

*“Our interviews suggest that the greatest barrier to different (denser) housing types is not a lack of interest by developers and builders, but constraints of local policy. Many municipalities restrict housing types that the market would otherwise provide; many areas of the region have permitted only low-density units in the last two years.”*

Greater Housing Analysis  
ECONorthwest for  
Envision Utah  
September 1999, p.xi

*“The expected growth in income does not necessarily mean households will purchase more large-lot dwellings. The expectation nationally is that the money will go into larger single-family and multi-family units with more amenities but on smaller lots.”*

Greater Housing Analysis  
ECONorthwest for  
Envision Utah  
September 1999, p.xii

## Utah’s Housing Situation

The increase in housing prices in Utah led the nation between 1992 and 1997. Over this period housing prices in Utah increased by nearly 70%. The acceleration in housing prices in Utah was unprecedented and seriously threatened the dream of homeownership for thousands of Utah families.

## The Legislative Response

House Bill 295: *“Providing Affordable Housing”*, was the Legislative response to a growing concern over rapidly rising housing prices. This legislation, which was passed in 1996, states “municipalities should afford a reasonable opportunity for a variety of housing, including moderate income housing.” The implementation mechanism of this Bill was to require cities and counties to draft and put into practice plans for encouraging affordable housing in their communities.

The Department of Community and Economic Development conducts an annual survey of cities and counties on their progress in their housing planning. The 2003 survey found:

### City Housing Plans

- 138 completed, adopted
- 49 completed, not adopted
- 28 in development
- 21 done nothing

### County Housing Plans

- 16 completed, adopted
- 3 completed, not adopted
- 6 in development
- 4 done nothing

## Impact of Housing Legislation

A study on the effectiveness of HB 295 was recently conducted by the University of Utah’s Bureau of Economic & Business Research. They constructed a study area that included 52 cities with population greater than 5,000 residents.

They found that approximately 40% of all households in the study area had incomes that fell below 80% of the median income. Therefore, according to HB295, approximately 40% of all new housing units should have been constructed to meet the housing needs of low- to moderate-income households.

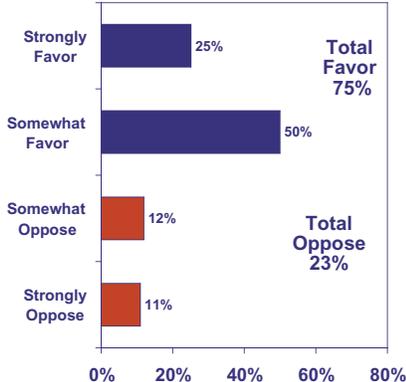
However, only 24% of the nearly 76,000 new housing units built in the study cities since 1997 were affordable. The vast majority of these new units (non-affordable and affordable) were single-family homes — 55,093, but only 9% or 4,967 of these single-family homes were affordable. Furthermore, it was found that in absolute terms, the amount of new affordable housing was heavily concentrated in just a few cities.

### Public Opinion of Housing

In May, 2003, Envision Utah contracted the Wirthlin Worldwide Consulting Group to conduct a random telephone survey of Wasatch Front residents regarding their opinions about community growth issues.

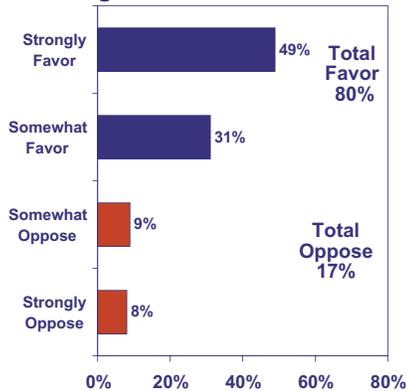
*Do you favor or oppose building a variety of housing options such as town homes, condos and apartments in your community to accommodate the increased number of young and older Utahns?*

**Housing Age Accommodations**



*Do you favor or oppose that each community, including yours, should have housing options that accommodate income levels for police officers, school teachers, nurses, and fire-fighters?*

**Housing Income Accommodations**

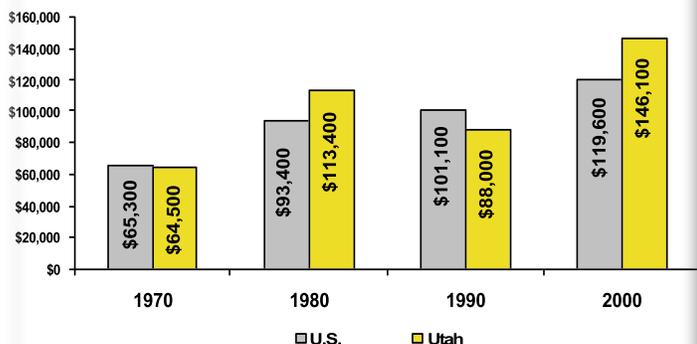


- "Enduring American and Utah Values Which Transcend Good and Bad Times", prepared for Envision Utah, May 2003.

### Median Home Values

In Utah, the median value of a home grew at an average annual rate of 2.8% since 1970. Utah's 2000 median home value was \$26,500 higher than the median value for the nation.

**Median Home Values in the U.S. & Utah: 1970 to 2000**  
(In constant 2000 dollars)



Note: The following CPI-U-RS factors were used for the respective years: 1970--3.8412, 1980--1.9795, 1990--1.2776.  
Source: U.S. Census Bureau