Anthony Gill on Spokane

Welcome back to the Abundance Podcast! In this episode, <u>M. Nolan Gray</u> chats with <u>Anthony Gill</u>. Anthony is an economic development professional and the write of <u>Spokane Rising</u>, an urbanist blog focused on ways make Spokane a better place to live. They're joined in this episode by Robyn Leslie, the director for strategic partnerships at California YIMBY.

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Nolan Gray: So let's talk about Spokane. I think a lot of folks heard about some of the exciting stuff that happened in Spokane late last year. We're recording this in early 2024. But I've actually never been to Spokane. Robyn, have you been? You're from Seattle.

Robyn Leslie: Yes, I have been. I've not spent quality time, but have been.

Nolan Gray: I say you're from Seattle as if these aren't on the opposite end of a giant state that would cover three states on the East Coast, but in any case.

Robyn Leslie: Some people might take it a certain way to cast that aspersion. I'm from Seattle. I do not claim. I claim no Spokane.

Nolan Gray: Whenever I tell people I'm from Kentucky, they're always like, "Oh, I know somebody from Kentucky, but you probably don't know them. It's a big state." And I'm like, "Try me, because it actually is a really small state in a certain sense." In any case, Anthony, why don't you tell us a little bit about Spokane? Why is it interesting and maybe some characteristics of the city that might make it clear what other peer cities might be?

Anthony Gill: Yeah, definitely. Spokane is a city on the border with Northern Idaho, so not the Seattle area, but the complete opposite side of the state in eastern Washington. About 250,000 people in the city, and about 400,000 in the county. And the metro area, I would say kind of connects over into Northern Idaho, so there's a lot of cross-state connections. A lot of people go back and forth for jobs or housing and whatnot. The whole area

in its entirety is probably about 600,000 people, so kind of a mid-sized city. Grew up around the railroad, forestry, and mining in the late 1800s, early 1900s. Has a significant transit history, transit, and rail history as a rail hub, but really just a really beautiful town. River running through it, really strong pre-war grid, really good bones of a city, which is one of the things that I love about it personally is just the character. The feeling of the place, it feels like maybe Seattle 20, 30 years ago, Portland 20, 30 years ago. Really strong Pacific Northwest city.

Nolan Gray: Yeah, no, I was noticing that when I was looking on Google Maps. I mean, just the incredible grid and a lot of small blocks with alleys bisecting them. I always say that the hardest thing

to fix with cities is the street grid. And so these cities that are starting from a place with a great grid are really in a good position, right?

Anthony Gill: Absolutely. And the majority of the city, I would say probably 60, 70% of it has that really strong pre-war grid. So it's only once you get out toward the fringe that it starts to spread out a little bit more.

Nolan Gray: I know there's been a huge amount of growth in probably somewhat kind of sort of nearby cities. Boise has had some of the most rapid growth. Again, not in any normal American sense of closeness, but in the same general region. There's been a lot of movement away from really high cost coastal cities like Seattle and Portland into this region. What's been going on with Spokane on that front?

Anthony Gill: I would say I'd separate it into two periods. So I think before maybe the, I don't know, 2018, 2019 period, I think Spokane was probably on a different trajectory from say Boise or some of those still slightly larger cities that have maybe a stronger university base, a stronger tech sector. Boise has a lot of tech jobs. Spokane doesn't, so maybe it was on a little bit of a different trajectory, a little bit more stagnant, slower growth.

And then really what happened is the pandemic hit, and of course, people moving away from these high cost cities, having the freedom to be able to go wherever and work wherever really supercharged growth in rents and housing costs. We had a period of 2020 into 2022 -- really, I mean everywhere had that, but Spokane was probably supercharged with people moving away from Seattle, Portland, and San Francisco. Sometimes with legitimate family connections in Spokane, it's not like they were moving away for no reason, but moving into the Spokane area and driving up housing costs. I don't have the stats super handy, but I would say very significant growth. From my perspective, I was looking for a condo actually in Spokane early in the pandemic, about 2020. I was looking at condos that were kind of in the 250, 270 range, and this would get you a good two-bedroom, two-bath condo, and the same condo today is probably going for 450, 500. That's now, after the peak of housing costs. So it's been a big run-up in prices and costs for people.

Nolan Gray: Yeah, I think Robyn and I hearing 200, 250 for a condo from where we are in S.F. and L.A. is painful. 450, 500-

Robyn Leslie: Just crying over here. It's fine. That's fine.

Anthony Gill: I'm still yelling at myself for not buying then.

Nolan Gray: Many such cases. Part of the reason why we're talking about Spokane with you is it seems like, like many cities across the country, there's been an incredible run-up in home prices. But not every city has, I think, responded with zoning reform commensurate to the scale of the problem. Spokane seems like an interesting exception, so maybe let's just walk through it. What was the situation going into some of these reforms? Fairly typical zoning permitting rules? What were the big hurdles as far as you could tell?

Anthony Gill: Yeah, definitely. Spokane had done a couple of things kind of nibbling around the edges is how I would describe it. So, had done a little bit of work around making ADUs a little bit easier to build, but nothing maybe on the scale of some of this, even the state-level legislation that we've seen in some states. Had done a little bit of work to try to look at the codes to figure out what is driving people not choosing to build these Accessory Dwelling Units or the cottage housing was a really big popular talking point and had done a little bit of that work.

But in general, 70% of the city was zoned for single-family homes. Our comprehensive plan, which is in Washington State, our prime governing document in planning, was oriented around these single-family homes and concentrating growth along major commercial corridors and major commercial centers. So we called it our Centers and Corridors Plan. I think there has been a lot of effort around trying to figure out ways to concentrate growth there and not a lot of focus on how we enable more housing in the rest of the city. That was kind of what we were coming in with, was this comprehensive plan that probably was rooted really in the 90s, early 2000s. It had some principles of smart growth but maybe wasn't at the bleeding edge, and certainly wasn't at the bleeding edge that we see today.

Robyn Leslie: I'm kind of curious about this bleeding edge you're talking about. One of the things that Nolan and I, when you have conversations about massing standards, height, setbacks, all these things, what are you allowed to build on a parcel? So I guess, what's your kind of dream thing that gets built as a result of all these changes? I'm curious if you can take us through some of what you'd like to see happen in Spokane.

Anthony Gill: Yeah, so in Spokane, I think some of the things that are now legal as a result of the changes that we made starting in 2022, and then making the permanent in 2023, you can now build an eightplex on a single family lot, which is just incredible. I talk to friends in Seattle and they start yelling at me, that that is the case.

Nolan Gray: Seattle's not a big city like Spokane. I don't know if they can handle that-

Anthony Gill: Exactly. I think one of the things that was most significant about the reforms that we made is that we kept it very simple. I think our planning director and our city council did a really good job of reducing the level of complexity in the zoning code. We no longer have duplicate regulations of things like FAR setbacks, and height limits. It's just very simple. You have some fairly reasonable setbacks, you have a minimum lot size, and you have a height limit, and it's basically that. So for me, what I'm really excited about is the potential for, I think sixplexes, eightplexes, who knows how many eightplexes we'll see, I don't know, but certainly sixplexes.

We have developers already taking advantage of these rules. I go into the permitting system every couple of weeks just to kind of take a peek and see if anything new has dropped in, and they're taking advantage. And especially of the interlocking pieces of these reforms that almost — they multiply the level of actual density that this allows. I say eightplexes on a single-family lot. Well, if you have a big single-family lot, two eightplex buildings? Not crazy to think about. So yeah, it's very significant.

Nolan Gray: Let's chunk it out and figure out how we got here. One of the first big reforms was eliminating parking requirements within a half mile of transit. Right?

Anthony Gill: The first big action that we took was in 2022 when the city council adopted interim rules. Washington State has a system where you can put in place interim zoning rules for up to six months, and then the city council can extend it. That allowed up to fourplexes. So the original was up to fourplexes, and the intent there was really to just go ahead and do it. Let's try it. Let's see what happens. And during that time, they worked on the permanent new rules that now allow eightplexes. In the middle of that time, we also went ahead and made parking optional within a half mile of transit. So we've had several different reforms that have kind of taken place and they all start to blur together, even for me.

I think the way that we passed our missing middle legislation was pretty unique because we decided to do it through an emergency ordinance, which meant that we didn't need to do all of the front-ended community engagement work. All of the SEPA and NEPA analysis, all of the processes took place after the legislation was already in place, which meant that we didn't necessarily have all of these big community meetings where people come out and say, "Oh god, this is going to cause disaster," because people recognized, oh, these rules are already in place. It kind of obviates the actual opposition.

Nolan Gray: What was the political landscape like, such that you could do something like that? I mean, in many places that would seem pretty radical.

Anthony Gill: I think there's a couple things. Our city council was very unique at the time. It still is very unique, but it was unique at the time. In Spokane, we have a strong mayor, and the way many people describe it, a strong council form of government. So our council does take significant policy moves that you might not see in other strong mayor cities. At the time was split 5–2 between progressives and conservatives. And the conservatives are legitimate conservatives, they're Republicans. But at the same time, those conservatives are, I think, different from what you see in some other cities. One of them was the former lobbyist for our Home Builders Association. One of them is a conservative who is just generally much more libertarian-minded, so I think that results in maybe him being more open to these types of reforms than one might expect.

Only one of our progressive city council members was someone I would describe as maybe coming up through neighborhood councils and community neighborhood boards, that type of system. The rest of them were much more rooted in labor, housing justice groups, and straight activism. I think our council itself was a little bit unique at the time in that we had the opportunity for people to come together where they might not ordinarily. The other piece of the puzzle is that I think our council in general and our community because we're located so close to Northern Idaho, because we're located in a region, we're kind of a blue dot in a sea of red is how I describe it, people are comfortable having strange bedfellows; People are comfortable agreeing with people on one thing, even if they vehemently disagree with maybe their positions on social issues or their position on other urban issues, even in some cases. I think that by necessity, people have to come together in a place like Spokane where they might not have to in a place like Seattle or San Francisco or Los Angeles, just from a political necessity perspective.

Nolan Gray: In terms of the interest groups pushing one way or another, what was that landscape like?

Anthony Gill: Frankly, I don't think we actually had any organized opposition, which is pretty unique. Some people were potentially opposed to missing middle reforms, but there was no organized opposition. The people who came together in support were a really broad coalition. So most significantly, we have the home builders on board. Historically, the home builders in Spokane have been supportive of more conservative city council candidates, have been more... Just in general, they build sprawl developments, so they're not necessarily the types of developers that would actually be taking advantage of these rules, in many cases. Or if they are taking advantage of them, they're taking advantage of them in places where some activists maybe wouldn't want them to take advantage of these rules, more toward the urban fringe.

We had a very strong contingent of low-income housing developers. Habitat for Humanity is very strong in Spokane, so Habitat is a good example of a strong supporter. And then Spokane also has a very significant homelessness crisis, like many West Coast cities right now. So a lot of the homeless services and homelessness advocates were actually involved in the push for these new regulations because of the potential benefit in terms of long-term affordable housing, creating a better long-term picture for housing costs. So I think there is a pretty broad mix of supporters. And then you had, of course, all of the typical people. I was out there on Twitter pushing people to go to city council meetings and getting people to send letters. I would describe myself as kind of a typical urbanist advocate. But in general, I think one of the biggest things is we did not have organized opposition in any real way that we might've had if we had taken a more traditional approach to passing the legislation.

Robyn Leslie: I'm curious if that sprung up after having passed this.

Anthony Gill: I would say we might be getting, certainly not organized opposition, but right now we might be seeing some of the first wave of questions in the community, would be how I would describe it. Developers are actually getting permits for fourplexes and sixplexes in single-family neighborhoods. And you are seeing more posts on Nextdoor, and more posts on Reddit about it.

Robyn Leslie: I bet.

Nolan Gray: And the posts are all, I'm really happy this was happening near me. This is great. Right?

Robyn Leslie: More neighbors. Yay.

Anthony Gill: Certainly not on Nextdoor. On Reddit? Yes, actually, which is good. But certainly not on Nextdoor.

Robyn Leslie: Has there been a divide in the reaction from different neighborhoods? I'm curious. I'm thinking, correct me if I'm wrong, but some southern neighborhoods of Spokane are more well off, and then there's the north and the east. And so I'm curious if it's been geographically located by wealthier single-family homeowner neighborhoods or not. We see that sometimes, and I'm curious about that breakdown along similar lines.

Anthony Gill: Certainly, the opposition I've seen on Nextdoor is coming more from residents on the South Hill and those are... Yes, it's more you have some historic neighborhoods, "historic neighborhoods" down there, and more well-off, more affluent, and probably disproportionately whiter, although Spokane in general is fairly white. But with that said, one of the interesting things is that there were a lot of people before... I shouldn't say a lot of people. There were some people before the legislation passed that were concerned that you actually wouldn't see any sixplex or fourplex development on South Hill because the land cost would be so high. And then you would be concentrating the growth in neighborhoods that maybe are lower opportunity, lower access to amenities, these types of things.

But what we have seen is applications have come in across the city and permits are being issued across the city. So there isn't necessarily a geographic concentration of these missing middle units in terms of what's being applied for as of right now. Now, that could still change and we could see that trend start to develop, but as of now, at the very least, it's actually really good that we're seeing applications coming in on the South Hill too because it shows that really, when you unlock these options across the city, they will be developed across the city.

Nolan Gray: Let's get a little bit more into the nitty gritty on some of the policy stuff. So, parking requirements were removed within a half mile transit, up to eight units allowed on a typical lot. Could you unpack that a little bit more? I mean, what's the geography of that? What are the restrictions like? What are the massing provisions? That was a big issue in some places that have legalized single-family or eliminated single family zoning if they change the use, but they don't change the massing rule. The listenership of this podcast is keen to hear some of the details here, I think.

Anthony Gill: Yeah, definitely. And that's kind of where I live, in a good and bad way. One of the things that's significant is there's no FAR regulation at all for our "single-family" -- now they're called R-1 neighborhoods. There is a minimum density of four units per acre, pretty small, and pretty typical. The minimum lot size is 1,200 square feet, which is pretty small. That kind of works out to 80 feet deep is the minimum lot depth, and then 15 feet is the minimum lot width. We have a maximum total building coverage of 65%, so you can cover 65% of the land area of that lot. With that said, if you're located within a certain radius of transit or a commercial zone, you actually can go up to 80%, and if you provide a few affordable units, you can go up to 80%.

In terms of setbacks, the front setback is 10 feet. The side setback is 3 feet on narrow lots and 5 feet on lots that are at least 40 feet wide. And then in the rear, it's 15 feet or zero if you include an ADU in the back. Now, that's all kind of for detached housing. You also can do zero lot line development row homes that don't have any side setbacks. It's just governed under a different provision of our zoning code. But in general, the big things that people keep in mind are: no FAR, 1,200 square foot minimum lot size, and then there's a 40-foot height limit. So you can go up all the way to 40 feet in a single-family neighborhood, formerly single-family, now R-1 neighborhood, which means you can get up to four stories. Now, people, if they do include parking, it gets a little bit more complicated, but that's kind of the general rules that we have in place.

Robyn Leslie: I was reading up on it, and one part that I thought was interesting was the maximum footprint for a building. I was wondering if you could share a bit more about that and how that came about or if it's been an impediment to-

Anthony Gill: Yeah. My understanding is that that's basically getting at one of the things that our planners and our plan commission are trying to balance is trying to maintain some level of outdoor space. In particular for these larger units that may be going in. You want to have some gathering space outside. You want to have, whether it's trees or even just lawn space for people, that's the big thing that people are trying to maintain with that maximum building footprint. And also the fact that you may have a larger lot, part of it is trying to get at that issue on a larger lot. But no, to date, I have not heard any concerns from developers about the maximum building footprint. We also have fairly generous rules in terms of lot splitting. What I have seen is some developers, if they have a large lot, may actually just divide the lot and then do one type of middle housing on one lot, and another type on another. Maybe they'll do the same type of building on both, but that's another way to kind of get around that maximum building footprint if you have a large lot.

Nolan Gray: That's interesting, so you can subdivide the lot and then do up to the maximum number of units on each lot, huh?

Anthony Gill: Technically, no maximum unit count. So the only thing governing the unit count is how many you can fit in. You could, in theory, do micro units. I guess in theory, you could do 20, 30 units if you did a really small set-up. But yeah, that's the idea.

Nolan Gray: That's interesting. The minimum lot size stuff is near and dear to my heart. I've done a lot of work on this, and just as a way to stimulate more small lot homes and townhomes. A lot of the reforms, so far, have done a good job of making it easier to build multi-family housing rentals. And that's good, but you also have a lot of communities that want to stimulate the supply of new owner occupancy opportunities. In many states, condo defect laws and other rules make that a big issue, so it can't be condos. So you can do townhouses and small lot homes, and I'm curious what kind of action you've seen there.

Anthony Gill: I think that probably one of the biggest things that you'll see happen in Spokane is townhomes. I think one of the reasons for that is Washington State's condo law. It's not exactly the same condo defect law issues as California where it's much more complicated, but we have those issues. I think we're going to end up seeing a lot of developers take advantage of these rules to do zero lot line, to do townhomes. I think we will see a significant number of things like stacked flats because we do have several developers that are interested in that, concepts that are kind of... Frankly, a lot of Seattle developers who wish that they could develop in Seattle are now, maybe not entirely by choice, going over to Spokane to do it.

I think what I've seen so far in the permitting system is we're getting a lot of people taking advantage of these lot-split rules. They will divide the lot and then maybe they'll do four townhomes on each new lot that they've created. So there's, I think, a significant amount of flexibility that comes with these new rules in terms of the types of products that you can build. It'll take some time to see what works and what sells, of course, but we have a good amount of precedent in Spokane for people

purchasing townhomes. We have a couple of neighborhoods, newer build neighborhoods, where those are more common. I think we're going to see a significant number of those.

Robyn Leslie: There's a pretty substantial industry already going on doing those zero lot line ones in Seattle as well, or at least there was a boom in 2019. So you guys kind of chop up those developers too?

Anthony Gill: I think that's part of it. Yeah. I think you're going to see Seattle, and maybe some of this is where Seattle sees some NIMBY-ism take place as people are freaking out about townhomes. But yeah, I think we are probably on that path-

Robyn Leslie: Great.

Anthony Gill: ... of seeing many more of those in Spokane.

Robyn Leslie: I am curious, is Spokane subject to this similar five-year rents rule on condos? You have to rent them for five years and then they can be available for sale?

Anthony Gill: I don't know if it's five years specifically, but the same condo laws in general apply in Spokane. I think there have been some movements actually at the state legislature to try to reform some of the condo laws. In Washington, we've done a little bit of that, and it's been particularly for buildings with fewer than 12 units. Honestly, it hasn't really gone far enough for especially the banks and the financing to work out for the development. The banks need to feel comfortable fundamentally, and they're not there yet. I think in Seattle, yeah, you do see people building an apartment building and then after five, seven years they will sell. I think we will see some of that in Spokane as well.

One of the things that I think was a talking point earlier on in the last legislative session around some of these condo reform rules is if you did it in Spokane, some of the liability concerns in Eastern Washington might be mitigated just by the nature of it being in Eastern Washington. You might not have to worry about earthquakes as much, you might not worry as much about mold. I think there's potential maybe even to do some sort of bifurcated system. It's not great for Seattle, but you could potentially do some sort of bifurcated system on both sides of the state.

Nolan Gray: Let's talk a little bit more about the output of some of these changes. I mean, just looking at the U.S. Census data, and you have to be careful with it because a lot of times it's imputed, but when you have these big jumps like you did in 2023 in Spokane, kind of remarkable. A few things jump out at me. First, it's almost the total inversion of typology from 20 years prior. It's like the city was almost exclusively building single-family homes for a period. Building a lot of multi-family, but mostly single family homes. Now that's flipped. It's mostly multi-family and there's a pretty robust amount of duplexes and three to fourplexes being built. Not nearly at the scale that I think we would like to see someday, but far more than, according to the census, the building permit survey data, 72 duplexes and 22 units in triplexes and fourplex. That's a lot by a US standard. I mean, just the overall amount of housing production that's almost like Sunbelt-tier.

Anthony Gill: Oh yeah.

Nolan Gray: Do you want to provide some more color with that? What types of projects are we seeing? Who's building them? Are banks rediscovering these missing middle typologies that maybe they've forgotten how to finance? There are several different questions there, but I'm fascinated by the answer to every one.

Anthony Gill: Yeah, definitely. I think one of the things that's interesting about Spokane is that we have a couple of areas that are just outside of city limits where Spokane County, which is in general much more conservative, much more "developer friendly," but that might not be exactly the right frame to think about them. So right outside of the city, we have a lot of apartment development happening; And a little bit also happening in Spokane Valley, which is a separate jurisdiction; A good amount of apartment development in Liberty Lake; And then a good amount in Airway Heights as well, which is another suburb. I think a lot of what you probably see in that census data is apartment development that's happening, honestly, probably more outside of the city of Spokane than you might expect, assuming you're looking at county-level data.

With that said, I think we are seeing a good number of applications coming in for missing middle-type housing. I think one of the earlier updates earlier this year, I think in January, they said they had received roughly 150 applications with a significant number of units as a result of that. I don't think they gave the unit count at that point, but also saw a significant amount of, I think, smaller apartment developments. Not so much like the 300-unit apartment buildings, the 400-unit apartment buildings, these big 5-over-2s that you see in Seattle, Portland, and San Francisco. Well, maybe not San Francisco. San Jose, Los Angeles. Not so many of those, but you're seeing a lot of redevelopment of old historic downtown buildings, old brick buildings being converted into offices. We have a good number of office conversions in downtown Spokane. You're seeing several smaller developments happening down there.

And then we're also seeing a good amount of interest in that type of development in what I was referencing earlier, our Centers and Corridors. So I think it's a mix. I think we will see a significant pickup in activity for our missing middle development over the next year. I'm going to be interested in seeing the 2024 numbers in particular, because they'll have more time for the developers to get a sense of like, oh, what's possible? What might I be able to develop on these properties that I own? I don't think they had that ability yet, and we're starting to see that happen now. But what we have seen is just this supercharge of development of small apartment buildings and redeveloped apartment buildings in the core.

A lot of that is a result of Washington State's multi-family tax exemption program. We have a program that gives developers a property tax break if they develop multi-family housing. It's kind of interesting because it actually results in a pseudo-land value tax. But if you develop affordable housing in Spokane, and affordable in Spokane, we define that very, very broadly, up to 115% AMI. You can get a property tax break if you're building multi-family housing, and a lot of developers are taking advantage of that right now.

Nolan Gray: Walk me through that a little bit more. Is the state kicking in money to offset that, or how does that not distort fiscal incentives for local governments?

Anthony Gill: It does distort fiscal incentives for local government. No. For state government especially, but it's actually just one of the biggest tools that Washington State has to incentivize housing development. We don't have in Washington State tax increment financing. So we're one of the few states in the country that doesn't have that tool, which of course it's been abused in some cases, but can be a really powerful tool for investing in infrastructure development. We don't have incentive tools that other states have for housing. This is the only one we have, and it really is intended for these big multi-family projects. Small and big, but midsize and bigger multi-family projects in the cores of cities. It's used, I think, very well in cities like Seattle, and Bellevue. They actually have stricter rules than Spokane has around affordability with those units, but Spokane has kept it relatively loose. In part because of, I think, the consensus that we have on our council around just build, baby, build. Any units are good units at this point.

Nolan Gray: Let's talk about the state here in a minute, but kind of wrapping up on a reflection on some of the local stuff. What are the lessons learned for cities that might be looking to Spokane as maybe a peer city? What's worked? Maybe more importantly, what's not worked?

Anthony Gill: I think there are probably three things. I think one is it helps to be comfortable having strange bedfellows. I think Spokane, that's just been one of the unique factors, and we talked about it, that resulted in us being able to pass missing middle legislation. I witnessed the same fights in Seattle that I think are much more political because people just don't want to be on the same side as someone else on an issue, because they disagree with them on other things. I think that's fundamentally the wrong place to go on housing. So you need to be comfortable agreeing with, in Spokane, the greater Spokane, like the Chamber of Commerce, you need to agree with them if they're right on housing. You need to agree with labor organizations if they're right on housing. You need to just be comfortable having a really big tent. I think that's important.

One of the other things is the process. If you have a tool that lets you invert your typical process and pass things on an interim basis, and then do all of the rigamarole and process and environmental review and analysis on the back end, take advantage of it. That's a great tool to kind of dissuade people from blowing up about a particular issue because you can test the waters and show that things aren't going to change overnight. And then third, and importantly for Spokane, and I haven't mentioned this, is we have a really strong planning team, a really strong planning department that is comfortable making strong recommendations to the city council. I think we, planning in this country, have maybe been too willing to take a back seat to elected officials. Maybe a little bit too willing to say, "Well, what do you want?"

I think we need to be comfortable. Planners need to be comfortable making strong recommendations and showing all the data behind it, show all of the thinking behind it. Show that you have thought about this in your professional capacity and are making a recommendation that's backed up, but make a strong recommendation to your council. Make your strong recommendation to your city manager or city leadership. I think that that's really, really important. Planners play a significant role in this process and on both sides. They can speed things up and slow things down. I think planners should not be slowing things down. I think that that's important. Those are my three biggest takeaways, and I hope to god that places like San Francisco and Los Angeles can take some

of those things to heart. But if not, we definitely will relish permitting, sorry, more housing units than you all did in the first half of the year.

Nolan Gray: Yeah, we have great planners, at least here in L.A. We definitely cannot do coalitions, and I don't think we can highlight reform without CEQA, but very good principles and certainly some that folks in some of the cities and states that we work with can take to heart.

Anthony Gill: Yeah.

Robyn Leslie: I'm curious about takeaways from any relational with other city neighbors. You talked a bit about how there was an apartment building going on along the I-90 corridor leading to Idaho where all those communities are. I'm curious, are they worried you're going to eat their lunch on housing development? And is your reform spurring more reform over there? I'm curious how that's playing out with your neighbors.

Anthony Gill: I think what's interesting is some of the neighbors are probably on the opposite end of the spectrum. Before Washington State passed its fourplex law, Spokane Valley actually made duplexes illegal. They originally were legal across the entire city, but they made them illegal, so they actually moved backward, which is a little bit unique. I think you probably will see a little bit of that, but I think it'll be as a result of state action. I think state action in Washington State has been really strong and will result in cities like Liberty Lake, Spokane Valley, and Airway Heights to a certain extent, actually having to go back, and in Spokane Valley's case, re-legalize some of these missing middle housing types. I think part of the challenge with our region is that once you get outside of Spokane City limits, you end up encountering a much more conservative, and much more socially conservative political environment. I think that that results in, I don't know, maybe some culture war issues starting to play into the conversation about missing middle.

Nolan Gray: Fewer "I actually believe in property rights and deregulation" Republicans, and more "keep your government hands off my single-family zoning" Republicans.

Anthony Gill: Yeah, much more Agenda 21-

Nolan Gray: Oh gosh. Yeah.

Anthony Gill: Yeah. It goes that extreme.

Robyn Leslie: The closer you get to Idaho.

Anthony Gill: Exactly.

Nolan Gray: One quick thing more on Spokane, what's next? I mean, there's been a lot of amazing stuff, but of course, there's still probably great work to do. To your mind, what's next for zoning reform and housing affordability more broadly in Spokane?

Anthony Gill: One of the things that I think I'm excited about is we are about to launch a comprehensive plan update. Washington State requires updates every 10 years, and we are about to

launch that process in Spokane. I think we have a lot of potential around inverting our growth paradigm. Historically, we've put a lot of attention into these Centers and Corridors. I think we still will probably put some attention into them, but I think we're going to probably start to think a little bit more about growing in our neighborhoods. So, paying more attention to these missing middle housing types. I am interested in figuring out if we can embed neighborhood commercial at a greater scale. We actually are probably a little bit more permissive on neighborhood commercial than some cities, but I think we can go further.

I personally would like to see something like accessory commercial units, something like a corner store legislation, and would really like to see neighborhood cafes at a greater scale in Spokane. These types of spaces are really popular where we do have them in Spokane, and so I think we could do it really easily. I don't think we'd have opposition nearly at the level that you see in some cities. That's one thing I'm personally really excited about.

And then the second piece is we have a lot of work to do around transportation and transit. We've gotten rid of parking requirements for housing, but I think we have some potential to do that for commercial. Commercial parking requirements drive me crazy because they result in the most ridiculous outcomes you can imagine. I think about the restaurants during COVID that couldn't put in outdoor dining areas into their parking lots because their parking had to be there. In some cases, even if they weren't taking over a parking lot, they were adding space to their restaurant, which increased the amount of parking that they were technically required to have. From my perspective, we just need to completely get rid of commercial parking requirements, and I think that's something as well that our city council is going to be looking at in the next several months, and hopefully years, we take advantage of that. A lot of work to do, but I think I'm really excited about the potential.

Nolan Gray: I would love it if you all could lead on accessory commercial units because that's just such a great... It's such a cool, next sort of frontier issue and just key for reducing VMT. Okay, Robyn, do we want to do a quick lightning round?

Robyn Leslie: Let's do it.

Nolan Gray: Before we turn to state stuff? Best place to get lunch in Spokane?

Anthony Gill: Oh god, that's impossible. Right now, I'm a huge fan of Tacovado, which is this kind of hole-in-the-wall breakfast taco taco place in... It's on Northwest Boulevard in Spokane.

Nolan Gray: What's the next city you hope to visit for the first time?

Anthony Gill: Oh. Oh, that's so hard. I'm taking a trip to Detroit next week. I've been there before, but haven't spent a ton of time there and haven't really met people there, so I'm looking forward to Detroit. I have never been to New York City though, so for me, I feel like I need to experience the "urban capital" of the United States, so that's definitely on my list.

Robyn Leslie: You talked about transit history in Spokane and transit projects. What's your favorite transit idea for Spokane?

Anthony Gill: A pipe dream would be a high-speed rail to Seattle. Slightly less pipe dreamy would be that you could create a really great regional train system in Washington State just by investing a little bit of money. I say little, but it's still probably on the order of \$200 million, but some money in some additional train sets and more operations. If you could have four trains a day from Spokane to Seattle, and a couple of them probably going through Yakima, Tri-Cities, Pasco, you could do something incredible in terms of connecting the state. For me, I go back and forth way too often, so I'm definitely interested in better train service in the-

Robyn Leslie: Well, I think I broke the lightning round rules, Nolan. I apologize. Back to the actual lightning round.

Nolan Gray: It's no problem at all. Perfectly good answer. Favorite day trip outside of Spokane?

Anthony Gill: I'm a huge skier, so I spend a ton of time at Schweitzer in North Idaho. It's North Idaho, but it's awesome. It's great skiing.

Nolan Gray: In the interest of cross-state unity, could you say something nice about Seattle?

Robyn Leslie: The silence is deafening.

Anthony Gill: It has a growing light rail system.

Robyn Leslie: You know it does.

Anthony Gill: Even if it's not growing fast enough, it has a growing light rail system, and I like that.

Robyn Leslie: We'll get to east-west. It's fine. It's fine. North-south's good. It's good.

Nolan Gray: Very good. Okay, on the way to wrapping up here, let's talk about the state. Washington State has been doing a lot of really exciting state-level zoning reform. What's happened so far, what still needs to happen, and what potentially can they learn from Spokane?

Anthony Gill: Last calendar year, two legislative sessions ago, Washington State passed a bill, HB 1110, which legalizes fourplexes across the state and sixplexes in certain areas close to transit and kind of our bigger cities. That is a huge step forward, and I think really significant. We've also done a lot of good work around making it a little bit easier to build different types of housing. We were one of the first states to pass a single-stair bill, which I am personally very excited about. As someone who spent time in Germany, and lived in Germany for a little bit in a single stair building, that concept I'm just stoked about. We've also done some really good stuff around ADUs. We have a really good ADU bill that passed again, a couple of legislative sessions ago. We have a lot of work to do though, to implement those laws.

Seattle's comp plan update is a really good example of that. They have released a draft right now that really just does not go nearly far enough. And I would argue that in some sense, actually violates the spirit and intent of HB 1110, because while in theory, it legalizes fourplexes and sixplexes across Seattle, in practice because of the zoning code rules that they have, how many are going to be built?

Probably very few. We need to do some work, I think, around making sure that the cities are actually implementing what they've been required to implement by the state and doing it well and in a way that in practice, results in the types of missing middle housing that we need.

We've had a concept and actual legislation in the past legislative session that would put in the form of a builder's remedy if states' cities are not implementing their HB 1110 and other state law required rules. I think there's a lot of complexity around California's version of a builder's remedy, so I'm not sure if that's exactly the right solution, but we need to do some work to make sure at the very least, that the cities are implementing the rules that they need to implement. So whether it's a builder's remedy or some other form of accountability for cities, I think we need at the state level to do some work to make sure that cities like Seattle or Eastern Washington, Spokane Valley aren't shirking their responsibility, even while cities like Spokane are trying to take full advantage.

Nolan Gray: This is one of the big challenges in California too. It's easy to pass a lot of good laws, but if local jurisdictions are still basically in the driver's seat on implementing and they still do not actually want to do what the state's proposing to do, you're kind of playing a game of enforcement whack-a-mole, right? That's kind of where we're at now in California where it's like, if a jurisdiction grossly violates the law, the Attorney General and the Housing Accountability Unit, all of that will come in, but a lot of jurisdictions still fly under the radar. I suspect that as in California where the big cities or the cities that want to fight, like the Huntington Beaches, they get into a fight, but so many cities just fly under the radar. I suspect that this is true in Washington as well. Seattle's probably to a certain extent, going to be under a microscope. It's showing up a lot in my news feed from all the great EMBs and urbanists there, but it's like, man. Ideally, you get to a system that doesn't rely on this, every city's staying under a microscope.

Anthony Gill: I think it results in a lot of money for lawyers and the court system. I don't think that's the right solution to this problem. It can get results, absolutely, but I think there's probably some work to do to figure out, does there need to be some form of state-level agency that is more in the driver's seat? We, in Washington State, don't have a dedicated department of housing, which is something that is being talked about. Our Commerce Department handles a lot of housing-related issues, but they're kind of everything department. So is there potential to do something a little bit more like HCD, where you have a little bit more authority to come in? Again, I don't think using the legal system necessarily as a tool is going to result in the right outcomes, at least fast enough. And that's another big piece of it.

Another thing I'd like to see at the state level, I have to say, and I'm sure this will be something that you all are on board with, but we need fundamental environmental law reform. So our state Environmental Policy Act does some good things and is well-intentioned, but it also does some bad things. Not as bad as in California, but I think it can result in some perverse outcomes and reviews for things that just absolutely should not require reviews. One of the things that Seattle had to review, they had to do a CEQA, a review on turning over the Downtown Seattle Transit Tunnel from King County Metro to Sound Transit. Just the ownership change needed a CEQA review, which just is insane to me.

Robyn Leslie: That's wild. I had thought that Washington State did a better job here in terms of most infill being exempted from that--

Anthony Gill: That, we've done a good job of, but-

Robyn Leslie: Yeah, but I didn't realize that there were still some games, like famously our Environmental Quality Act, CEQA was used to stop bike lanes, for example. I didn't realize there were some shenanigans in Washington like that. That's unfortunate.

Anthony Gill: And maybe it's just we continue to want to do better. Maybe it's just we have our eyes on like, oh-

Robyn Leslie: It's good.

Anthony Gill: ... perfect. Yeah. It's not as bad as California. I will say that.

Nolan Gray: It's okay to want to be perfect. You don't have to apologize for that. In terms of the bigger picture from maybe the states, what's been the big thing that has worked at the state level? One of the situations we're in now is Washington, Oregon, California, we've kind of been wrestling with this stuff for a while. But of course, this housing affordability issue has exploded into a whole bunch of other states. Montana was probably one of the biggest movers last year. What would be your recommendations as somebody who's watched what's happened in Washington for other states that are considering state-level zoning reform for the first time?

Anthony Gill: I would say one thing that was really important with HB 1110, which was our fourplex law, is if you need to make compromises to get something passed, take the win. I think HB 1110 was not perfect. I think the original version was sixplexes statewide. There were fewer caveats in terms of the city where it applies and the affordable housing, like in some cases, requirements if you want to do six instead of four, take the win. I think if you can do a duplex law in your state, but you don't think you can get up to fourplexes, do the duplex law. If you can get really good ADU laws on the books in your state, but you don't think you can go to the duplex rules, take the win. I think we so often, like I said, want the perfect solution and we should strive for that, absolutely, but we also have to be strategic. I think we have to think a little bit about what is going to be politically acceptable, politically valid, politically viable in your state.

Montana is a great example. They created a bill that is uniquely Montana. Oregon did something similar with their bill. Arizona is something similar. Take into account what is unique to your state if you need to, and if that means having some caveats for now, those could be stripped out later. That's the other piece. You can make amendments in future years, in future iterations. That's one of the things that we've done in Washington State. HB 1110 was not our first attempt at a missing-middle bill in the state. We had tried doing ADU rules across the state before, and made some changes around the edges. It did improve the situation for people on the margins and developers on the margins of viability. Maybe didn't go as far as we needed it to, but then we came back in the next session and we passed a better bill.

I think don't underestimate the power of progress and momentum. I think once you can kind of start the process, it starts to become a little bit more of a role. And people who might've been opposed before start to see, oh, not much has changed, or it hasn't changed as quickly as I maybe would've been led to believe. Maybe I don't need to oppose this next piece of bill, of legislation, as significantly or as strongly. There's a lot of potential I think, just around taking advantage of the wins that you can. A bill in Arkansas is not going to look the same as a bill in Washington, and that's fine.

Nolan Gray: Cool. Well, Anthony, I think I speak for YIMBYs all across the country when I say thanks for your continued leadership. Along with a lot of great coalition partners in Spokane, I think the progress that you all are making is revealing to a lot of other cities that, hey, we can do these reforms. And this is not just a New York or a Seattle or an L.A. phenomenon. This is something that needs to happen in a range of cities. And to the extent that Spokane, I think, is pushing the boundaries of what's possible already, it's incredibly exciting. What's coming, I'm excited to see you all legalize accessory commercial units-

Anthony Gill: Fingers crossed.

Nolan Gray: ... so that I have a model and we can spread this across the country. But in any case, thanks again, and thanks for joining the Abundance Podcast.

Anthony Gill: Absolutely. Thank you so much. Happy to talk to you.