Part of the purpose of this report is to analyze the current state of Cheney's Urban Growth Area (UGA). A separate GIS analysis provided the buildable acres by land use designation only within the UGA, as shown in Table 29. The only land uses designated within the UGA are Commercial, Critical Areas Limited Residential, and Open Space. Only Critical Areas Limited Residential has capacity for residential units, and the same capacity from Table 27 of 4 du/acre was used.

Table 29: Buildable Land in the UGA

Future Land Use Designation	Buildable Acres	Residential Capacity (Households)	Population Capacity (2.17 People per Household)
Commercial	5.98	0	0
Critical Areas Ltd Res	27.69	111	241
Open Space	35.49	0	0
Total	**69.17**	**111**	**241**

Because of the strong presence of critical areas (see Figure 33), Cheney's UGA can only accommodate about 111 new households, and therefore, the capacity for residential growth within the current UGA is very minimal. The UGA, as it stands, can accommodate approximately 2% of the current housing units in Cheney.

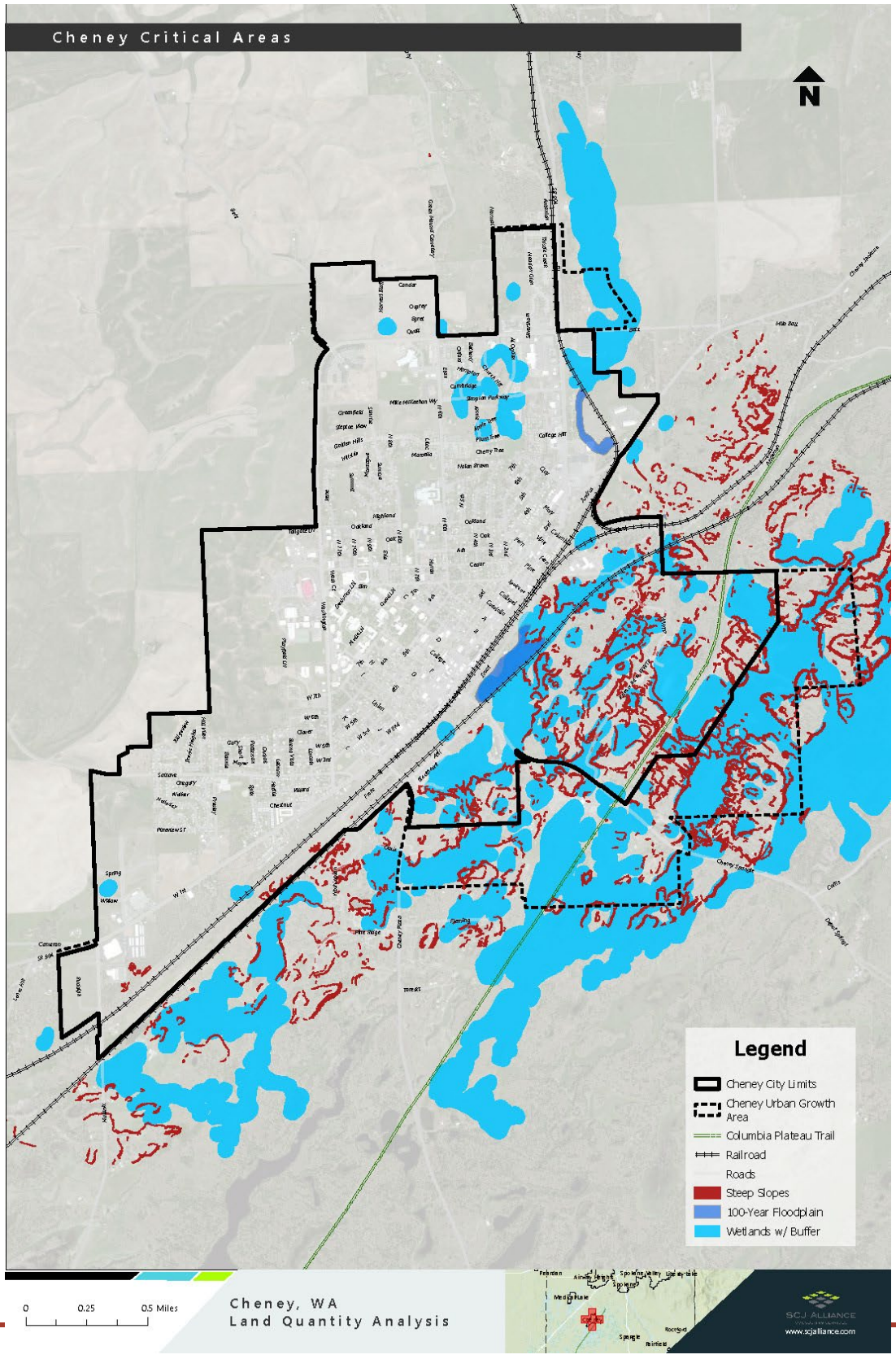
Table 30 shows the number of new units built in Cheney between 2010 and 2022. On average, approximately 90 new units have been added per year over this time span. Therefore, the capacity of Cheney's UGA is equivalent to approximately 15 months' worth of population growth.

Table 30: New Residential Development in Cheney (2010-2022)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Units	16	166	52	17	12	236	235	55	51	219	26	69	12
Units in Single-Family Structures	3	6	8	11	8	26	43	55	5	53	12	9	8
Units in All Multi-Family Structures	13	160	44	6	4	210	192	0	46	166	14	60	4

Because this residential buildable land capacity analysis showed that the number of households needed by 2045 exceeds the City's residential capacity, and that the UGA can only accommodate one year's worth of population growth, the City of Cheney should amend its UGA in order to provide greater potential for future housing development and population growth.

Figure 30: Cheney Critical Areas



Housing Capacity by Census Block

Figure 34 and Figure 35 show an analysis of housing capacity by Census Block. Figure 35 seems to show that there is significant potential for housing on the south side of the City, south of the railroad. However, Figure 34 shows how critical areas severely limit the potential of this area. Even though there is a lot of space between critical areas, the pattern of critical areas makes development much less feasible on the buildable lands south of the railroad. While cluster development would be possible, the siting of public facilities, need for roads and utilities, and public services such as public transit, emergency services, and proximity to commercial areas, would make this area extremely difficult to develop and still provide an adequate level of service.

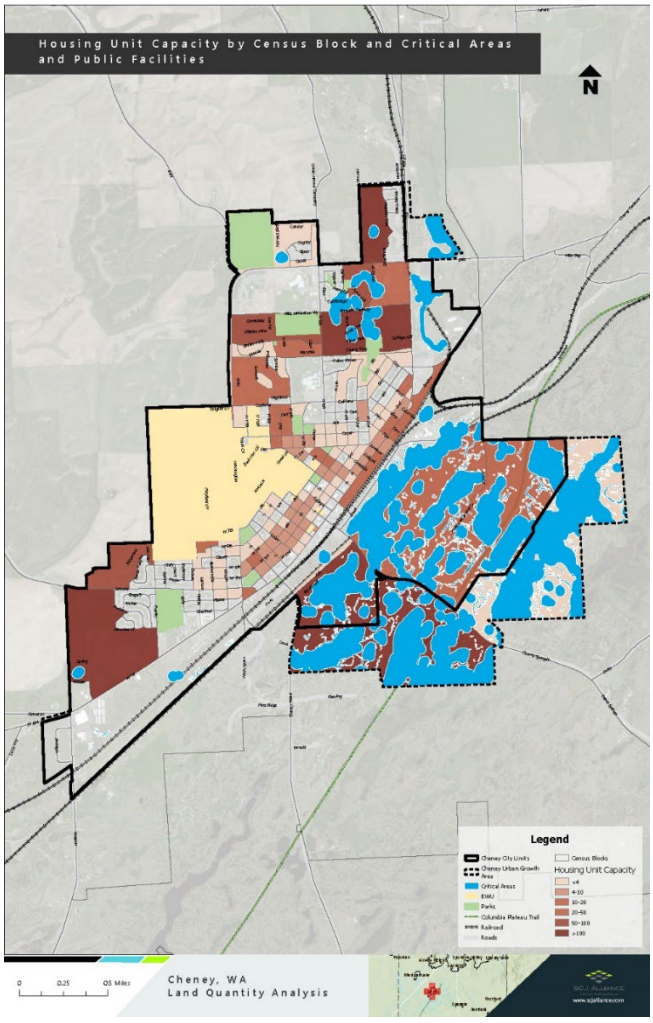


Figure 32: Housing Unit Capacity by Census Block + Critical Areas and Public Facilities

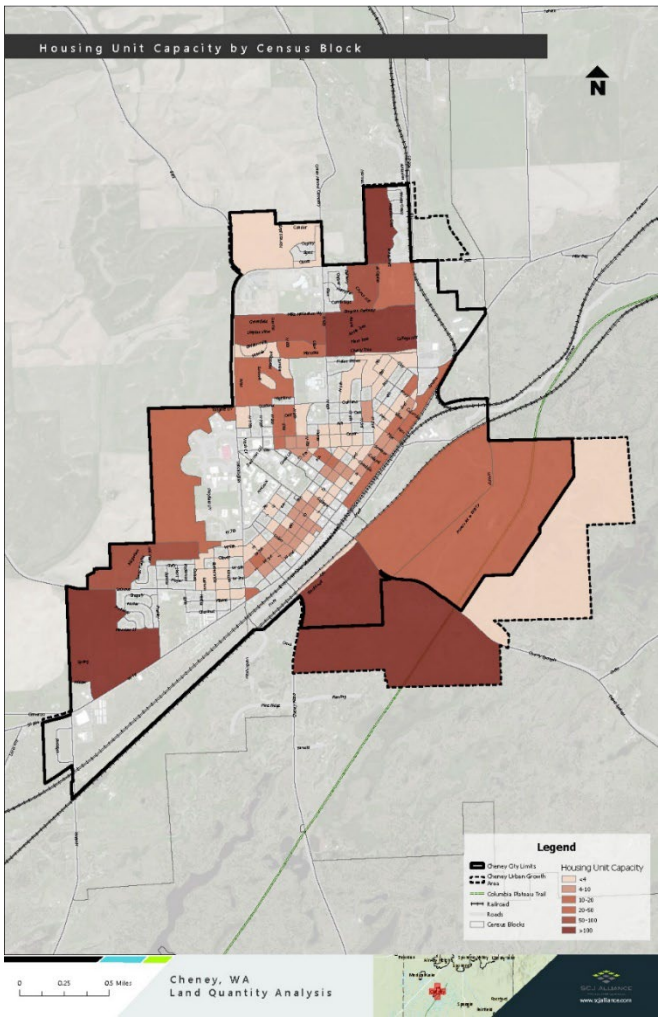


Figure 31: Housing Unit Capacity by Census Block

Eastern Washington University Housing

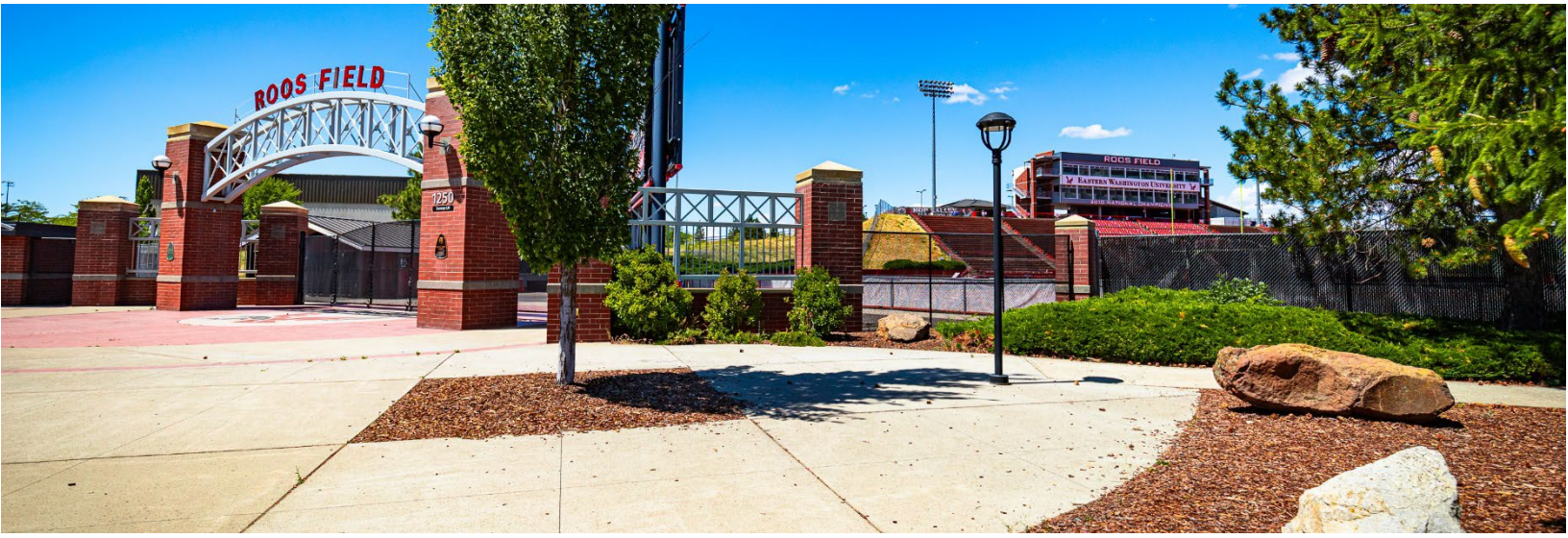
The housing analysis above did not include considerations for student housing on EWU's campus. The EWU zoning and land use designation was left out of the analysis because EWU has unique housing needs.

According to the university, there is currently capacity for about 2,300 students to live on campus. This is more than the current demand for on-campus housing. EWU estimates that about 1,300 beds would be the "right size" amount for the current demand. EWU is planning some changes to on-campus housing in coming years, including removing Streeter, Dryden, Pearce, and Dressler halls, resulting in the total removal of about 1,600 beds. In their place, the university would build two new housing facilities totaling approximately 800 beds. The results in a new capacity of 1,500 beds that is seen as the long-term sustainable amount of on-campus housing needed.

EWU does depend on off-campus housing to an extent for students who choose not to live on-campus. The university does not have an estimate for how many students live off-campus *within Cheney.* It is difficult to estimate the extent to which off-campus living has an impact on Cheney's housing stock, but it is not insignificant. EWU has noticed there is a preference for apartment-style living as opposed to dorm-style living. This has an impact on the demand for off-campus housing because often students will look in other parts of Cheney to find housing that suits their needs.

EWU will update their strategic plan in 2024, at which point the City of Cheney will be able to better gauge the future demand for housing and how EWU anticipates growing in the future. According to EWU staff, the university does not anticipate significant growth in enrollment in coming years, but rather anticipates that it will stabilize at about its current size. Therefore, while EWU has a significant impact on the demand for housing within Cheney, much of this demand will be managed with on-campus housing, and the remaining demand is not anticipated to change much from its current levels today.

The City should make sure to collaborate with EWU on the needs for off-campus housing, and it will be crucial that the City and EWU participate in each other's planning processes to ensure both the needs of the community and of the university are met.



4.5 Employment Capacity

Employment capacity can be measured as a limit of 'employees per acre' (EPA). This measure helps estimate how many jobs the City of Cheney can reasonably accommodate within its employment-based lands. Employment densities are not defined in the Comprehensive Plan or the Cheney Municipal Code, so this report references both the current measure of EPA and best practice studies to approximate an employee per acre capacity for Cheney.

The employment capacity in Cheney was calculated using land use designations, as these represent the *potential* for the land. Additionally, similar to the calculation for residential capacity, only the land use designation where employment is one of the primary uses were analyzed. This includes the Commercial, Industrial, and Mixed Use designations, as defined in Table 22.

To analyze current trends in Cheney, a GIS Online analysis was conducted, utilizing Esri 2023 estimates, to estimate the number of employees within each zoning district in Cheney, see Table 31 The Downtown Commercial districts and the MJROD Overlay District were the most employment-dense areas, with over 20 EPA. High Density MF MLSOD had 4 employees per acre, Eastern Washington University zones had 3 employees per acre, and General Commercial (NOT MJROD) had only 3 employees per acre. All other zones had either 1 or 0 employees per acre.

Table 31: 2023 Employees per Acre in Cheney Zones

Zoning	Employees	Acres	Employees Per Acre (EPA)
Business Park	21	39.39	1
Downtown Commercial	764	30.64	25
Downtown Commercial MLSOD	215	10.18	21
Eastern Washington Univ	768	346.97	2
General Commercial	902	286.80	3
General Comml/MJROD	140	5.64	25
High Density Multi-Family	55	63.07	1
High-Density MF MLSOD	27	7.36	4
Light Industrial	352	560.01	1
Multi-Family Residential	317	233.65	1
Semi-Rural Residential	0	290.64	0
Single Family Residential	656	566.91	1
Two Family Residential	49	165.49	0
Two Family Residential/SR	0	4.47	0
Total	**4266**	**2611.22**	

The *Oregon Department of Land Conservation and Development (DLCD)'s Industrial and Other Employment Lands Analysis: Basic Guidebook* advocates EPAs of 7-12 for heavy industrial uses, 10-15 for light industrial uses, and 12-20 for commercial uses.[16]

Due to current trends in Cheney's Commercial and Industrial zones that show EPA estimates for General Commercial (except in the MJROD overlay district) and Light Industrial between 1-3 EPA, Cheney's employment-based zones have a fair amount of capacity before they reach the Oregon DLCD's EPA ranges. Therefore, the low end of the Oregon DLCD ranges was selected to represent the employment capacity density in the Commercial and Industrial land use areas within Cheney (see Table 32). These limits represent higher employment densities while maintaining reasonable expectations for development trends in Cheney.

For the Mixed Use areas, a higher EPA limit was chosen in order to be more consistent with current trends. Table 31 shows that Downtown Commercial EPAs are currently in the 20-25 EPA range, and since Cheney's designated mixed use areas overlap with downtown, an EPA of 25 was deemed an appropriate limit for the Mixed Use land use designations. These assumptions are summarized in Table 32.

Table 32: Employment Density Limits

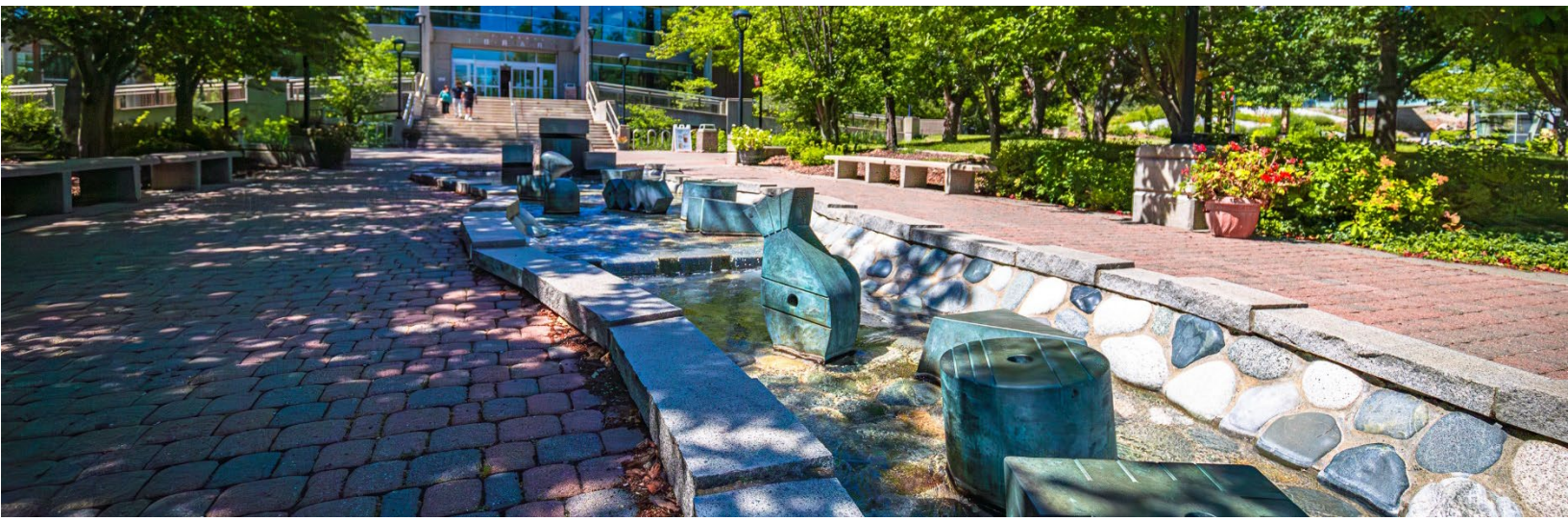
Land Use	Employment Density Limits	Reference
Commercial	12 emp/acre	Oregon DLCD
Industrial (All Light Industrial)	10 emp/acre	Oregon DLCD
Mixed Use	25 emp/acre	Current trends

With 118.66 acres of employment-based buildable land in Cheney (shown in Figure 36), at the employment capacities in Table 32, the estimated capacity for additional jobs in Cheney is 1,417, which is one-third more jobs than the City currently has today (4,266). Over half of these jobs would be based in industrial lands, indicating that there is more potential growth for industrial job growth than commercial job growth.

Table 33: Employment Capacity Analysis

Future Land Use Designation	Buildable Acres	Employment Capacity	Percentage of total Employment Capacity
Commercial	32.08	385	27.2%
Industrial	78.39	784	55.3%
Mixed Use	9.93	248	17.5%

[16] *Oregon Department of Land Conservation and Development. Industrial and Other Employment Lands Analysis: Basic Guidebook. 2005.*



On the demand side of the equation, we assumed that employment rates would remain constant over the next 20 years, so the job growth would increase at the same rate as the population. Earlier in this report, a 19% increase in population was assumed between 2022 and 2045. Applying that same approximation to the 2023 employment numbers, the projected growth in number of jobs needed will be 811 jobs. Therefore, Cheney has nearly double the capacity for job growth than that which is expected by 2045.

Due to the fact that the findings of this report have shown that there is not enough residential capacity, but more than enough employment capacity in Cheney, one strategy to consider going forward would be to rezone employment-based lands to residential-based lands.

Urban Growth Area Analysis

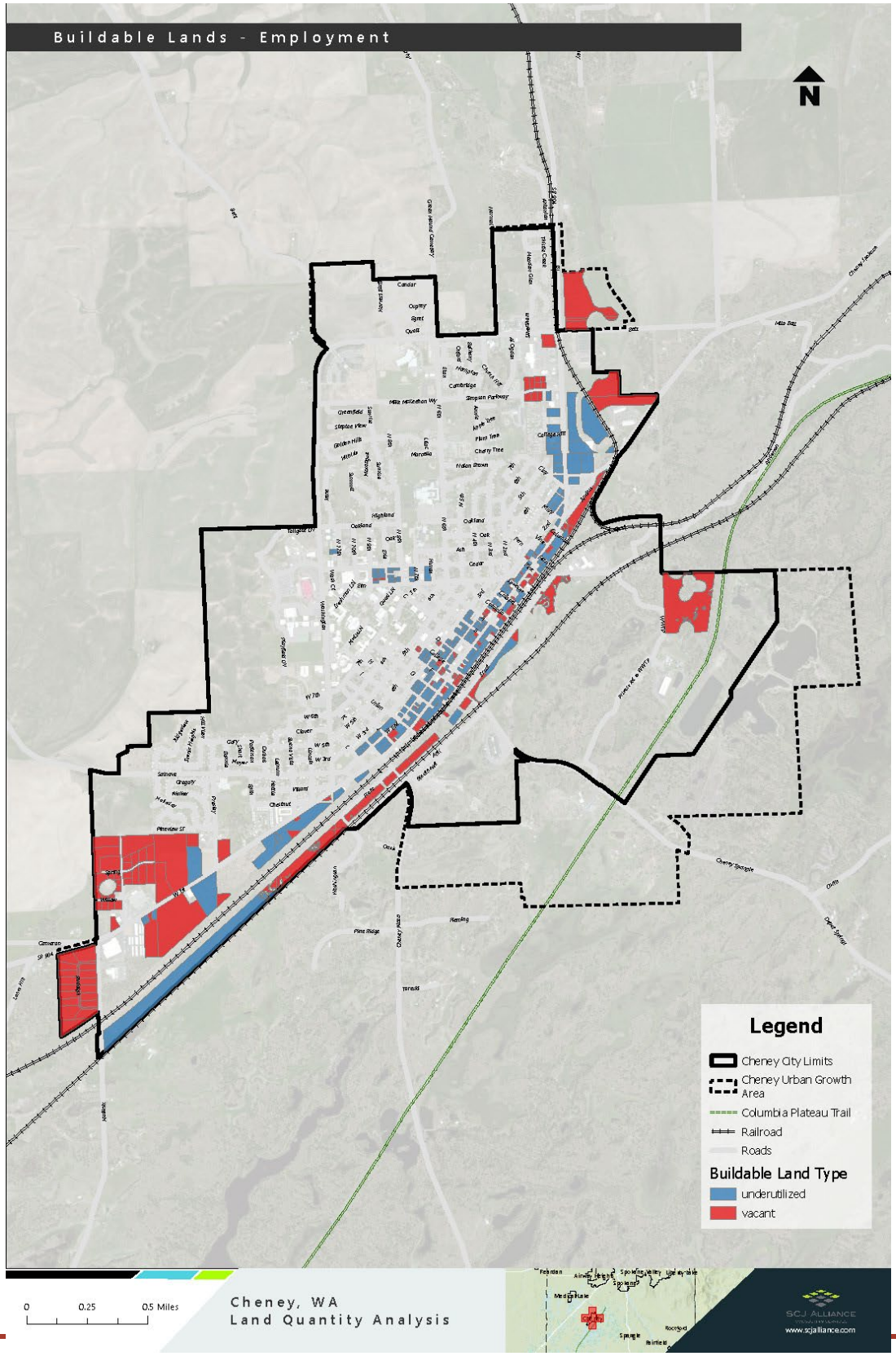
Table 34 analyzes land only within the UGA outside City Limits that is considered 'buildable' (vacant, underutilized, or partially utilized). The capacity for employment growth within the current UGA is very minimal. The UGA, as it stands, can accommodate approximately 72 jobs, or less than 2% of the total jobs in Cheney (4,266 total jobs in 2023). According to ACS estimates from 2010-2021, the average annual growth rate for employment numbers in Cheney was 2.1%. Accordingly, the UGA can accommodate approximately one year's worth of job growth.

Table 34: Employment Capacity in the UGA

Future Land Use Designation	Buildable Acres	Employment Density	Employment Capacity
Commercial	5.98	12 emp/acre	72
Critical Areas Ltd Res	27.69	0	0
Open Space	35.49	0	0
Total	**69.17**	-	**72**

While Cheney has potential for significant job growth within city limits, its potential within the UGA is very limited. Therefore, the City should look at amending the UGA to allow for more potential future employment growth.

Figure 33: Employment Buildable Lands



Employment Capacity by Census Block

Figure 38 and Figure 37 show an analysis of employment capacity by Census Block. Figure 37 seems to show that there is significant potential for employment on the south side of the City, south of the railroad. However, Figure 38 shows how critical areas severely limit the potential of this area. Even though there is a lot of space between critical areas, the pattern of critical areas makes development much less feasible on the buildable lands south of the railroad. While cluster development would be possible, the siting of public facilities, need for roads and utilities, and public services such as public transit, emergency services, and proximity to commercial areas, would make this area extremely difficult to develop and still provide an adequate level of service.

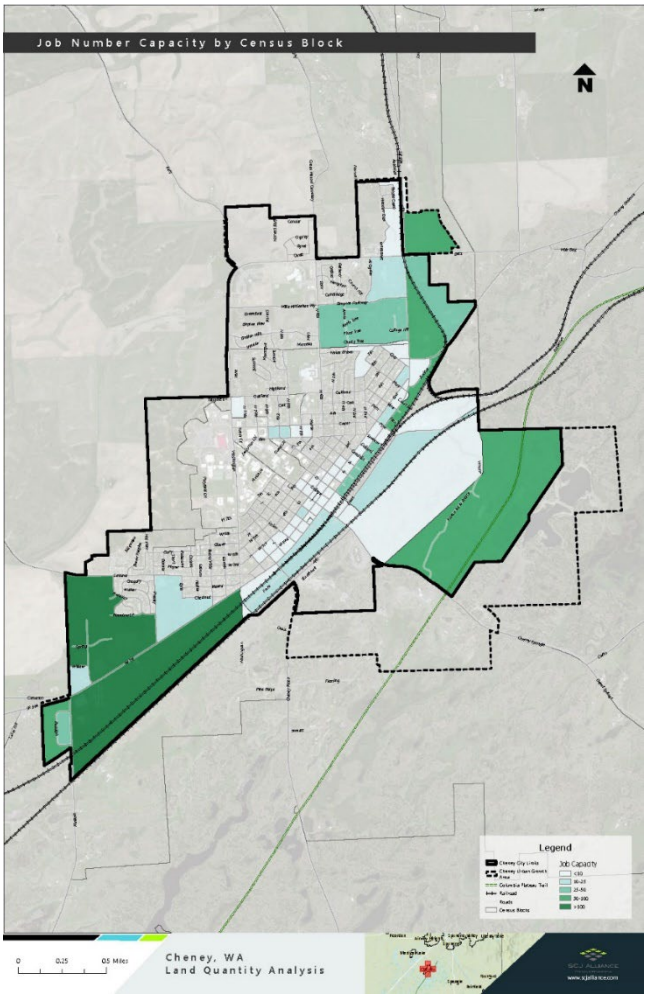


Figure 34: Employment Capacity by Census Block

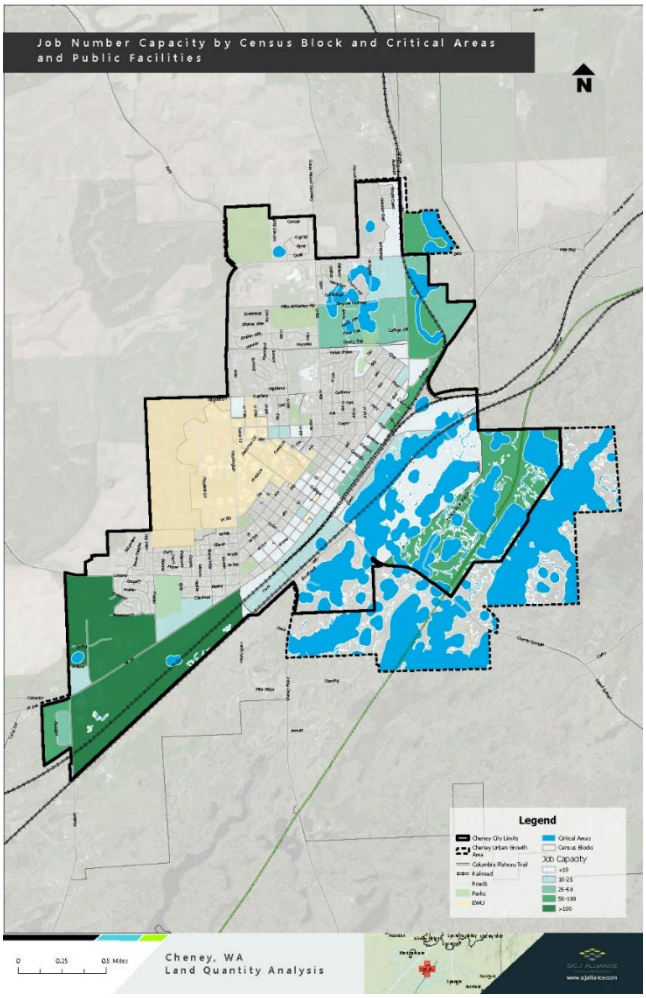


Figure 35: Employment Capacity by Census Block + Critical Areas and Public Facilities

4.5 Pedestrian Connectivity

Cheney has a large number of historic, walkable residential neighborhoods, as well as a very walkable historic downtown. Cheney is well connected by a sidewalk system and a good system of walking and biking trails, which are mainly located within public parks. The Columbia Plateau Trail is located just south of the railroad tracks, and goes through the southern portion of the city limits. This is a valuable regional connector, and eventually will connect directly to the Fish Lake Trail which will provide safe and direct non-motorized access to Spokane. However, there are some commercial and industrial areas of Cheney where pedestrian facilities are lacking or missing entirely.

As the City looks to focus on infill development, provide affordable housing, and potentially amend the UGA, it will be important to include considerations for pedestrian connectivity and safe walking and biking facilities to help improve community connections and increase transportation options for citizens, college students, and others.

4.6 Public Transit

Cheney is fortunate to be served by a strong public transit system, provided by the Spokane Transit Authority (STA). Routes 6, 66, 67, and 68 provide service either within or to and from Cheney.

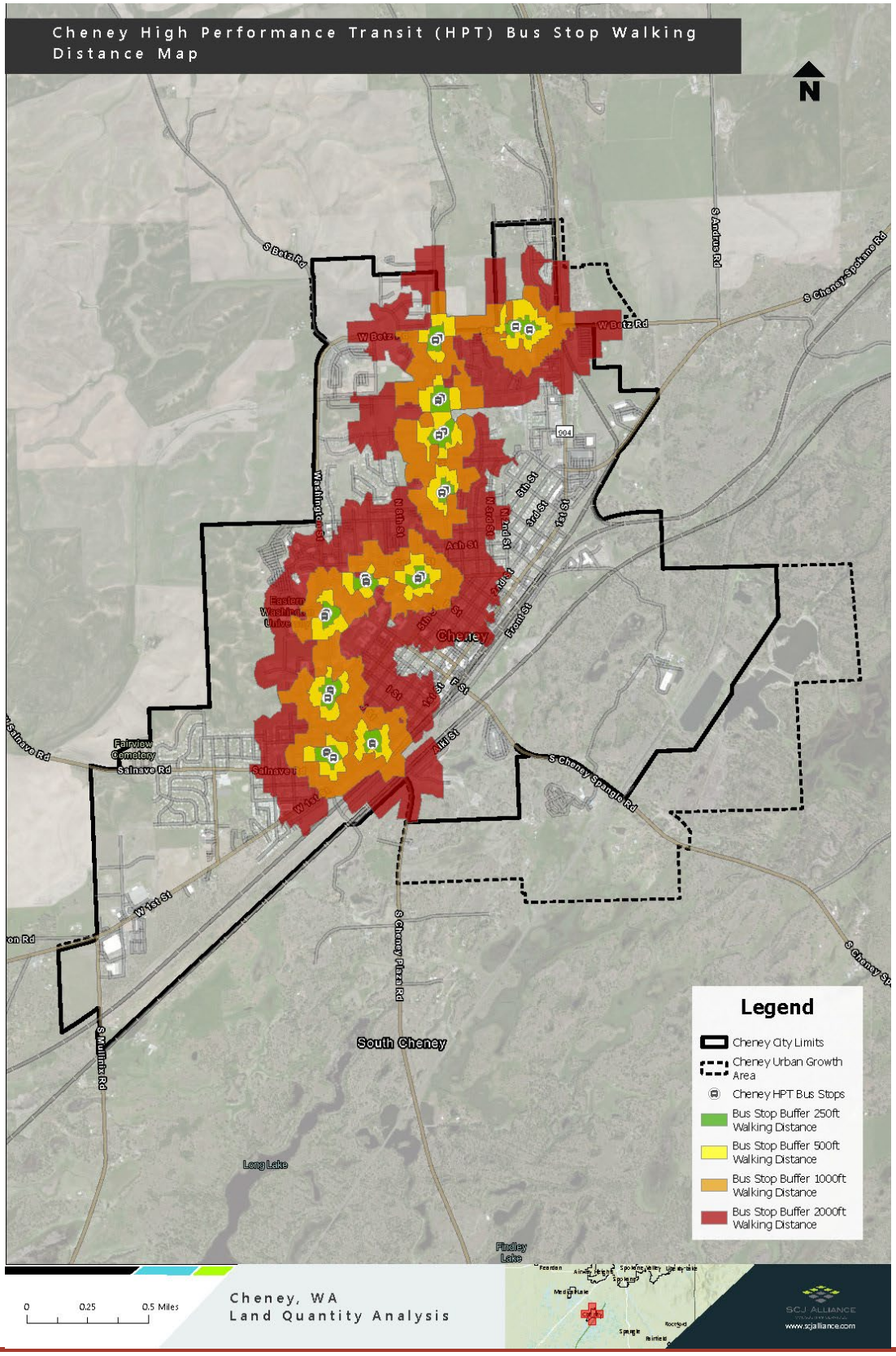
Routes 67 and 68 provide clockwise and counter-clockwise, respectively, service around Cheney. Route 66 provides express service between Downtown Spokane and EWU.

Route 6 is the Cheney Corridor High Performance Transit Service, which provides enhanced transit service between Downtown Spokane and major destinations in Cheney, and features more frequent bus times, longer hours, and additional passenger amenities. Additionally, this route is anticipated to be among the first that STA will implement double-decker buses on, starting in 2025.

The presence of high-capacity transit in Cheney means that there is an opportunity to enhance the neighborhoods around the Route 6 transit stops, because easy access to transit plays a key role in the ability to accommodate greater density and affordable housing. Access to transit reduces dependency on car ownership, and therefore makes certain types of development more feasible, if the City eases parking restrictions near high-capacity transit stops.

Figure 39 shows the Route 6 stops and the walking distance buffers between 250 and 2,000 feet.

Figure 36: Walking Distance from High Performance Transit Lines



5. Economic Opportunities Analysis

The Economic Opportunities Analysis will look at the various commercial, industrial, and recreational opportunities to examine how Cheney can build its local economy to provide jobs, enhance livability, and attract businesses and events that will boost the economic activity in the City. The Economic Analysis section covers the existing conditions today. The SWOT analysis looks at the strengths, weaknesses, opportunities, and threats based on this analysis, and finally some economic development priorities are established.

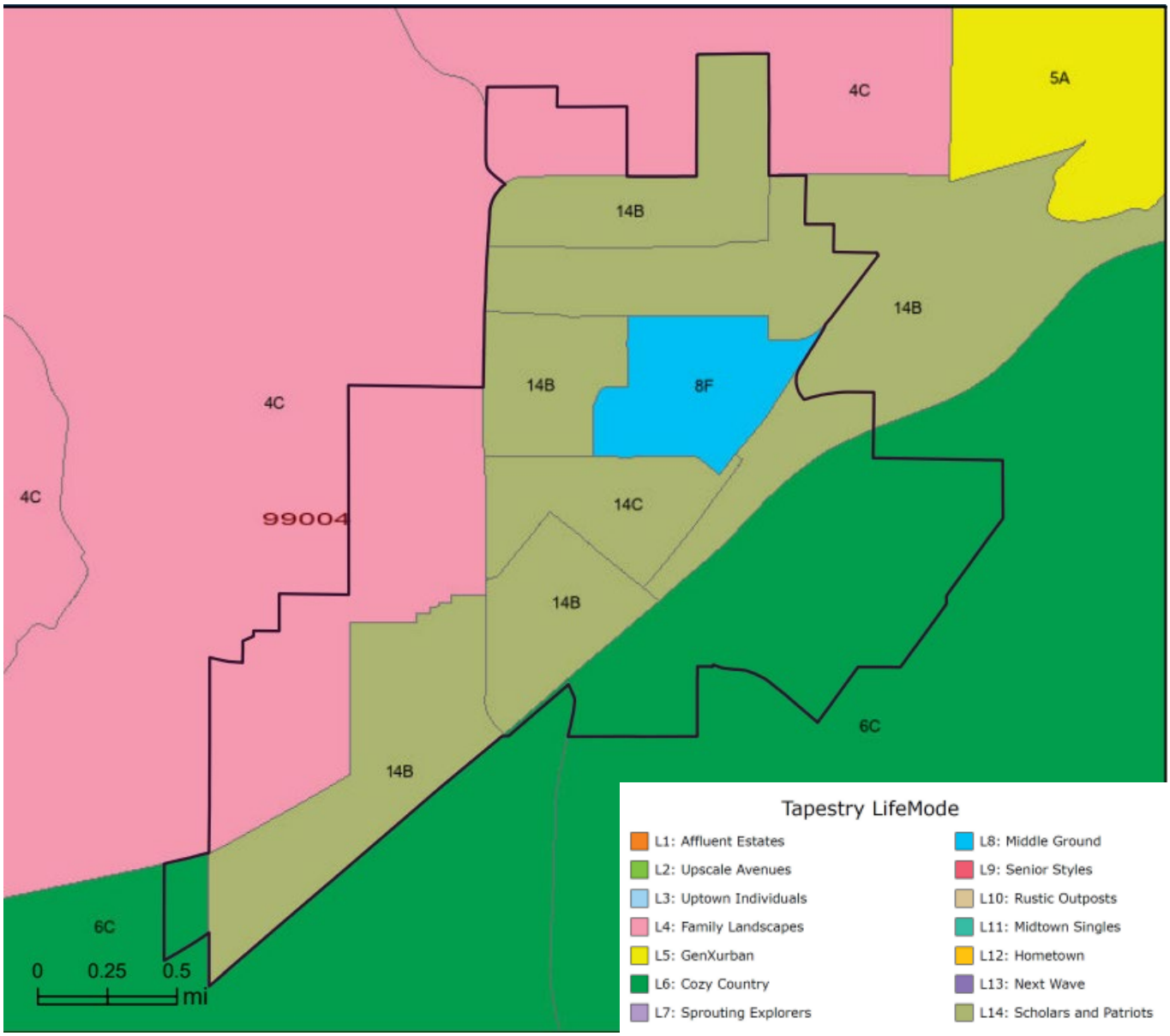
5.1 Economic Analysis

5.1.1 Community Tapestries

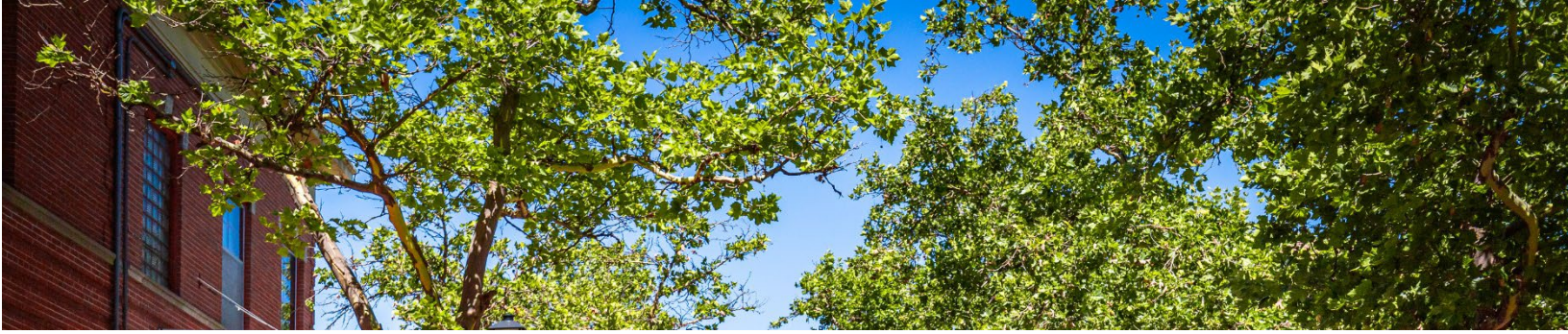
Esri's Tapestry Segmentation Profiles is a consumer analysis tool that identifies distinctive markets in the US based on socioeconomic and demographic characteristics to provide an accurate, comprehensive profile of US consumers. Though often used for market research for products and services, these Tapestry profiles are also helpful for diagnosing housing needs. In essence, each tapestry provides consumer market profiles that categorize households based on their preferences for goods, leisure activities, and housing.

The predominant tapestry segmentations in Cheney are "Cozy Country," "Family Landscapes," and "Scholars and Patriots." The Cozy Country group is composed primarily of empty nesters who are politically conservative and have a variety of income levels. The Family Landscapes group is composed of successful young families in their first homes who are sports enthusiasts and have two workers in the family. The Scholars and Patriots group is composed of college and military populations who are highly mobile and recently moved to attend school or serve in the military and are renters with roommates in nonfamily households. A full description of Esri's tapestry segments can be found in Appendix C.The Cozy Country group is mostly located on the outskirts to the southeast of the city, while the Family Landscapes group is located to the northwest of the city (Figure 40). The Scholars and Patriots group is mainly located within the center of the city. This group is also the youngest market group, with a majority in the 15 to 24 age range.

Figure 37: Dominant Tapestry Map for City of Cheney



Source: Esri Dominant Tapestry Maps



Cheney Tapestry Segmentation Details

Table 34 shows the five most represented Tapestry Segmentations found in Cheney. These tapestries make up 99.9% of all households in Cheney and fall into two similar groups:

1. a younger demographic who are attending college or have just graduated, and who are mainly renters
    a. College Towns (14B)
    b. Dorms to Diplomas (14C)
2. a middle-aged demographic who are primarily homeowners
    a. Old and Newcomers (8F)
    b. Middleburg (4C)
    c. The Great Outdoors (6C)

These tapestries are described in more detail in Table 35. The top three tapestry segments are College Towns (67.0%), Old and Newcomers (11.9%), and Middleburg (8.9%):

- **College Towns:** about half enrolled in college, while the rest work for a college or the services that support it.
- **Old and Newcomers:** tend to be renters who are just beginning their careers or are retiring, and the focus is more on convenience than consumerism.
- **Middleburg:** middle of the road in terms of age and income and tend to have children living at home.

Table 35 shows how the percentages of these groups compare with the larger region. Cheney has a much higher concentration of groups who are more likely to rent than own, but also a higher concentration of middle-ground folks who are more likely to own homes. **Overall, Cheney is a small college town and will need appropriate housing and economic activity to cater to all of these groups.**

Table 35: Tapestries Segmentation Distribution for Cheney

Tapestry Segment	Cheney	Spokane County	Washington	US
College Towns (14B)	67.0%	3.1%	0.7%	1.0%
Old and Newcomers (8F)	11.9%	8.3%	3.1%	2.3%
Middleburg (4C)	8.9%	4.3%	4.1%	3.1%
Dorms to Diplomas (14C)	7.9%	0.3%	0.7%	0.5%
The Great Outdoors (6C)	4.2%	3.5%	4.8%	1.5%
Grand Total	**99.9%**	**19.5%**	**13.4%**	**8.4%**

Source: Esri Business Analyst

Table 36: National-Level Characteristics of Cheney Tapestry Segments							
Rank	Tapestry Segment	Median HH Income	Median Age	Avg. HH Size	Median Home Value/Avg Rent	% Own Home	Typical Housing Types
1	College Towns (14B)	$32,200	24.5	2.14	$927	24.6%	Multiunit Rentals; Single Family
2	Old and Newcomers (8F)	$44,900	39.4	2.12	$880	45.2%	Single Family; Multi-Units
3	Middleburg (4C)	$59,800	36.1	2.75	$175,000	73.4%	Single Family
4	Dorms to Diplomas (14C)	$16,800	21.6	2.22	$1,025	7.5%	Multiunit Rentals
5	The Great Outdoors (6C)	$56,400	47.4	2.44	$239,500	77.5%	Single Family

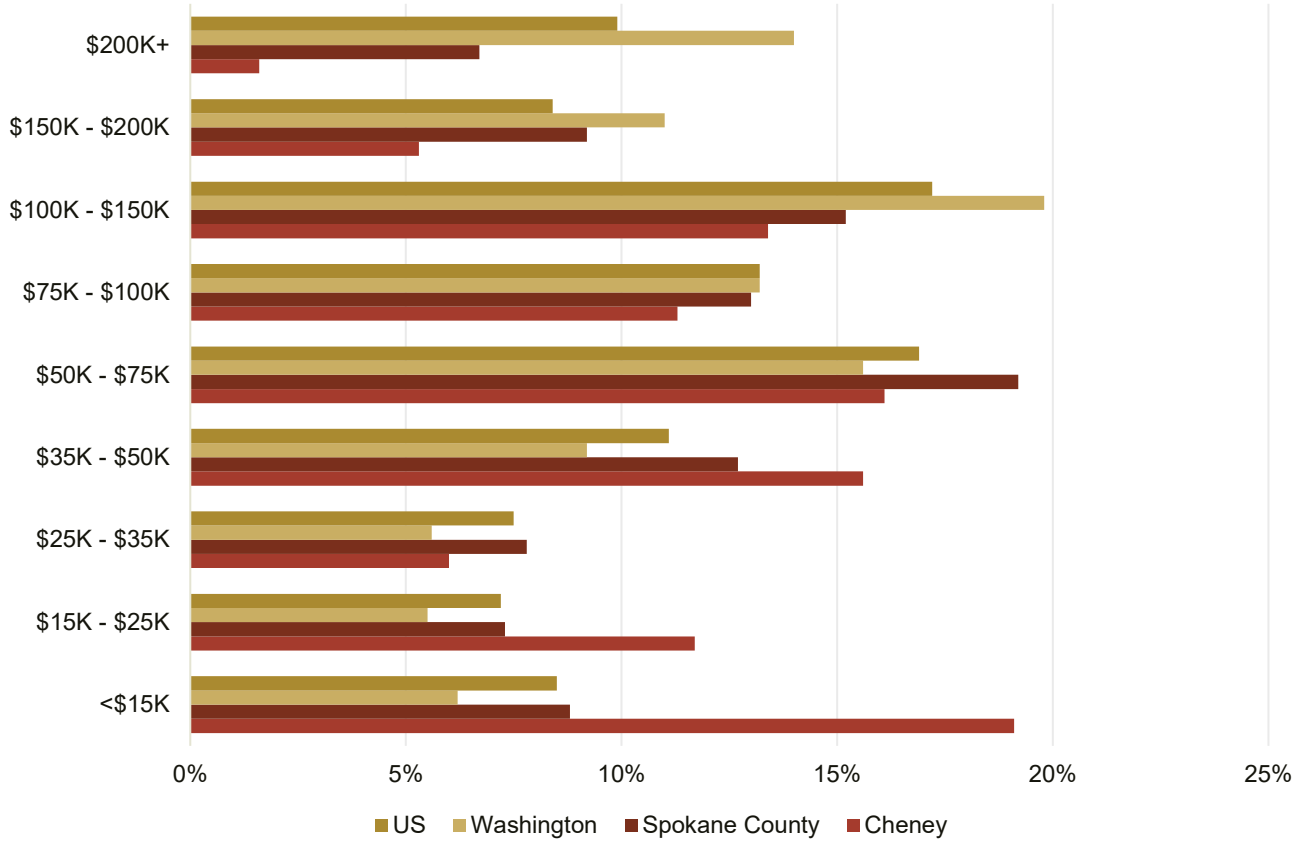
Source: Esri Business Analyst

5.1.2 Income and Employment

Household Income & Expenditures

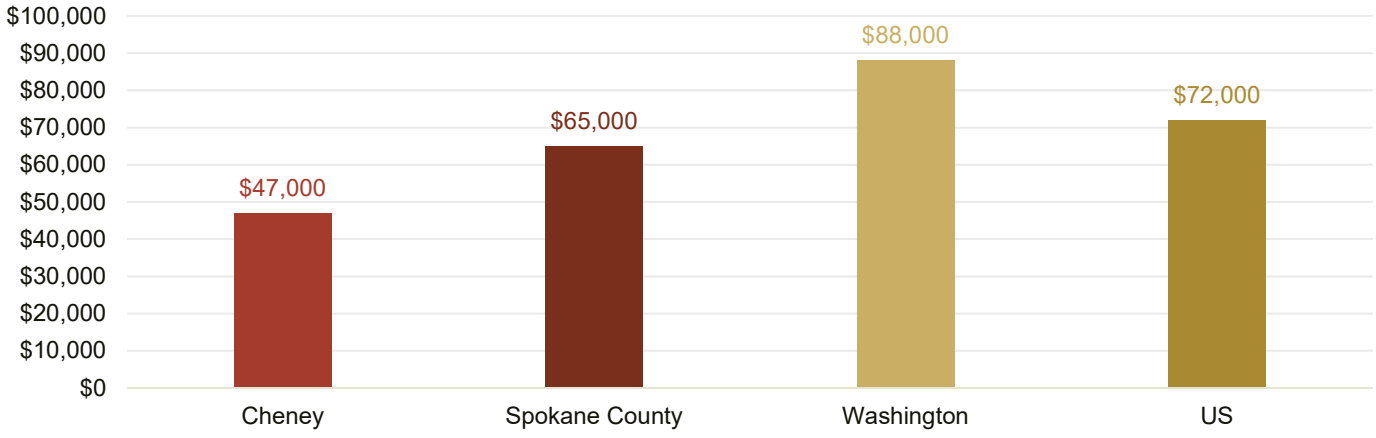
In terms of median household income (MHI), the City of Cheney has lower levels than the county, state, and nation. Figure 41 and Figure 42 show the distribution of household income by region and MHI by region. Cheney has the greatest percentage of households in the MHI range of less than $15,000, with almost one-fifth of households falling in that range. The greatest percentage of households for the county reside in the $50K to $75K range, and the $100K to $150K range for the state and the nation. MHI statistics continue to show the sharp contrast between the city and the county as **Cheney's MHI is almost $20K less than Spokane County's**.

Figure 38: Distribution of Household Income by Region



Source: Esri Business Analyst, 2022

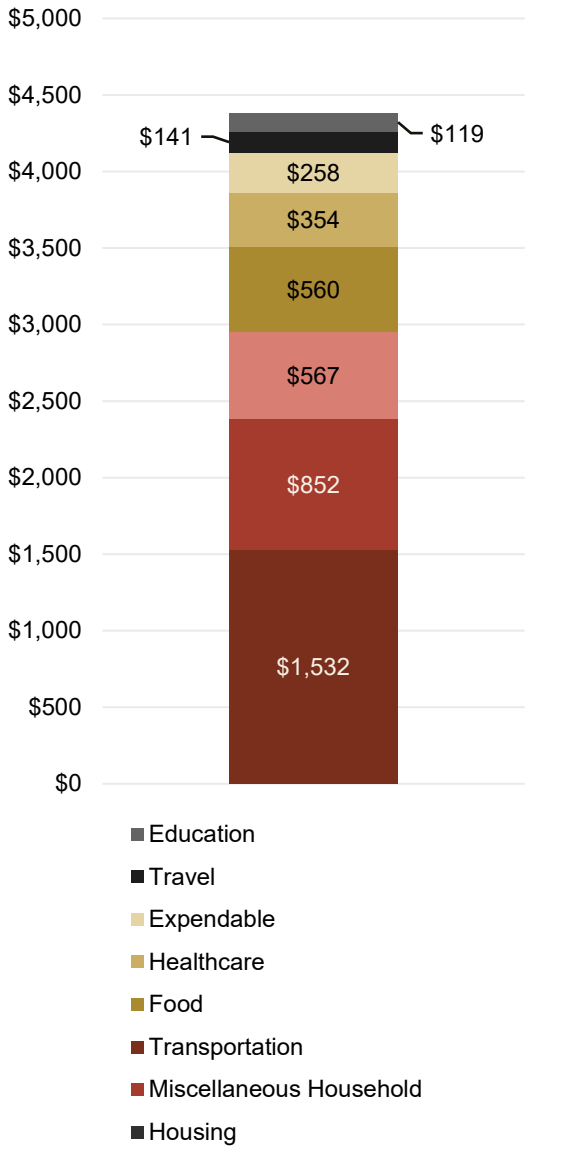
Figure 39: Median Household Income by Region



Source: Esri Business Analyst, 2022

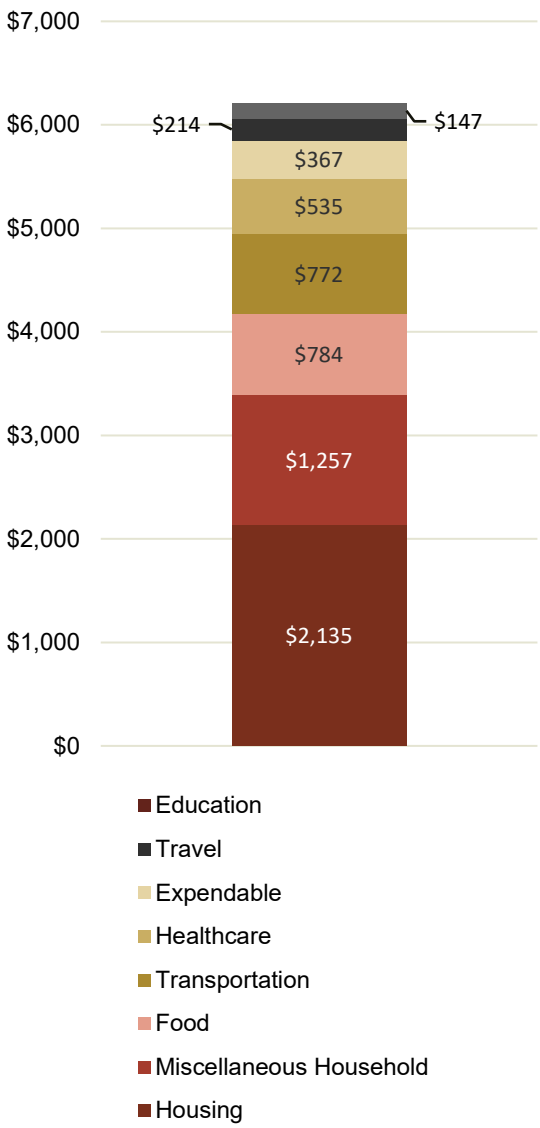
Figure 43 and Figure 44 detail average monthly household budgets for Cheney and Spokane County. The greatest percentage of monthly household budgets in Cheney are spent on housing at 32.5%, followed by miscellaneous household spending and transportation expenses. Miscellaneous household spending includes personal care products & services, apparel & services, support payments, and life/other insurance, among others. The lowest percentage of household monthly budgets go towards education and travel. Households in Cheney have similar spending patterns to those in the county. At the county level, households spend almost exactly the same percentages of their monthly budgets on housing, transportation, food, and healthcare.

Figure 41: City of Cheney Monthly Household Budget Expenditures



Source: Esri Business Analyst, 2022

Figure 40: Spokane County Monthly Household Budget Expenditures

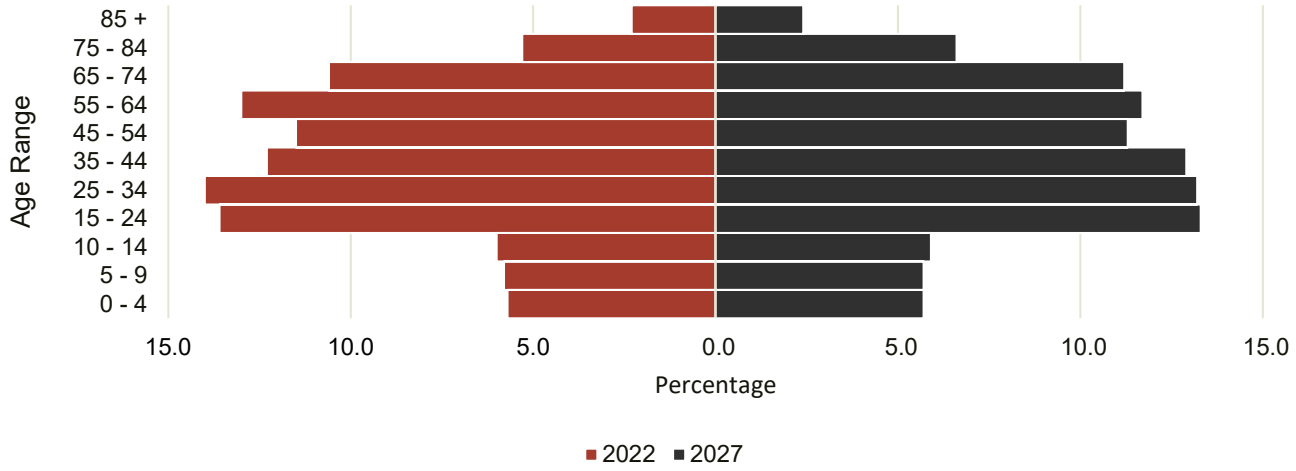


Source: Esri Business Analyst, 2022

Labor Force, Earnings and Establishments

Spokane County is forecasted to face a potential decrease in the labor force with a decline in the working age population as older populations retire. Figure 45 shows that, over the next 5 years, the share of residents in the county aged 15 to 24 and 25 to 34 are expected to decrease. In contrast, the share of residents in the age groups of 65 and older are expected to increase. According to a report from the Spokesman Review, by 2030, more than one quarter of residents in Spokane County will be over 60.[17] This will result in a smaller share of working age residents, despite population gains. An aging population is an issue at the county level, but the City of Cheney has a younger population, putting it in a position to grow. This provides a potential opportunity for Cheney as the surrounding region struggles with a declining workforce, to attract new businesses and retain younger populations through pairing workforce population with local jobs.

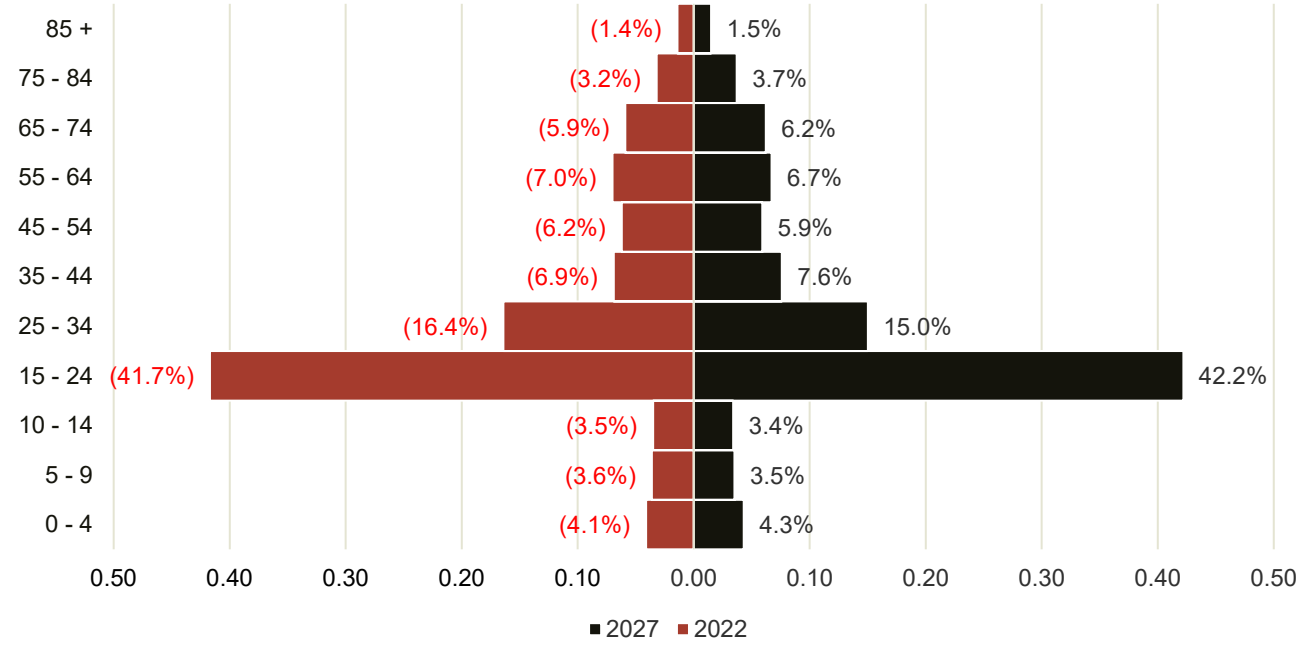
Figure 42: Spokane County Age Distribution 2022 vs 2027



Source: Esri Business Analyst, 2022

[17] *Kristin Hyde, "More than 65,000 Spokane-area workers soon will begin building WA Cares benefits," https://www.spokesman.com/stories/2023/jan/02/more-than-65000-workers-in-spokane-area-soon-build/#:~:text=Here%20in%20Spokane%20County%2C%20we,to%20us%20at%20any%20age.*

Figure 43: Cheney Age Distribution 2022 vs 2027



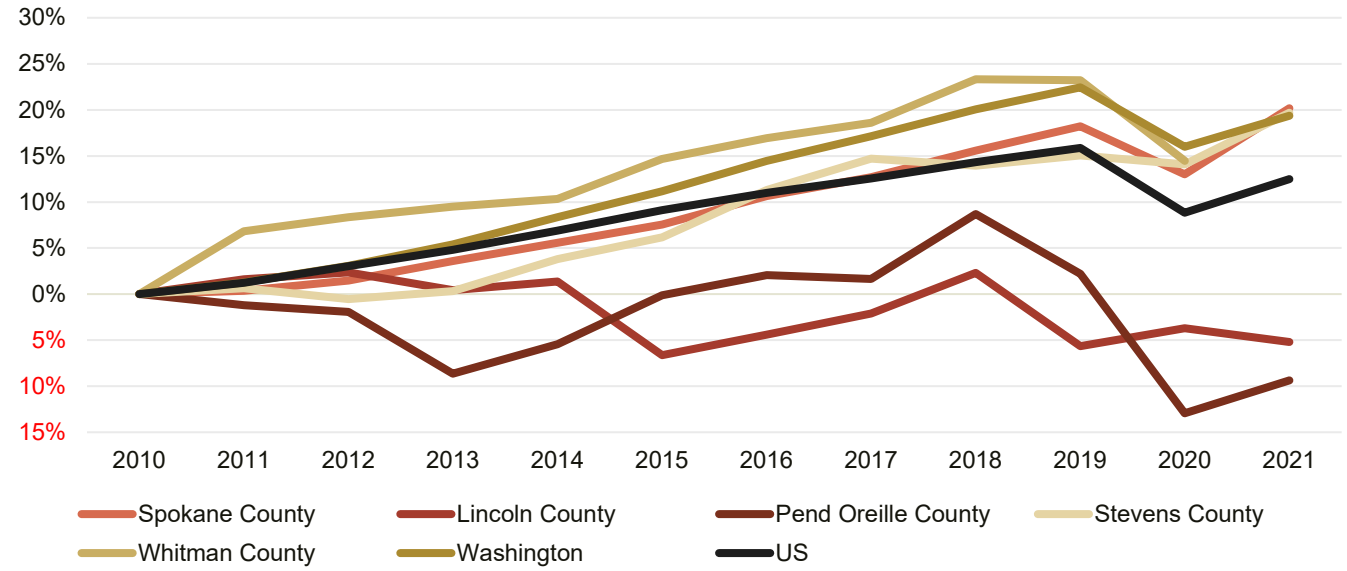
Source: Esri Business Analyst, 2022

In the City of Cheney, the prime working age population (25-54 years old) makes up more than a quarter of the population at 29.5%, which is projected to remain consistent in the next five years. Additionally, those aged 15-24 make up 41.7% of the population, composed of those who are in the first decade of their career. With such a large share of the population being young workers, Cheney has the potential to retain its prime working age group for 30-40 years and benefit from retaining those with higher education. Those aged 25-34 make up the second largest age group at 16.4%, and these workers will remain of prime working age for 20-30 more years. **The retention of these age groups is a key component to assist Cheney in its future economic growth.**

Employment Growth

When looking at key economic indicators between 2010 and 2020, Spokane County has been on pace with state and national level performance metrics. Figure 47, Figure 48, and Figure 49 show the growth trends for employment, establishments, and wages for Spokane County compared to other Eastern Washington counties, the State of Washington, and the nation. In terms of employment growth rates, the County has been slightly slower than the state from 2010 to 2020, but as of 2021 has overtaken both the state and the nation.

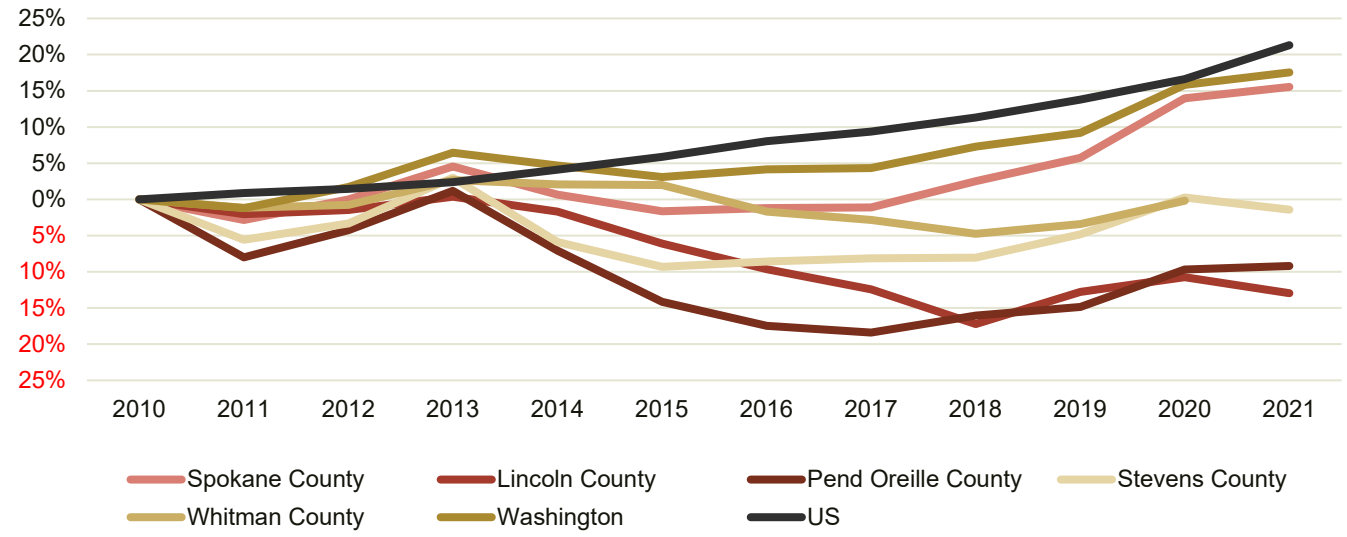
Figure 44: Annual Employment Growth Rate, 2010-2021



Source: US Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2010-2021

Spokane County experienced net zero or negative establishment growth rates in 2011 and 2012 when recovering from the great recession. Establishment growth rates decreased from 2013 to 2017, and were negative in 2015 through 2017. Since 2018, growth rates have been positive, and Spokane County has almost caught up to the state average. Surrounding counties have fallen behind Spokane County in establishment growth rates since 2016.

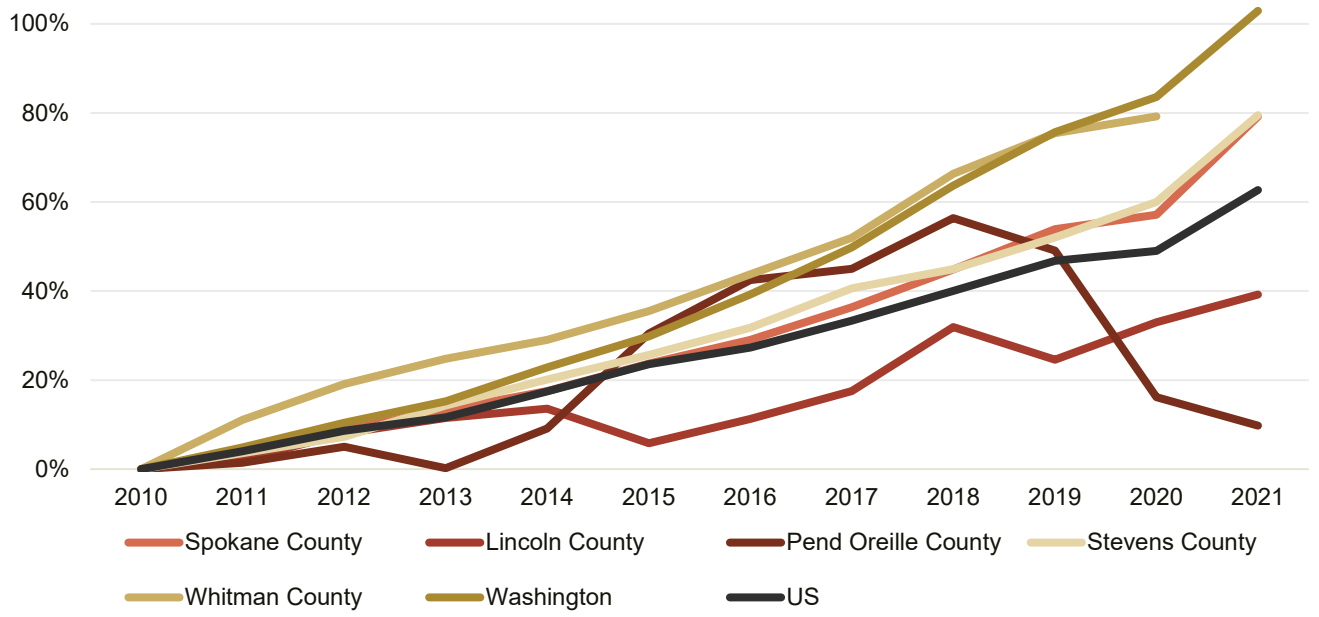
Figure 45: Annual Establishment Growth Rate, 2010-2021



Source: US Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2010-2021

Wage growth in Spokane County has seen a solid rise since 2010. Wages have grown in Spokane County by approximately 79% since 2010, which is greater than the national wage growth of approximately 63%, but less than the wage growth of the state of approximately 103% in the same time period. Figure 49 illustrates wage growth in other Eastern Washington counties as well.

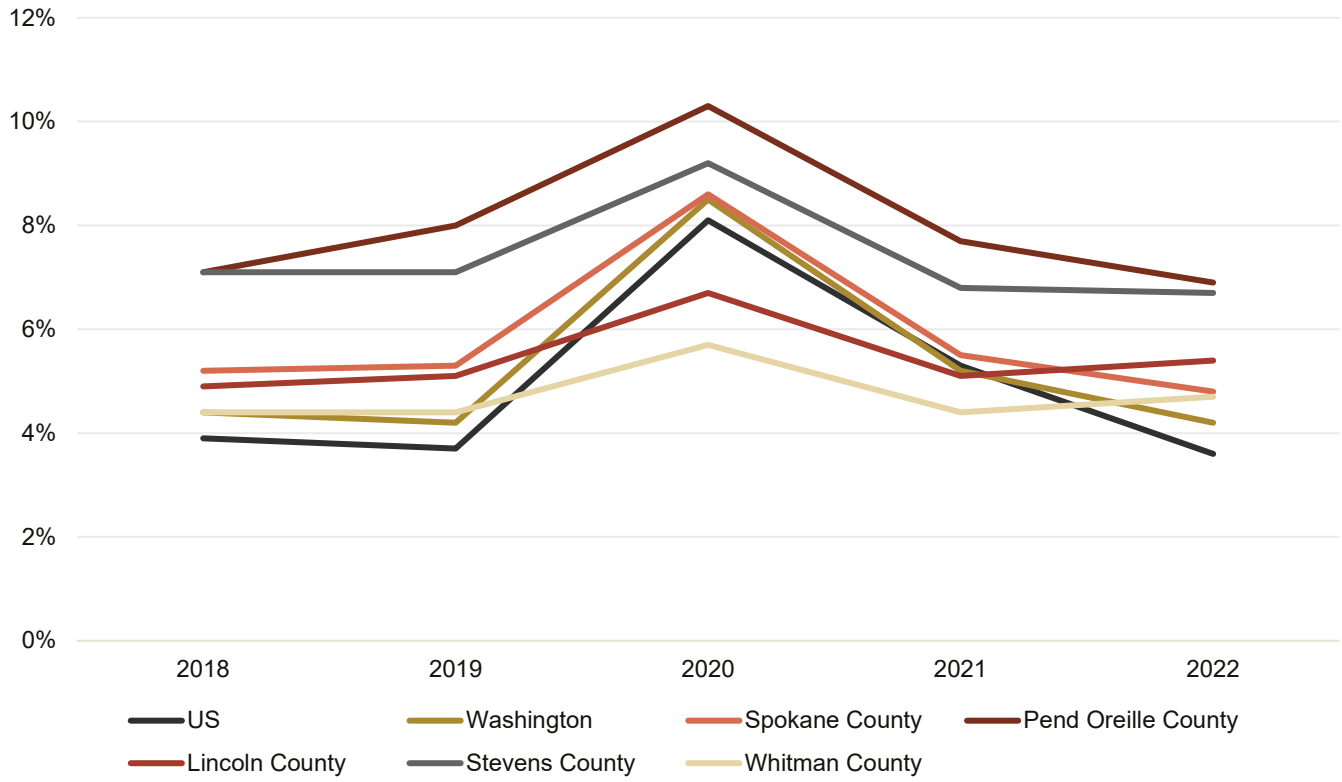
Figure 46: Annual Wage Growth Rate, 2010-2021



Source: US Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2010-2021

Spokane County had a similar trajectory to neighboring counties in terms of the unemployment rate from 2018 to 2022. Due to the COVID pandemic, the unemployment rate had a sharp uptick in 2020, where layoffs and part time workers increased. Along with the nation as a whole, Spokane County's economy is continuing to recover with the unemployment rate decreasing below pre-pandemic levels. Whitman County was the least impacted in terms of unemployment, increasing only from 4.4% to 5.7%. Pend Oreille County peaked above 10%, though has had an unemployment rate above other Eastern Washington counties over time. Figure 50 highlights what this looks like for Spokane County compared with other nearby counties.

Figure 47: Annual Rate of Unemployment, 2018-2022



Source: US Bureau of Labor Statistics, Local Area Unemployment Statistics, 2018-2022

Employment & Earnings by Industry

Table 36 and Table 37 provide an overview of the employment changes by industry in Spokane County. In 2022, the County's highest employment sectors were health care, retail, and accommodation and food services. Notably, between 2012 and 2022, the most significant increases in employment occurred in agriculture (298% increase), construction (74% increase), and transportation (72% increase). Conversely, certain industries experienced substantial job declines, with mining showing a significant decrease of 57%, followed by other services (31% decrease) and utilities (28% decrease), all surpassing a 20% drop.

Agriculture has long been an economic driver for Spokane County as many counties in Eastern Washington rely on it. This includes the number one wheat producing county in the nation, Whitman County. Spokane County is home to the Spokane Ag Expo, where agriculture professionals can collaborate on different methods, learn, and

grow. Additionally, agriculture in Spokane County is driven by a local food movement with many local field-to-table restaurants, breweries, and farmers markets.[18]

The growth in the construction sector can be seen just from 2021 to 2022, when housing permits in Spokane County increased by 22.6% (Figure 19, new housing production). Multiple Amazon fulfillment centers have also been built in Spokane County, which are driving at least some of the increase seen in the transportation & warehousing sectors.[19] Strong transportation infrastructure is in place in the county already, which could also contribute to the increase in transportation & warehousing. Examples of the existing infrastructure include, but are not limited to, the I-90 freeway, the Inland Empire Railroad, and Spokane International Airport.

A Location Quotient (LQ) is a ratio that compares the concentration of a specific industry's employment in a particular area to the national level. It provides a metric for evaluating the prevalence of jobs in a region for a given industry, relative to the same industry across the entire US. For instance, an LQ of 1 for a specific industry in a region indicates that the proportion of employment in that sector is similar to that of the US as a whole. If the LQ is greater than 1, then the number of jobs in that industry in the region is higher than at the national level, and vice versa.

When looking at each industry's location quotient (LQ), there are several industries that stand out. The industries that have particularly high LQs in the region are Management of companies (1.29), wholesale trade (1.28), and utilities (1.25).

Looking ahead to the next decade, several industries in the county are projected to experience substantial growth. The Other Services sector—which includes service-based industries such as personal care, religious organizations, and other such industries that do not fit into more specific categories— is expected to increase by 118%, Admin, Support and Waste Management by 95%, and Wholesale Trade by 54%. Conversely, certain sectors are expected to face job reductions, with Retail Trade projected to decrease 45%, Utilities 44%, and Agriculture, Forestry, and Fishing by 37%. These forecasts provide insights into the industries that are likely to expand or contract the most in terms of job numbers in the county over the coming years.

Since 2010, Spokane County's population has been growing at an increasing rate (Figure 6, sources of population change), and has been cited as a driver of growth in general.[20] Subsequently, more homes are needed to accommodate the growing population, resulting in the increase of housing permits (Figure 18, new housing production). Increasing housing permits are part of the reason for the increase in construction and will also be part of the reason for the projected growth of real estate, as the homes will need to be sold. However, reasons will differ for other forecasted increases. In February of 2023, Spokane County signed agreements with Comcast

[18] *Advantage Spokane, "Agribusiness," https://advantagespokane.com/agribusiness/.*
[19] *Doug Tweedy, "Spokane County Profile," https://esd.wa.gov/labormarketinfo/county-profiles/spokane.*
[20] *Krem2, "Population growth benefits up-and-coming industries | Boomtown," https://www.krem.com/video/money/economy/boomtown-inland-northwest/population-growth-benefits-up-and-coming-industries-boomtown/293-73fdaae5-e0ce-4b00-b09d-f91d520a39d7.*

and Ptera to create new broadband infrastructure in rural areas of the county.[21] Increasing the access to highspeed internet in the region could be a partial driver of the forecasted increase of the utilities industry.

Additionally, Spokane County and Spokane Valley are partnering to build a $10 million expansion at the Fair and Expo Center to boost retail and tourism.[22] The investment will create jobs in the retail industry, so it is a potential reason for the forecasted increase.

[21] Noah Corrin, "Spokane County takes step towards bringing highspeed internet to rural areas," https://www.fox28spokane.com/spokane-county-takes-step-towards-bringing-highspeed-internet-to-rural-areas/.
[22] Amy Edelen, "Spokane Valley, Spokane County embarking on $10 million Fair & Expo Center expansion," https://www.spokesman.com/stories/2021/jan/23/spokane-valley-spokane-county-embarking-on-10-mill/.

In 2022, the total earnings across all industries in Spokane County amounted to $3.6 billion. During the period from 2012 to 2022, the majority of industries witnessed an increase in earnings, with the most significant growth observed in healthcare (+762%), educational services (+195%), and accommodation and food services (+143%). Conversely, arts and entertainment experienced a decline in earnings by 34%, while agriculture saw a decrease of 22% during the same period. These figures illustrate the varying trends in earnings across different industries in Spokane County over the specified timeframe.

Table 37: Spokane County Employment by Industry

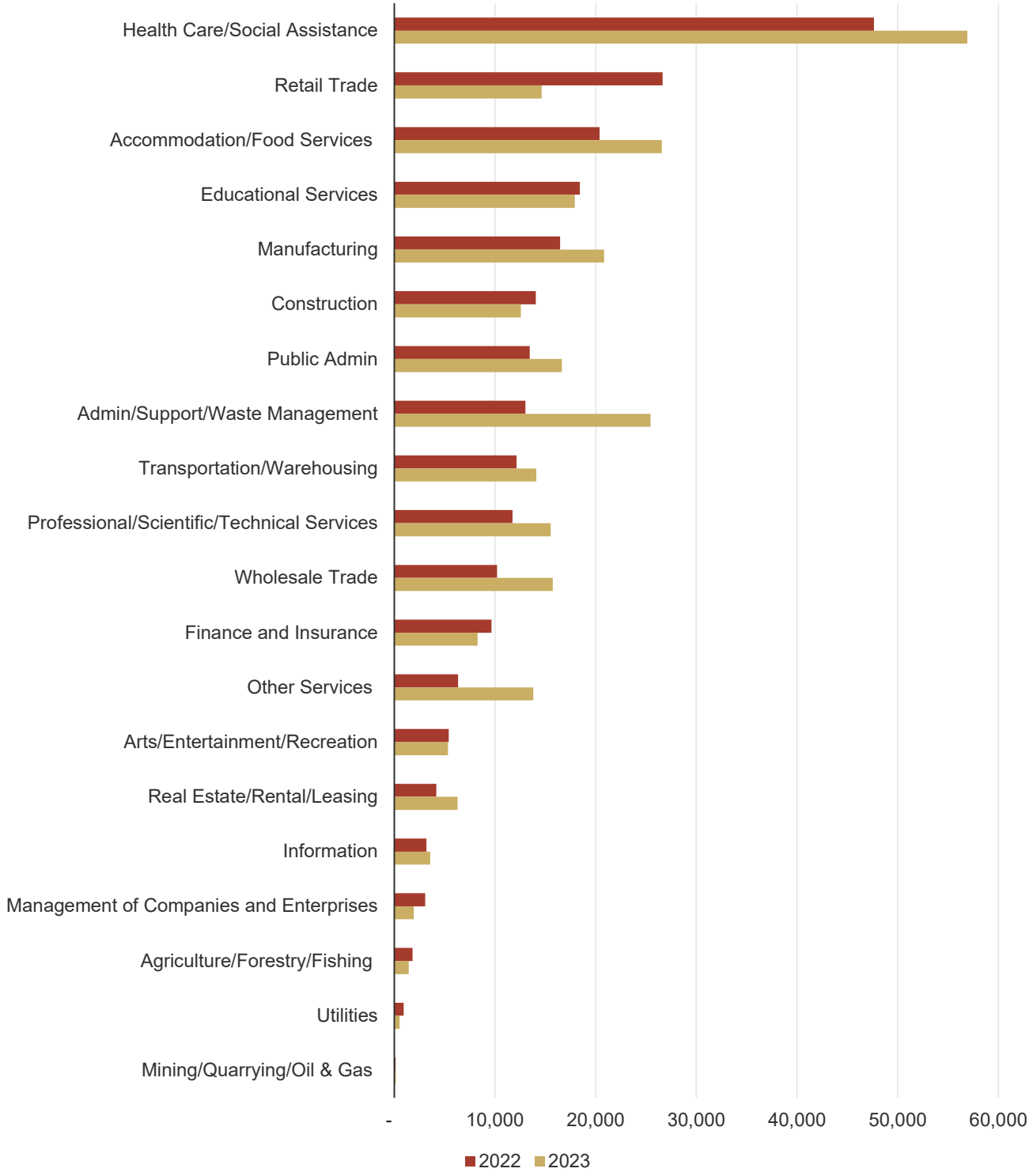
Industry	2012 Employment	2022 Employment	% Change	2022 LQs
Management of Companies and Enterprises	3,044	3,073	1.00%	1.29
Wholesale Trade	9,228	10,196	10.50%	1.28
Utilities	1,288	924	-28.30%	1.25
Health Care/Social Assistance	36,477	47,648	30.60%	1.21
Real Estate/Rental/Leasing	2,651	4,167	57.20%	1.15
Retail Trade	25,003	26,635	6.50%	1.12
Public Admin	10,748	13,446	25.10%	1.1
Other Services	9,229	6,339	-31.30%	1.06
Accommodation/Food Services	16,627	20,377	22.60%	1.02
Educational Services	18,524	18,426	-0.50%	1
Admin/Support/Waste Management	9,938	13,024	31.10%	1
Arts/Entertainment/Recreation	4,131	5,397	30.60%	1
Finance and Insurance	9,031	9,665	7.00%	0.98
Construction	8,058	14,057	74.40%	0.93
Transportation/Warehousing	7,058	12,131	71.90%	0.87
Information	3,014	3,185	5.70%	0.84
Professional/Scientific/Technical Services	9,087	11,747	29.30%	0.79
Manufacturing	14,750	16,469	11.70%	0.76
Agriculture/Forestry/Fishing	457	1,820	298.20%	0.75
Mining/Quarrying/Oil & Gas	293	126	-57.00%	0.25
Grand Total	**198,635**	**238,894**	**20.30%**	**--**

Source: Data Tactical Group, 2023

Table 38: Spokane County Employment by Industry Forecast		
Industry	**2032 Employment**	**% Change from '22**
Health Care/Social Assistance	56,909	19.4%
Accommodation/Food Services	26,567	30.4%
Admin/Support/Waste Management	25,438	95.3%
Manufacturing	20,839	26.5%
Educational Services	17,922	(2.7%)
Public Admin	16,644	23.8%
Wholesale Trade	15,724	54.2%
Professional/Scientific/Technical Services	15,527	32.2%
Retail Trade	14,635	(45.1%)
Transportation/Warehousing	14,110	16.3%
Other Services	13,812	117.9%
Construction	12,558	(10.7%)
Finance and Insurance	8,263	(14.5%)
Real Estate/Rental/Leasing	6,280	50.7%
Arts/Entertainment/Recreation	5,328	(1.3%)
Information	3,576	12.3%
Management of Companies and Enterprises	1,924	(37.4%)
Agriculture/Forestry/Fishing	1,421	(21.9%)
Utilities	517	(44.1%)
Mining/Quarrying/Oil & Gas	149	17.9%

Source: Data Tactical Group, 2023

Figure 48: Top Industries by Employment in Spokane County 2022 - 2023



Source: Data Tactical Group, 2023

Table 39: Spokane County Total Earnings by Sector		
Industry	**2022 Total Earnings**	**% Change from '12**
Information	$759.0M	81.8%
Transportation and Warehousing	$276.9M	48.1%
Mining, Quarrying, and Oil and Gas Extraction	$273.6M	56.5%
Management of Companies and Enterprises	$265.3M	73.9%
Administrative and Support and Waste Management and Remediation Services	$262.3M	37.4%
Wholesale Trade	$246.5M	113.7%
Manufacturing	$243.8M	73.8%
Accommodation and Food Services	$221.9M	142.8%
Other Services (except Public Administration)	$185.8M	39.5%
Utilities	$168.9M	108.5%
Retail Trade	$168.1M	130.9%
Real Estate and Rental and Leasing	$136.7M	95.1%
Public Administration (not covered in economic census)	$98.8M	80.3%
Professional, Scientific, and Technical Services	$68.7M	48.5%
Construction	$63.6M	68.3%
Educational Services	$58.3M	194.5%
Finance and Insurance	$48.0M	118.1%
Agriculture, Forestry, Fishing and Hunting	$19.9M	(22.2%)
Health Care and Social Assistance	$19.1M	762.6%
Arts, Entertainment, and Recreation	$2.9M	(34.2%)
Grand Total	**$3.6B**	**76.0%**

Source: Data Tactical Group, 2023

Table 40 compares employment by industry for Cheney, Airway Heights, and Medical Lake. Top employing industries for Cheney are Education and Health Care & Social Services along with Arts, Entertainment, & Recreation and Accommodation & Food services. These two are the only industries that employ more than 10% of Cheney's workforce. Education and Health Care & Social Services are also the top employing industries for Airway Heights and Medical Lake, employing about a quarter of each city's workforce. Construction, Manufacturing, Public Administration, and Wholesale Trade are industries where Airway Heights has more individuals employed despite having about half the workforce as Cheney. Additionally, there are more workers in the Information industry in Medical Lake than in Cheney. Some industries that have a higher proportion of workers in Airway Heights than in Cheney include Construction, Finance, and Retail Trade among others. Similarly, Professional Services, Transportation & Warehousing and Utilities, and Manufacturing have a higher proportion of workers in Medical Lake than Cheney.

Table 40: Employment by Industry Comparison, 2022

Industry	Cheney		Airway Heights		Medical Lake	
	Employed	% Employed	Employed	% Employed	Employed	% Employed
Agriculture/Mining	142	2.3%	15	0.5%	0	0.0%
Construction	97	1.6%	146	4.7%	29	1.4%
Finance/Insurance/ Real Estate	294	4.8%	234	7.6%	250	12.0%
Information	161	2.6%	67	2.2%	197	9.5%
Manufacturing	211	3.5%	289	9.3%	114	5.5%
Public Administration	136	2.2%	160	5.2%	109	5.2%
Retail Trade	547	9.0%	324	10.5%	205	9.9%
Professional Services	359	5.9%	297	9.6%	157	7.5%
Education and Health Care & Social Services	2,166	35.6%	753	24.3%	519	25.0%
Arts, Entertainment, & Recreation and Accommodation & Food Services	1,062	17.4%	297	9.6%	146	7.0%
Other Services	428	7.0%	190	6.1%	120	5.8%
Transportation & Warehousing/Utilities	408	6.7%	206	6.7%	173	8.3%
Wholesale Trade	81	1.3%	115	3.7%	61	2.9%
Total	**6,092**	**100.0%**	**3,093**	**100.0%**	**2,080**	**100.0%**

Source: US Census Bureau, 2023

Table 41 shows a shift-share analysis between Cheney and the state of Washington. This analysis method serves to separate the effects of regional growth from those of the state level. Overall, industries in Cheney are growing at a slower rate than the rest of the state. In general, Cheney was not aligned with the industries experiencing growth at the state level between 2021 and 2022. However, the LQ for the transportation and warehouse industry has grown 61.8% between 2021 and 2022, which indicates a substantial surge in jobs for this sector and an increase in regional competitiveness. The positive figure for this industry in the regional mix column are also reflective of a level of growth that is higher than would be expected based on the overall state-level trends. On the other hand, wholesale trade saw a decline of 43.7% in its LQ in the same period. In terms of differences between the distribution of employment in Cheney and the rest of the state, professional and scientific services has the highest representation in the area when compared to the state. Conversely, the arts, entertainment, recreation, accommodations and food sector is relatively underrepresented.

Table 41: Shift-Share Analysis for Cheney, 2021-2022

Industry Sectors	State Share	Industry Mix	Regional Shift	% LQ Change
Ag/forestry/fish/mine	1.3	(3.3)	31.0	33.7%
Construction	1.2	3.0	(15.2)	(9.6%)
Manufacturing	2.6	(2.5)	(16.1)	(2.9%)
Wholesale trade	1.7	(3.3)	(69.4)	(43.7%)
Retail trade	7.9	(1.4)	(157.5)	(18.8%)
Transportation/warehouse	2.9	7.8	144.3	61.8%
Information	1.9	3.4	(14.4)	(4.0%)
Finance/ins/RE/rental	4.9	(1.5)	(140.4)	(29.2%)
Prof/scientific/admin	3.5	8.5	39.0	17.3%
Ed/health/soc services	23.6	(11.7)	82.1	8.7%
Art/ent/rec/acc/food	13.4	(39.9)	(90.5)	(3.7%)
Other (ex public admin)	5.0	(5.9)	(7.1)	2.8%
Public administration	1.7	(0.5)	(15.2)	(6.0%)
Total industries	71.6	(47.2)	(229.4)	--

Source: Maptitude GIS, 2023

5.1.3 Underserved Populations

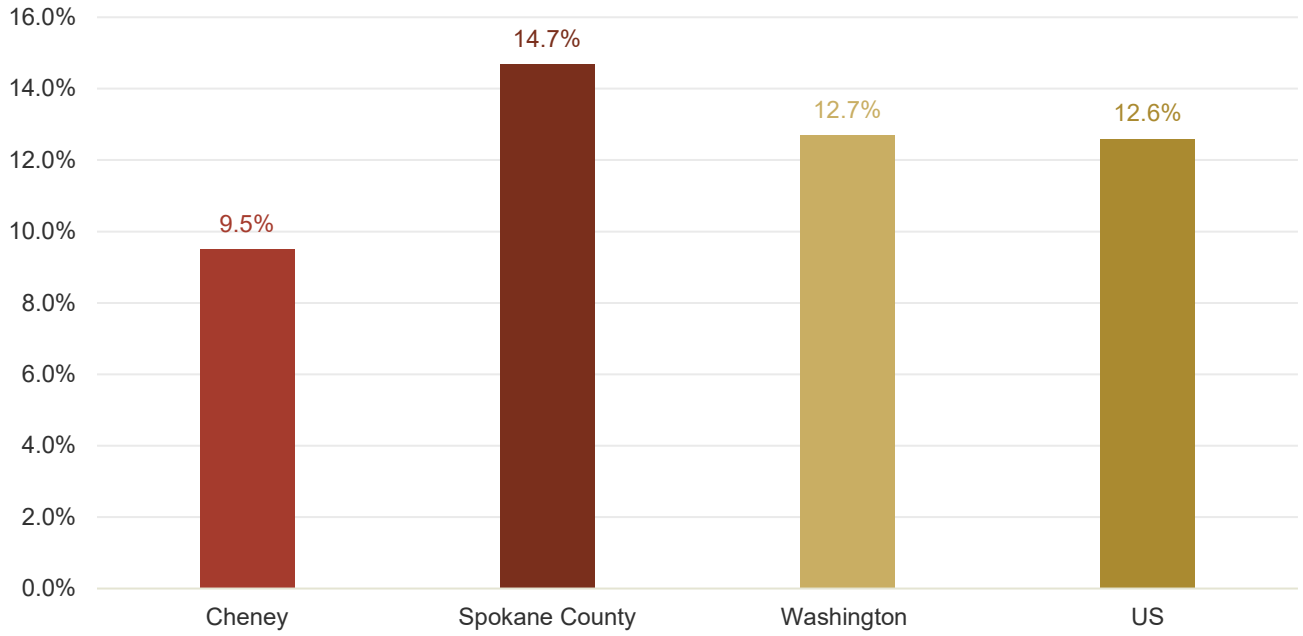
Most population cohorts in Cheney will largely serve themselves when it comes to housing needs, but more vulnerable populations require particular attention as they may not have the financial or social assets to afford market rate housing.

Disabled Population

Figure 52 shows the percentage of the population with some form of disability in Cheney and Spokane County and compares those rates to the state and the rest of the nation. The disabilities accounted for here include hearing, vision, cognitive, ambulatory, self-care, and independent living difficulties. Spokane County has a higher percentage of residents with disabilities than the state level, but Cheney has a lower percentage of this population than the state level. Cheney has 1,200 people with a disability, while Spokane County has approximately 76,500. Cheney has a lower percentage of its population with a disability than the national and state averages, but Spokane County has a higher percentage than the national and state averages.

Knowing what percent of the population that has a disability is noteworthy because those with a disability are overrepresented in the nation's undereducated and poor. According to the American Psychological Association, people with disabilities are more likely to be unemployed and live in poverty.[23] It is also estimated that two thirds of people with disabilities are of working age and want to work. There are also disparities in education, where about 15% of the population aged 25 and over with a disability have obtained a bachelor's degree or higher. In contrast, 33% of individuals in the same age category with no disability have the same educational attainment.

Figure 49: Percent of Population with Disabilities, 2021



Source: 2021 Census ACS 5-year Estimates, S1810

[23] *American Psychological Association, "Disability & Socioeconomic Status," https://www.apa.org/pi/ses/resources/publications/disability.*

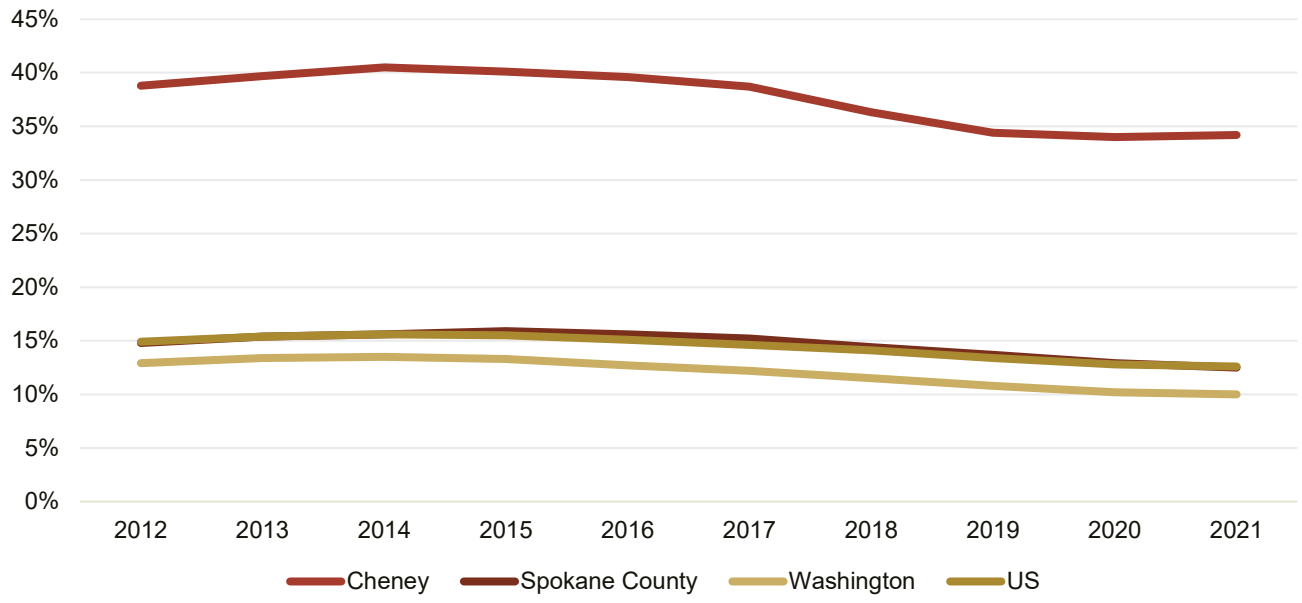
Table 42: Population with Disabilities, 2021		
Area	**Population with a Disability**	**Percent with a Disability**
Cheney	1,196	9.5%
Spokane County	76,493	14.7%
Washington	955.6K	12.7%
US	41.1M	12.6%

Source: 2021 Census ACS 5-year Estimates, S1810

Population in Poverty

Figure 53 shows the poverty rates in Cheney compared to the poverty rates in Spokane County, Washington state, and the US. From 2012 to 2021, Cheney's poverty rate has decreased from about 39% to about 34%. Additionally, Spokane County, Washington state, and the US poverty rates have decreased about three percentage points over the last decade. Since 2012, Washington state's poverty rate has been on average lower than both the US and Spokane County. In contrast, Cheney's poverty rate has been much higher than Spokane County's and the nation's, nearly 35% compared to 13% by 2021. Cheney's poverty rate is more than three times higher than that of the state of Washington as of 2021. The significant difference between the poverty rate in Cheney and the county level makes it an outlier and highlights the unique difficulties it faces.

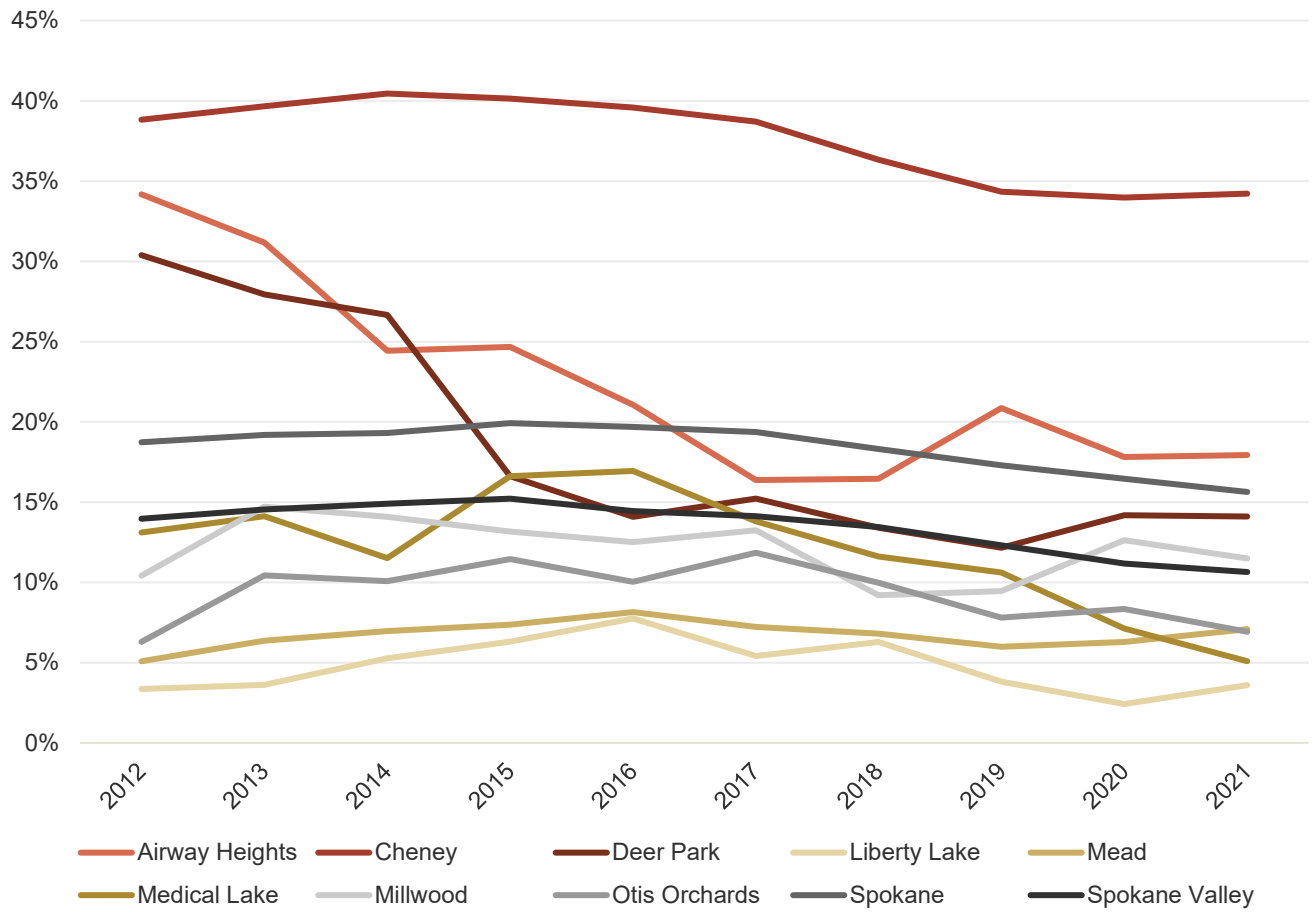
Figure 50: Percentage of the Population in Poverty, 2012-2021



Source: 2021 Census ACS 5-year Estimates, S1701

In further analysis of Cheney's higher poverty rate compared with Spokane County, Figure 54 shows the annual percentage of people in poverty among cities in Spokane County. Just as Cheney's poverty rate stands out in Figure 53, it continues to appear way higher than nearby communities in Figure 54.

Figure 51: Percentage of the Population in Poverty in Spokane County Cities, 2012-2021

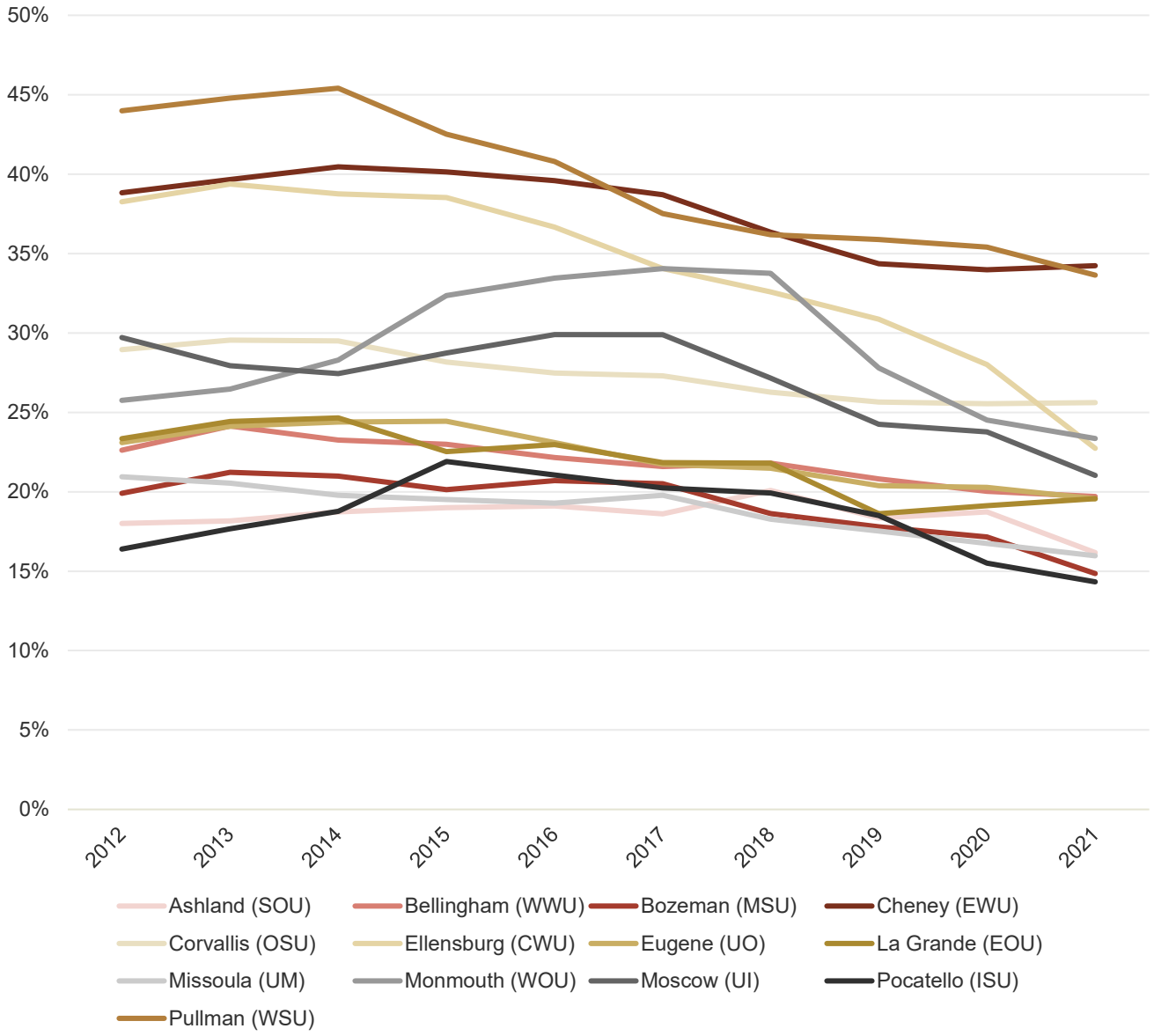


Source: 2021 Census ACS 5-year Estimates, S1701

This led to questions about Cheney being a college town and the impact that may have on poverty rates. Far from poverty rates being a sign of weakness for the community, this comparison indicates that Cheney's poverty rate is in line with other college towns. Like these peer locations, Cheney's poverty rate is largely driven by the young adult, college attending audience. Figure 55 shows the percentage of people in poverty in college towns in Washington, Idaho, and Oregon to show a comparison. Cheney is intertwined with Pullman, home of Washington State University, for the highest poverty rates for college towns in the pacific northwest. Following those two towns closely is Ellensburg, Washington. All three of these towns are in Eastern Washington. All

college towns in Figure 55 have an elevated poverty rate, which shows a correlation with people who work just part time or who have yet to enter the labor market.

Figure 52: Percentage of the Population in Poverty in Non-Spokane County Cities, 2012-2021

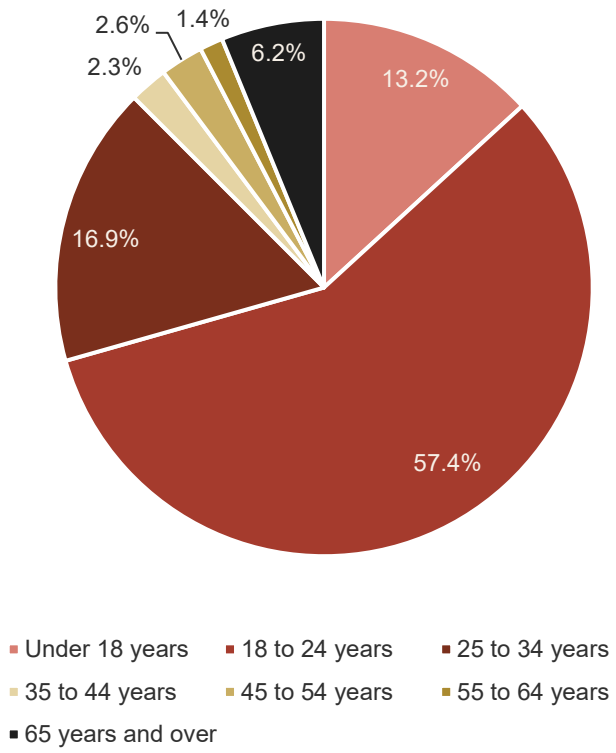


Source: 2021 Census ACS 5-year Estimates, S1701

Shown in Figure 56 is the percentage each age group makes up of those in poverty. Strikingly, individuals who are between the ages of 18 to 24 make up the majority (57.4%) of Cheney's population in poverty. This is due, in part, to the fact that Cheney is a college town and students have much less time to work when enrolled in school

full-time. Those aged 18 to 34 account for nearly three quarters (74.3%) of the population in poverty, and Cheney's age distribution shows that those aged 18 to 34 make up over half (55.2%) of the population. This points to the disproportionate effect the age group has on Cheney's overall poverty rate.

Figure 53: Percentage Share by Age of Population in Poverty, 2021

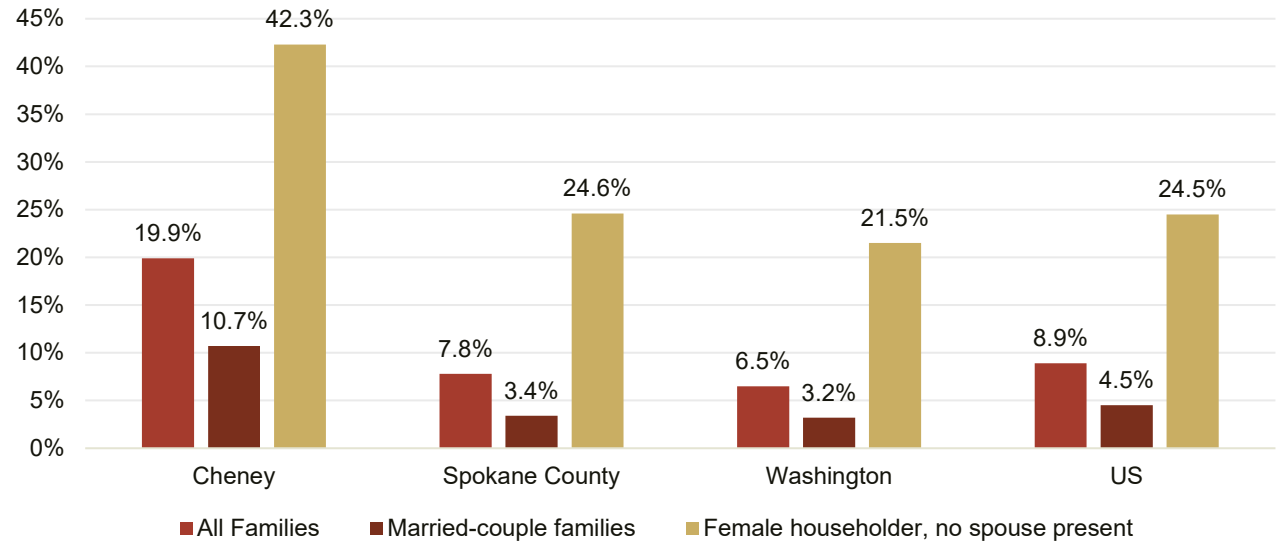


Source: 2021 Census ACS 5-year Estimates, B17001

The variation in poverty levels becomes evident when examining demographic cohorts, as depicted in Figure 57 and Figure 58. For instance, in Cheney, the poverty rate for female householders without a spouse present is nearly double that of the state of Washington. While Cheney's poverty rate for this group is significantly higher compared to the state of Washington, it aligns with a broader national trend where female householders without a spouse present experience higher poverty rates than all families and married-couple families at the county, state, and national levels. This issue exacerbates in households with children, as highlighted by the National Women's Law Center, which reported that approximately 32% of female-headed families with children were living in poverty in 2021.[24]

[24] *National Women's Law Center, "Women in poverty, state by state 2021," https://nwlc.org/resource/women-in-poverty-state-by-state-2022/#:~:text=Over%203%20in%2010%20(32.1,children%20were%20poor%20in%202021.*

Figure 54: Percentage of Families in Poverty by Family Composition

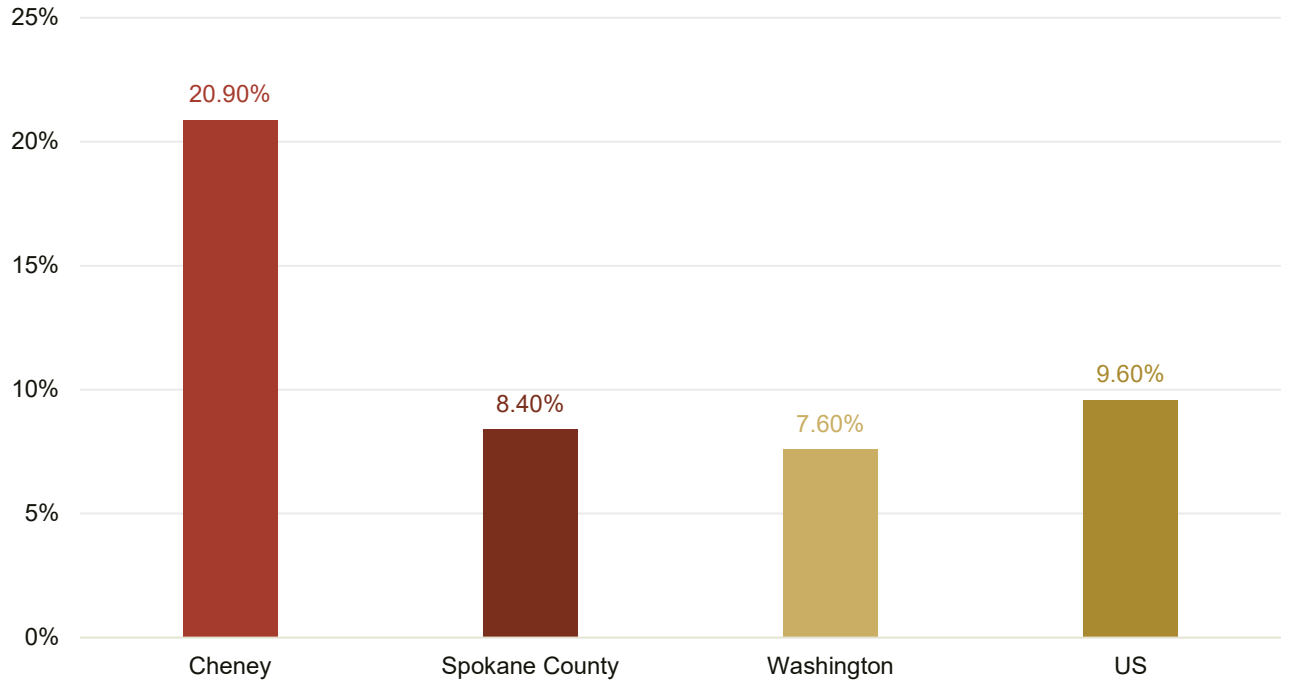


Source: 2021 Census ACS 5-year Estimates, S1702

Figure 58 shows the percentage of seniors in poverty in Cheney compared to Spokane County, Washington state, and the US. Cheney's percentage of seniors in poverty more than doubles the rates of the other regions. This is a continuation of the trend that Cheney experiences higher levels of poverty in many demographic groups. There is also a growing number of seniors experiencing poverty. According to the National Council on Aging, there was about a 15.7% increase in the number of seniors experiencing poverty from 2020 to 2021.[25] Cheney is experiencing a much higher level of poverty in this group than the county in general, showing how county level observations don't tell the city's story.

[25] *National Council on Aging, "Latest Census Bureau Data Shows Americans 65+ Only Group to Experience Increase in Poverty," https://ncoa.org/article/latest-census-bureau-data-shows-americans-65-only-group-to-experience-increase-in-poverty.*

Figure 55: Percentage of Seniors (65+ Years Old) in Poverty, 2021



Source: 2021 Census ACS 5-year Estimates, S1701

Veteran Population

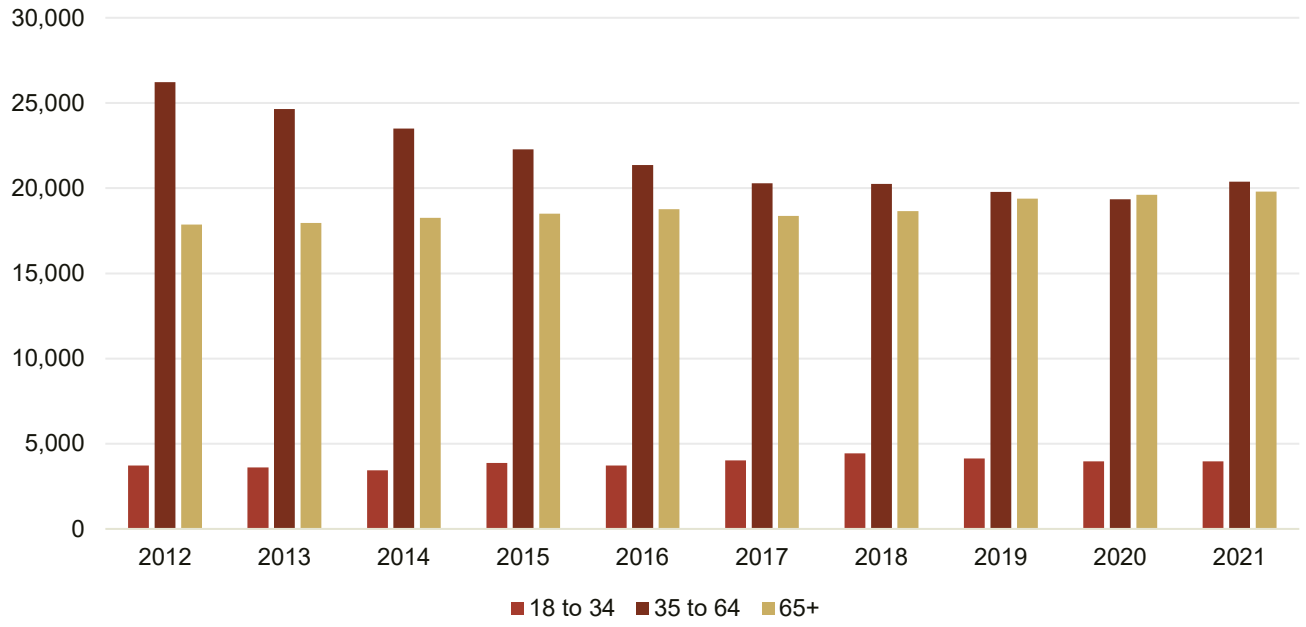
The number of veterans of all ages residing in both Spokane County and Cheney have increased since 2016, as shown in Table 43 and Figure 59 and Figure 60. The largest number of veterans in each region have been in the 35-64 age cohort. However, at the county level the age cohort of veterans aged 65+ has come to equal that of the 35-64 cohort. Cheney's age groups of veterans have been following a similar trend, but those aged 65+ have not quite become equal to those in the 35-64 age cohort. Additionally, the number of veterans aged 18-34 has stayed largely equal from 2012 to 2021. In Cheney, this age group of veterans has seen a steady increase during the same period.

Table 43: Veteran Population

	2016	2021	Numeric Change	Percentage Change
Spokane County	43,836	44,145	309	0.7%
Cheney	618	747	129	20.9%

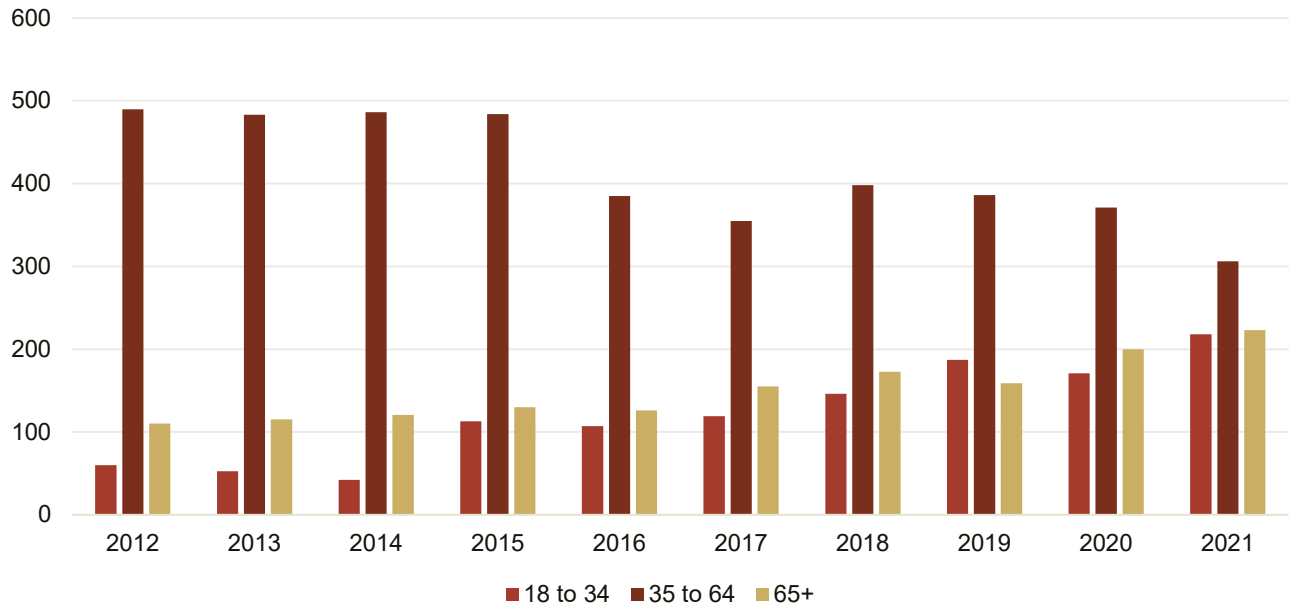
Source: 2021 Census ACS 5-year Estimates

Figure 56: Veterans by Age in Spokane County, 2012-2021



Source: 2021 Census ACS 5-year Estimates

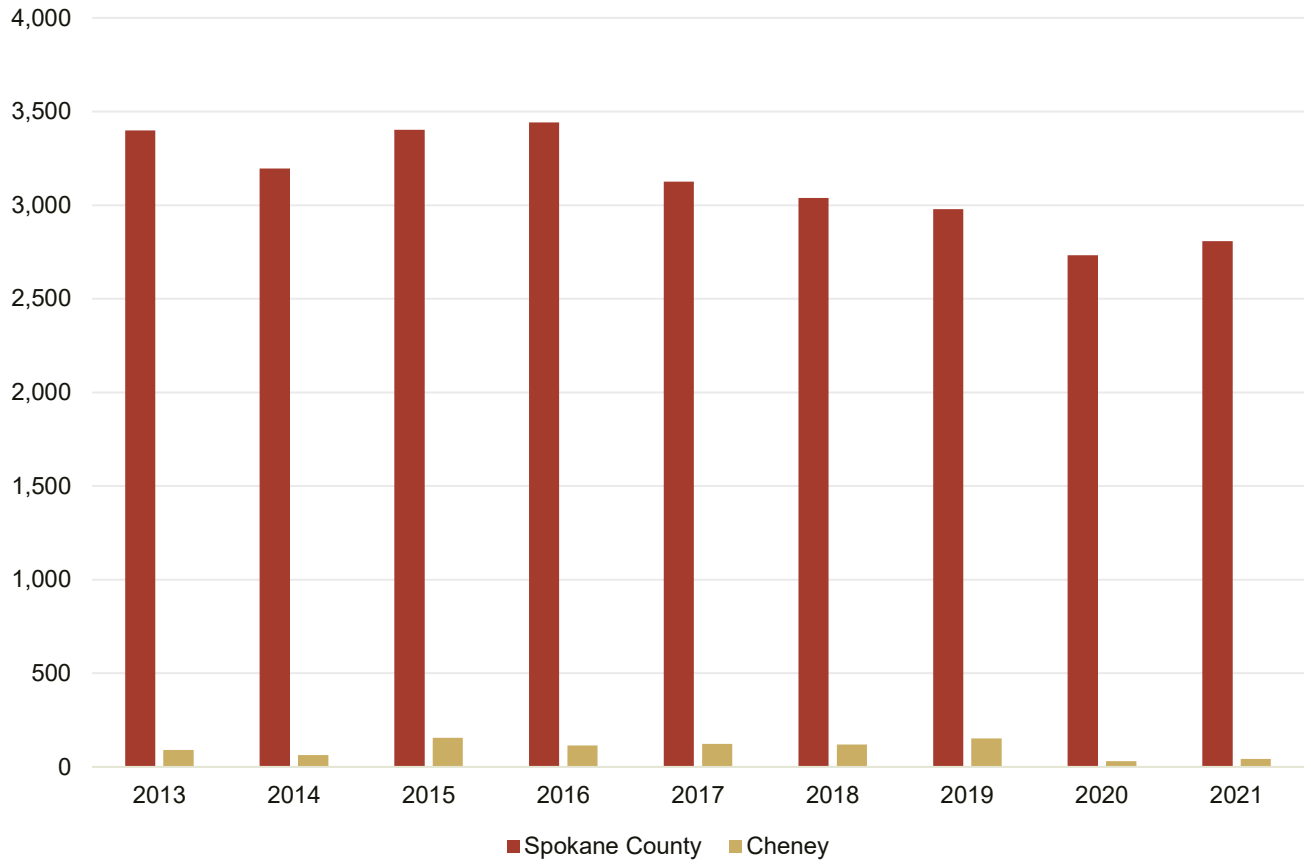
Figure 57: Veterans Population by Age in Cheney, 2012-2021



Source: 2021 Census ACS 5-year Estimates

This demographic is especially vulnerable to becoming homeless, given that in 2016 veterans comprised 9.2% of all homeless adults.[26] In contrast, only 6.9% of the total US population is homeless. While individual limitations are a part of who becomes homeless, a lack of affordable housing is another major reason that veterans are particularly vulnerable to homelessness. Veterans are also vulnerable to disability, especially the newer generation of veterans. The Bureau of Labor Statistics reported that 41% of veterans who served post-9/11 reported having a service-connected disability.[27] Higher rates of homelessness and disabilities make veterans severely vulnerable to poor economic conditions. Rates of veterans in poverty and veterans with disabilities can be seen in Figure 61 and Figure 62.

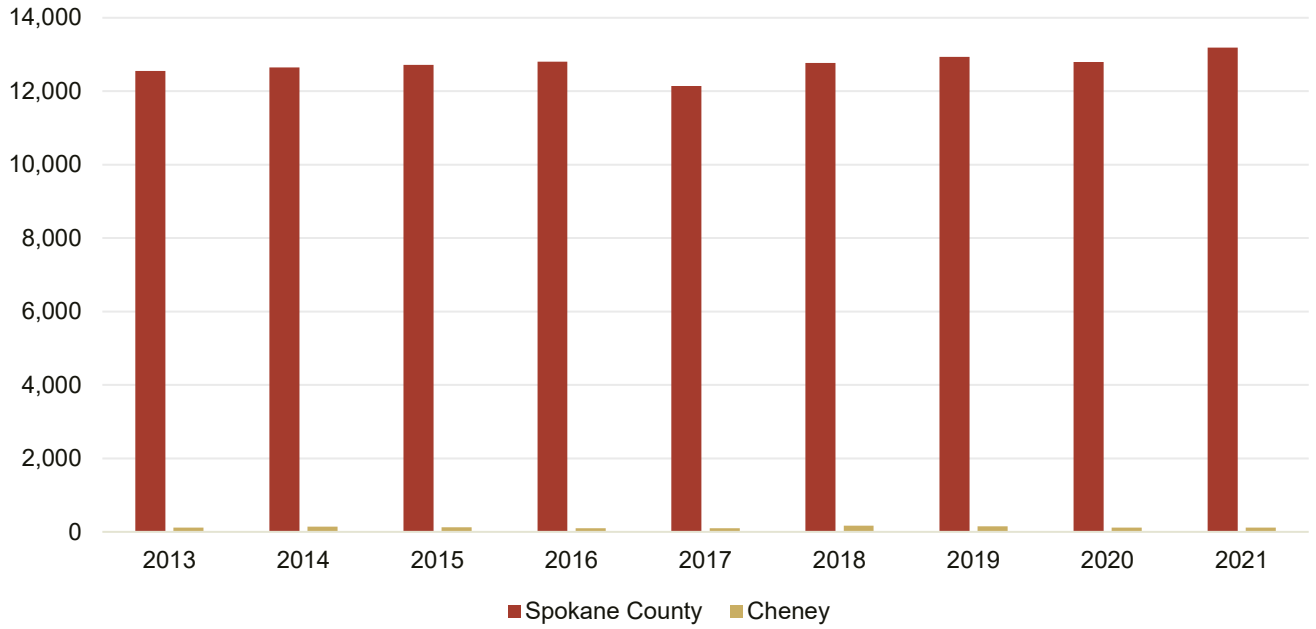
Figure 58: Veterans in Poverty, 2013-2021



Source: 2021 Census ACS 5-year Estimates

[26] *Thomas Byrne, "Aging and life expectancy in homeless veterans: nine questions," https://open.bu.edu/handle/2144/37729.*
[27] *Richard Sisk, "Post-9/11 Vets Have Far Higher Disability Ratings Than Prior Generations: Report," https://www.military.com/daily-news/2019/03/25/post-9-11-vets-have-far-higher-disability-ratings-prior-generations-report.html.*

Figure 59: Disabled Veterans, 2013-2021



Source: 2021 Census ACS 5-year Estimates

Homeless Population

Homelessness is notoriously difficult to quantify. Most efforts to tabulate homelessness are conducted for a given snapshot in time. Additionally, homelessness is generally not something that individuals are eager to diagnose. Because of these factors, as with any community, the actual state of homelessness is likely more widespread than any statistical analysis indicates. Cheney is located within Spokane County, which is also where the city of Spokane is located. Spokane has been experiencing a rising homeless population recently, thus the homelessness statistics for Spokane County do not tell the story for Cheney. Unfortunately, Housing and Urban Development's (HUD) Homeless Point-in-Time study was unable to capture Cheney's homeless population alone.

Table 43 details the number of homeless households and individuals in Spokane County from 2019 to 2022 for various demographic groups. By age, it is noticeable that the fastest growth in homelessness is in the 25+ age group. In each of the last four years, men have made up the majority of homeless individuals in the county. Shockingly, the number of people who are experiencing chronic homelessness has more than doubled from 2019 to 2022. People experiencing chronic homelessness are those who were homeless for at least one year, or those who have been homeless on separate occasions in the last 3 years.

Table 44: Homeless in Spokane County				
	2019	**2020**	**2021**	**2022**
Total Number of Households	97	104	78	90
Total Number of Persons	1309	1559	992	1757
Age				
0-17	192	241	170	182
18-24	105	133	79	130
25+	1012	1185	743	1445
Gender				
Male	789	914	593	1112
Female	511	627	383	621
Race				
White	956	1115	735	1357
Multiple Races	101	117	58	127
American Indian, Alaska Native	99	184	63	107
Asian or Asian American	3	9	8	10
Black, African American, or African	121	103	110	117
Native Hawaiian or Pacific Islander	29	31	18	39
Ethnicity				
Non-Hispanic/Non-Latino	1201	1422	877	1585
Hispanic/Latino	108	137	115	172
Chronically Homeless	257	485	255	564

Source: Homeless Point-in-Time Study, 2019-2022

5.1.4 Economic Drivers

The economy of Spokane County relies on the City of Spokane. In fact, Spokane is the second largest city in the state of Washington, behind Seattle, and has served a historic role as a regional center of services for the surrounding rural populations of Eastern Washington and Northern Idaho. According to the Employment Security Department of Washington State, the main regional services included by the county are government, higher education, medical services, retail trade, and finance.[28]

[28] *Doug Tweedy, "Spokane County profile," https://esd.wa.gov/labormarketinfo/county-profiles/spokane.*

Opportunities for higher education in the county come from Gonzaga University, Whitworth University and Eastern Washington University, the last of which is located in Cheney.

One of the main economic drivers for Cheney is Eastern Washington University as it produces skilled and educated workers into the labor force. Cheney also benefits from being less than a half-hour drive from Spokane, and less than a 20-minute drive from Spokane International Airport. An advantage Cheney has to offer is one of the lowest composite utility rates in the Eastern Washington region, according to the city.[29] Cheney also offers the Cheney Industrial and Commerce Park (CICP), which is a technologically advanced business park that is ready to serve the growing needs of the high tech and manufacturing industries in Eastern Washington.

5.1.5 Commuting

Table 45, Table 46, and Figure 63 - Figure 65 show the flow of commuters to and from Cheney in 2020. Most of the people who work in the City of Cheney live in Spokane, followed by living in Cheney. The two most common places to work for those who live in Cheney are Spokane and Spokane Valley, which is a 20 to 25 minute commute. Some Cheney residents also commute to work in locations such as Seattle and Airway Heights City. Over 250 both live and work in the City of Cheney, approximately 1,000 commute into town, while around 3,000 workers live in Cheney but are employed outside of the City.

The commute data indicate the interconnected nature of housing prices, income, and transportation patterns. With a nearly 25-minute one-way commute from Spokane to Cheney, the potential for a higher proportion of residents living in Cheney is obtainable if they could find affordable housing.

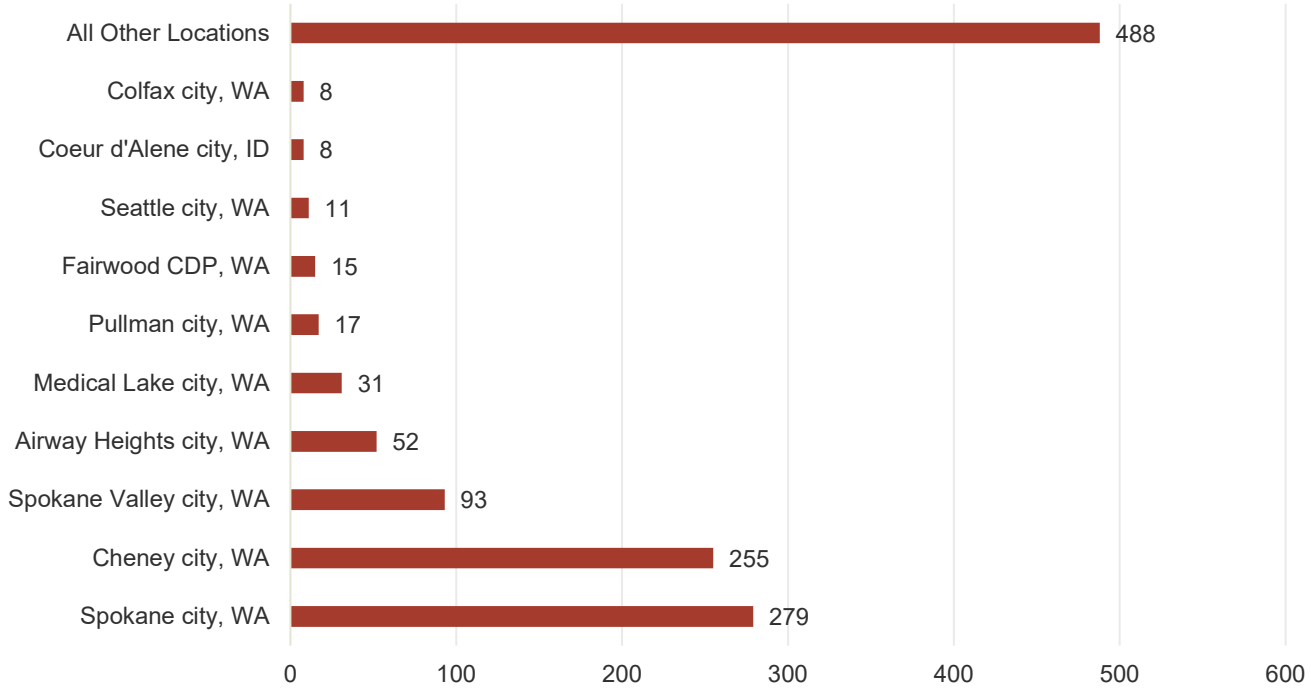
Table 45: Where Workers Live Who are Employed in the City of Cheney

City/Place	Count	Share
Spokane city, WA	279	22.2%
Cheney city, WA	255	20.3%
Spokane Valley city, WA	93	7.4%
Airway Heights city, WA	52	4.1%
Medical Lake city, WA	31	2.5%
Pullman city, WA	17	1.4%
Fairwood CDP, WA	15	1.2%
Seattle city, WA	11	0.9%
Coeur d'Alene city, ID	8	0.6%
Colfax city, WA	8	0.6%
All Other Locations	**488**	**38.8%**

Source: U.S. Census Bureau, On-the-Map, 2020

[29] *City of Cheney, "Economic Development," https://www.cityofcheney.org/431/Economic-Development.*

Figure 60: Where Workers in Cheney Live



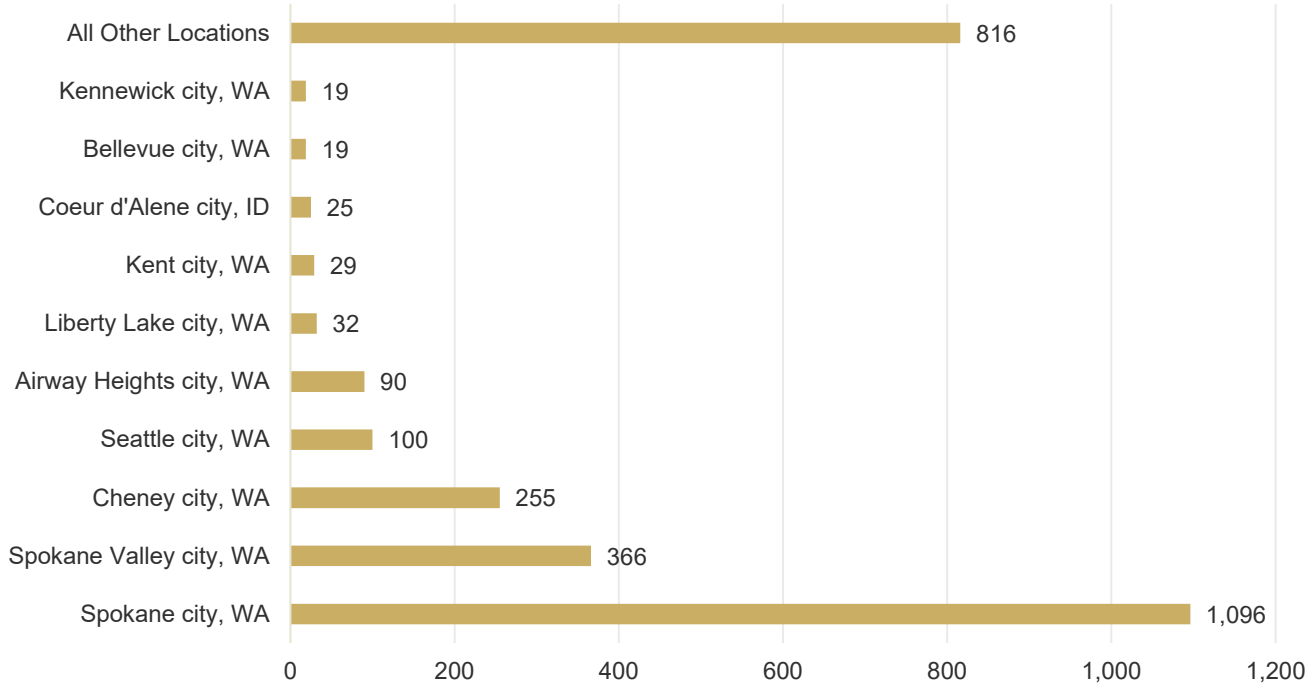
Source: U.S. Census Bureau, On-the-Map, 2020

Table 46: Where Workers are Employed Who Live in the City of Cheney

City/Place	Count	Share
Spokane city, WA	1,096	38.5%
Spokane Valley city, WA	366	12.9%
Cheney city, WA	255	9.0%
Seattle city, WA	100	3.5%
Airway Heights city, WA	90	3.2%
Liberty Lake city, WA	32	1.1%
Kent city, WA	29	1.0%
Coeur d'Alene city, ID	25	0.9%
Bellevue city, WA	19	0.7%
Kennewick city, WA	19	0.7%
All Other Locations	**816**	**28.7%**

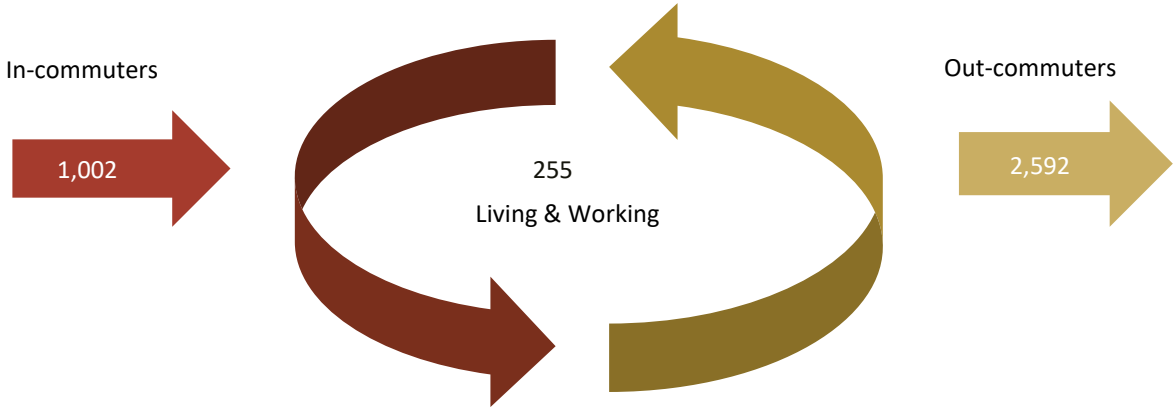
Source: U.S. Census Bureau, On-the-Map, 2020

Figure 61: Where Cheney Residents Work



Source: U.S. Census Bureau, On-the-Map, 2020

Figure 62: Commuter Inflow and Outflow from Cheney



Source: U.S. Census Bureau American Community Survey, OnTheMap, 2020

Worker's location is also a factor new housing consideration, as an increasing number of workers in professional industries are working from home. This trend was spurred on further during the pandemic, which has not been entirely captured by our current data sources, which measure only 2019/2020, though the number of workers is not large, it may be larger than what many anticipate. As shown in Table 47, over 8% of Cheney residents work from home. Challenges for workers working from home include speed, connection, and bandwidth through internet providers. Since the City of Cheney in recent years expanded the available broadband for residents[30], it can better support the growth of remote workers and small businesses.

Table 47: Comparison of Percent of Workers Working from Home

Region	Workers 16 and over	Percent Working from Home
---2019---		
Cheney	278	4.4%
Spokane	5,085	5.1%
Spokane Valley	2,450	5.4%
Airway Heights	41	1.5%
Medical Lake	29	1.5%
Washington	217,661	6.1%
US	152.7M	5.2%
---2021---		
Cheney	534	8.8%
Spokane	9,983	9.6%
Spokane Valley	4,284	8.8%
Airway Heights	186	5.6%
Medical Lake	141	6.5%
Washington	462,515	12.6%
US	153.6M	9.0%

Source: Census American Community Survey, 5-Year Estimates, S0801

[30] *Greg Mason, "Avista to Offer Internet Services through New Subsidiary, Launches Pilot Program with City of Cheney," Spokesman.com, January 21, 2022, https://www.spokesman.com/stories/2022/jan/23/avista-to-offer-internet-services-through-new-subs/*

5.2 SWOT Analysis of Economic Conditions

The following SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis explains the socioeconomic circumstances of Cheney and how it can take advantage of those circumstances.

S

- Strong population growth over past 12 years
- Spokane County's incoming population is largely from metropolitan areas, bringing above average incomes and professional talent to the workforce
- High proportion of college-educated population (44% of 25+ adults)
- Proximity to Spokane and its benefits: commutable distance, employment opportunities, Spokane International Airport, entertainment
- Thriving industry clusters in Aerospace, Clean Tech, Digital Media, IT, and Manufacturing
- Strong growth in median household income over past six-years, exceeding most neighboring cities
- Relatively new housing stock in Cheney (33% built after 2020)
- Cheney's strong recent growth in employment within Professional, Scientific & Technical Services, and Transportation/Warehousing
- Proximity transportation: I-90, SR 904, Spokane International Airport
- EWU CTE programs and professional programs serving high-skill
- positions aligned with target industry clusters
- Proximity to outdoor recreation, including Turnbull Wildlife Refuge, Columbia Plateau Trail, and Fish Lake

W

- Below average ethnic diversity (74% White alone)
- Below average proportion of career-aged adults (compared to non-college towns)
- Relatively high poverty rate among families, seniors, and female (no spouse present) households
- Large itinerant population passing through Cheney, either as EWU students or staff
- Low median household income ($47K)
- Nearly 10X more out commuters than those both living and working in the City
- Lack of industry diversification (Education and Healthcare & Social Services, and Arts, Entertainment, & Recreation and Accommodation & Food Services make up 53% of all employment in the city)

O

- Development of more high wage employment opportunities in the professional, FIRE, and manufacturing sectors to retain highly educated young-adult workforce
- Available lots of varying sizes at the Cheney Industrial and Commerce Park (CICP), platted, utilities developed, and presence of fiber-optic lines
- Existing housing profile and zoning code are strongly permissible for density and renter-occupancy for a small-town in Washington
- Strong development of multi-family housing offers opportunity to strengthen development of middle-density and single-family with existing pool of builders and contractors
- Far more affordable housing than Spokane and other nearby cities
- Opportunity to add more local retail options and local restaurant options that does not require residents driving to Spokane
- Buildings and vacant land available for sale in commercial districts
- Improvements to external economic development website and communications materials
- Leverage EWU's academic presence as a catalyst for research and innovation with emerging industries.
- Utilize relationship with EWU for collaborative planning and development for student housing options

T

- Many workers in Spokane County are approaching retirement age in the next ten to twenty years
- Dramatic increases in market rate rental costs between 2019 and 2022 (18%+)
- Reputation as a college town preventing development of other commercial/industrial opportunities
- Economic downturn in one of the city's narrowly concentrated sectors could have a disproportionate negative effect

6. Recommendations

6.1 Amend the Urban Growth Area (UGA)

Cheney will have more opportunities for both housing and employment growth if the UGA is amended to include more developable areas. This will require close coordination with Spokane County and surrounding property owners.

Figure 66 shows Spokane County's future land use designations for the area immediately around Cheney. The County has designated natural resources lands on this map, and it indicates that there is a significant area on the western border of Cheney designated as Large Tract Agriculture, defined by the County as:

"Large tract agricultural areas are primarily devoted to grain, legume and grass seed production. Non-resource-related uses are generally prohibited. Residences will usually be associated with farming operations."

Additionally, Spokane County Policy NR 1.4 states that, "Land that has been designated as Large Tract Agriculture may only be redesignated or rezoned consistent with the agricultural zones reclassification criteria as specified in the Spokane County Zoning Code."[31]

[31] *Spokane County Code Section 14.616.410*

The Spokane County Zoning code lists multiple conditions for the reclassification of Large Tract Agricultural land, including:

a. The zone reclassification shall be considered concurrently with a Comprehensive Plan amendment except that a reclassification to the small tract agricultural zone does not require an associated Comprehensive Plan amendment, except for mineral land designation.
b. No parcel of land shall be rezoned if 25% or more of its soils are USDA-NRCS Class I or II unless the tract meets one of the following requirements: i. The average slope exceeds 20%. ii. Man-made or natural features act as barriers to normal agricultural operations.
c. No parcel of land shall be rezoned if 50% or greater of its soils are USDA-NRCS Class I, Class II, Class III or any class of soil which is designated as a farmland of statewide importance; unless the tract meets one of the following requirements:
    i. The average slope exceeds 20%.
    ii. Man-made or natural features act as barriers to normal agricultural operations.
d. If any portion of a proposed reclassification area is 40 acres or larger and meets the criteria listed under 14.616.410 (b,c) above, the portion shall not be reclassified from the Large Tract Agricultural zone to another designation.
e. The owner(s) of the property reclassified from Large Tract Agriculture to another zone shall be required to place the Resource Activity Notification identified in section 14.616.510 in the deed.
f. Applications for a zone reclassification under this section shall include:
    i. A soils map of the site illustrating the most recent soils information from NRCS.
    ii. A calculation of the percentage of land area for each soil found within the proposed reclassification area.
    iii. A slope map if any slope exceeds 20%.

Ultimately, the adjacent Large Tract Agricultural land to Cheney is unlikely to change under the current zoning and designations from Spokane County.

The 'Rural Traditional' land use designation to the north of Cheney leaves much more flexibility for future growth. According to the County's Comprehensive Plan:

> "The Rural Traditional (RT) zone includes large-lot residential uses and resource-based industries, including ranching, farming and wood lot operations. Industrial uses will be limited to industries directly related to and dependent on natural resources. Rural-oriented recreation uses also play a role in this category. Rural residential clustering is allowed to encourage open space and resource conservation."

This area is not as restrictive since it is not a designated resource land, and therefore the County may be more willing to consider a UGA amendment or expansion in this zone. The benefit of amending the UGA in this area is that it follows SR 904, which could prove desirable for future development.

The majority of the land to the east and south of Cheney is designated as Rural Conservation, which is defined as:

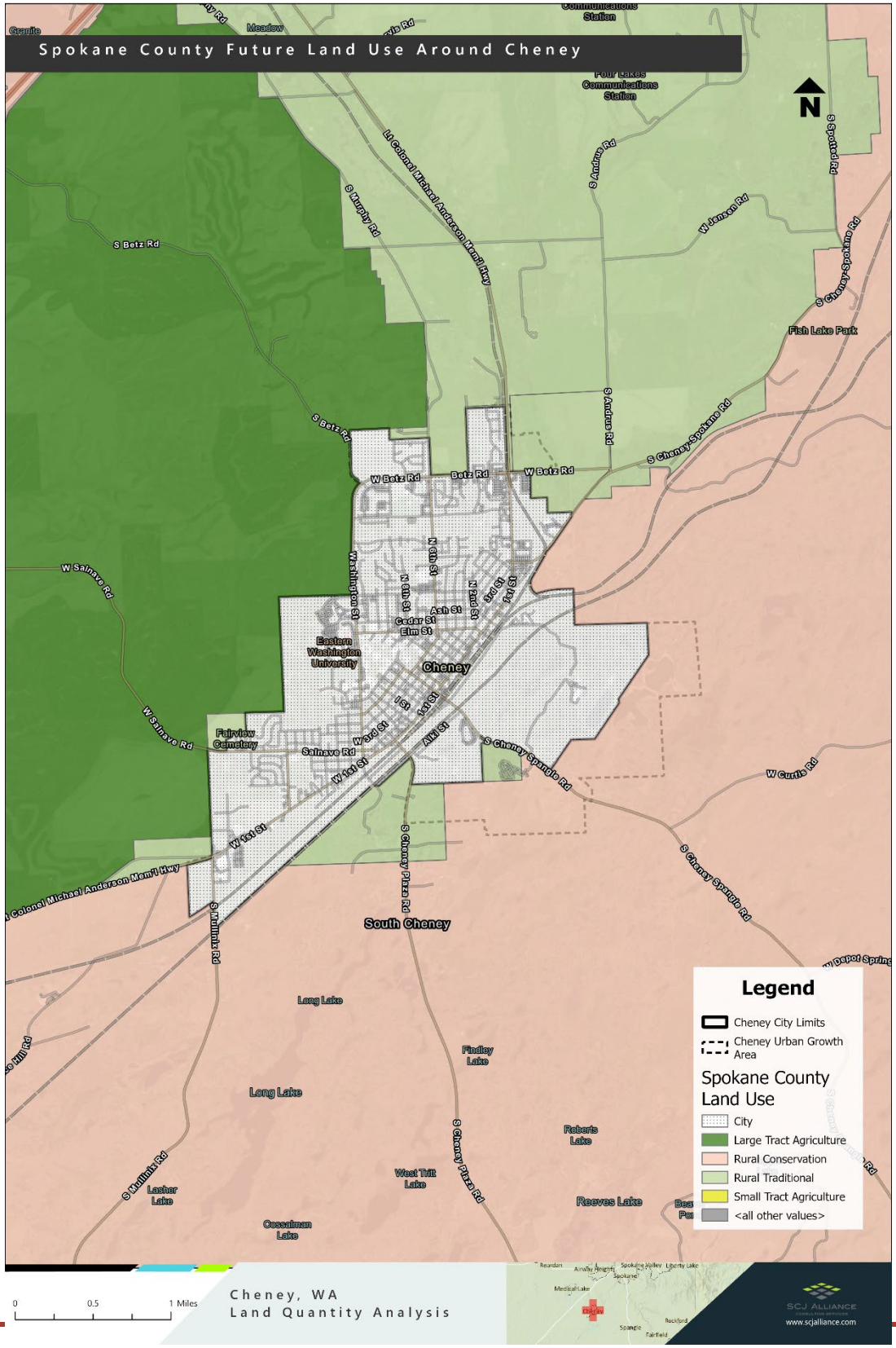
> The Rural Conservation (RCV) zone applies to environmentally sensitive areas, including critical areas and wildlife corridors. Criteria to designate boundaries for this classification were developed from Spokane County's Critical Areas ordinance and Comprehensive Plan studies and analysis. This classification encourages low-impact uses and utilizes rural clustering to protect sensitive areas and preserve open space.

This classification covers the majority of Cheney's current UGA. These are not ideal lands for future development, and therefore should not be considered in UGA expansion or amendment discussions.

Recommendation

Amend the Cheney Urban Growth Area to remove area from the 'Rural Conservation' zoned land and explore adding new UGA area in the 'Rural Traditional' zoned land following the SR 904 corridor.

Figure 63: Spokane County Future Land Use Around Cheney



6.2 Focus on Infill Development

Residential infill lands are considered those both designated as "vacant" or "partially utilized" in the buildable lands analysis section of this report, those with a residential future land use designation, and those within more developed areas of the city *within* city limits.

For the purpose of this report, all vacant and partially utilized residential land south of the railroad tracks was not considered "infill", but all vacant and partially utilized residential land north of the railroad tracks was. See Figure 67 for a map of this infill land.

Under these assumptions, summarized in Table 48, Cheney has capacity to accommodate approximately 492 dwelling units that could be defined as "infill."

Table 48: Infill Potential by Current Zone

Zone	Buildable Acres After Reduction Factor (65%)	Max. Density	Residential Potential
Downtown Commercial	0.1	21 du/acre	1
General Commercial	1.6	21 du/acre[32]	35
High Density Multi-Family	3.5	32 du/acre	112
Multi-Family Residential	4.3	21 du/acre	91
Single Family Residential	38.6	6 du/acre	232
Two Family Residential	2.3	9 du/acre	21
Total	**50.5**	**-**	**492**

On the other hand, Table 49 looks at infill potential by the future land use designation. This analysis shows that if the land is used to its full potential according to the future land use map designation, infill development could accommodate up to 896 new housing units.

Table 49: Infill Potential by Land Use Designation

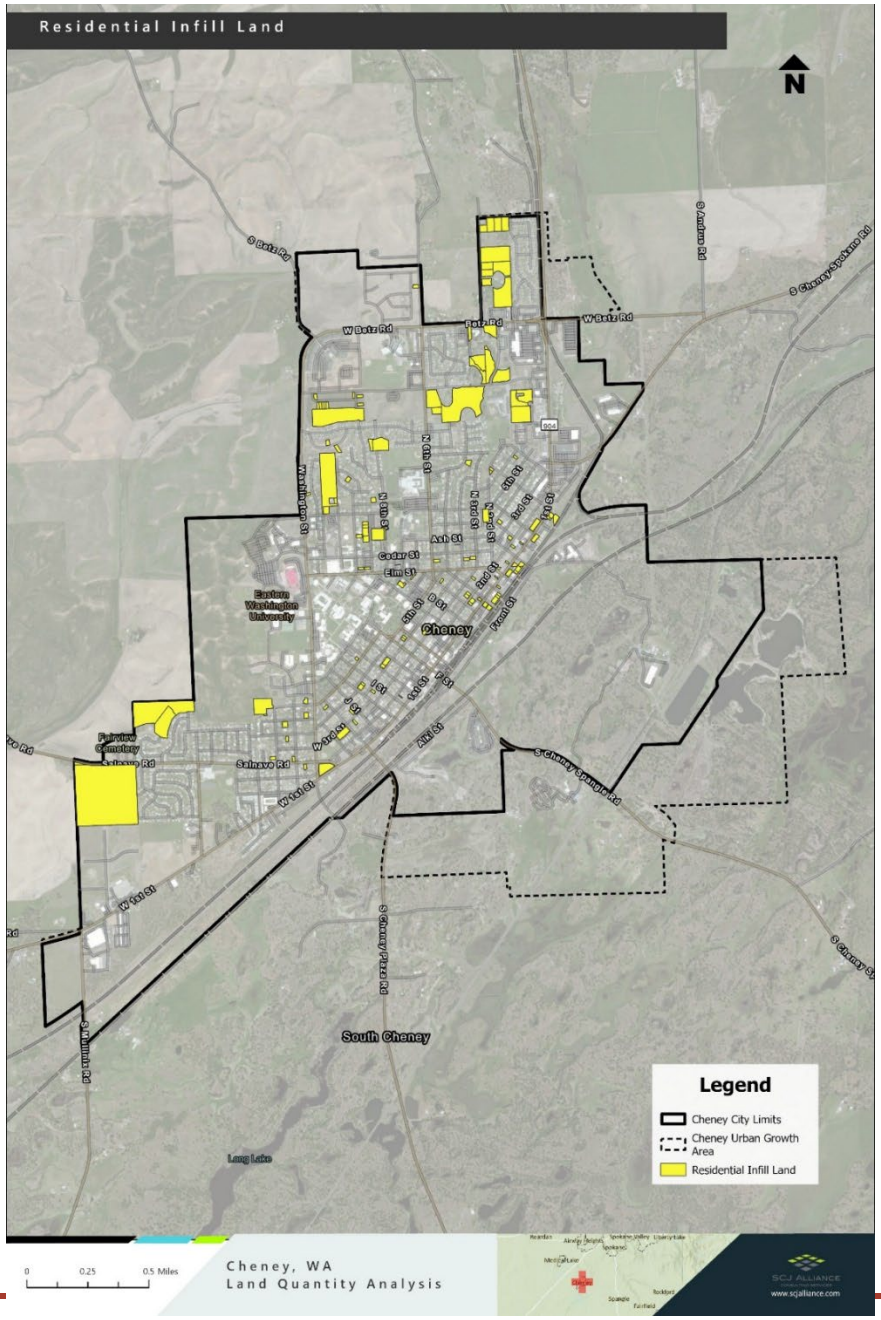
Land Use Designation	Buildable Acres After Reduction Factor (65%)	Max. Density	Residential Potential
General Residential	27.5	12 du/acre	330
Mixed Use	1.9	21 du/acre	41
Multi-Family Residential	21.0	25 du/acre	525
Total	**50.5**	**-**	**896**

[32] No dwelling unit density requirements are provided in Cheney City Code, only types of housing allowed and development standards. Based on this information, it is estimated that the maximum density would be approximately the same as the multi-family residential zone or the downtown commercial zone at 21 dwelling units per acre.

Recommendation

Cheney cannot rely only on infill development to accommodate its housing needs over the next 20 years. However, it can play a significant role if the land is utilized to its greatest potential under the future land use map, with the potential to accommodate nearly half of the forecasted housing units needed by 2045. **Therefore, the City should look to allow upzoning of land to its greatest potential and incentivize developers to utilize lands defined as "infill."**

Figure 64: Residential Infill Land



6.3 Incentivize homeowners and landlords to improve the quality and maintenance of housing.

The quality of the existing housing stock contributes to the City's ability to attract and retain residents. A higher quality housing stock will have long-term benefits such as attracting people who intend to live in the community long-term.

Recommendation

- **Offer and/or connect residents with housing rehabilitation assistance** through local loan programs (such as Vancouver's Housing Rehabilitation Loan Program[33] or Spokane's Home Rehabilitation Programs[34]) or other local housing assistance programs such as SNAP[35].
- **Utilize code-enforcement strategies to ensure proper care and maintenance of residential properties.** The Western Planner offers an article[36] with some strategies for code enforcement in small towns with fewer resources.

6.4 Diversify the local economic base.

The Economic Opportunities Analysis in this report showed that Cheney could benefit from a wider diversity of job opportunities in the region. The SWOT analysis demonstrated some areas where Cheney could improve, and the recommendations below offer high-level strategies to help Cheney move forward with its economic diversification.

Recommendation

- Capitalize on the City's proximity to the Spokane International Airport
- Offer a broad range of housing types to support a diverse workforce
- Connect to and advertise regional trails and recreation opportunities in and around Cheney
- Develop recreation facilities unique to the region to attract visitors (ex. Betz Park)
- Coordinate with EWU to bring events to the university and to Cheney
- Produce and distribute marketing materials for things to do in Cheney for those visiting
- Advertise the Business Park to attract employers

[33] https://www.cityofvancouver.us/economic-prosperity-and-housing/housing-programs/housing-rehabilitation-loan-program/
[34] https://my.spokanecity.org/chhs/programs/
[35] https://www.snapwa.org/live/
[36] https://www.westernplanner.org/2017publishedfeatures/2018/6/27/code-compliance-difficulties-and-ideas-for-small-towns

- Pair workforce population with local jobs, helping attract and retain younger populations.
- Attract new industries to complement the existing industries and to compete with/complement other communities on the West Plains

6.5 Connect vulnerable populations with resources.

This report has shown that Cheney has a higher proportion of people under the poverty line, indicating a more socially vulnerable population. Social vulnerability implies a greater need for additional resources and services, such as financial assistance, services that provide basic needs, and programs that help people build skills and find jobs to increase their long-term self-sustainability.

Recommendations

- **Connect residents with resources and regional assistance programs** to ensure all residents have their basic needs met.
- **Coordinate with programs to connect vulnerable populations with jobs, services, and resources**, including transportation.

6.6 Amend the Cheney Municipal Code's development regulations.

A key component of accommodating future growth will be to ensure that the city's development regulations allow for the type of development that is consistent with the City's vision and its needs. The next periodic comprehensive plan update in 2027 will involve an in-depth look at the development regulations and will ensure that the code is updated to be consistent with the Growth Management Act and that additional amendments are made to ensure that the code is consistent with the comprehensive plan.

Recommendations

- **Implement the Mixed Use zone in more areas of town, and ensure that the future land use designations support rezoning actions to accommodate the mixed use zone.**
- **Allow for a wider variety of middle housing types throughout all zones.**
  - Introduce more middle-density terminology and concepts into the City's zoning code (e.g. tri-plex, quad-plex, townhouse, mid-rise, etc.). This can likely be done without changing existing density standards in terms of units per acre, but it would help introduce these concepts to the community, while making it more explicit to developers what can be done in those zones.
  - This would also help achieve the targets determined by the HAPT, which calls for approximately two-thirds of all new housing units to accommodate those earning 80% AMI or lower.
- **Amend ADU regulations to comply with House Bill 1337.**
  - HB 1337 requires all fully planning communities to ensure local development regulations allow for at least two ADUs per lot within zones that allow for single-family homes within their UGA. The bill outlines other policies that these cities must adopt beginning six months after its next periodic comprehensive plan update. For Cheney, this deadline falls on December 31, 2026.

- **Adjust parking standards near public transit stops and for middle housing types.**
  - Adjusting parking standards may help incentivize the development of middle housing, especially for certain housing types and in certain parts of town. For example, it may be beneficial to look at reducing or eliminating parking requirements for housing developments within close proximity to a public transit stop. These housing developments have easier access to public transportation, especially those near STA Line #6 (the high-capacity transit line), and therefore could have less dependence on car ownership. Additionally, it may be worth revisiting parking standards based on the type of housing provided. For example, if essential middle housing types are developed, developers may have flexibility to provide less parking if they choose, which may help incentivize certain developments that may not have otherwise been possible.
- **Implement upzoning in strategic areas and around transit corridors and stops.**
  - Increased residential density can pair well near Elementary and High Schools (such as Betz Elementary and Cheney High School) as families with young children find the location desirable for pick-up/drop-off and commuting. In particular, the cluster of blocks between Oakland Ave on the north, 8th Street on the west, 2nd Street on the east, and Elm Street on the south, could be a prime location for gentle density and up-zoning.
  - Examine land to the northeast and south of EWU to determine if further conversion of single-family residential to two-family residential would be suitable with land use patterns.
  - In addition to revisiting parking standards near transit corridors and stops, the City could also prioritize rezones in these areas as well. This would place an additional emphasis on the higher capacity of these areas to accommodate increased residential density, in addition to allowing mixed use development such as corner cafes, co-ops, restaurants, and other local retail shops within walking distance of middle housing and public transit.

6.7 Investigate the possibility of reducing or removing impact fees for infill projects

Impact fees could be reduced or entirely removed for infill projects wherein utilities are already available up to the property line. These cases would include vacant lots in residential neighborhoods, double/triple lots, ADUs, and second story multi-family additions within the Downtown Commercial MLSOD district. Infill projects cost less in resources to extend than would be the case for greenfield developments. As one further step, the City could also eliminate plan review fees for ADU developments.

Recommendation

- Reduce or remove impact fees for infill-related development projects.

6.8 Coordinate with EWU on land available for housing

A significant amount of land within the City is zoned for University purposes, including a good portion of vacant land. As Cheney grows, and as EWU makes plans for the future, it will be vital for the City to coordinate with the University in terms of how the land around the university is being utilized.

Recommendations

- Revisit the planned and potential uses of land zoned for and owned by EWU after the University publishes its updated Strategic Plan (estimated to be complete in 2024).
  - EWU may not need as much land for future growth of student housing, given current trends and forecasts (enrollment plateau, remote learning capabilities, etc.). This might free up some land for private housing development, either in partnership with the University or the City, to accommodate not only upperclassmen, but also provide additional options for university staff and faculty, or even non-EWU-related residents.
- Work with EWU to ensure most student-based housing is located on campus or EWU-owned land.
- Track how much demand there is for EWU students who wish/choose to live off campus, but within Cheney.
- Consider investing grant funding (potentially in partnership with EWU) in streetscape and wayfinding enhancements on pedestrian corridors between higher density neighborhood nodes/downtown and the EWU campus (such as College Ave. and D Street) to enhance connectivity (walkability/bikeability) and economic vitality of these core neighborhoods and their direct connection to the University.

6.9 Engage with nonprofit housing organizations to participate in regional housing discussions about provision for affordable housing and homelessness.

Affordable housing is a national and regional issue, not something that is unique to Cheney. Cheney should, therefore, participate in and contribute to regional conversations regarding affordable housing and homelessness. By participating in the regional conversations, Cheney will ensure that its unique challenges and opportunities are well known and can learn how other communities confront similar issues.

Recommendations

- Coordinate with local and regional housing agencies and nonprofits such as Catholic Charities of Eastern Washington, Habitat for Humanity of Spokane, SNAP, Spokane Housing Authority, and Spokane Homeless Coalition.

- Coordinate with other cities within Spokane County, and the County itself, to develop a regional housing strategy that ensures all jurisdictions have access and knowledge of the resources available.

6.10 Develop marketing materials to promote opportunities in Cheney.

Cheney should ensure that other communities, developers, residents, and people searching for opportunities can find easily accessible information about the opportunities and benefits of Cheney. By developing a solid marketing campaign the City can advertise to the broader region the local assets that make locating in Cheney a great fit.

Recommendations

- Engage in outreach and marketing to developers to garner interest in new housing production.
  - Compose a marketing flyer to send to private sector developers within a 100 mile radius of Cheney, with "did you know?" information from this report, such as projected population, median income numbers, plans for development 50-acre park, and other high-profile assets of the community. This could also include some MLS data on the past 12 months, monthly inventory, sales price, price per SF, etc. A list of businesses like this could be purchased from a marketing organization, such as Data Axle.
- Partner with EWU's marketing department to seize opportunities to advertise both EWU and Cheney as a pair.

6.11 Pursue Funding Opportunities

Regularly track and pursue funding opportunities to help move recommendations of this report forward and implement strategies that help develop affordable housing, amend development regulations, incentivize home upkeep and renovation, and provide resources to vulnerable populations.

Recommendation

- Assemble a funding tracking system to help prioritize various opportunities and ensure there is awareness around the various criteria involved with funding sources such as grant deadlines, match

requirements, loan program criteria, etc. Some funding sources and organizations to track in this system include:

- Consolidated Homeless Grant (CHG): https://www.commerce.wa.gov/serving-communities/homelessness/consolidated-homeless-grant/
- Emergency Solutions Grant (ESG): https://www.commerce.wa.gov/serving-communities/homelessness/emergency-solutions-grant/
- Continuum of Care Program (HUD): https://www.commerce.wa.gov/serving-communities/homelessness/continuum-of-care/
- USDA Rural Development Single-Family Housing Repair Loans & Grants: https://www.rd.usda.gov/programs-services/single-family-housing-programs/single-family-housing-repair-loans-grants
- Community Development Block Grant (CDBG) Program: https://www.commerce.wa.gov/serving-communities/community-development-block-grants/
- HOME Investment Partnership (HOME) Program: https://www.commerce.wa.gov/building-infrastructure/housing/housing-trust-fund/home-program/
- Housing Trust Fund: https://www.commerce.wa.gov/building-infrastructure/housing/housing-trust-fund/applying-to-the-housing-trust-fund/
- Washington Homeowner Assistance Fund: https://washingtonhaf.org/
- Washington Trust for Historic Preservation: https://preservewa.org/programs/grants/
- Housing Preservation Grants: https://www.rd.usda.gov/programs-services/single-family-housing-programs/housing-preservation-grants
- Habitat for Humanity: http://www.habitat-spokane.org/
- Home Advantage Program: https://www.wshfc.org/buyers/homeadvantage.htm
- NeighborWorks Center for Homeownership Education and Counseling: https://www.neighborworks.org/Training-Services/Training-Professional-Development/Professional-Certificates-and-Certifications/NCHEC-Certification
- SNAP - Spokane: https://www.snapwa.org/services-we-provide/i-need-help-with-housing/homeless-services/

6.12 Improve pedestrian safety and connectivity throughout the City

Cheney has benefited from being a fairly walkable city based on its historic grid pattern and calm neighborhood streets. However, there is room for improvement in order to better connect neighborhoods and key destinations. Consideration of pedestrian safety and opportunities for active transportation and recreation contribute greatly to a community's livability and could help Cheney enhance its quality of life. Therefore, the following recommendations will help Cheney improve its pedestrian connectivity and overall pedestrian safety.

Recommendations

- Develop an Active Transportation Plan that addresses planned pedestrian, bicycle, and micro-mobility infrastructure throughout the City.
- Require quality pedestrian improvements with all new or renovated properties.

- Consult best-practices documents when updating code requirements for development, such as NACTO.

- Coordinate with WSDOT and invest in safe crossings of SR 904 throughout the City.
- Seamlessly connect the city's sidewalk and trail system to the Columbia Plateau Trail, and contribute to efforts to connect regional trail systems.

7. Appendices

Appendix A: Land Capacity Analysis Methodology for Spokane County

Introduction

The adopted Countywide Planning Policies (CPPs) for Spokane County indicate that the land capacity analysis method developed by the Washington State Department of Commerce (Commerce) should form the basis of local efforts. *The Urban Growth Area Guidebook: Reviewing, Updating and Implementing Your Urban Growth Area*[37] *- Chapter 5: Land Capacity Analysis and Buildable Lands Program for Urban Growth Areas* delineates a step-by-step process for determining the supply of land that may be considered to be available for growth.

The following document - Land Capacity Analysis Methodology for Spokane County is intended to augment that Commerce process by addressing specific local circumstances.

The following steps will apply to the land quantity analysis process to be conducted by each jurisdiction in Spokane County.

Information Sources for the Land Quantity Analysis

The records of the Spokane County Assessor's Office will be utilized as the official base information for each jurisdiction's land quantity analysis. That information may be augmented by other sources or 'field' methods as appropriate. In addition, the official zoning and land use files for each town, city and Spokane County will be utilized.

The Land Capacity Analysis Reports and Format

Each jurisdiction will be responsible for developing its own land quantity analysis report. The land quantity analysis reports from each jurisdiction are intended to provide quantitative information regarding the theoretical ability of existing urban areas to accommodate additional residential and nonresidential growth. This

[37] https://www.commerce.wa.gov/serving-communities/growth-management/guidebooks-and-resources/

information will be useful to the Steering Committee of Elected Officials (SCEO), the Spokane County Board of County Commissioners (BOCC), each jurisdiction, and the public in the course of designating and adjusting Urban Growth Areas (UGAs). It is recognized that the information in the report must be integrated with, and augmented by, other information from various Technical Committees as well as from each jurisdiction for UGA boundaries to be proposed and designated. Land capacity is but one of several factors which must be analyzed to adequately develop UGA proposals.

The primary purpose of the land capacity analysis reports will be to analyze residential, commercial, and industrial growth capacity within existing city limits and urbanized unincorporated areas. The report will also provide an estimate of growth capacity within rural areas of unincorporated Spokane County.

At a minimum, the following information will be included in the reports:

- Total number of existing platted lots in cities, towns, and urbanized county areas
- Total number of lots in approved preliminary plats in cities, towns, and urbanized county areas broken down by year of approval and sunset date for the preliminary plat approval.
- Total number of approved, but un-built, multi-family units in cities, towns, and urbanized county areas.
- Total areas of vacant commercial and industrial land, sorted according to parcel size ranges (less than .25 acre; .25 acre to 1 acre; 1 acre to 5 acres; 5 acres to 10 acres; etc.)
- Total acres of unplatted land available for development, sorted according to generalized existing zoning categories.
- Future capacity projections, based upon current zoning regulations for each jurisdiction.

The reports will also contain a complete listing of all assumptions made, list of participants (both governmental and non- governmental), and provisions or recommendations for wider public comment.

SEPA Integration

The reports themselves will serve as a portion of the overall State Environmental Policy Act (SEPA) analysis for the establishment of UGAs. The process should also provide an opportunity for public comment. Concerns should be properly noted and incorporated into the final product.

Technical Committee Review & Compiling of Reports

Once the individual land quantity and analysis reports for each jurisdiction are complete, the Land Quantity Technical Committee will review the analysis for consistency with the methodology as well as the existence of unique local conditions that may influence the analysis. Adjustments in the methodology or to the analysis may be appropriate if those reviews indicate that a deviation from the methodology's assumptions is warranted. A final land quantity report, essentially a compilation or summary of each individual jurisdiction’s report, will be forwarded to the Steering Committee of Elected Officials for its use.

The Land Capacity Technical Committee may find it useful to coordinate their review and information with other technical committees who are working toward a regional carrying capacity analysis.

Where Land Quantity Inventories Will Occur

1. Each incorporated town and city shall conduct a land capacity analysis within its own corporate limits. Small cities and towns may rely on Spokane County to conduct their land capacity analysis.
2. Each city and town may conduct a land capacity analysis within any adjacent unincorporated areas which are under study for potential inclusions within its UGA. An agreement with Spokane County should be made regarding the process for conducting such an analysis.
3. Spokane County shall conduct a land quantity analysis within the urbanizing unincorporated areas. The primary focus of that study will generally be the UGA as delineated in the existing Land Use Element of the Comprehensive Plan for Spokane County. Additional areas, as appropriate, may be included in the land quantity analysis.
4. Spokane County shall conduct an analysis of its rural growth capacity by counting the number of vacant lots or acreage, partially used parcels, and under-utilized land, exclusive of designated natural resource lands.
5. The Jurisdictions, as appropriate, shall cooperate in any land quantity analysis which involves geographic areas under study by two or more jurisdictions as potential UGAs. Formal written agreements should be enacted between the affected jurisdictions. Those agreements will automatically become an addendum to the reports.

Primary Methodology Steps

Step #1: Identify lands that are potential candidates to accommodate future growth, including vacant, partially used, and underutilized land.

The Commerce guidelines define three general types of land that form the supply for eventual growth: vacant land, partially used land, and underutilized land. The definition of these terms has been modified below to fit local conditions. All lands will be counted and sorted according to number of lots or acreage (as appropriate) and existing generalized zone classification.

1. **Vacant Land** - Initial identification of these lands includes any lot or parcel that does not contain improvement value exceeding $5000 in value, as determined from the Assessor's records.
   Regardless of improvement value, land containing a distinctive land use or clearly supporting other nearby uses should not be considered vacant. Parking lots, storage yards, and golf courses are some examples of such land which would not be considered vacant. This is initially determined using Property Class codes ending in *91 (e.g., 891 “land with adjoining use”), though identification by other means may be required.
   Additionally, some parcels may contain a significant part of a structure but have no improvement value because the assessor typically only assigns improvement value to one of multiple related parcels. Again, Assessor Property Codes can be used to identify these parcels and remove them from the “vacant land” inventory.
   Where a planned unit development (PUD) or preliminary plat has been adopted for a given area, jurisdictions may use the approval of those instruments to inform the capacity of those vacant areas. For example, if a PUD has been approved for 1,000 units, and only 750 units have been platted and

constructed, the jurisdiction can consider the area to contain 250 units of additional capacity. Steps two through five below should not be applied to areas within PUDs and preliminary plats.
Likewise, if a jurisdiction has adopted a sub area plan, specific plan, or study for a given area which provides for an estimated buildout scenario, that study or plan can be relied upon to determine the capacity of an area rather than steps two through four below.

2. **Partially Used Land** - Land in this category is occupied by a use which is consistent with zoning but contains enough land to be further subdivided without need of rezoning. Accordingly, any parcel in rural areas containing at least two times the minimum lot size required by the applicable zone district could be considered partially used.
   Partially used residential land in urban areas includes those properties that can be subdivided into eight (8) or more lots, parcels, or tracts consistent with existing zoning standards.
   As an additional consideration, jurisdictions can subtract lands from this category that contain a very valuable home, as very valuable homes on large lots are not expected to subdivide or redevelop within the 20-year timeline. Accordingly, any partially used land with at least eight times more improvement value than land value can be removed from the available capacity.
   Commercial and industrial lands will not be calculated in this category.
3. **Underutilized Land** - These parcels include those zoned for more intensive use than that which currently occupies the property. For example, a single-family home in a multi-family zoning district would fit within this category. If a parcel is classified as underutilized, it is not included in the partially used category as the capacity does not assume the existing use would remain if redeveloped.
   An existing residential use(s) on a commercial or industrial zoned parcel will be considered under-utilized and counted as such. A parcel in a commercial or industrial zone with an improvement value of four times the land value or less should also be reviewed further for the likelihood that it would redevelop as either residential or commercial/industrial use. Each jurisdiction should then determine the likelihood that redevelopment of these parcels would include residential units or commercial/industrial uses and include them in their underutilized land accordingly.
   An improvement to land value ratio of 4 to 1 is considered “average” for normal uses by the Assessor. Accordingly, these parcels may not redevelop in the 20-year timeframe if the improvement value is high enough, even if the use is generally non-conforming. Likewise, an Assessor Property Class of 391 can be used to select for these properties and to review whether they should be included in the Underutilized category.

Step #2: Subtract all parcels that the community defines as not developable because of physical limitations.

Lands consisting of designated critical areas or other physical constraints may, in some cases, be subtracted from the inventory due to the presence of certain features which makes them difficult or impossible to develop. Critical areas, such as wetlands or streams, are commonly constrained by policies and regulations prohibiting development in these areas. Accordingly, any lands containing these features should be subtracted from the lands identified in Step 1. Affected areas should include not just the boundary of a known critical area but also the associated buffer that may be required by local code or policy.

If policies or regulations are such that development is completely prohibited, then the area would be subtracted from the available land supply. If development would be allowed with mitigating measures, then the land area or a portion of it should be counted as available. However, any exclusion should not imply that such land cannot be developed, but instead recognizes that the difficulties associated with doing so are enough to limit development potential.

Areas that may be excluded to one degree or another from the available land supply include, but are not limited to:

- **Critical areas** (as defined in RCW 36.70A)
- **Natural resource lands** (as defined in RCW 36.70A)
- **Steep slopes and other geohazards** (according to locally adopted critical areas ordinances or other local delineation)
- **Shoreline Jurisdictional Areas**
- **Water bodies**, including designated wetlands and their buffers.

In any case, it is up to the individual jurisdiction to analyze and to justify in their report how the various policies or regulations impact the land capacity analysis, according to local regulations and data sources.

Step #3: Subtract lands which will be needed for other public purposes. This includes utility corridors, landfills, sewage treatment plants, recreation, schools, and other public uses (GMA, Section 15, RCW 36.70A. l50).

Areas in this category include both public and private properties which are either currently owned and operated or those which will be needed to meet future needs in developing areas. Common owners of these lands, for example, may include utility companies, school districts, parks departments, or railroads to name a few. Likewise, the type of property tax exemption applied to these properties can be used to make an initial selection of these lands. In any case though, any lands removed from the capacity for step 3 should consider that the predominate existing or planned use of the land is such that it would not reasonably be considered as available for any type of residential, commercial, or industrial development. Sample areas to be removed from available capacity include, but are not limited to:

1. **Roads or Rights-of-Way (ROWs)** - this category includes lands which will be needed for circulation facilities as relatively undeveloped areas begin to develop. Existing ROWs should be removed, but also a percentage of acres of land capacity should be subtracted from the overall capacity to account for internal circulation and other circulation needs. The actual percentage subtracted should be determined based upon development trends unique to the individual jurisdiction. Those assumptions then need to be documented in the individual jurisdictions' report.
2. **School Sites** - this includes both existing sites and those additional needs which will be generated by growth in development areas.
3. **Park Sites** - this includes both existing sites and those additional needs which will be generated by growth in developing areas. When available, the local jurisdiction's level of service for parks provision should be used to estimate the amount to be removed.

4. **Utility Substations, Corridors, and Other Facilities** - this category includes both existing and anticipated sites and corridors which would preclude residential, commercial, or industrial development.
5. **Other Public Lands** - any other public need which is known to the local jurisdiction

Step #5: Determine total capacity. After determining desirable densities and land uses for various areas within your jurisdiction (i.e., vacant, partially used, and underutilized), multiply the number of acres in remaining parcels by the number of units per acre allowed in the area where the parcel is located. Add together to determine total capacity of vacant, under- utilized, and partially-used lands.

The sorting of the available land supply according to the generalized existing zoning categories of residential, commercial, and industrial is key to determining total land capacity. The land quantity analysis and report will estimate that future land capacity given existing zoning. To do this, historic development data along with other information sources available to each jurisdiction should be used to determine an assumed development capacity by zone for all capacity lands. Assumptions should be provided for the number of dwelling units per acre expected in various zones as well as the resulting number of people per unit expected in those areas. Secondary information sources, such as the US Census and Office of Financial Management data can be used to inform the population assumptions in this step. Separate calculations can be applied to vacant, underutilized, and partially used portions of each jurisdictions' capacity, provided the assumptions behind those are clearly documented.

Step #6: Compare the population and unit capacity estimated by this process against the adopted population forecast and housing allocation forecast for each jurisdiction.

Once the capacity in both units and population is generated, it should be compared to the population growth forecast for each jurisdiction as well as the housing allocation required by House Bill 1220. By comparing population and unit capacity against the forecast allocation set by the Steering Committee of Elected Officials and ultimate the Board of County Commissioners, jurisdictions can determine what steps are required by the State to comply (i.e., annexation, UGA modifications, regulation amendments).

Appendix B: Cheney LQA Methodology Notes

Table B-1: Cheney LQA Methodology Notes		
Process Step	**Cheney Notes**	**GIS/Process Notes**
1. Define vacant land.		
Determine whether to focus on residential zones (for housing capacity analysis), commercial/industrial zone (for employment capacity analysis), or both.	*We will focus on both – analyzed separately for population and employment.*	Selected parcels with an improvement value of $5000 or lower (assessed value > (land value + 5000) Selected parcels with a prop_use_c of '91' Assigned 'vacant' attribute to both sets of parcels selected above. A total of 440 parcels within the UGA were selected. To select Residential vacant land, created a layer of vacant parcels that had a future land use designation of Critical Areas Limited Residential, General Residential, Mixed Use, Multifamily Residential, and Very Low Density Residential. Layer: Vacant Parcels – Residential Use (231 parcels) To select Commercial/Industrial land, created a layer of vacant parcels that had a future land use designation of Commercial, Industrial, and Mixed Use. Layer: Vacant Parcels – Commercial and Industrial Use (180 parcels) Remaining vacant lands include areas in Institutional, Open Space, and University land use designations. These land uses are not suitable for residential, commercial, or industrial development, so are not included in the buildable lands analysis. Layer: Vacant Parcels – Other (69 parcels) Mixed Use land use types were included in both commercial/industrial and residential vacant land types because it is assumed that the land has the potential to double as both residential and commercial land, and that they are not mutually exclusive in the mixed use areas. This accounts for 40 overlapping parcels. *(Note: Identify property class codes of 891 "land with adjoining use" to highlight on the analysis map.)*

2. Define underutilized land.		
Revised to align with Spokane County Methodology for underutilized land.	*A single-family home in a multi-family zone is underutilized. If a zone has a minimum unit requirement, any existing development below that will also be considered underutilized.* *Parcels with an improvement value 4 times the land value or less (RDV > 0.2) should be evaluated for likelihood of redevelopment. An improvement to land value ratio of 4 to 1 (RDV = 0.2) is considered "average" for normal uses by the Assessor.* *These parcels may not redevelop if the improvement value is high enough, even if non-conforming. An Assessor Property Class of 391 can be used to select for these properties for further review.*	When we selected the "Cheney Area Parcels" layer for parcels where improvement value is less than four times the land value, 1,853 of the total 2,863 parcels were selected. This was not a reasonable finding, and we decided that it should be assumed that Cheney's "average" should be lower than the County's average. When we selected parcels where the improvement value is less than three times the land value, 1,270 of the 2,863 parcels were selected. Many of these parcels were in developed neighborhoods, so we still weren't comfortable with this amount of parcels being considered "underutilized". We then selected parcels where the **improvement value is less than two times the land value**, and only 725 of the 2,863 parcels were selected. Of the 725 parcels, many overlapped with the vacant parcels layer, so we selected the remaining layers that were not already designated as 'vacant' and ended up with 219 parcels that we then labeled as 'underutilized'. Parcels with an improvement value less than two times the land value seemed reasonable for residential properties. However, we still wanted to count commercial and industrial land where the improvement value is less than four times the land value, as stated in the Spokane County Methodology. So, we then selected parcels with improvement values less than four times the land value, that were not vacant, and that had a designated land use of "commercial", "industrial", or "mixed use". This yielded a total of 203 parcels that were labeled 'underutilized', many of which were already labeled 'underutilized'. To account for other "underutilized" lands as described in the Spokane County methodology, we added lands where the prop_use_desc (assessor's property use description) was "11 - single unit" AND the land use designation was Multi Family Residential, or Mixed Use to select parcels where single-family units are located on multifamily parcels. Additionally, we selected parcels where the property use description was single unit, two-to-four unit, five-plus unit, mobile home park, or other residential AND the where land use designation was Commercial or Industrial. This selected parcels where a residential use was located on a commercial or industrial designated parcel, which is considered underutilized by Spokane County.

		The total underutilized lots added up to 437 parcels with this initial analysis. To separate residential underutilized land from commercial/industrial underutilized land, we selected underutilized parcels where land use was Critical Areas Limited Residential, General Residential, Mixed Use, Multifamily Residential, and Very Low Density Residential to get a Underutilized Parcels – Residential layer (293 parcels), and Commercial, Industrial, and Mixed Use to get a Underutilized Parcels – Commercial and Industrial layer (227 parcels). Mixed Use parcels are counted in both layers because it is assumed that both commercial and residential are possible to coexist in those zones. *(Note: Identify property class codes of 391 "underdeveloped land" to highlight on the analysis map.)* *(Note: Create a map of all PCC codes in the City/UGA, or at least the most relevant categories.)*
3. Define partially utilized land.		

Revised to align with Spokane County Methodology for partially utilized land.		Analyze parcels by zoning and land use. Simplify zoning and land use maps by assigning one zone and one land use to each parcel (most parcels aren't split zoned. Those that are were assigned a zone/land use for whichever zone/land use accounts for most of the land). Because some parcels don't align with city limits and UGA boundaries, we performed a 'clip' using the Cheney UGA boundary to create a parcel layer with a focus on land only within Cheney's UGA. For analysis, the area in square feet for each parcel within the clipped layer was calculated. ♦ Define thresholds for parcel sizes by zone that can be split into 6 or more lots and select by attributes for parcels greater than the threshold size. Unselect any parcels marked as 'vacant' or 'underutilized'. Designate those parcels as "partially utilized". Selected parcels by zone that are above the partially utilized land square footage threshold for the different zones. Also added filters so as to not include vacant or underutilized land. Then designated these parcels remaining as "partl utl" for partially utilized land. For R-3 and R-3H, did an individual analysis for those parcels between 15,000 and 21,000 sq ft to determine if they have alleyway access. This is because the development standards say that the minimum lot size is 2500 if parking can be accessed from an alley. If they did have alleyway access, they were considered partially utilized. If they did not, they were not designated partially utilized. (Note: No R-3H parcels have an area between 15000 and 21000 sq ft.) A total of 51 lots were given the "partially utilized" designation. Per the Spokane County Methodology, we then removed parcels where the improvement value was at least 8 times greater than the land value from the "partially utilized" designation. Because these properties have valuable development on them, they are much less likely to divide and/or redevelop. 25 parcels were removed as a result of this, leaving a net total of 26 parcels with the "partially utilized" designation. *(Notes:* ♦ *CALR = semi-rural residential*

		♦ *Overlay Zones: Assigned overlay zones on a new field.* ♦ *There was one parcel (13121.0007) that is split zoned single family residential and two-family residential. The two-family residential portion also has a senior housing overlay district.)*
4. Refine buildable lands layers.		
Review GIS-derived buildable lands with City and identify further parcels to exclude from analysis.		Buildable lands (vacant, underutilized, partially utilized) need to be analyzed in order to account for criteria that were not considered in the initial GIS analysis. Such considerations include: ♦ Subtracting schools, parks, and other public spaces that will realistically not contribute to buildable lands inventory. ♦ Meet with City Staff to determine which properties are unlikely to develop. City and SCJ marked up maps to take out parcels from the initial GIS analysis that are not actually buildable. These parcels were removed from the analysis in GIS.
5. Account for critical areas.		

Deduct critical areas and their generalized buffers/required setbacks from the remaining vacant and underutilized land supply.		First, need to refine the buildable lands layers via a meeting with City staff. This will remove lands that are known to be undevelopable based on city staff knowledge or current land uses/contexts/situations with various properties. THEN RE-DO THE PROCESS BELOW. Prohibitive Critical Areas – where it is essentially impossible to build anything. This includes wetlands, wetland buffers, and 100-year floodplains. Edit: Adding steep slopes as a prohibitive critical area. Used Steep slope layer from City of Cheney. Wetland buffers include wetland polygons. DISSOLVE the Wetland buffer layer (general dissolve, not by any particular attribute) to remove overlapping features. UNION floodplains, steep slopes, and dissolved wetland layer to get a prohibitive critical areas layer. DISSOLVE to create one layer of prohibitive critical areas. Add an attribute to identify it as PROH_CRIT_AREA. Make sure all are clipped to the city and UGA boundary extent. UNION Parcel layer and Prohibitive Critical Areas layer. This will give a table that can be used to calculate the area of critical areas by zone/ future land use. ♦ Calculate geometry ♦ Select by where wetland type = any wetland type and where floodplain zone = A, AE (100 year floodplain), and where slopes = steep ♦ OR, if an attribute has been added that distinguishes all critical areas previously, select where that attribute is true. ♦ Create new layer, and export attribute table Create a pivot table to get area by land use/zone Subtract the area in each zone/land use from the total buildable land in that zone/land use. This provides the actual total buildable land area after prohibitive critical areas are subtracted. Restrictive Critical Areas – These are critical areas that could be developable but may need to consider mitigation, or may be limiting to certain types of land uses. This includes wellhead protection areas, wildlife habitat, and steep slopes. Wellhead protection areas – SWAP WHPA Data: Selected 'Assigned' and '1-Year' wellhead protection zones as the areas of interest. Used a combination of DISSOLVE and UNION to combine the WHPA data with the parcel data in order to get a pivot table

		that showed the area within one of these WHPA's in each zone/land use.
Specific criteria and thresholds are determined by city-designated critical areas in the CAO or Comprehensive Plan	♦ *Will utilize floodplains, wetlands, and appropriate buffers described in Cheney's code.* ♦ *PHS data can be used to determine sensitive habitat areas.* ♦ *SWAP can help indicate where aquifer protection is needed/where it'd be best to avoid land uses that could pollute the water source.* ♦ *Geo hazards will be considered lands of over 30% slopes (designation in Spokane County comp plan)*	The City has not defined steep slopes, aquifer protection, or priority habitat species restrictions on development. These are all defined here as "restrictive critical areas." Considerations may be added for these, however these critical areas can be mitigated, allowing for development to occur provided that mitigation is provided. These areas can then still be considered "buildable".
6. Account for future roads and rights-of-way.		
Determine a standard reduction factor (usually 20% - 30%) to be applied to the remaining buildable land supply.	*We will work with the City to determine an appropriate ROW reduction factor.*	*20-30%*

7. Account for future public facilities needs.		
Determine a standard reduction factor to be applied to the remaining buildable land supply.	*We will work with the City to determine an appropriate public facilities reduction factor.*	*10-20%*
8. Account for unavailable lands.		
Sometimes called a "market" factor, this accounts for properties unavailable for development due to the owner's wishes, legal encumbrances, infrastructure restrictions, etc.)	*We will work with the City to determine a standard reduction factor to be applied to remaining buildable land supply OR identify individual parcels as "unavailable".*	*20-30%*
9. Determine the net available acres by zone.		
Calculate the net buildable acres remaining in each applicable zone after all reduction factors and critical areas have been applied.		When analyzing by land use, "institutional", "open space" and "university" were removed from the analysis since those areas are not anticipated to develop or be buildable. *(Note: University lands are 'buildable' and hold student residents as well as university jobs. HOWEVER, these considerations were removed from the analysis since the university is analyzed separately in this report.)*

Appendix C: Spokane County Tapestry

Tapestry Group Descriptions

The groups are as follows:

- **Down the Road** – Family-oriented and young, and they tend to work in service, retail trade, manufacturing, and construction.
- **Southern Satellites** – Slightly older and settled married-couple families who own their homes. Most homes are single family, but a third are mobile homes. They have below average median household incomes, and work in a variety of industries such as manufacturing, retail trade, health care, and have higher than average proportions in mining and agriculture than the rest of the nation. They prefer DIY projects and outdoor living.
- **The Great Outdoors** – Educated empty nesters, with incomes slightly above the national level, who live an active but modest lifestyle. They are focused on land and are likely to invest in real estate or a vacation home. They are avid gardeners and are partial to home-cooked meals. Although close to retirement, many of these residents will choose to still work.
- **Comfortable Empty Nesters** – Residents who are professionals working in government, health care, or manufacturing. They have above average net worths, most households are aged 55 or older, and many are enjoying the transition from child rearing to retirement.
- **Middleburg** – Middle of the road in terms of age, and income, and tend to have children living at home.
- **Prairie Living** – Comprise 1.2% of households and are the most rural market in Esri's Tapestry Segmentation. These married-couple families live in agricultural communities. Their median household incomes are similar to the US, and they prefer outdoor activities.
- **Midlife Constants** – Seniors who are retired or close to retirement, with an above average net worth, and below average labor force participation. They tend to live in smaller communities outside the central cities. They are generous, but do not like to squander.
- **Salt of the Earth** – Older residents who are entrenched in their traditional rural lifestyles and embrace the outdoors. The majority have at least a high school education or some college and many are employed in manufacturing and related industries.
- **Retirement Communities** – These communities are a combination of single-family homes and independent living with apartments, assisted living, and nursing facilities. These residents have incomes and net worth below national averages, but they take pride in their fiscal responsibility and keep a close eye on their finances.
- **Set to Impress** – Young residents that are 20 to 34 years old and live alone in large multiunit apartments with lower-than-average rents. Many are attending college currently and work in food service.
- **Small Town Sincerity** – Includes young families and senior householders that are bound by community ties. They tend to live a semirural lifestyle and keep their finances simple by paying bills in person and avoiding debt.

- **Front Porches** – Blend of households with more single families and young families with children than average. Most rent their homes, and many of these homes are duplexes or older town homes. Family and friends are central to them and influence household buying decisions.
- **Old and Newcomers** – Mainly composed of renters who are either just beginning their careers or are close to retirement. Some are in college, while others may be taking adult education courses. They are environmentally conscious and like to support charity causes.

Spokane County Tapestry Segmentation Details

Each color in Figure C-1 represents a larger category that includes multiple Tapestry Segments. The dominant groups in Spokane County are “GenX Urban”, “Middle Ground,” and “Midtown Singles.”

The GenX Urban Lifemode group is composed of middle-aged families, who have fewer children at home, primarily aging into retirement, and may own older stock of single-family homes. These groups are predominant in the heart of the County. The Middle Ground group includes individuals around their 30’s, typically millennials either single, married, rent, or are homeowners, while attending college or have obtained their degree. These households partially surround the GenX Urban group in the County. The Midtown Singles, which are spread out amongst medium to larger cities in the County, are most often single Millennials in search of affordable homes to rent, with lower to middle income, and may be raising younger children.

Figure C-1: Dominant Tapestry Map for Spokane County

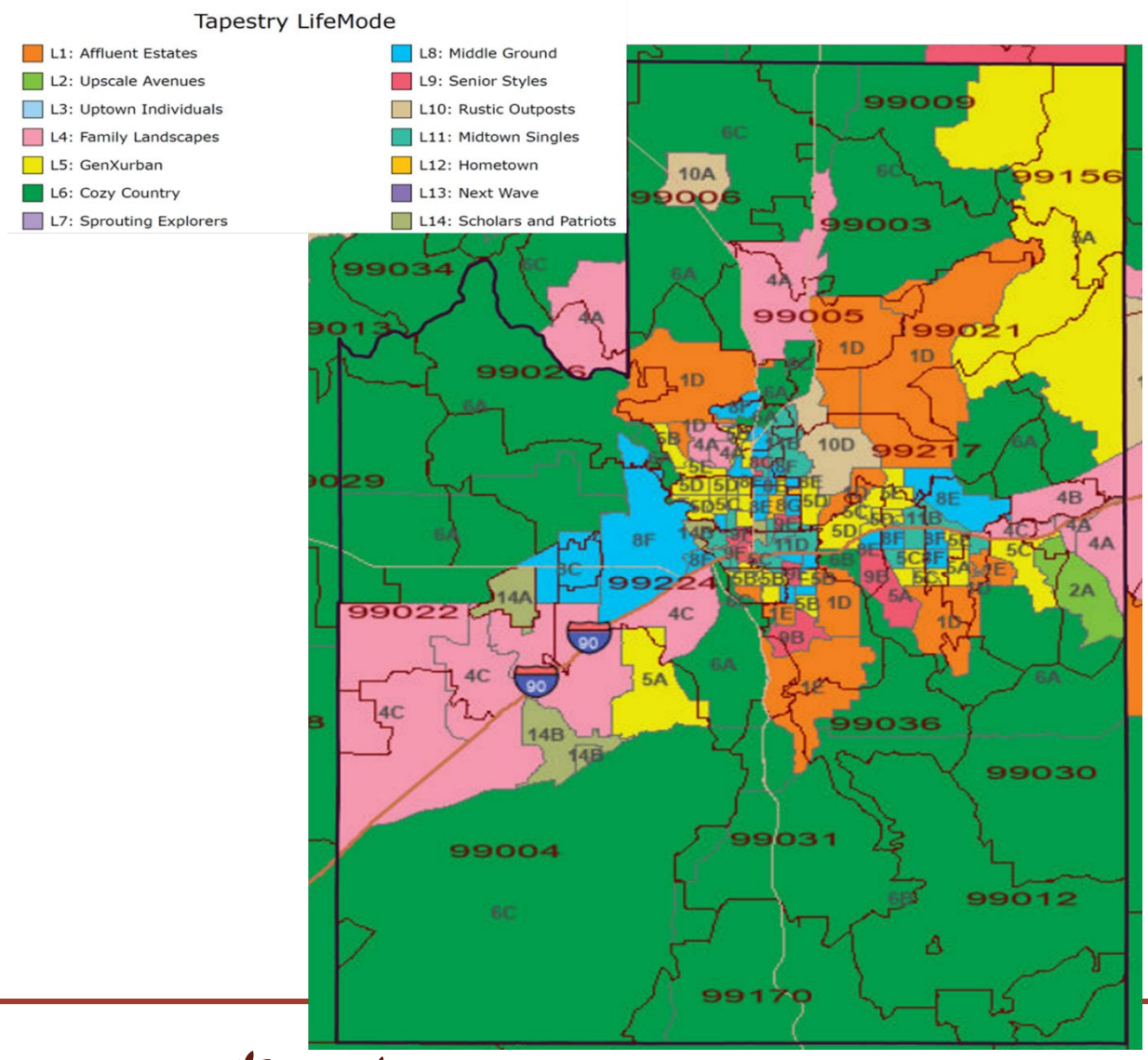


Table C-1: Tapestries Segmentation Distribution for Spokane County			
Tapestry Segment	**Spokane County**	**Washington**	**US**
Set to Impress (11D)	9.3%	2.7%	1.4%
Old and Newcomers (8F)	8.3%	3.1%	2.3%
Rustbelt Traditions (5D)	7.9%	0.8%	2.1%
Green Acres (6A)	7.1%	5.5%	3.3%
Savvy Suburbanites (1D)	5.8%	4.2%	3.0%
Front Porches (8E)	5.1%	4.4%	1.6%
Parks and Rec (5C)	4.7%	3.6%	2.0%
Middleburg (4C)	4.3%	4.1%	3.1%
Workday Drive (4A)	4.1%	4.1%	3.1%
In Style (5B)	3.8%	2.5%	2.2%
Grand Total	**60.4%**	**35.0%**	**24.1%**

Source: Esri Dominant Tapestry Maps

Table C-1 showcases the top ten represented Tapestry Segmentations found in Spokane County. Overall, the tapestries make up 60% of all households and show an array of young to older households all of which have varying incomes and diverse interests. The top three segments, Set to Impress (9.3%), Old and Newcomers (8.3%), and Rustbelt Traditions (7.9%) show a range in age diversity, income, and occupancy norms.

- **Set to Impress** are combination of younger Millennials and older Gen Z individuals, many live alone, are enrolled or graduated from college, renters of multiunit apartments or single-family homes, and work in either office, retail, or food-related establishments.
- **Old and Newcomers** involves people who are transitioning between renting to homeownership, starting new careers or are retiring, mixed range of education, income, and number of children.
- **Rustbelt Traditions** those who are married or single living in older stock of homes, higher concentration of those working in manufacturing, retail trade and healthcare. Most are in the middle-class income and many have owned their homes before 2010.

Table C-2: National Level Characteristics of Spokane County Tapestry Segments							
Rank	**Tapestry Segment**	**Median HH Income**	**Median Age**	**Average HH Size**	**Median Home Value[38]**	**% Own Home**	**Typical Housing Types**
1	Set to Impress (11D)	$32,800	33.9	2.12	787	27.7%	Multiunit rentals, single-family
2	Old and Newcomers (8F)	$44,900	39.4	2.12	880	45.2%	Single-family, multi-units
3	Rustbelt Traditions (5D)	$51,800	39.0	2.47	$123,400	71.2%	Single-family
4	Green Acres (6A)	$76,800	43.9	2.70	$235,500	86.1%	Single-family
5	Savvy Suburbanites (1D)	$108,700	45.1	2.85	$362,900	90.6%	Single-family

Source: Esri Business Analyst

[38] Median home value is typically reported for groups who own more homes than rent. In this case for Set to Impress and Old and Newcomers groups, the median home value is the average cost of rent.