

State of Utah

# AFFORDABLE HOUSING ASSESSMENT

2017



**WORKFORCE  
SERVICES**  
HOUSING & COMMUNITY  
DEVELOPMENT

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The Olene Walker Housing Loan Fund Board

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*"It is the far-sighted efforts of our communities—working in concert with the state—that will solve Utah's affordable housing shortage."*

**- Lt. Gov. Spencer J. Cox**

## FORWARD

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It is not hard to see why people want to live in Utah. Utah is a beautiful state with kind and industrious people. Over the last decade its resilient economy has grown at an unprecedented rate. With more and better employment opportunities, its population has also seen steady growth. When preceded by adequate planning and community development, growth can be a positive sign of economic prosperity. However, Utah's growth has not been without its pains.

As we've seen over the last few years, growth is related directly to the state's increasing demand for affordable housing. With an already scarce supply of housing—and a slow rate of housing production—rising demand has driven up the cost of all forms of housing. Because vulnerable populations disproportionately comprise disadvantaged and lower-income households, high housing costs unduly burden them. These populations include people who are homeless, elderly or disabled, veterans, refugees, minorities, rural communities and those in intergenerational poverty.

The spotlight on homelessness this year in Utah has underscored the critical need for affordable housing options. Homelessness along the Wasatch Front is a highly visible and complex issue. Many people in lower-income households work one or more jobs and participate in normal day-to-day activities, but circumstances have compelled them to rely on an extended network of family and friends to satisfy their housing needs. State and local programs are designed to treat the most acute cases of homelessness, but the most effective means of preventing homelessness for these people is to promote an adequate supply of affordable housing.

Disadvantaged and vulnerable populations typically do not have a reliable support network. Therefore, they are at an increased risk of needing emergency shelter if their household income were to decline abruptly or if their housing costs were to increase unexpectedly. When coupled with workforce development, continuing education, and sometimes a rehabilitation program, an efficient subsidized housing development program becomes a vital component of a comprehensive strategy to stabilize homes, improve self-reliance and preserve the dignity of Utah's working poor.

A handwritten signature in black ink, appearing to read "Jonathan Hardy". The signature is fluid and cursive.

Jonathan Hardy, Director  
Housing and Community Development Division  
Department of Workforce Services



# SECTION 1: Introduction

Affordable housing policies and adequate housing development are swelling public policy concerns for many Utahns. The demand for affordable housing throughout the state continues to grow, but its supply has not kept pace in recent years. While planning is an indispensable element of policy making, planning the development of low-cost housing is highly debated at the state and local levels. All policy decisions have consequences, and planning decisions in particular tend to have profound effects on both the landscape and the wellbeing of urban and rural communities in Utah. Therefore, those decisions are often highly scrutinized and contested. A complicated fusion of public and private interests determine the outcomes of affordable housing, given that these forces control whether housing policies reflect the will of those seeking to protect vested interests or those seeking to extend opportunities to the poorly housed.

A handful of themes related to affordable housing policy run throughout this year's affordable housing assessment. Firstly, effective, affordable housing policy in Utah requires a convergence of private and public interests. Second, Utah must collaborate, wherein state and local governments work in concert to address social and economic issues within Utah's communities. Finally, it highlights the affordable housing needs of Utah's vulnerable populations.

## Converging Public and Private Interests

Stakeholders from the private sector, nonprofit sector, and the public sector approach affordable housing from largely independent perspectives. This report represents a concerted effort to coordinate and leverage the interests of these stakeholders. It builds upon the contributions of each sector and seeks to incorporate their insights into a pragmatic conceptual framework. Policymakers can then draw upon this framework and the analysis contained within this report as they continue working on policies that will better meet the housing needs of Utah's lower-income households and its most vulnerable populations. Nonetheless, because public and private interests tend to diverge, it is imperative that a safe and open forum for maintaining a dialogue between these interests remain available.

In the spring of 2016, Lieutenant Governor Spencer Cox convened a special task force to address the growing affordable housing needs of the state of Utah. Private sector, nonprofit sector, and public sector stakeholders comprised the core of that task force. The first order of business of that task force was to commission a statewide baseline needs assessment and gap analysis. The task force also determined that annual monitoring would be necessary to assess the state's changing housing needs.

Figure 1: Key themes



The intent of that analysis was to begin laying a foundation for a statewide affordable housing plan. It met its primary objective by providing a preliminary analysis of the scope and magnitude of the state's affordable and available housing gap. The analysis estimated the growth rate of the state's moderate income population and it confirmed the relative stagnation of low-income rental housing development across the state. It observed that severe housing cost burdens coincided with a deficit of affordable and available housing for extremely low-income households.

Its secondary objective of assessing the capacity of existing state housing programs was subsumed by a greater need. After a review of annual program reports, the task force concluded that the Olene Walker Housing Loan Fund and the Utah Housing Corporation were efficiently leveraging state and federal funds. Following further discussions, the task force determined that a basic survey of development, rehabilitation, preservation, and rental assistance funding sources would be more useful for increasing affordable housing development in the state.

The subsequent survey described a complicated ecosystem of affordable housing finance in Utah. Funding for lower-income housing projects comes from various federal, state and local programs as well as an array of civic-minded private lenders and some philanthropic organizations. An analysis of funded multifamily housing projects revealed that the typical project required developers to assemble a complex financial package from multiple funding sources before they could build any low-income housing. The survey now serves as a convenient summary of existing resources and an explanation of the funding ecosystem for potential real estate developers and investors who may be interested in building affordable housing in Utah.

The efforts of the Lt. Governor's Affordable Housing Task Force culminated in the enactment of House Bill 36 during the 2017 legislative session. This legislation had three important results. First, it revised the state's formula for low-income housing tax credits (LIHTC), which increased their availability for qualified developers who develop housing affordable at 60 percent of an area's median income or below. The second accomplishment of this legislation was the creation of a fund intended to increase the feasibility of developing affordable housing for extremely low-income households whose income is under 30 percent

of an area's median income (AMI). Finally, it created a landlord incentive pilot program, which compensates landlords for property damage claims from tenants with qualified housing vouchers. The intent of this program is to incentivize good landlords to continue renting to extremely low-income tenants without the worry of suffering significant loss. All three funds have been well-received and actively used for developing and preserving affordable housing over the last year.

## Cities and Counties Are Vital to Resolving Utah's Housing Shortage

Utah's present-day prosperity owes a debt of gratitude to the foresight and planning of its early settlers. From the very start, many of Utah's communities had an uncommon tradition of planning. As early as 1847, local leaders were instructed to plan new settlements by drawing inspiration from a prescribed community model. These plans organized public and private lands to foster a growing and increasingly diverse population. Since then, systematic planning has helped local leaders anticipate and address the needs of their community. Today, this tradition continues to foster tight-knit communities that support self-reliant households. Thoughtful and well-prepared moderate-income housing plans build a community's capacity to care for the needs of vulnerable populations, it helps lower-income households become self-reliant, and it continues this planning tradition.

Local governments in Utah tend to use their power to regulate land use conservatively. Nevertheless, the U.S. Supreme Court has concluded that states and their political subdivisions—local governments—must have a rational basis founded upon the promotion of the health, safety and welfare of their citizens before exercising their policing powers. Utah's statutes that require cities and counties to maintain and monitor their progress on implementing a current moderate-income housing element in their general plan are not intended to be cumbersome mandates. They are meant to be a safeguard against the capricious abuses of land use regulation and redevelopment authority that vulnerable populations in other states have experienced historically. The state's planning requirements were designed specifically to empower local government policymaking and they are an implicit affirmation of local self-regulation and the local control of each community's self-determination.



## Vulnerable Populations

This report is not an Analysis of Impediments (AI), although examining the affordable housing needs of particular vulnerable populations may incidentally further the state's fair housing objectives. AIs are a prescribed method for reviewing discriminatory barriers that have been adjudged to affect housing rights. The U.S. Department of Housing and Urban Development (HUD) typically requires participating jurisdictions to conduct certain types of AOIs to determine eligibility for some funding programs. For example, grantees of Sustainable Communities Regional Planning Grant must complete a Fair Housing Equity Assessment. Discrimination indeed creates housing vulnerabilities that would likely not exist without its presence. However, vulnerability is not confined to a specific set of protected classes who have historically faced housing discrimination. Members of vulnerable populations are people who may be incapable of caring for themselves, or they may be people who are reliant upon others to meet their basic needs, and in most cases, they may be at significant risk of harm or exploitation:

Vulnerability, the susceptibility to harm, results from an interaction between the resources available to individuals and communities and the life challenges they face. Vulnerability results from developmental problems, personal incapacities, disadvantaged social status, inadequacy of interpersonal networks and supports, degraded neighborhoods and environments, and the complex interactions of these factors over the life course. The priority given to varying vulnerabilities, or their neglect, reflects social values. Vulnerability may arise from individual, community, or larger population challenges and requires different types of policy interventions—from social and economic development of neighborhoods and communities, and educational and income policies, to individual medical interventions.<sup>1</sup>

The report analyzes the affordability of housing for vulnerable populations, identifies potential causes and contributing factors of vulnerability, and where possible, suggests potential means for mitigation. From this perspective, vulnerability is a characteristic of people and regions confronting socioeconomic distress. Despite a wide margin of context, the prevalence of vulnerability is generally highest among the poor.

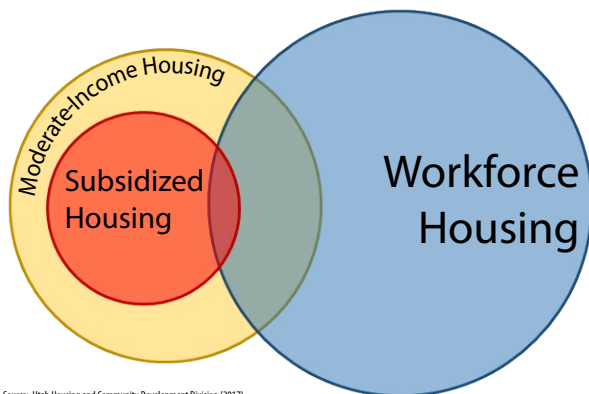
Local governments are particularly well-situated to understand the needs of the extremely low- to moderate-income households within their jurisdiction. Most local leaders want to improve the prosperity of their communities and they use the instruments of economic development and redevelopment to do so. However, they are not always aware of how “siloed decisions” in their jurisdiction contribute to regional affordable housing shortages or how those decisions adversely affect the vulnerable populations in surrounding communities. Experienced policymakers know that aligning these potent instruments with the equally powerful tools of community development and regional planning will provide their communities with the vital social and physical infrastructure they need to sustain a high quality of life for all members of their community. Therefore, the second theme of this affordable housing assessment report is two-fold: The first being the improvement of state and local government collaboration through mutual respect and support. The second is to promote voluntary cooperation and coordination among neighboring communities.

# SECTION 2: What is Affordable Housing?

## Defining Affordable Housing

Housing affordability is a crucial concept in assessing affordable housing for moderate-income households and vulnerable populations. To better understand the concept it needs to be broken into its component parts: ‘housing’ and ‘affordability.’ The U.S. Census Bureau defines housing in term of units, “A housing unit is a house, an apartment, a mobile home or trailer, a group of rooms, or a single room that is occupied, or, if vacant, is intended for occupancy as separate living quarters.”<sup>2</sup> Much of the housing data analyzed in this report ultimately comes from the U.S. Census Bureau (USCB).

**Figure 2: What do we mean when we say affordable housing?**



Source: Utah Housing and Community Development Division (2017).

Moderate-income housing (yellow circle) and workforce housing (blue circle) both fall within a very broad definition of affordable housing, but only a portion of each category is actually eligible for subsidies from state and federal housing programs (red circle).

Affordability is a ratio of a household’s housing costs and its income, as summarized in **Equation 1**. The U.S. Federal Government defines affordable housing as any housing unit whose gross monthly costs, including utilities, are equal to no more than 30 percent of a household’s gross monthly income.<sup>3</sup> In general, a housing unit is considered affordable regardless of the payment amount, the type of unit, the age of the unit, the size of the unit, or the location of the unit, if the unit’s gross costs are under 30 percent of the occupying household’s gross monthly income. This means that a newly built five-bedroom house in the suburbs with a \$3,000 per month mortgage payment and utilities is affordable for a family household earning \$10,000 per month. And likewise, a studio apartment built in 1960 with a gross rent of \$300 per month with utilities is affordable for a household earning only \$1,000 per month.

### Equation 1

$$\left( \frac{\text{Gross Housing Costs}}{\text{Gross Income}} \times 100\% \right) \leq 30\% \text{ Gross Income}$$

For the purposes of this report, the crude affordability of a Housing Market Area (HMA), such as a metropolitan county, is simply an extension of the relationship described in **Equation 1**. It is a ratio of the area’s distribution of housing costs to its distribution of household incomes. In this report, HMA affordability will always be summarized as the ratio of a county’s median housing costs, to its median income (AMI) by tenure. Tenure classifies a housing unit’s occupants as being either owners or renters.<sup>4</sup>

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The typical renter household in the western U.S. would be considered cost-burdened because they spend **35%** of their **Monthly Gross Income on Gross Rent**.

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## Housing Cost Burden

Related to the concept of housing affordability are the concepts of cost burden and severe cost burden. The U.S. Department of Housing and Urban Development defines *cost-burdened* households as households that spend between 30 and 50 percent of their gross monthly income on housing costs such as rent or mortgage payments.<sup>5</sup> *Severely cost-burdened households* spend more than 50 percent of their gross monthly income on housing costs.<sup>6</sup> According to the 2017 Consumer Expenditure Survey, the typical renter household in the western U.S. would be considered cost-burdened because they spend 35 percent of their Monthly Gross Income on Gross Rent.<sup>7</sup>

**Table 1** uses the HUD Adjusted Median Family Income published annually to estimate the housing cost burden thresholds for family households in Utah. The median owner household in Utah earned \$6,082 per month and could afford to spend \$1,825 or less each month on housing costs. That owner household would be cost-burdened if it spent \$1,826 or more on housing costs and it would be severely cost-burdened if it spent \$3,041 or more. The median renter household in Utah earned \$3,021 per month, and could afford to spend \$906 or less each month on housing costs. That renter household would be cost-burdened if it spent \$907 or more on housing costs and it would be severely cost-burdened if it spent \$1,511 or more.

## Affordable and Available Housing

The issue of housing affordability is compounded further when combined with housing availability. Nonetheless, many people become confused whenever the concept of availability is introduced in discussions about housing affordability. The National Low Income Housing Coalition explains that, “A housing unit is affordable and available if that unit is both affordable and vacant, or is currently occupied by a household at or below the defined income threshold.”<sup>54</sup>

Therefore, a unit is unavailable if it is either occupied by a household above the defined income threshold or is unaffordable. The logic of affordable and available housing is found in **Equation 2**. *The remainder of this report will simply refer to the compound concept of affordable and available housing as ‘available housing’ with the understanding that affordability is a necessary antecedent condition of availability.*

### Equation 2

$$A \cap \{B \cup C\} = \{Affordable, Vacant, Low income occupant\}$$

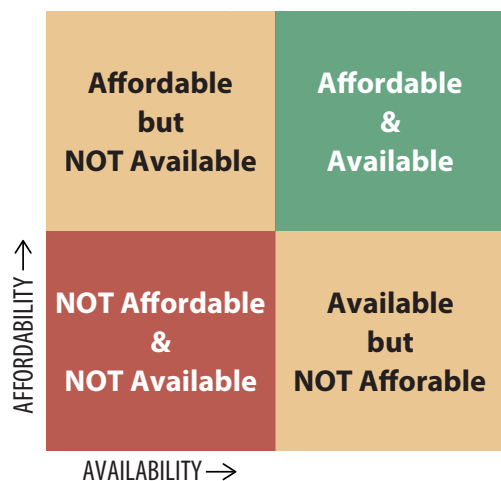
**Table 1: Estimated household cost burden thresholds based on Utah’s HUD Adjusted Median Family Income, FY 2017**

% HAMFI	Monthly Income	Affordable Rent (≤ 30% Income)	Cost Burdened (30%-50% Income)	Severely Cost Burdened (≥ 50% Income)
30% HAMFI	\$1,793	≤\$538	\$539-\$895	\$896
50% HAMFI	\$2,988	≤\$896	\$897-\$1,493	\$1,494
80% HAMFI	\$4,780	≤\$1,434	\$1,435-\$2,389	\$2,390
100% HAMFI	\$5,975	≤\$1,793	\$1,794-\$2,987	\$2,988
120% HAMFI	\$7,170	≤\$2,151	\$2,152-\$3,584	\$3,585
150% HAMFI	\$8,963	≤\$2,689	\$2,690-\$4,480	\$4,481
170% HAMFI	\$10,158	≤\$3,047	\$3,048-\$5,078	\$5,079

Source: HUD (2017) Section 8 Income Limits, FY 2017 [Data].

The relationship between housing affordability and housing availability can also be expressed using a four-quadrant 2x2 matrix. **Figure 3** depicts affordability on the vertical axis and availability on the horizontal axis. A housing unit with high housing costs and occupied by a household with an income at or above 80 percent of the area median income would fall into the first quadrant labelled “Not affordable and not available.” A housing unit with housing costs less than or equal to 30 percent of a household’s gross monthly income and is vacant would fall into the third quadrant labelled “Affordable and available.” An affordable unit may also fall into the third quadrant if the current occupant has a household income approximately 3.333 times larger than the unit’s gross monthly costs (1 ÷ 30 percent) because it is housing its intended income-targeted population. The second and fourth quadrants can be similarly understood. A housing unit in the second quadrant may be vacant, but its gross monthly housing costs are greater than 30 percent of the prospective occupant’s household income. A housing unit in the fourth quadrant may have gross monthly housing costs less than or equal to 30 percent of a prospective occupant’s household income, but it is already occupied by a non-low-income household.

**Figure 3: The relationship between affordability and availability**



## Subsidized Housing

Subsidized housing is a generic term that covers all housing that receives government funding to reduce its costs. Housing can be subsidized in a few ways. For example, the federal government provides rent vouchers for qualifying low-income tenants, it helps home buyers with down payment assistance, it helps homeowners reduce the interest on qualifying mortgages, and it provides deferred loans and grants that help real estate developers acquire and develop residential property. The U.S. federal government also created tax credits to encourage investment in developing affordable housing as well as authorizing a tax-exempt bond authorities in each state to finance housing development or providing ongoing assistance to reduce the operating costs of multifamily housing and other projects.

This report, however, will refer to subsidized housing as *rental housing units* that are occupied by a *qualified renter household* that benefits from *lower rent* from certain government *rental assistance programs*. These programs include, but are not limited to, public housing, project-based Section 8, tenant-based Section 8 vouchers, Low Income Housing Tax Credits (LIHTC), Public Activity Bonds, the National Housing Trust Fund, and the HOME program.

Although the federal government provides rental assistance through both demand-based housing subsidies and supply-based housing subsidies, Utah historically has used state and federal subsidies to promote low-income housing production.

## Demand-Based Housing Subsidies

The federal government provides means-tested rental assistance subsidies to qualified renter households. Project-based subsidies provide rental assistance to low-income households that qualify to live in specific income-targeted housing projects. If a household decides to move out of the housing project, the subsidy stays with the rental unit. In contrast, tenant-based subsidies follow households when they move, as long as they continue to qualify as low-income.

The tenant-based Section 8 Housing Choice Voucher program is the most well-known demand-based housing subsidy. It provides a subsidy equal to a countywide Fair Market Rent, which is determined by HUD, minus 30 percent of a low-income household’s



gross monthly income. Public Housing Authorities (PHA), which are nonprofit organizations that are chartered by a city or a county, administer Housing Choice Vouchers on behalf of HUD. Section 8 Housing Choice Vouchers have become popular because they allow low-income households to live where they choose, but their choices are limited to the available supply of affordable housing.

## Supply-Based Housing Subsidies

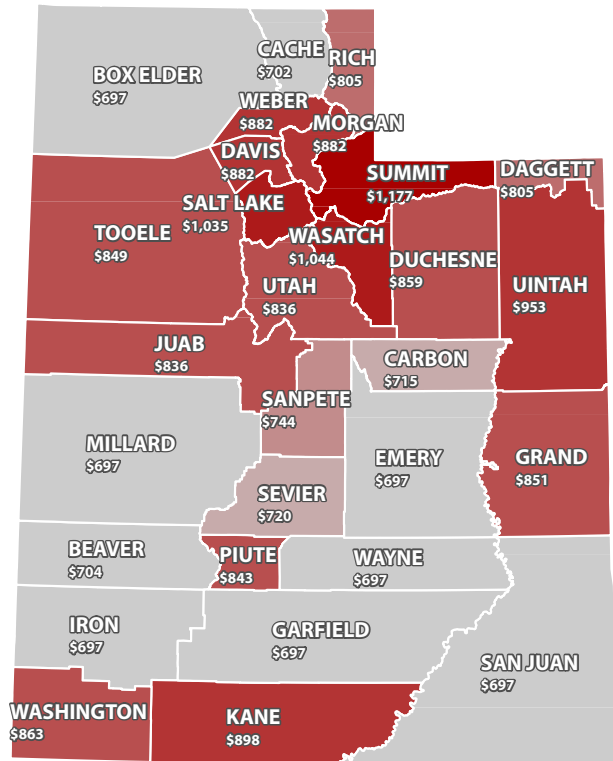
Governments may provide production-based subsidies that reduce rents by reducing housing development costs. A real estate developer may receive a direct production-based subsidy in the form of a grant or low interest loan. In Utah, the majority of direct production-based subsidies have been funded through a matching grant from the federal HOME Investment Partnership Program. Developers may apply for low-interest gap loans from the Olene Walker Housing Loan Fund (OWHLF). In addition to a direct subsidy, real estate developers may also receive indirect production-based subsidies from the U.S. Internal Revenue Service (IRS) in the form of Low-Income Housing Tax Credits (LIHTC). The Utah Housing Corporation (UHC) administers both federal LIHTC and state tax credits. Essentially, qualifying developers are able to sell LIHTC for immediate capital to build low-income multifamily housing, and LIHTC buyers are able to reduce their tax burden at a rate up to nine percent of the value of the housing project divided over 10 years. The intent of supply-based housing subsidies is to expand the pool of affordable housing units that are available to low- to extremely low-income households.

## Fair Market Rent

Fair Market Rents (FMR) are housing subsidy payment standards used primarily in the Housing Choice Voucher program and for some expiring project-based Section 8 contracts. They also serve as a rent ceiling in the HOME rental assistance program.<sup>8</sup> On an annual basis, HUD determines equitable rent payment standards for its housing choice voucher program and Section 8 contracts using a simple formula applied to a local market. Instead of using the raw median gross rent of a geographic area, HUD typically uses the 40th or 50th percentile of gross rents for a standard two-bedroom rental unit in each county,

which reflects contract costs and utilities.<sup>9</sup> Figure 4 is a map summarizing FMRs for two-bedroom rental units for each county in Utah.<sup>10</sup> Appendix F provides a table adjusting FMRs according to bedrooms. Two-bedroom units are the most common size for rental units, which is why this report uses two-bedroom units as a baseline.

**Figure 4: Fair market rents for two-bedroom housing units in Utah, FY 2018**



Source: HUD (2017) FY 2018 Fair Market Rents [Data]

## Moderate Income Housing

The terms moderate income housing and affordable housing are frequently used interchangeably in Utah, but they do not mean the same thing. As explained above, affordable housing is any housing unit whose costs are less than or equal to 30 percent of a prospective occupant's household income, but moderate income housing has a precise definition under Utah's laws. Title 10, Chapter 9a, Part 1 of the Utah Code states:

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**'Moderate Income Housing' means housing occupied or reserved for occupancy by households with a gross household income equal to or less than 80 percent of the median gross income for households of the same size in the county in which the city is located.**<sup>11</sup>

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Special attention should be given to the clause *"...households with a gross household income equal to or less than 80 percent of the median gross income..."* This means that only housing units affordable at each interval between zero and 80 percent of AMI are moderate income housing.

Moderate Income Housing is best illustrated by example. To keep the math simple, suppose that the AMI of a county in Utah was \$120,000, or in other words, \$10,000 per month. A household with a moderate income at 80 percent of AMI in that county would have a monthly income of \$8,000 and could afford to pay \$2,400 per month in housing costs. However, a household with an income at 43.2 percent of AMI is also considered to have a moderate income, as are households with incomes at 61.9 percent of AMI and 23.6 percent of AMI. Respectively, each of these moderate income households could afford housing costs of \$1,296/month, \$1,857/month, and \$708 per month.

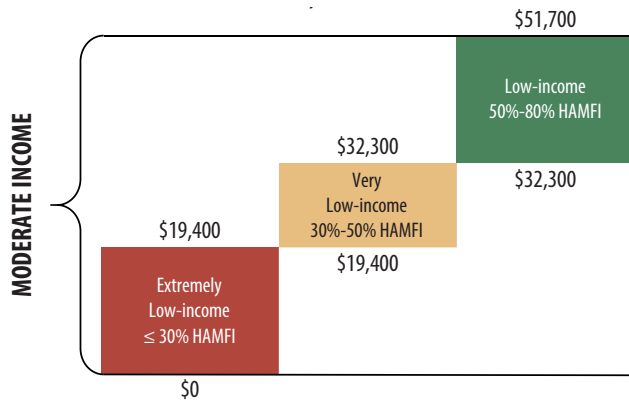
## Income Limits

Admittedly, calculating the affordability of housing at each percentage decrement of AMI, in order to estimate the affordability of a county or city's supply of moderate income housing, is tedious. To make the math even simpler, HUD has established 'Income Limits.' Income limits are the maximum income thresholds set by HUD that qualify or disqualify a household for housing assistance benefits.<sup>12</sup> HUD uses the same formula to determine income limits for both Section 8 Housing Choice Vouchers and the HOME program. HUD also uses the income limits it publishes each year to determine program funding for each state. Although these three moderate-income groups are commonly referred to as low-income households, very low-income households, and extremely low-income households, to avoid confusion, it is more precise to refer to each group as a proportion of the HUD Adjusted Median Family Income (HAMFI): ≤ 30 percent HAMFI, 30-50 percent HAMFI, and 50-80 percent HAMFI. A non-low-income household is any household that whose income is greater than 80 percent of HAMFI (> 80 percent HAMFI)

Technically speaking, HUD's income limits are not based on AMI. In housing discussions, confusion arises because HUD often uses the terms Area Median Income (AMI), Median Family Income (MFI), and HUD Adjusted Median Family Income (HAMFI) interchangeably. Income limits are based on the median family income of a county, adjusted for inflation, adjusted according to family size, adjusted to minimum thresholds per state, and then rounded.

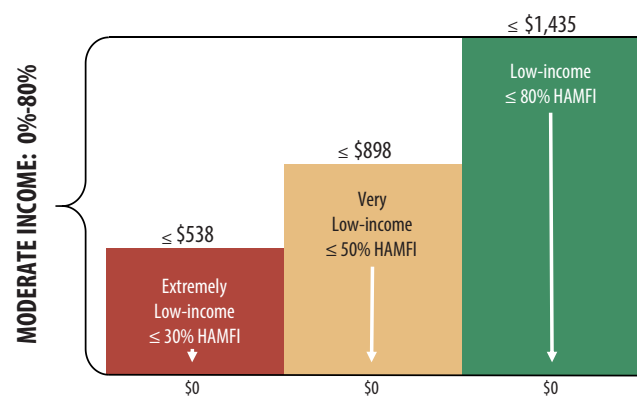


**Figure 5: Moderate income: Average Section 8 income limits in the state of Utah, FY 2017**



Source: HUD (2017) Section 8 income limits, FY 2017 [Data].

**Figure 6: Moderate income thresholds ≤ 30% HAMFI, ≤ 50% HAMFI, and ≤ 80% HAMFI**



Source: HUD (2017) Section 8 income limits, FY 2017 [Data].

Figure 5 depicts the three commonly used income limit groups based on a HUD Adjusted Median Family Income of \$71,700 per year, or \$5,975 per month. Table 2 summarizes average income limits adjusted for household size in Utah. The income limits for each of the three income groups is approximately equal to a family of four. Please note that estimates in both Figure 5 and Table 2 are averages taken from HUD’s FY2017 published income limits and are shown here for exemplary purposes only. Planners should use the income limits published by HUD for their respective county.

**Table 2: Family size average adjusted income limits**

Family Size	0-30% HAMFI	30-50% HAMFI	50-80% HAMFI
1 Person	\$14,850	\$24,700	\$39,200
2 Person	\$16,950	\$28,250	\$44,800
3 Person	\$20,700	\$31,800	\$50,350
4 Person	\$24,800	\$35,300	\$55,950
5 Person	\$28,950	\$38,150	\$60,450
6 Person	\$33,050	\$40,950	\$64,950
7 Person	\$37,200	\$43,800	\$69,400
8 Person	\$41,300	\$46,600	\$73,850

Source: HUD (2017) Section 8 Income Limits, FY2017 [Data].

## Moderate Income Housing Cost Thresholds

Moderate income housing cost thresholds are related to income limits. For purposes of this report, the difference between an income limit and an income threshold is that housing cost threshold is based on all housing units that are affordable to households within a particular income limit range *and below*. So, any housing unit whose costs are below 30 percent of a particular household’s gross monthly income is affordable for that household, regardless of that household’s income limit group. A household in a higher income group could afford to rent housing units that would otherwise be affordable for households in lower income groups. Whenever higher-income households occupy housing units in a moderate income housing cost threshold below what they could afford, they are limiting the supply of affordable housing units available to lower-income households.

As shown in Figure 6, a low-income household (50-80 percent HAMFI) earning \$4,783 per month (\$57,400/yr.) could afford to rent any housing unit that costs up to \$1,435 per month (\$17,220/yr.) because it is less-than or equal-to 30 percent of its income. To reiterate, it could also afford to rent any unit that costs between \$0 and \$1,435 per month. However, if that low-income household spent more than \$1,435 on housing costs, HUD would classify it as being cost-burdened. If that same household spent 50 percent of its monthly gross income on housing, i.e. \$2,391 per month, HUD would classify it as severely cost-burdened. This is part of the reason why extremely low-income households are such a concern for Utah.

# Workforce Housing

In 2008, the Utah League of Cities and Towns defined workforce housing as “...housing units—for sale or rent—that are affordable to households earning 60 percent of AMI or more.”<sup>13</sup> Nonetheless, there is not a universal definition of workforce housing; instead, this report attempts to align with the most prominent conventions of workforce housing. Workforce housing is housing whose gross monthly costs target working class households earning between 60 percent and 120 percent of HAMFI and have at least one member of the household participating in the local labor force.<sup>14,15,16,17</sup> Workforce housing enables people who are gainfully employed in low-income service occupations to live and work in the same community.<sup>18,19</sup> Local governments in areas of high income disparity often subsidize workforce housing directly to attract and retain essential occupations, such as teachers, police officers, firefighters and other local-level civil servants.<sup>20,21,22</sup> **Table 3** provides a sample of occupations, the national median income of those occupations, and then compares the earnings of those occupations to Utah’s FY 2017 HAMFI of \$71,700. It also calculates an affordable housing cost threshold for each occupation,

based on 30 percent of its national median income. **Table 3** then compares the affordable housing cost threshold of each occupation to Utah’s median gross rent and to average FY 2018 FMRs by rental housing unit bedrooms. Rents marked in *Red* in **Table 3**, or are listed with a negative number, are not affordable for single-income households in that class of occupations.

As a whole, there is only a 20 percent overlap in workforce housing and moderate-income housing. Some working class households with one or more people participating in the labor force may qualify as low-income (50-80 percent HAMFI) and therefore may be eligible for certain housing subsidies such as Section 8 Housing Choice Vouchers or the HOME program. Working class households earning more than 80 percent of HAMFI generally do not qualify for federally funded housing subsidies administered by the state of Utah. Finally, most of the federally funded housing programs administered by the state of Utah—and local Public Housing Authorities—can only provide rental assistance. With the highly restricted exception of very limited rural development funds from the U.S. Department of Agriculture, Utah does *not* administer homeownership programs.

**Table 3: Affordability of the median gross rent and FMRs in Utah relative to the national median income of occupations common to communities throughout Utah, 2011-2015**

Occupations	National Median Income	Monthly Income	% HAMFI	Affordable Housing Costs	Median Gross Rent (\$887/mo.)	0-BR Fair Market Rent (\$550/mo.)	1-BR Fair Market Rent (\$653/mo.)	2-BR Fair Market Rent (\$819/mo.)	3-BR Fair Market Rent (\$1,139/mo.)	4-BR Fair Market Rent (\$1,316/mo.)
Fast Food Workers	\$19,467	\$1,622.25	27.2%	\$487	-\$400	-\$332	-\$166	-\$332	-\$652	-\$829.33
Waiters & Waitresses	\$21,174	\$1,764.50	29.5%	\$529	-\$358	-\$290	-\$124	-\$290	-\$610	-\$786.65
Preschool & Kindergarten Teachers	\$24,804	\$2,067.00	34.6%	\$620	-\$267	-\$199	-\$33	-\$199	-\$519	-\$695.90
Refuse & Recyclable Material Collectors	\$30,384	\$2,532.00	42.4%	\$760	-\$127	-\$59	\$107	-\$59	-\$379	-\$556.40
Construction Laborers	\$31,576	\$2,631.33	44.0%	\$789	-\$98	-\$30	\$136	-\$30	-\$350	-\$526.60
Bus Drivers	\$33,204	\$2,767.00	46.3%	\$830	-\$57	\$11	\$177	\$11	-\$309	-\$485.90
Court, Municipal, & License Clerks	\$37,755	\$3,146.25	52.7%	\$944	\$57	\$125	\$291	\$125	-\$195	-\$372.13
Licensed Practical Nurses	\$39,475	\$3,289.58	55.1%	\$987	\$100	\$168	\$334	\$168	-\$152	-\$329.13
Social Workers	\$42,862	\$3,571.83	59.8%	\$1,072	\$185	\$253	\$419	\$253	-\$67	-\$244.45
Elementary & Middle School Teachers	\$50,286	\$4,190.50	70.1%	\$1,257	\$370	\$438	\$604	\$438	\$118	-\$58.85
Librarians	\$50,319	\$4,193.25	70.2%	\$1,258	\$371	\$439	\$605	\$439	\$119	-\$58.03
Secondary School Teachers	\$52,089	\$4,340.75	72.6%	\$1,302	\$415	\$483	\$649	\$483	\$163	-\$13.78
Postal Service Mail Carriers	\$56,777	\$4,731.42	79.2%	\$1,419	\$532	\$600	\$766	\$600	\$280	\$103.43
Police & Sheriff Patrol Officers	\$62,298	\$5,191.50	86.9%	\$1,557	\$670	\$738	\$904	\$738	\$418	\$241.45
Registered Nurses	\$63,675	\$5,306.25	88.8%	\$1,592	\$705	\$773	\$939	\$773	\$453	\$275.88
Firefighters	\$64,888	\$5,407.33	90.5%	\$1,622	\$735	\$803	\$969	\$803	\$483	\$306.20
Legislators	\$66,351	\$5,529.25	92.5%	\$1,659	\$772	\$840	\$1,006	\$840	\$520	\$342.78
Urban & Regional Planners	\$70,844	\$5,903.67	98.8%	\$1,771	\$884	\$952	\$1,118	\$952	\$632	\$455.10
Budget Analysts	\$71,780	\$5,981.67	100.1%	\$1,795	\$908	\$976	\$1,142	\$976	\$656	\$478.50

Source : USCB (2017) Table B24121: 2011-2015 American Community Survey [Data]



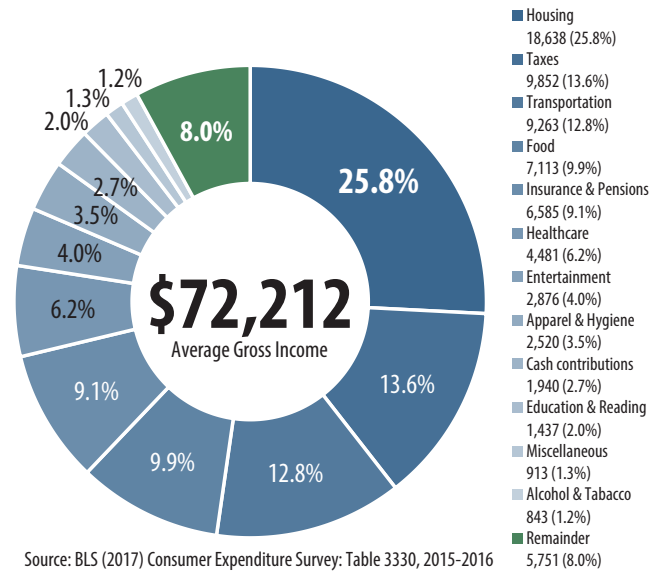
# Housing Affordability

Although rent tends to cost less per month than mortgages, it does not mean that renting is affordable for households with low- to extremely low-incomes. The Bureau of Labor Statistics' annual Consumer Expenditure Survey confirmed that housing was the single largest expense for the average American household.<sup>23</sup> As seen in **Figure 7**, the average household in the U.S. spent \$18,638 (25.8 percent) of its gross income on housing.<sup>24</sup> It was nearly double the \$9,852 (13.6 percent) that the typical American household spent on transportation.<sup>25</sup> Despite earning \$10,502 more per year, the average household in the western region of the U.S. was as likely to spend an equal proportion of their household income (25.8 percent) on housing as the rest of the nation.<sup>26</sup>

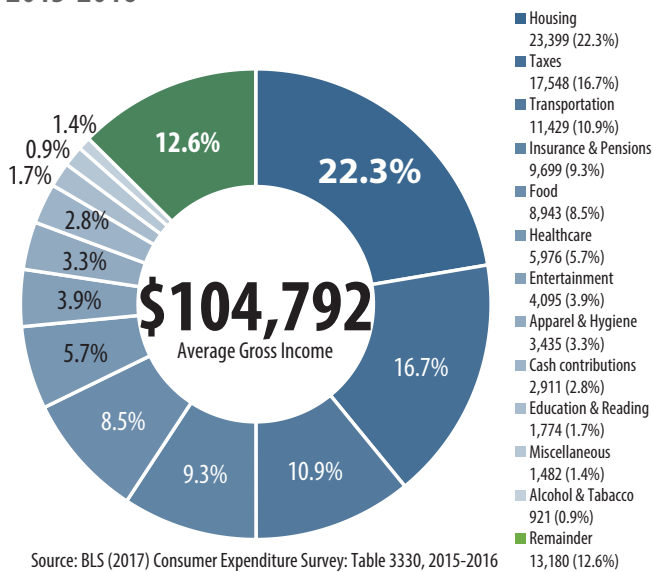
Intuitively, income constrains a household's choice of housing and limits its consumption of other goods and services. The differences in a household's ability to afford non-shelter needs becomes more readily apparent when one compares the expected expenditures of the typical renter household in the western U.S. to a homeowner household in the same region. **Figure 8** and **Figure 9** help illustrate the differing residual income effects of housing costs. Whereas homeowners in the western

U.S. saw a net residual savings of \$13,180 at the end of the year, after accounting for all other expenditures, renter households were indebted by -\$846. Ostensibly, over time the average homeowner will accrue significant savings while renters tend to increase their debt burden.

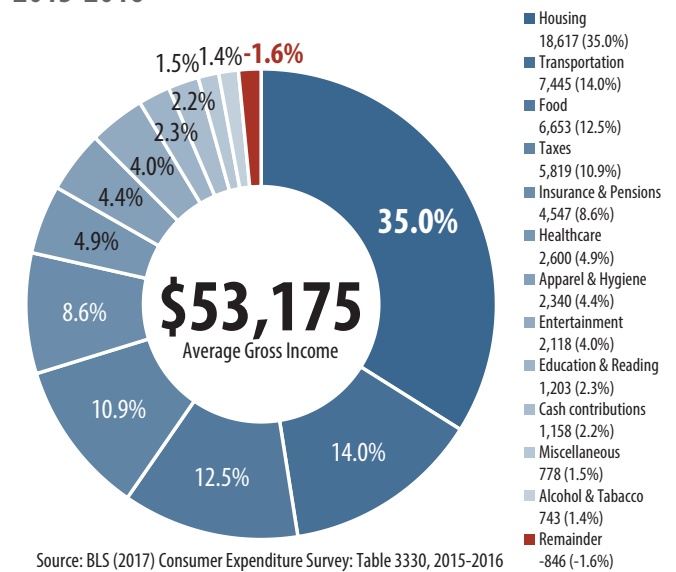
**Figure 7: Distribution of average household expenditures in the U.S., 2015-2016**



**Figure 8: Distribution of average owner household expenditures in the Western U.S., 2015-2016**



**Figure 9: Distribution of average renter household expenditures in the Western U.S., 2015-2016**



## Is the Rent Really Too High?

**Figure 10** illustrates residual income from a set of standard income thresholds used by various government housing programs. Based on these standard income thresholds, it estimates how much of a household's income would remain after it has paid an affordable rent equal to 30 percent of its monthly gross income.

In Utah, the median family household earned an unadjusted \$5,735 per month and could afford to pay \$1,720 per month in gross rent. After rent, the median family household in Utah is expected to have \$4,014 leftover each month. Utah's median family would become cost-burdened if it spent more than \$1,720 on gross housing expenses each month, and it would be severely cost-burdened if it spent \$2,867 or more. Being cost-burdened by a high monthly rent payment means that a family would have less money to pay bills, buy groceries, and purchase other common items listed in **Figure 7**, from the previous subsection. The median renter household in Utah earns a little more than half the income of Utah's median family—they only earned \$3,021 per month—and can afford to pay \$906 in rent. Fortunately, the median renter household in Utah could afford the state's median gross rent of \$887 per month. Unfortunately, households earning 50 percent or below Utah's median family income cannot afford the state's median gross rent without becoming cost-burdened.

Housing costs priced at Fair Market Rent (FMR) could provide some relief for moderate income households,

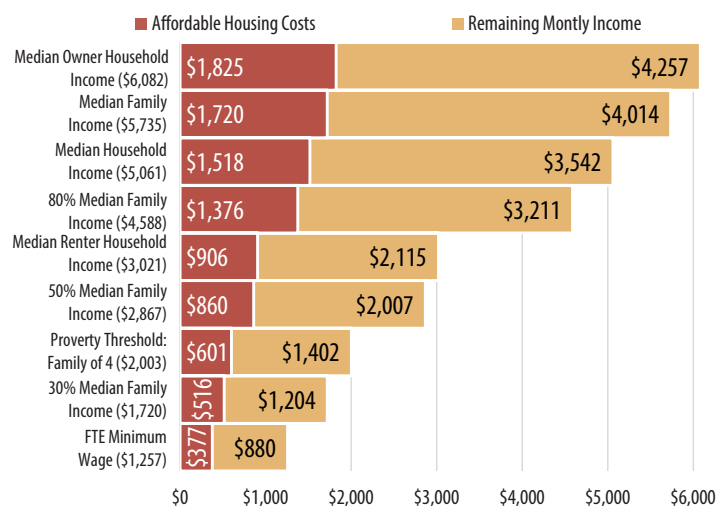
**Table 4: Expected cost burdens of FMR as a portion of monthly income limits in Utah**

FMR/Income Limit		FMR 0-BR	FMR 1-BR	FMR 2-BR	FMR 3-BR	FMR 4-BR
		\$550	\$653	\$819	\$1,139	\$1,316
80% HAMFI	\$4,783	11.5%	13.7%	17.1%	23.8%	27.5%
50% HAMFI	\$2,992	18.4%	21.8%	27.4%	38.1%	44.0%
30% HAMFI	\$1,792	30.7%	36.4%	45.7%	63.6%	73.5%

Sources: HUD: 2017 Income Limits and 2018 Fair Market Rents [Data Files]

but that may not be enough for very low-income and extremely low-income households. As **Table 4** shows, FMRs provide the most relief to low-income households at 80 percent of HAMFI for housing unit with zero to four bedrooms. At most, a four-person low-income household would only pay 27.5 percent of its income per month on a four bedroom home. A four person very low-income household earning 50 percent of HAMFI could afford a two-bedroom unit, but would expect to be cost burdened if it needed to rent a three- or four-person unit. However, FMR will be a particular challenge for a four person extremely low-income household in 2018. Based on the state's HAMFI, an extremely low-income household at the top of its income limit range should expect to pay 45.7 percent of its gross monthly income on rent for a two-bedroom unit at FMR. It would be severely cost-burdened, spending nearly 63.6 percent of its income, if it needed to rent a three-bedroom unit at FMR. Only a zero bedroom efficiency unit (studio apartment) is close to being affordable at 30.7 percent of its income.

**Figure 10: Expected monthly affordable housing costs and remaining income by standard income thresholds in Utah, 2015**



Source: USCB (2017) 2011-2015 American Community Survey 5-yr Estimates [Data].



Median rent and income are also not evenly distributed geographically in Utah. **Table 5** shows the median gross income, median gross rent, and FMR of a two-bedroom unit in Utah's counties and regions of the median renter household in their respective county. A median renter household would pay more than 30 percent of its income for a rental unit in Grand, Iron and Washington Counties at their respective median gross rents. The median renter household in seven counties would pay more than 30 percent of its income for a two bedroom unit at FMR in their respective county in FY 2018.

As figure 10 shows, median gross rent is only too high for median renter households in Uintah, Wasatch and Washington counties, and FMR for a two bedroom unit is too high in only six counties. Based on a four-person household, Summit County will again have the highest FMR at \$1,177 per month, a \$144 increase over last year, but that FMR is only equal to 45.6 percent of an ELI household's monthly income. ELI households in Wasatch County are expected to have the highest cost burden of 50.9 percent of their gross income. At \$1,044 per month, FMR for a two-bedroom unit in Wasatch County is the third highest in the state. Similarly, ELI households in Salt Lake County will spend an estimated 50.5 percent of their gross income on rent at FMR. Its FMR, \$1,035 is the second highest in the state. ELI Households in Uintah County are also expected to face severe cost-burden challenges spending 46.5 percent of their gross income on rent at FMR. At 34 percent of their monthly income, Box Elder, Emery, Garfield, Iron, Millard, San Juan and Wayne Counties are expected to have the lowest cost burden for a household of four renting a two-bedroom unit at FMR.

**Table 5: Affordability of median gross rent and FY2018 FMR for renters by county**

Region & County	Median Annual Income	Median Monthly Income	Affordable Rent	Median Gross Rent		2-BR FMR, FY 2018	
				Cost	Shortfall	Cost	Shortfall
Bear River	\$29,889	\$2,491	\$747	\$682	\$65	\$674	\$74
Box Elder	\$34,484	\$2,874	\$862	\$625	\$238	\$697	\$165
Cache	\$28,517	\$2,376	\$713	\$661	\$52	\$702	\$11
Rich	\$30,076	\$2,506	\$752	\$666	\$86	\$805	-\$53
Five County	\$33,510	\$2,792	\$838	\$822	\$15	\$816	\$21
Beaver	\$30,166	\$2,514	\$754	\$673	\$81	\$704	\$50
Garfield	\$29,808	\$2,484	\$745	\$527	\$218	\$697	\$48
Iron	\$24,860	\$2,072	\$622	\$641	-\$19	\$697	-\$76
Kane	\$41,450	\$3,454	\$1,036	\$702	\$334	\$898	\$138
Washington	\$36,534	\$3,045	\$913	\$916	-\$3	\$863	\$50
Mountainland	\$38,250	\$3,187	\$956	\$844	\$113	\$866	\$90
Summit	\$57,474	\$4,790	\$1,437	\$1,096	\$341	\$1,177	\$260
Utah	\$36,470	\$3,039	\$912	\$821	\$91	\$836	\$76
Wasatch	\$47,092	\$3,924	\$1,177	\$963	\$214	\$1,044	\$133
Six County	\$30,437	\$2,536	\$761	\$606	\$155	\$739	\$22
Juab	\$33,500	\$2,792	\$838	\$726	\$111	\$836	\$1
Millard	\$30,964	\$2,580	\$774	\$557	\$218	\$697	\$77
Piute	\$25,938	\$2,162	\$648	\$605	\$44	\$843	-\$195
Sanpete	\$29,881	\$2,490	\$747	\$572	\$175	\$744	\$3
Sevier	\$29,800	\$2,483	\$745	\$630	\$115	\$720	\$25
Wayne	\$32,813	\$2,734	\$820	\$637	\$184	\$697	\$123
Southeastern	\$29,122	\$2,427	\$728	\$617	\$111	\$743	-\$15
Carbon	\$28,313	\$2,359	\$708	\$569	\$139	\$715	-\$7
Emery	\$29,107	\$2,426	\$728	\$606	\$121	\$697	\$31
Grand	\$26,875	\$2,240	\$672	\$763	-\$91	\$851	-\$179
San Juan	\$34,659	\$2,888	\$866	\$549	\$318	\$697	\$169
Uintah Basin	\$47,929	\$3,994	\$1,198	\$835	\$363	\$916	\$282
Daggett	\$60,000	\$5,000	\$1,500	\$817	\$683	\$805	\$695
Duchesne	\$41,867	\$3,489	\$1,047	\$730	\$317	\$859	\$188
Uintah	\$51,526	\$4,294	\$1,288	\$903	\$386	\$953	\$335
Wasatch Front	\$37,143	\$3,095	\$929	\$840	\$89	\$989	-\$60
Davis	\$39,621	\$3,302	\$991	\$851	\$139	\$882	\$109
Morgan	\$38,309	\$3,192	\$958	\$681	\$277	\$882	\$76
Salt Lake	\$37,597	\$3,133	\$940	\$860	\$80	\$1,035	-\$95
Tooele	\$39,794	\$3,316	\$995	\$778	\$217	\$849	\$146
Weber	\$31,901	\$2,658	\$798	\$744	\$54	\$882	-\$84
State of Utah	\$39,238	\$3,270	\$981	\$887	\$94	\$923	\$57
Metropolitan	\$36,499	\$3,042	\$912	\$828	\$85	\$932	-\$20
Micropolitan	\$39,872	\$3,323	\$997	\$804	\$193	\$894	\$103
Non-metropolitan	\$32,480	\$2,707	\$812	\$640	\$172	\$765	\$47

Source : HUD (2017) Table B25119: Median Household Income by Tenure 2011-2015 American Community Survey [Data]

Source : HUD (2017) Table B25064: Median Gross Rent 2011-2015 American Community Survey [Data]

Source : HUD (2017) Table B25003: Tenure 2011-2015 American Community Survey [Data]

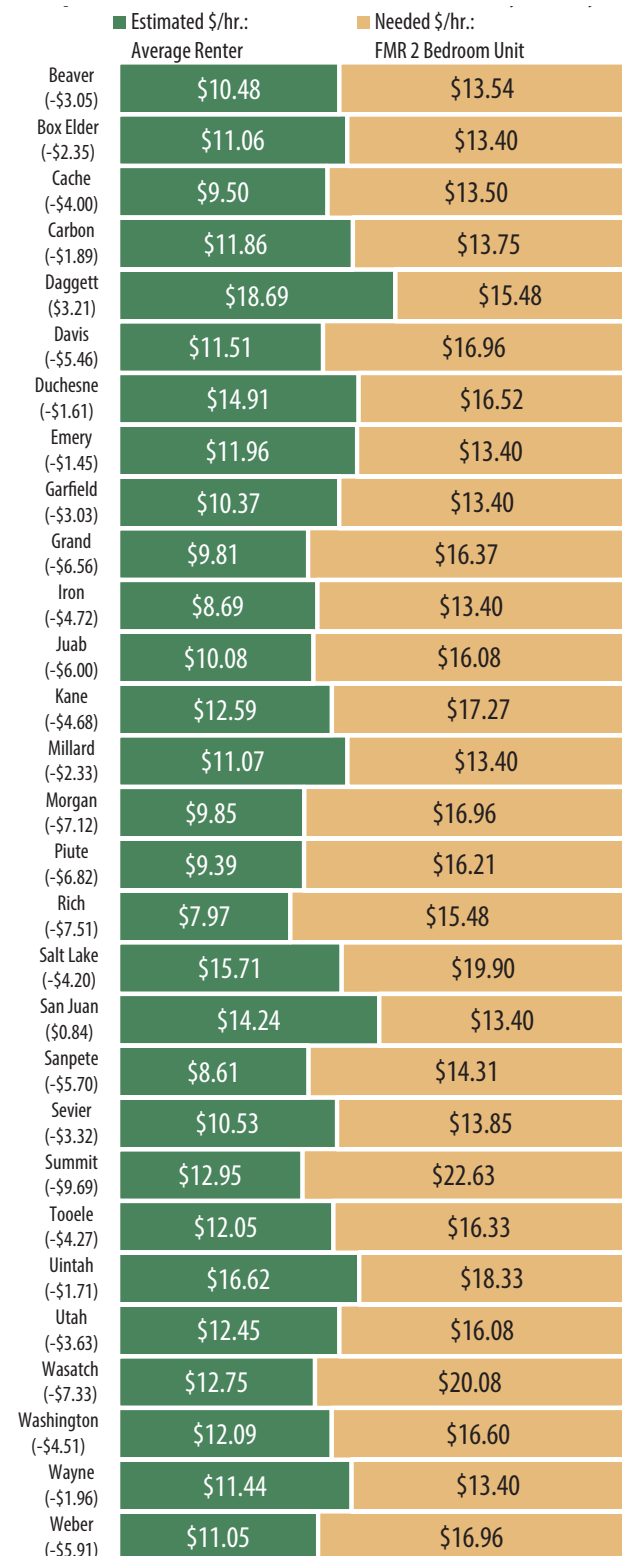
Note : Region and CBSA estimates are county averages weighted by tenure.

## “Out of Reach”

This report also used the same method the National Low Income Housing Coalition uses in its annual “Out of Reach” publication to conduct an affordability analysis of HUD’s 2018 Fair Market Rents.<sup>27</sup> Based on the FMRs that HUD published for 2018, the average FMR for a two-bedroom apartment in Utah is anticipated to be \$923 per month, which is an increase of \$47 over last year’s average FMR. At 30 percent of a household’s gross income, a renter household will need to earn at least \$36,940 annually, \$3,078 per month or \$17.76 per hour to afford the average rental unit at FMR, assuming full-time employment. This is an annual increase of \$1,905 over the previous year. **Appendix F** contains a complete table summarizing the results of this FMR affordability analysis for each county. It also contains a brief summary of where the numbers come from.

Hourly wage shortfalls will again present a significant challenge for many of Utah’s renter households in 2018. Using the National Low Income Housing Coalition’s methodology, the average renter in Utah earns \$13.57 per hour and would need an additional \$4.19 more per hour, working full-time, to afford a two-bedroom apartment at FMR.<sup>29,30</sup> As shown in **Figure 11**, the average renter earns less than the necessary wage to afford a two-bedroom apartment at FMR in 27 out of 29 counties. In only nine counties does the average renter householder have a wage greater than or equal to 80 percent of the income necessary to afford an FMR apartment. On the positive side, in both San Juan County and Daggett County, the average renter’s surplus of \$0.84 per hour and \$3.21 per hour are more than needed to afford FMR in their respective counties. On the opposite end, renters in Wasatch County would need to earn an additional \$7.33 per hour, renters in Rich County would need to earn an additional \$7.51 per hour, and finally, renters in Summit County would need to earn \$9.69 per hour more to afford FMR. As is also indicated in last year’s assessment, nowhere in Utah will a full-time worker earning minimum wage be able to afford a two-bedroom apartment at FMR in any of Utah’s counties in 2018. It would take a single worker a total of 127 hours of work, at \$7.25/hr., just to pay the average FMR in Utah.

**Figure 11: Average Utah renter income in 2017 vs. income required to afford FMR in 2018, by county**

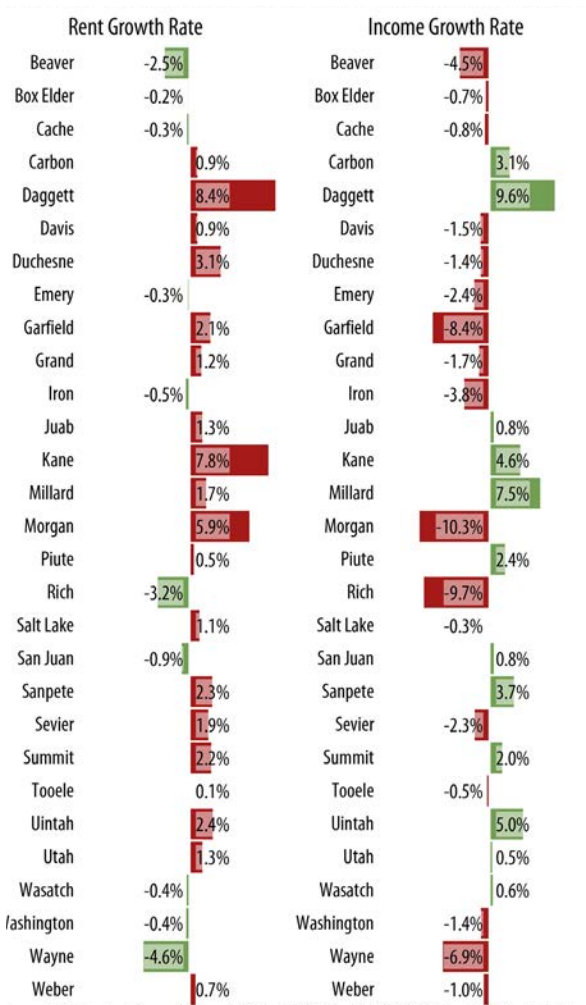


Source 1: HUD (2017) 2018 Fair Market Rents [FMR18\_INFO].

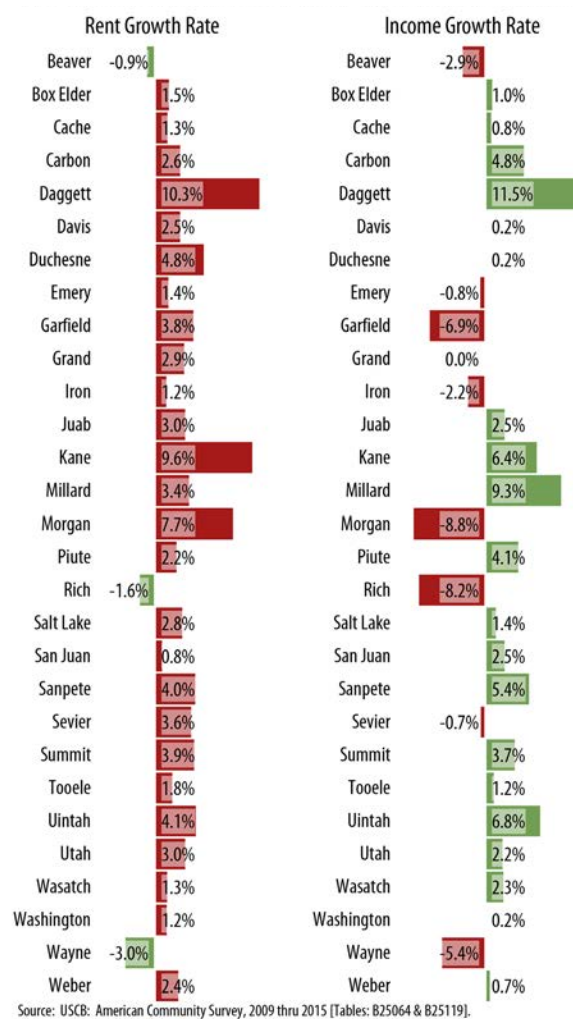
Source 2: USCB (2016) 2011-2015 American Community Survey [Tables: B19113, B25003, & B25119].

Source 3: BLS (2017, Sept.) Quarterly Census of Earnings and Wages [County High-Level].

**Figure 12: Constant median rent and income growth rates, 2009 – 2015**



**Figure 13: Current median rent and income growth rates, 2009–2015**



## Rent Creep

Rent inflation can exacerbate housing cost burdens over time. Rent inflation occurs when rental housing costs increase at a faster rate than real income growth. In terms of 2016 constant dollars, the median rent in Utah increased by 0.92 percent per year between 2009 and 2015. In other words, rent rose by 5.64 percent. However, the purchasing power of the median income of Utah’s renter households decreased by -0.32 percent per year between 2009 and 2015, also in constant dollars. After adjusting for inflation, the purchasing power of renter incomes in Utah declined by -1.93 percent during that period. **Figure 12** shows the average rate of income and rent creep adjusted to 2016 dollars for each county while **Figure 13** does not make this adjustment for purposes of comparison.

The disparity is more pronounced in current dollars, i.e. not adjusted for inflation. Even though constant dollars are more important—to accurately assess real income growth and rent creep—most people do not have an inflation calculator handy and they are assumed to do their best to budget around current housing costs within their current income. In terms of current dollars, the median rent of all renter households in Utah increased by 16.71 percent (2.51 percent/yr.), from \$760/mo. to \$887/mo., while the median income of all renter households only increased by 8.35 percent (1.35 percent/yr.), from \$33,462/yr. to \$36,255/yr. Of particular concern are counties such as Morgan, Garfield, Grand and Sevier Counties where negative income growth occurred while rents continued to increase.

# SECTION 3: An Overview of Income, Income Drivers, and Utah’s Housing Industry

## State Population Growth

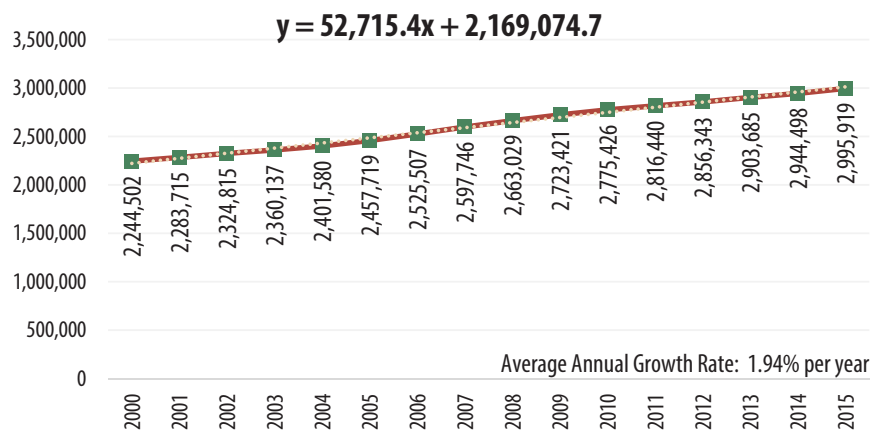
Population growth is a primary driver of housing demand. As the state’s overall population increases, the number of households are expected to rise. A new household creates new demand for an additional housing unit regardless of whether the demand is derived from natural increase or through migration. The 2011–2015 American Community Survey estimated the average household in Utah to be 3.15 people. Based on the linear trend in **Figure 14**, Utah has been adding almost 53,000 people each year since 2000. In other words, the state has been adding nearly 16,700 households per year. In a well-functioning market, the housing supply should increase at approximately the same rate as household growth. However, population growth is not the sole determinant of housing growth. Housing is also dependent upon industry factors.

According to estimates from the 2011–2015 American Community Survey, there were 906,292 households in Utah, and it indicated that there were 1,814,121 non-

institutionalized people between 16 and 64 years old who were participating in the labor force. On average then, each household should have approximately 2.00 people participating in the labor force. The average household in Utah also had 3.15 people in it. That means that the average ratio of workers to household size is approximately 1:1.57 people. In other words, there are 1.57 household members for every 1 person participating in the labor force.

Using a dependency ratio is necessary for estimating employment and housing needs based on projected population growth in a given area. A dependency ratio is the sum of the number of children under age 15 and adults over age 64, divided by the total number of adults ages 15 to 64 in an area, times 100. The inverse of a dependency ratio produces a ratio similar to the one described in the method above but in some instances it is a better estimate because it includes 15-year-olds and it does not make exclusions of vulnerable populations like elderly people in hospice care, severely disabled people, and active duty veterans.

**Figure 14: State of Utah population growth, 2000–2015**



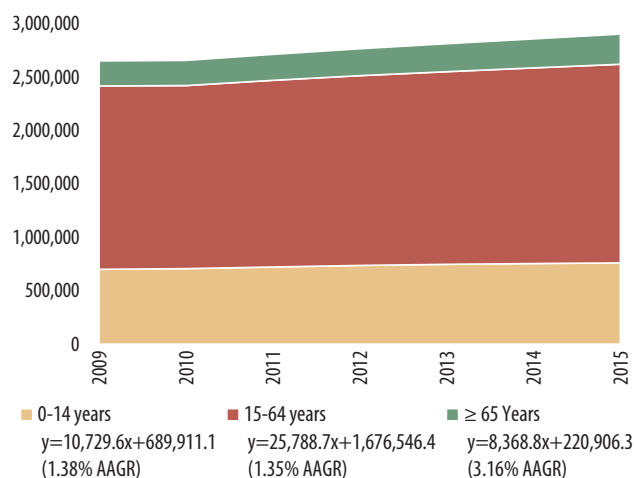
Source 1: USCB (2011) 2000–2010 Intercensal Population Estimates. Source 2: USCB (2016) 2010–2015 Postcensal Population Estimates.



**Figure 15** provides a visual distribution of the three dependency-determinate age groups. On average, working age adults comprise 64.3 percent of Utah's population while children under age 15 and adults over age 64 represented 35.7 percent. Overall, Utah's population growth remained steady at 1.52 percent per year. With a 3.16 percent average annual growth rate, people over 64 are Utah's fastest growing segment and is expected to add 8,369 people per year. In contrast, people between 15 and 64 years grew the slowest at 1.35 percent per year, but it added the most population in quantity: 25,789 people per year. Although Utah added 10,730 children under age 15 each year, their relative proportion to the total population has remained close to its average of 26.5 percent with the least deviation (SD=0.251 percent).

The ratios discussed above are important to understand because they have ramifications for an area's housing demand and employment needs—therefore they should not be overlooked. When employment in an area increases by 2.00 employees, one could expect that community's housing needs to increase by one additional unit. As **Table 6** shows, Utah's average dependency ratio was 55.5:100, and its inverse was 1:1.8 people. Utah's population increased by an estimated 251,396 people between 2009 and 2015, which suggests that the number of working age adults, ages 15-64 years, increased by approximately 140,000 people. It also suggests that the approximate number of new households grew by 80,000 during the same period.

**Figure 15: Distribution of Utah's population by age group, 2009–2015**



Source: USCB (2011-2017) Table: S0101: Age and sex. American Community Surveys, 2009 thru 2015 [Data].

**Table 6: Average household size, workers per household, dependency ratio, and inverse dependency ratio in Utah, 2009–2015**

	2009	2010	2011	2012	2013	2014	2015	Average	AAGR	Linear Growth
Average Household Size	3.14	3.04	3.06	3.09	3.12	3.14	3.15	3.1	0.06%	$y=0.01x+3.06$
Workers per Household	2.01	1.95	1.96	1.97	1.98	1.99	2.00	2.0	-0.09%	$y=0.00x+1.97$
Dependency ratio per 100 working age adult	54.4	55.0	55.2	55.6	55.9	56.0	56.1	55.5	0.49%	$y=0.27x+54.37$
Inverse dependency ratio per working age adult	1.84	1.82	1.81	1.80	1.79	1.79	1.78	1.80	-0.48%	$y=-0.01x+1.84$

Source: USCB (2011-2017) Table: B25003: Tenure. American Community Surveys, 2009 thru 2015 [Data].

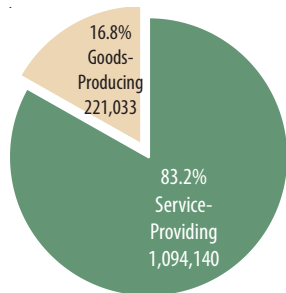
Source: USCB (2011-2017) Table: S2303: Work status past 12 months. American Community Surveys, 2009 thru 2015 [Data].

Source: USCB (2011-2017) Table: S0101: Age and sex. American Community Surveys, 2009 thru 2015 [Data].

# Income Drivers: A Brief Overview of Utah's Industries

Income is a key determinant of housing affordability, and so it is vital to understand the sources of income of Utah's households. This report is not intended to be an extensive analysis of Utah's industries, but as shown in **Figures 16, 17, and 18**, the allocation of employment by goods-producing and service-providing sectors and the relative wage of their employees have a significant effect on Utah's economy, which ultimately affects the affordability of housing for different income groups. Local economies are also greatly affected by the number of people employed in local industries and the wages they earn. Likewise it is important to understand how industry growth and contraction affects employment rates and then how changes in employment rates affects affordable housing needs in an area. Understanding, the changing composition of local industries, employment in those industries, and typical employee wages helps communities plan for the changing affordable housing needs of their workforce.

**Figure 16: Average employment weighted by LAUS employed labor force in Utah, 2009–2015**



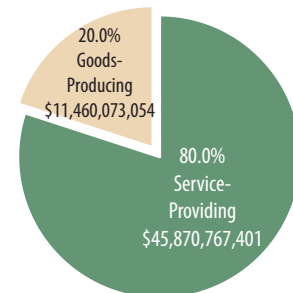
Source: BLS (2017) QCEW and LAUS, 2009-2015 [Data]

**Figure 17: Average inflation adjusted income by sector in Utah, 2009–2015**



Source: BLS (2017) QCEW and LAUS, 2009-2015 [Data]

**Figure 18: Real gross sector product, weighted by LAUS and NAICS Industry in Utah, 2009–2015**

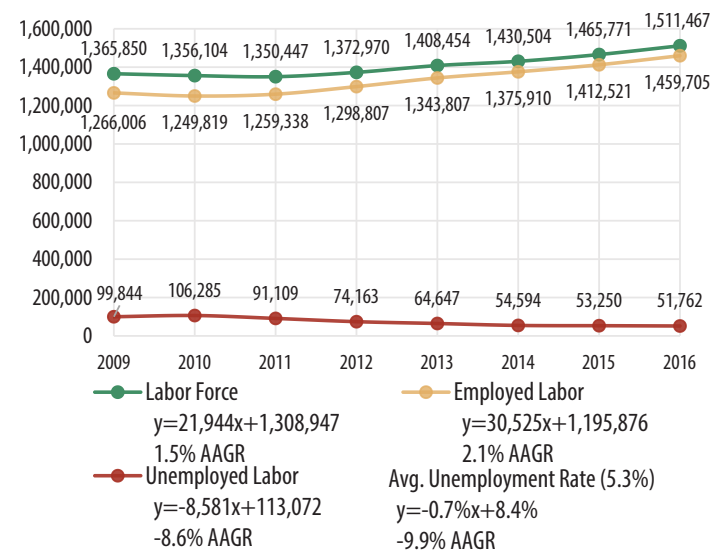


Source: BLS (2017) QCEW and LAUS, 2009-2015 [Data]

## Labor Force, Employment and Wages

Over the last 17 years, employment growth and population growth have been correlated in Utah's counties, which means that counties that are experiencing employment growth are likely growing in overall population, and vice versa. As discussed earlier in this report, population growth increases the demand for more housing. **Figure 19** uses BLS's Local Area Unemployment Statistics (LAUS) data to estimate the growth of Utah's labor force, annual employment growth, and decline in unemployment. It shows that Utah's labor force is growing at 1.5 percent per year, which is slightly faster than the 1.4 percent rate of growth of Utahans between age 15 and 64, as seen in **Figure 15**. This may account for declining unemployment rate and it likely indicates that workers from other states are migrating to Utah for employment opportunities, which places greater demand on the existing supply of housing.

**Figure 19: Estimated labor force and unemployment in Utah, 2009–2016**

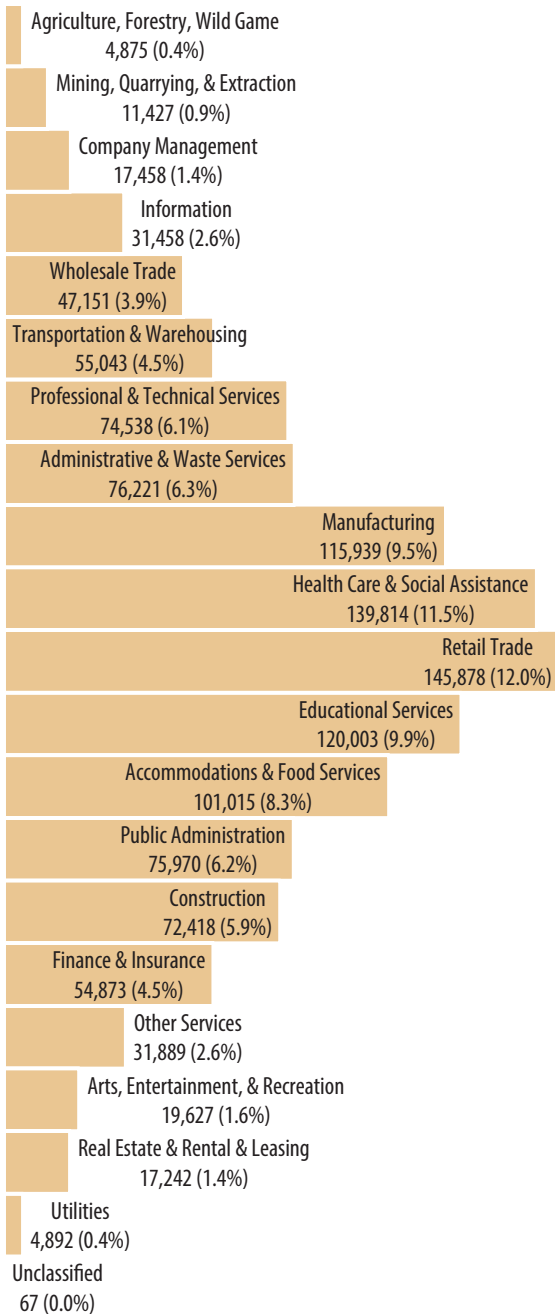


Source: BLS (2017) Local Area Unemployment Statistics, 2009 thru 2016 [Data]



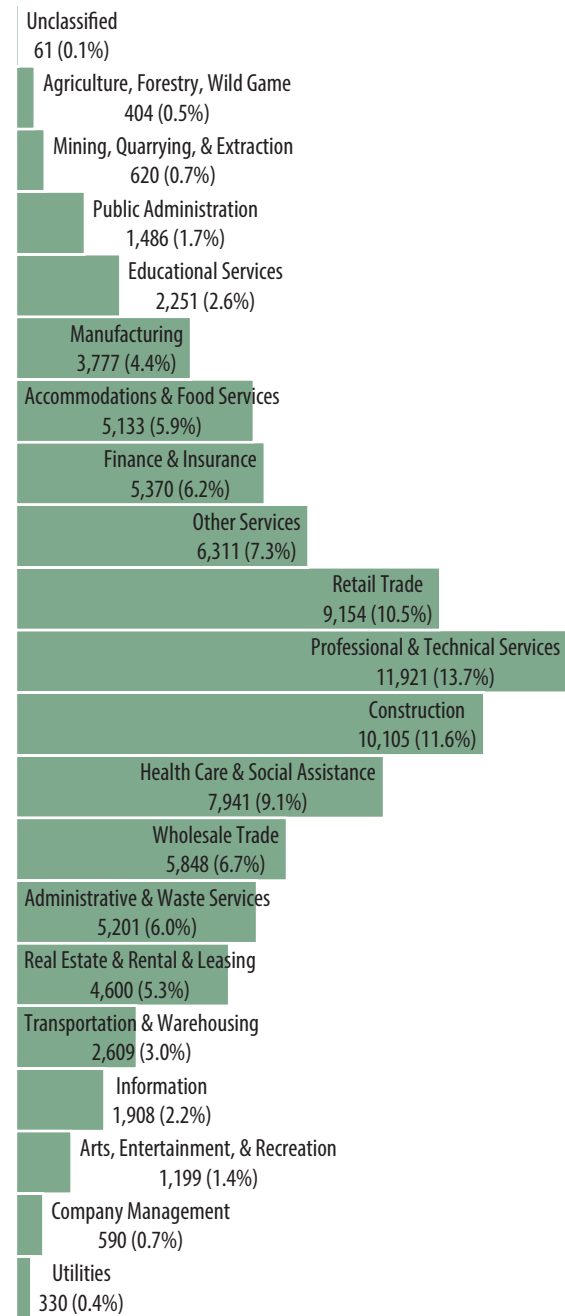
An important takeaway from this section is the need for planning and development endeavors to focus on producing affordable housing for both workers in the industrial sectors that are growing volumetrically and housing for workers in industries that are growing percentage-wise. Over time, a growing industry will contribute more to a local economy than a fading industry. **Figures 20, 21** and **22** depict the distribution of employment, the distribution of employers, and the average annual growth rate of employment and employers by the North American Industry Classification System in the state. Utah's largest segment of employees is in the retail trades industry while the largest segment of employers are in the professional and technical services industries.

**Figure 20: Average distribution of Utah employment by NAICS Industry, 2009–2015**



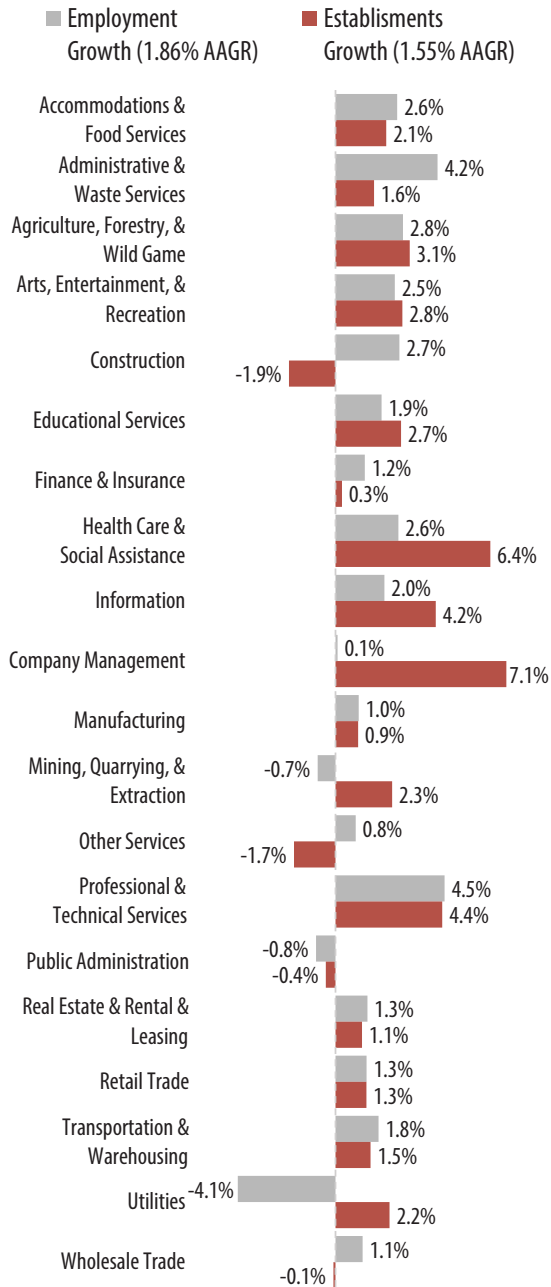
Source: BLS (2017) QCEW and LAUS, 2009-2015 [Data]

**Figure 21: Average distribution of Utah establishments by NAICS Industry, 2009–2015**



Source: BLS (2017) QCEW and LAUS, 2009-2015 [Data]

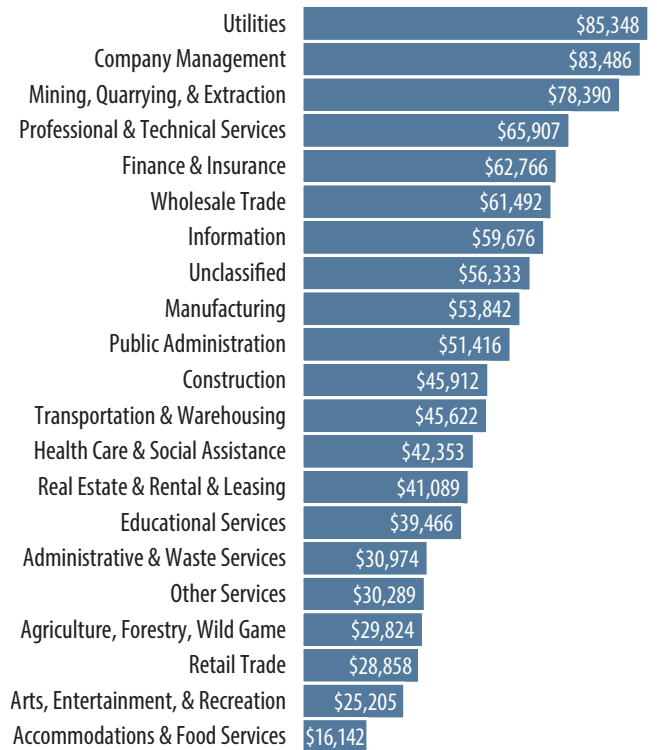
**Figure 22: Employment and establishment growth by NAICS Industry in Utah, 2009–2015**



Source: BLS (2017) QCEW and LAUS, 2009-2015 [Data]

Incidentally, as **Figure 22** indicates, the professional and technical services industry has one of the fastest employment and establishment growth rates in Utah. As shown in **Figure 23**, the annual wage of a worker in retail trade is only \$28,858 per year, while the average wage in professional and technical services is \$65,907. When multiplied by employment in their respective industries, each contributes more than \$4 billion to Utah’s economy each year. People working in professional trades can afford higher priced housing, but there are 1.96 times as many employees in retail trades that need affordable housing.

**Figure 23: Average constant annual wage by industry in Utah, 2009–2015**



Source: BLS (2017) Quarterly Census of Employment & Wages, 2009 thru 2015 [Data]

**Table 7: Housing affordability by industry average constant annual wages in Utah, 2009-2015**

NAICS Industry Classification	Utah Median Income	Monthly Income	% HAMFI	Affordable Housing Costs	Median Gross Rent (\$887/mo.)	0-BR Fair Market Rent (\$550/mo.)	1-BR Fair Market Rent (\$653/mo.)	2-BR Fair Market Rent (\$819/mo.)	3-BR Fair Market Rent (\$1,139/mo.)	4-BR Fair Market Rent (\$1,316/mo.)
Accommodations & Food Services	\$15,924	\$1,327	22.2%	\$398	-\$489	-\$421	-\$255	-\$421	-\$741	-\$917.91
Arts, Entertainment, & Recreation	\$21,696	\$1,808	30.3%	\$542	-\$345	-\$277	-\$111	-\$277	-\$597	-\$773.61
Retail Trade	\$26,458	\$2,205	36.9%	\$661	-\$226	-\$158	\$8	-\$158	-\$478	-\$654.54
Other Services	\$28,244	\$2,354	39.4%	\$706	-\$181	-\$113	\$53	-\$113	-\$433	-\$609.90
Administrative & Waste Services	\$28,780	\$2,398	40.1%	\$719	-\$168	-\$100	\$66	-\$100	-\$420	-\$596.50
Agriculture, Forestry, Wild Game	\$29,763	\$2,480	41.5%	\$744	-\$143	-\$75	\$91	-\$75	-\$395	-\$571.93
Real Estate & Rental & Leasing	\$36,932	\$3,078	51.5%	\$923	\$36	\$104	\$270	\$104	-\$216	-\$392.70
Educational Services	\$36,983	\$3,082	51.6%	\$925	\$38	\$106	\$272	\$106	-\$214	-\$391.43
Health Care & Social Assistance	\$40,639	\$3,387	56.7%	\$1,016	\$129	\$197	\$363	\$197	-\$123	-\$300.03
Construction	\$43,099	\$3,592	60.1%	\$1,077	\$190	\$258	\$424	\$258	-\$62	-\$238.53
Transportation & Warehousing	\$44,797	\$3,733	62.5%	\$1,120	\$233	\$301	\$467	\$301	-\$19	-\$196.06
Unclassified	\$48,604	\$4,050	67.8%	\$1,215	\$328	\$396	\$562	\$396	\$76	-\$100.90
Information	\$48,930	\$4,078	68.2%	\$1,223	\$336	\$404	\$570	\$404	\$84	-\$92.74
Public Administration	\$50,251	\$4,188	70.1%	\$1,256	\$369	\$437	\$603	\$437	\$117	-\$59.72
Manufacturing	\$50,493	\$4,208	70.4%	\$1,262	\$375	\$443	\$609	\$443	\$123	-\$53.67
Finance & Insurance	\$54,251	\$4,521	75.7%	\$1,356	\$469	\$537	\$703	\$537	\$217	\$40.28
Wholesale Trade	\$55,151	\$4,596	76.9%	\$1,379	\$492	\$560	\$726	\$560	\$240	\$62.77
Professional & Technical Services	\$56,609	\$4,717	79.0%	\$1,415	\$528	\$596	\$762	\$596	\$276	\$99.23
Company Management	\$71,294	\$5,941	99.4%	\$1,782	\$895	\$963	\$1,129	\$963	\$643	\$466.35
Mining, Quarrying, & Extraction	\$73,961	\$6,163	103.2%	\$1,849	\$962	\$1,030	\$1,196	\$1,030	\$710	\$533.03
Utilities	\$78,944	\$6,579	110.1%	\$1,974	\$1,087	\$1,155	\$1,321	\$1,155	\$835	\$657.59

Source : BLS (2017) Quarterly Census of Employment & Wages, 2009 thru 2015 [Data]



Table 7 provides a summary of the affordability of the state’s median gross rent and FMRs per bedroom by the average wage of industry classification.

# Educational Attainment and Housing Affordability

Closely related to employment and wages is educational attainment. Educational attainment is the amount of formal schooling one has completed. Educational attainment, or the lack thereof, can act as a catalyst or inhibitor because it magnifies or diminishes earnings regardless of industry. Education may also be a prerequisite qualification for some industries, particularly in occupations that require licenses or certifications.

One usually expects individuals with higher levels of educational attainment to earn more than someone with less education. **Figure 24** shows that in Utah income usually curves upward with successive educational accomplishments. This suggests that a larger share of housing becomes more affordable with each successive attainment. Although higher education provides workers with significant economic advantages, the rising cost of housing in Utah undercuts those advantages. **Table 8** demonstrates that on average it takes postsecondary education to afford the state's median gross rent and the fair market rent of a two-bedroom rental unit. It takes a graduate or professional degree to upgrade to a three-bedroom unit at fair market rent. Incidentally, **Table 9** indicates that renters are more likely to have lower educational attainments, which likely limits the housing that they can afford.

**Table 8: Affordability of median gross rent and fair market rents by Utah's median income for educational attainments, 2011-2015**

Education Level	Utah Median Income	Monthly Income	% HAMFI	Affordable Housing Costs	Median Gross Rent (\$887/mo.)	0-BR Fair Market Rent (\$550/mo.)	1-BR Fair Market Rent (\$653/mo.)	2-BR Fair Market Rent (\$819/mo.)	3-BR Fair Market Rent (\$1,139/mo.)	4-BR Fair Market Rent (\$1,316/mo.)
< High School Graduate	\$22,009	\$1,834.08	30.7%	\$550	-\$337	-\$269	-\$103	-\$269	-\$589	-\$765.78
High School Graduate or GED	\$29,531	\$2,460.92	41.2%	\$738	-\$149	-\$81	\$85	-\$81	-\$401	-\$577.73
≤ Bachelor's Degree	\$31,943	\$2,661.92	44.6%	\$799	-\$88	-\$20	\$146	-\$20	-\$340	-\$517.43
Bachelor's Degree	\$45,046	\$3,753.83	62.8%	\$1,126	\$239	\$307	\$473	\$307	-\$13	-\$189.85
Graduate/ Professional Degree	\$65,249	\$5,437.42	91.0%	\$1,631	\$744	\$812	\$978	\$812	\$492	\$315.23

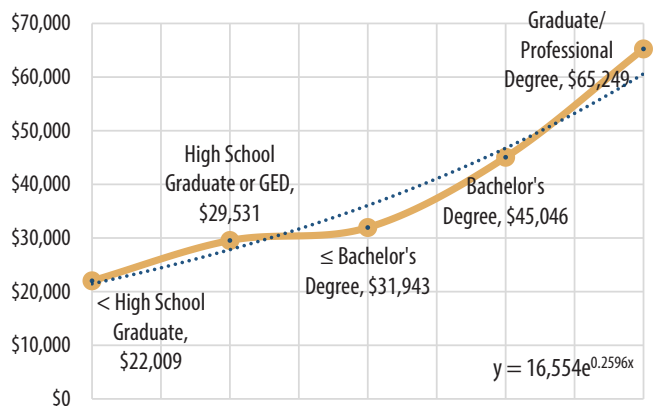
Source : USCB. (2017). 2011-2015 American Community Survey, 5-yr. Estimates [Data]

**Table 9: Crosstabulation of tenure by education, 2011-2015**

	Owners		Renters		Total	
	n	%	n	%	n	%
< High School Graduate	33,998	3.8%	32,591	3.6%	66,589	7.3%
High School Graduate or GED	121,270	13.4%	62,805	6.9%	184,075	20.3%
≤ Bachelor's Degree	234,896	25.9%	117,172	12.9%	352,068	38.8%
≥ Bachelor's Degree	239,420	26.4%	64,140	7.1%	303,560	33.5%
<b>Total</b>	<b>629,584</b>	<b>69.5%</b>	<b>276,708</b>	<b>30.5%</b>	<b>906,292</b>	<b>100.0%</b>

Source : USCB. (2017). 2011-2015 American Community Survey, 5-yr. Estimates [Data]

**Figure 24: The effect of education on income**



Source: USCB. (2017). 2011-2015 American Community Survey, 5-yr. Estimates [Data]

# Utah's Residential Construction Industry

A shortage of construction labor is likely contributing to Utah's shortage of affordable housing. **Table 10** and **Table 11** show slow growth in the residential construction industry's labor force by major field of construction and their subcontractors between 2009 and 2015. The major field of construction with the fastest growth, fortunately, is in multifamily housing construction, i.e. rental housing construction. The

panels in **Figure 25** provide a longitudinal look at employment in the construction trades from 2001 to 2015. It indicates that construction employment in the period prior to the 2008 recession was higher than normal. The panels also indicate that employment in the construction trades is again on the rise, which may suggest that Utah's housing supply may begin to increase more rapidly over the next few years.

**Table 10: New and remodeled residential building construction employment in Utah, 2009-2015**

NAICS Category	2009	2010	2011	2012	2013	2014	2015	Avg.	AAGR	Linear Growth
New single-family general contractors	5,123	4,462	4,316	4,467	5,071	5,617	5,993	5,007.0	3.05%	y=202.7x+4,196.3
New multifamily general contractors	73	72	75	952	1,073	1,127	1,313	669.3	201.1%	y=243.9x-306.1
New housing for-sale builders	172	145	154	186	211	212	278	194.0	9.4%	y=18.2x+121.3
Residential remodelers	1,516	1,381	1,441	1,544	1,757	2,141	2,268	1,721.1	7.4%	y=146.1x+1,136.6
New & Remodeled Residential Construction	6,884	6,060	5,986	7,149	8,112	9,097	9,852	7,591.4	6.7%	y=610.9x+5,148.0

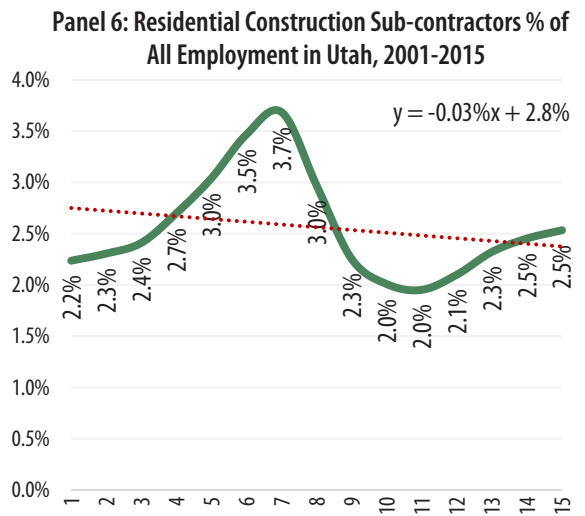
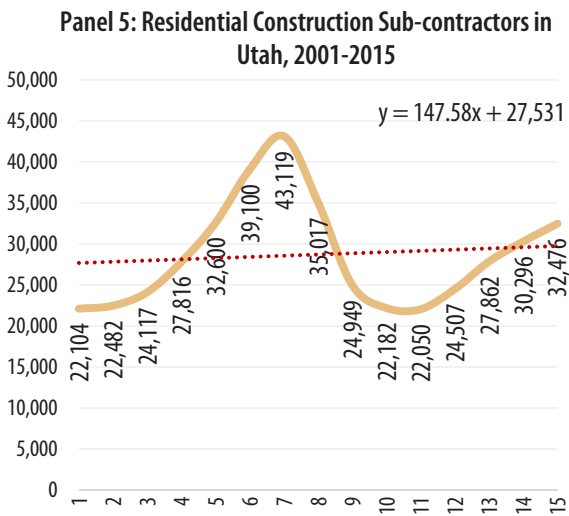
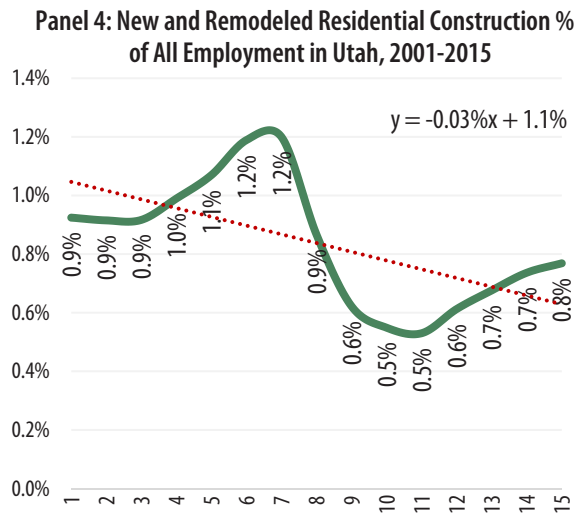
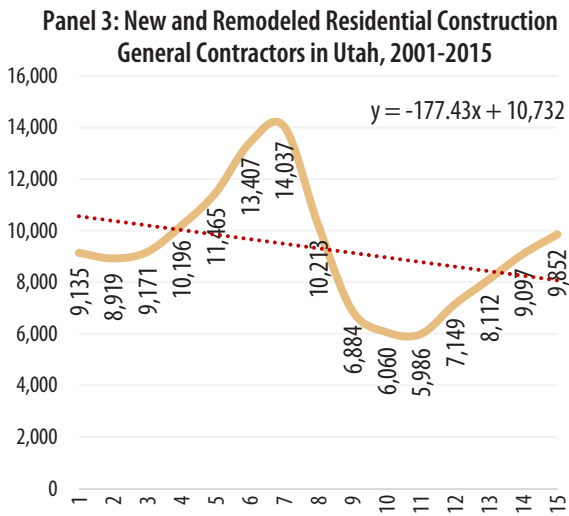
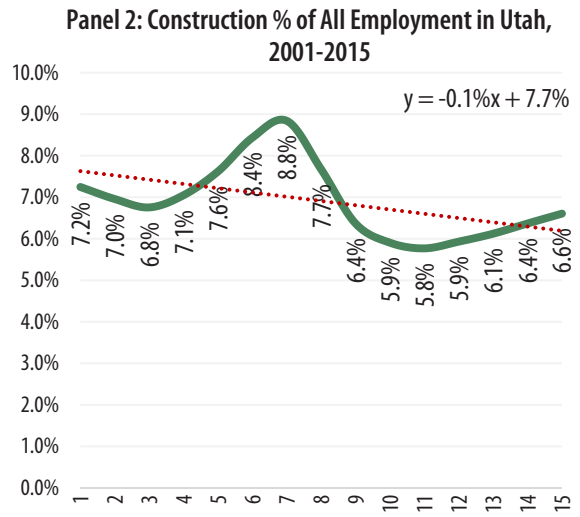
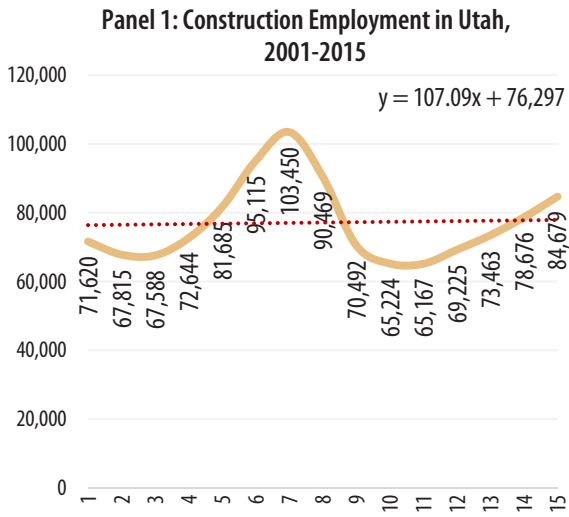
Source : BLS: Quarterly Census of Employment and Wages, annual 2001 thru 2015 [Data]

**Table 11: Residential building construction-dependent contractor employment in Utah, 2001-**

NAICS Category	2009	2010	2011	2012	2013	2014	2015	Average	AAGR	Linear Growth
Residential poured foundation contractors	1,518	1,446	1,299	1,479	1,727	1,800	1,900	1,595.6	4.25%	y=81.5x+1,269.6
Residential structural steel contractors	259	197	247	272	296	227	229	246.7	-0.34%	y=-0.7x+244.0
Residential framing contractors	1,153	910	838	1,019	1,295	1,479	1,593	1,183.9	6.94%	y=104.1x+767.4
Residential masonry contractors	1,534	1,262	1,171	1,358	1,494	1,752	1,975	1,506.6	5.17%	y=93.8x+1,131.4
Residential glass and glazing contractors	232	206	167	156	171	202	229	194.7	0.73%	y=-0.5x+196.6
Residential roofing contractors	829	762	931	1,106	1,074	1,182	1,234	1,016.9	7.41%	y=78.5x+702.9
Residential siding contractors	756	663	617	692	775	859	937	757.0	4.14%	y=39.0x+600.9
Other residential exterior contractors	291	275	206	199	229	215	242	236.7	-2.08%	y=-8.7x+271.6
Residential electrical contractors	4,154	4,000	4,536	5,297	6,497	6,479	6,747	5,387.1	8.83%	y=524.9x+3,287.4
Residential plumbing and hvac contractors	4,524	4,054	3,904	4,188	4,610	5,165	5,412	4,551.0	3.35%	y=199.7x+3,752.1
Other residential equipment contractors	106	102	93	97	89	91	80	94.0	-4.40%	y=-3.7x+108.9
Residential drywall contractors	1,750	1,689	1,534	1,732	1,988	2,110	2,235	1,862.6	4.51%	y=98.3x+1,469.6
Residential painting contractors	1,608	1,366	1,371	1,470	1,683	1,855	1,989	1,620.3	4.08%	y=86.9x+1,272.7
Residential flooring contractors	513	480	460	477	502	532	571	505.0	1.94%	y=11.4x+459.3
Residential tile and terrazzo contractors	860	665	582	598	634	721	791	693.0	-0.49%	y=-1.5x+699.1
Residential finish carpentry contractors	1,158	965	934	1,006	1,148	1,373	1,610	1,170.6	6.47%	y=85.2x+829.7
Other residential finishing contractors	186	153	149	153	184	228	253	186.6	6.24%	y=13.8x+131.4
Residential site preparation contractors	1,587	1,370	1,287	1,387	1,554	1,795	1,958	1,562.6	4.11%	y=79.6x+1,244.0
All other residential trade contractors	1,931	1,617	1,724	1,821	1,912	2,231	2,491	1,961.0	4.89%	y=110.6x+1,518.7
Residential construction contractors	24,949	22,182	22,050	24,507	27,862	30,296	32,476	26,331.7	4.85%	y=1,593.6x+19,957.3

Source : BLS: Quarterly Census of Employment and Wages, annual 2001 thru 2015 [Data]

**Figure 25: Employment trends in Utah's construction industry, 2001-2015**



Source : BLS: Quarterly Census of Employment and Wages, 2001 thru 2015 [Data]



One of the reasons that residential developers are having difficulties attracting and retaining a labor force is the fact that housing is not even affordable for those who build it. **Table 12** below provides a sample of construction-related occupations. Eight of the 21 occupations cannot afford either Utah's median gross rent or FMR of a two-bedroom unit without becoming cost-burdened. Also, 13 construction related occupations cannot afford the FMR of a three-bedroom unit, and 16 cannot afford the FMR of a four-bedroom unit. Low wages make it difficult for construction-related workers to make ends meet.



**Table 12: Affordability of Utah's median gross rent and FMRs relative to the national median income of construction related occupations, 2011-2015**

Occupations	National Median Income	Monthly Income	% HAMFI	Affordable Housing Costs	Median Gross Rent (\$887/mo.)	0-BR Fair Market Rent (\$550/mo.)	1-BR Fair Market Rent (\$653/mo.)	2-BR Fair Market Rent (\$819/mo.)	3-BR Fair Market Rent (\$1,139/mo.)	4-BR Fair Market Rent (\$1,316/mo.)
Helpers, construction trades	\$26,933	\$2,244.42	37.6%	\$673	-\$214	\$123	\$20	-\$146	-\$466	-\$642.68
Manufactured building and mobile home installers	\$27,777	\$2,314.75	38.7%	\$694	-\$193	\$144	\$41	-\$125	-\$445	-\$621.58
Drywall installers, ceiling tile installers, and tapers	\$29,916	\$2,493.00	41.7%	\$748	-\$139	\$198	\$95	-\$71	-\$391	-\$568.10
Plasterers and stucco masons	\$30,004	\$2,500.33	41.8%	\$750	-\$137	\$200	\$97	-\$69	-\$389	-\$565.90
Roofers	\$30,053	\$2,504.42	41.9%	\$751	-\$136	\$201	\$98	-\$68	-\$388	-\$564.68
Painters, construction and maintenance	\$30,203	\$2,516.92	42.1%	\$755	-\$132	\$205	\$102	-\$64	-\$384	-\$560.93
Fence erectors	\$30,352	\$2,529.33	42.3%	\$759	-\$128	\$209	\$106	-\$60	-\$380	-\$557.20
Construction laborers	\$31,576	\$2,631.33	44.0%	\$789	-\$98	\$239	\$136	-\$30	-\$350	-\$526.60
Miscellaneous construction and related workers	\$37,743	\$3,145.25	52.6%	\$944	\$57	\$394	\$291	\$125	-\$195	-\$372.43
Heating, air conditioning, and refrigeration mechanics and installers	\$43,331	\$3,610.92	60.4%	\$1,083	\$196	\$533	\$430	\$264	-\$56	-\$232.73
Security and fire alarm systems installers	\$43,825	\$3,652.08	61.1%	\$1,096	\$209	\$546	\$443	\$277	-\$43	-\$220.38
Operating engineers and other construction equipment operators	\$44,179	\$3,681.58	61.6%	\$1,104	\$217	\$554	\$451	\$285	-\$35	-\$211.53
Pipelayers, plumbers, pipefitters, and steamfitters	\$44,645	\$3,720.42	62.3%	\$1,116	\$229	\$566	\$463	\$297	-\$23	-\$199.88
Structural iron and steel workers	\$45,723	\$3,810.25	63.8%	\$1,143	\$256	\$593	\$490	\$324	\$4	-\$172.93
Electricians	\$50,250	\$4,187.50	70.1%	\$1,256	\$369	\$706	\$603	\$437	\$117	-\$59.75
Drafters	\$51,843	\$4,320.25	72.3%	\$1,296	\$409	\$746	\$643	\$477	\$157	-\$19.93
Construction and building inspectors	\$52,767	\$4,397.25	73.6%	\$1,319	\$432	\$769	\$666	\$500	\$180	\$3.17
Construction managers	\$70,105	\$5,842.08	97.8%	\$1,753	\$866	\$1,203	\$1,100	\$934	\$614	\$436.63
Architects	\$74,591	\$6,215.92	104.0%	\$1,865	\$978	\$1,315	\$1,212	\$1,046	\$726	\$548.78
Civil engineers	\$82,978	\$6,914.83	115.7%	\$2,074	\$1,187	\$1,524	\$1,421	\$1,255	\$935	\$758.45
Architectural and engineering managers	\$124,901	\$10,408.42	174.2%	\$3,123	\$2,236	\$2,573	\$2,470	\$2,304	\$1,984	\$1,806.53

Source : USCB (2017) Table B24121: 2011-2015 American Community Survey [Data]

# SECTION 4: Vulnerable Populations in Utah

This report conducted a demographic analysis of renter households because there are important similarities and overlaps between vulnerable populations and certain protected classes. The distinction being that protected classes now have some protections while vulnerable populations are vulnerable because they still lack the means to rebound from harm, violations of their rights or exploitation. As previously stated:

Vulnerability, the susceptibility to harm, results from an interaction between the resources available to individuals and communities and the life challenges they face. Vulnerability results from developmental problems, personal incapacities, disadvantaged social status, inadequacy of interpersonal networks and supports, degraded neighborhoods and environments, and the complex interactions of these factors over the life

course. The priority given to varying vulnerabilities, or their neglect, reflects social values. Vulnerability may arise from individual, community, or larger population challenges and requires different types of policy interventions—from social and economic development of neighborhoods and communities, and educational and income policies, to individual medical interventions.<sup>33</sup>

**Table 13** summarizes the housing challenges of ethnic and racial minorities, elderly, disabled, veterans, and others. It is intended to provide a sense of relative housing affordability as this section discusses the housing needs of vulnerable populations. Of the 27 categories of characteristics listed in **Table 13**, 16 represent a median individual or a median household with an annual income at or below 80 percent of Utah's \$71,700 HAMFI.

**Table 13: Summary table of the affordability of the median gross rent and FMRs in Utah relative to median incomes by characteristic, 2011–2015**

Occupations	Median Income	Monthly Income	% HAMFI	Affordable Housing Costs	Median Gross Rent (\$887/mo.)	0-BR Fair Market Rent (\$550/mo.)	1-BR Fair Market Rent (\$653/mo.)	2-BR Fair Market Rent (\$819/mo.)	3-BR Fair Market Rent (\$1,139/mo.)	4-BR Fair Market Rent (\$1,316/mo.)
Median Family Income	\$68,817	\$5,735	96.0%	\$1,720	\$833	\$901	\$1,067	\$901	\$581	\$404
Area Median Income	\$60,727	\$5,061	84.7%	\$1,518	\$631	\$699	\$865	\$699	\$379	\$202
Renter Households	\$36,255	\$3,021	50.6%	\$906	\$19	\$87	\$253	\$87	-\$233	-\$410
Owner Households	\$72,981	\$6,082	101.8%	\$1,825	\$938	\$1,006	\$1,172	\$1,006	\$686	\$509
≥ 65 yr. Householder	\$44,764	\$3,730	62.4%	\$1,119	\$232	\$300	\$466	\$300	-\$20	-\$197
45-64 yr. Householder	\$75,534	\$6,295	105.3%	\$1,888	\$1,001	\$1,069	\$1,235	\$1,069	\$749	\$572
25-44 yr. Householder	\$62,780	\$5,232	87.6%	\$1,570	\$683	\$751	\$917	\$751	\$431	\$254
15-24 yr. Householder	\$31,681	\$2,640	44.2%	\$792	-\$95	-\$27	\$139	-\$27	-\$347	-\$524
≥ 16 yr. Females	\$20,185	\$1,682	28.2%	\$505	-\$382	-\$314	-\$148	-\$314	-\$634	-\$811
≥ 16 yr. Males	\$36,597	\$3,050	51.0%	\$915	\$28	\$96	\$262	\$96	-\$224	-\$401
White Householder	\$62,276	\$5,190	86.9%	\$1,557	\$670	\$738	\$904	\$738	\$418	\$241
Black Householder	\$38,900	\$3,242	54.3%	\$973	\$85	\$154	\$320	\$154	-\$167	-\$344
Asian Householder	\$36,428	\$3,036	50.8%	\$911	\$24	\$92	\$258	\$92	-\$228	-\$405
Native American Householder	\$61,124	\$5,094	85.2%	\$1,528	\$641	\$709	\$875	\$709	\$389	\$212
Pacific Islander Householder	\$50,918	\$4,243	71.0%	\$1,273	\$386	\$454	\$620	\$454	\$134	-\$43
Other Race Householder	\$41,110	\$3,426	57.3%	\$1,028	\$141	\$209	\$375	\$209	-\$111	-\$288
≥ 2 Races Householder	\$49,183	\$4,099	68.6%	\$1,230	\$343	\$411	\$577	\$411	\$91	-\$86
Hispanic Householder	\$43,192	\$3,599	60.2%	\$1,080	\$193	\$261	\$427	\$261	-\$59	-\$236
Non-Hispanic Householder	\$63,767	\$5,314	88.9%	\$1,594	\$707	\$775	\$941	\$775	\$455	\$278
Disabled Person	\$20,247	\$1,687	28.2%	\$506	-\$381	-\$313	-\$147	-\$313	-\$633	-\$810
Veteran	\$40,555	\$3,380	56.6%	\$1,014	\$127	\$195	\$361	\$195	-\$125	-\$302
Married Couple Family	\$76,089	\$6,341	106.1%	\$1,902	\$1,015	\$1,083	\$1,249	\$1,083	\$763	\$586
Single Female Householder Family	\$35,720	\$2,977	49.8%	\$893	\$6	\$74	\$240	\$74	-\$246	-\$423
Single Male Householder Family	\$49,231	\$4,103	68.7%	\$1,231	\$344	\$412	\$578	\$412	\$92	-\$85
Family With Children < 18 yr.	\$66,950	\$5,579	93.4%	\$1,674	\$787	\$855	\$1,021	\$855	\$535	\$358
Family With No Children	\$70,807	\$5,901	98.8%	\$1,770	\$883	\$951	\$1,117	\$951	\$631	\$454
Nonfamily Households	\$34,687	\$2,891	48.4%	\$867	-\$20	\$48	\$214	\$48	-\$272	-\$449

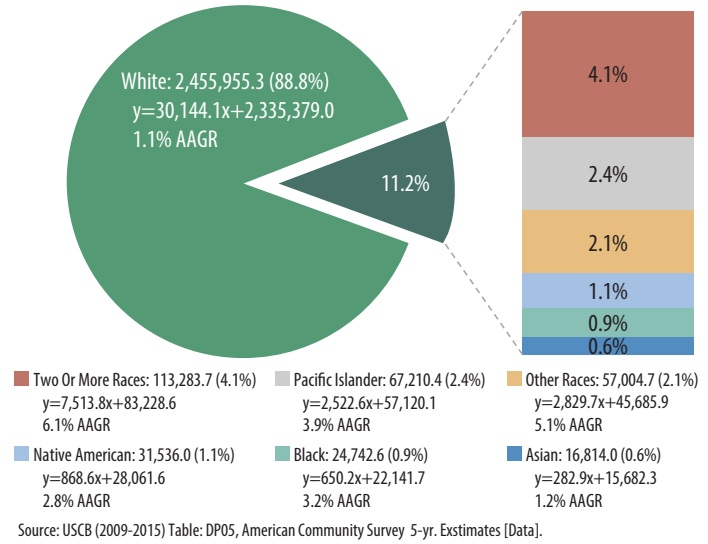
Source 1 : USCB (2017) 2011-2015 American Community Survey [Data]; Source 2 : HUD (2017) Fair Market Rents, FY 2018 [Data].

## Racial and Ethnic Minorities

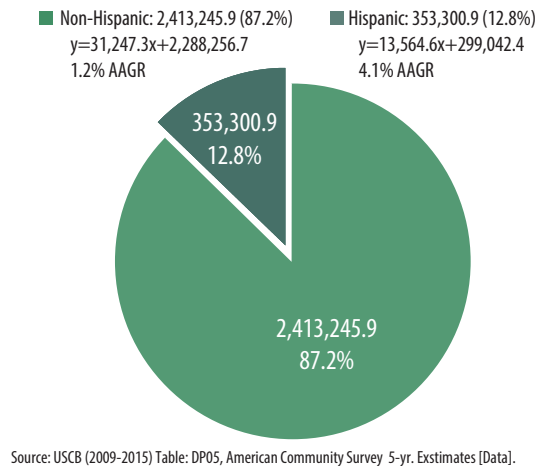
The federal Fair Housing Act of 1968, the federal Fair Housing Act Amendments Act of 1988, and The Utah Fair Housing Act prohibit discrimination against certain protected classes. The Utah Fair Housing Act expressly prohibits discrimination against anyone under its jurisdiction who wants to rent, lease, or purchase real property (e.g. houses, condos, apartments, etc.). Both federal laws and state law similarly prohibit any discriminatory statutes, ordinances, regulations, or customs of states and their political subdivisions. These prohibitions include, but are not limited to, discrimination on the basis of age, color, disability, ethnicity, familial status, gender identity, national origin, race, religion, sex and sexual orientation. In addition, the Utah Fair Housing Act also prohibits discrimination on the basis of one's source of income (e.g. housing vouchers). The state encourages local governments to review housing plans, policies, and ordinances regularly with a licensed attorney to identify potential discriminatory issues.

Census Bureau population estimates show in **Figure 26** and **Figure 27**, that on average since 2009, people of minority races constituted 11.2 percent of Utah's population and 12.8 percent of the state's white population claimed a Hispanic ethnicity. On average, 88.8 percent of Utah's population claimed to be Caucasian or "White." Linear projections suggest that by 2020, 89.2 percent of the state's population will be white with only 10.8 percent of the population being minorities. While the white population is only growing at 1.1 percent per year, it is adding 30,144 people each year. This is not to say that minority populations are shrinking. Minority populations are indeed growing too. People of two or more races are growing the fastest at 6.1 percent per year and Pacific Islanders are growing at 3.9 percent per year, which is adding more than 10,000 new people to the state's minority population each year. Based on the median income of people with various demographic characteristics, as shown in **Table 13**, securing affordable and available rental housing will be a challenge for many people in minorities classes in Utah compared to the median family.

**Figure 26: Average distribution of population by race in Utah, 2009-2015**



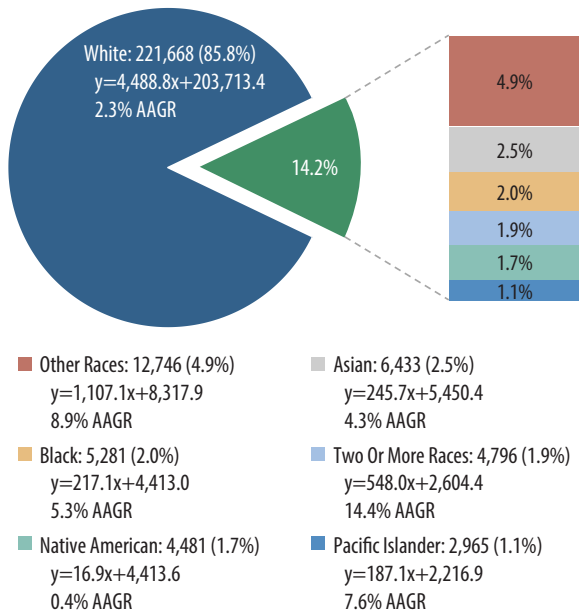
**Figure 27: Average distribution of population by ethnicity in Utah, 2009-2015**



# Minority Owner and Renter Householders

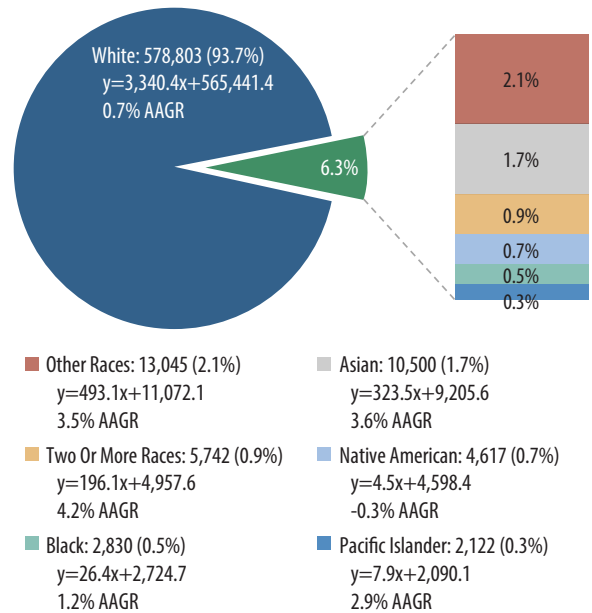
Figure 28 through Figure 31 provide a demographic comparison of householders by tenure, i.e. owners and renters. In previous iterations of the U.S. Census, householders were known as the head of a household. In all cases, the racial and ethnic characteristics of renters and homeowner do not align. The distribution of rentership and ownership by racial and ethnic heads of households (householders) is not commensurate with Utah's distribution of race and ethnicity. Comparing the demographic distribution of Utah's population to its population of householders shows that renters are more likely to be a racial or ethnic minority than homeowners. The projected trends show that there may be some improvement over an extensive period of time, if current conditions persist.

**Figure 28: Average distribution of renter householders by race in Utah, 2009-2015**



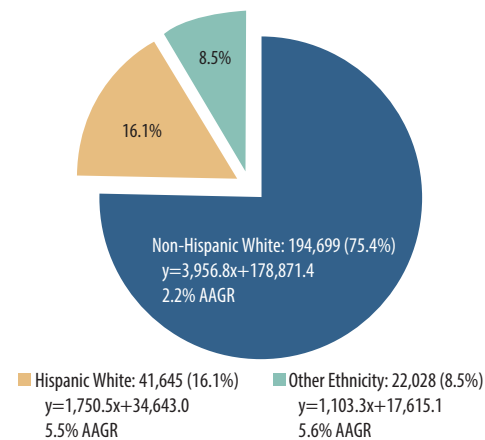
Source: USCB (2009-2015) Tables: B25003A-G, American Community Survey 5-yr. Estimates [Data].

**Figure 29: Average distribution of owner householders by race in Utah, 2009-2015**



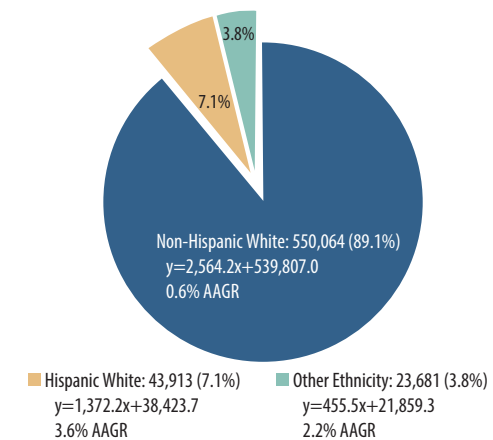
Source: USCB (2009-2015) Tables: B25003A-G, American Community Survey 5-yr. Estimates [Data].

**Figure 30: Average distribution of renter householders by ethnicity in Utah, 2009-2015**



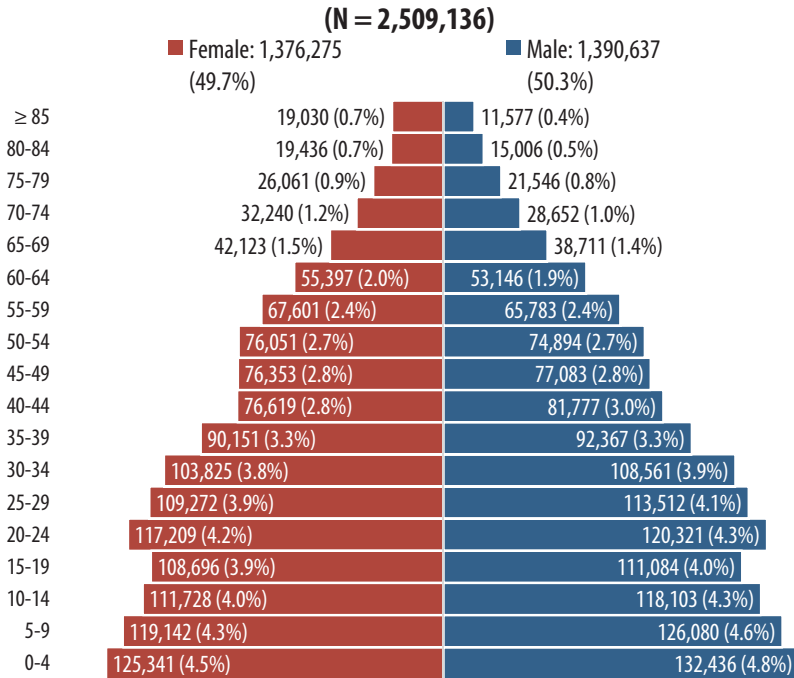
Source: USCB (2009-2015) Tables: B25003H-I, American Community Survey 5-yr. Estimates [Data].

**Figure 31: Average distribution of owner householders by ethnicity in Utah, 2009-2015**



Source: USCB (2009-2015) Tables: B25003H-I, American Community Survey 5-yr. Estimates [Data].

**Figure 32: Utah's Average Population by Age and Sex, 2009-2015**



Source: USCB (2011-2017) Table: S0101: Age and sex. American Community Surveys, 2009 thru 2015 [Data].

## The Elderly

Housing challenges for aging populations can be exacerbated drastically by financial insecurity and a loss of economic independence. The median income of all elderly people in Utah age 65 and over was \$44,764 per year between 2011 and 2015. This suggests the median elderly person in Utah can easily afford the state’s median gross rent of \$887 per month. However, this estimate is heavily weighted by the more numerous 65-74 year-olds who earned a constant median income of \$57,781 per year. Frail elderly, age 75 and older earned considerably less than this younger cohort, \$34,923 per year, which means that Utah’s median gross rent results in a -\$14 cost burden each month. Fortunately, **Figure 33** and **Figure 34** show that older Utah householders are more likely to be homeowners than renters. **Figure 35** and **Table 14** suggest that renting in some of Utah’s counties can be problematic for elderly people on fixed or declining incomes because of rent creep.

According to HUD, there are at least three distinct classifications of older people that are pertinent to housing: Senior Citizen, Elderly, and Frail Elderly. In 1995, the U.S. Congress enacted the Housing for Older Persons Act (HOPA), which extended certain

protections to senior citizens age 55 and older. One of the housing protections HOPA extends to seniors is the privilege of excluding people under the age of 55 years from renting housing units in housing communities wherein 80 percent of the units have been set-aside for senior citizens. Elderly refers to individuals whose age is between 62 and 74. Individuals ages 62 to 74 are generally recognized as a population with different needs than those age 75 and up. Frail elderly are people who are unable to perform at least three “activities of daily living” comprising of eating, bathing, grooming, dressing or home management activities.

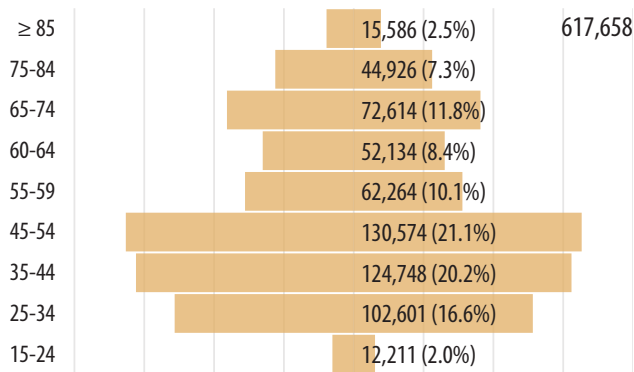
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**Elderly Utahans over the age of 74 typically cannot afford Utah's median gross rent.**

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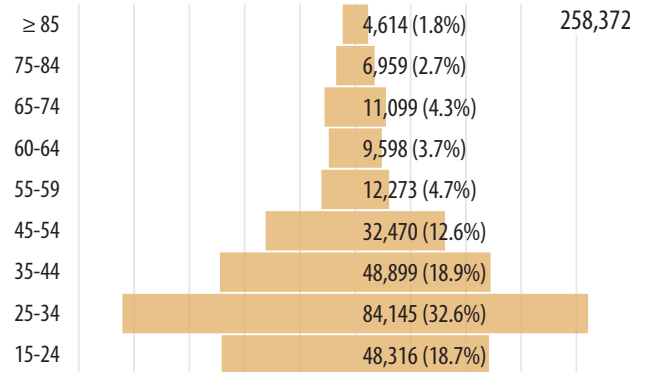


**Figure 33: Average distribution of owner householders by age group in Utah, 2009-2015**



Source: USCB (2009-2015) Table: B25007, American Community Survey 5-yr. Estimates [Data].

**Figure 34: Average distribution of renter householders by age group in Utah, 2009-2015**



Source: USCB (2009-2015) Table: B25007, American Community Survey 5-yr. Estimates [Data].

**Table 14: Median Gross Rent and 2 Bedroom FMR affordability for the median elderly and frail elderly person in Utah by county, 2011-2015**

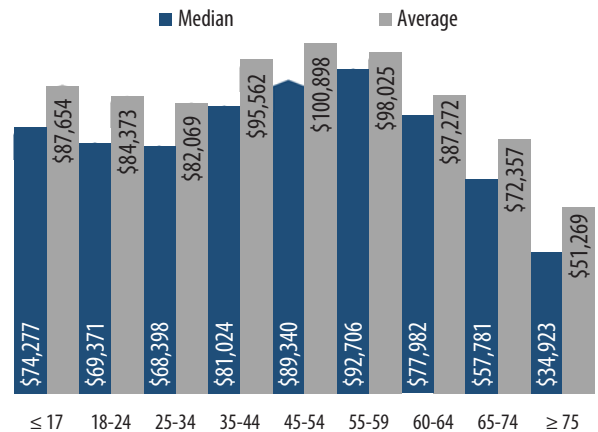
County	Median Gross Rent	2 Bedroom FMR	Age: 65-74 years (Affordable: \$1,445/mo.)		Age: ≥ 75 years (Affordable: \$873/mo.)	
			Median Rent Shortfall	2-BR FMR Shortfall	Median Rent Shortfall	2-BR FMR Shortfall
Beaver	\$626	\$704	\$819	\$741	\$247	\$169
Box Elder	\$672	\$697	\$773	\$748	\$201	\$176
Cache	\$686	\$702	\$759	\$743	\$187	\$171
Carbon	\$619	\$715	\$826	\$730	\$254	\$158
Daggett	\$1,069	\$805	\$376	\$640	-\$196	\$68
Davis	\$913	\$882	\$532	\$563	-\$40	-\$9
Duchesne	\$849	\$859	\$596	\$586	\$24	\$14
Emery	\$593	\$697	\$852	\$748	\$280	\$176
Garfield	\$633	\$697	\$812	\$748	\$240	\$176
Grand	\$758	\$851	\$687	\$594	\$115	\$22
Iron	\$661	\$697	\$784	\$748	\$212	\$176
Juab	\$761	\$836	\$684	\$609	\$112	\$37
Kane	\$858	\$898	\$587	\$547	\$15	-\$25
Millard	\$657	\$697	\$788	\$748	\$216	\$176
Morgan	\$917	\$882	\$528	\$563	-\$44	-\$9
Piute	\$613	\$843	\$832	\$602	\$260	\$30
Rich	\$614	\$805	\$831	\$640	\$259	\$68
Salt Lake	\$936	\$1,035	\$509	\$410	-\$63	-\$162
San Juan	\$607	\$697	\$838	\$748	\$266	\$176
Sanpete	\$675	\$744	\$770	\$701	\$198	\$129
Sevier	\$696	\$720	\$749	\$725	\$177	\$153
Summit	\$1,220	\$1,177	\$225	\$268	-\$347	-\$304
Tooele	\$811	\$849	\$634	\$596	\$62	\$24
Uintah	\$972	\$953	\$473	\$492	-\$99	-\$80
Utah	\$900	\$836	\$545	\$609	-\$27	\$37
Wasatch	\$1,083	\$1,044	\$362	\$401	-\$210	-\$171
Washington	\$951	\$863	\$494	\$582	-\$78	\$10
Wayne	\$544	\$697	\$901	\$748	\$329	\$176
Weber	\$793	\$882	\$652	\$563	\$80	-\$9

Source 1: USCB (2017) Table B25064: 2011-2015 American Community Survey [Data]

Source 2: HUD (2017) Fair Market Rents, FY 2018 [Data]

Source 3: USCB (2016) 2010-2015 Current Population Surveys [Data]

**Figure 35: Average and median real households income in Utah by householder age group, 2009-2015**



Source 1: USCB (2016) Current Population Survey, years 2010 - 2015 [Table Data].

<https://www.census.gov/cps/data/cpstablecreator.html>

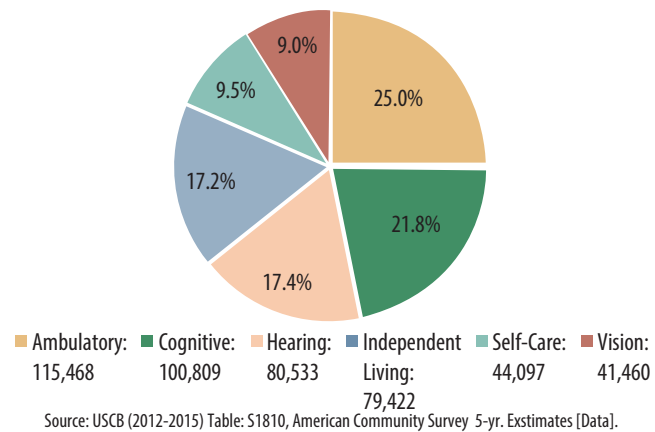
## Disabled Individuals

Single income households with a disabled householder face significant challenges in affording adequate housing. Not only do 25 percent of all disabled people in Utah need ADA compliant housing units due to ambulatory disabilities, which are generally more costly than non-compliant units, but as **Table 15** shows, the median gross rent and the FMR of a two-bedroom unit in all 29 counties is more than 30 percent of the median income of disabled people.

People with disabilities are particularly impacted by the state's shortage of affordable housing. Nowhere in Utah can the median person with a disability afford the median gross rent. On the low end of the spectrum, the median gross rent in Tooele County exceeds affordability by as much as \$124 per month for the median disabled person. On the high end of the spectrum, the median rent in Piute County exceeds an affordable rent for a person with a disability by \$730 per month.

**Nowhere in Utah can the median person with a disability afford the median gross rent.**

**Figure 36: Average distribution of 461,788 disabled persons by type of disability in Utah, 2012-2015**



**Table 15: Median Gross Rent and 2 Bedroom FMR affordability for the median disabled person's constant income in Utah by county, 2012-2015**

County	Median Income/mo.	% HAMFI	Affordable Costs/mo.	Monthly Shortfall					
				Median Rent	0-BR FMR	1-BR FMR	2-BR FMR	3-BR FMR	4-BR FMR
Beaver	\$1,225	23.5%	\$367	-\$520	-\$452	-\$286	-\$452	-\$772	-\$949
Box Elder	\$1,587	28.9%	\$476	-\$411	-\$343	-\$177	-\$343	-\$663	-\$840
Cache	\$1,315	26.2%	\$395	-\$492	-\$424	-\$258	-\$424	-\$744	-\$921
Carbon	\$1,439	27.8%	\$432	-\$455	-\$387	-\$221	-\$387	-\$707	-\$884
Daggett	\$523	10.2%	\$157	-\$730	-\$662	-\$496	-\$662	-\$982	-\$1,159
Davis	\$1,971	30.9%	\$591	-\$296	-\$228	-\$62	-\$228	-\$548	-\$725
Duchesne	\$2,334	40.7%	\$700	-\$187	-\$119	\$47	-\$119	-\$439	-\$616
Emery	\$1,763	35.4%	\$529	-\$358	-\$290	-\$124	-\$290	-\$610	-\$787
Garfield	\$1,585	37.2%	\$476	-\$411	-\$343	-\$177	-\$343	-\$663	-\$840
Grand	\$2,104	44.5%	\$631	-\$256	-\$188	-\$22	-\$188	-\$508	-\$685
Iron	\$1,126	25.6%	\$338	-\$549	-\$481	-\$315	-\$481	-\$801	-\$978
Juab	\$1,759	30.5%	\$528	-\$359	-\$291	-\$125	-\$291	-\$611	-\$788
Kane	\$2,452	45.8%	\$736	-\$151	-\$83	\$83	-\$83	-\$403	-\$580
Millard	\$1,519	29.9%	\$456	-\$431	-\$363	-\$197	-\$363	-\$683	-\$860
Morgan	\$1,503	23.5%	\$451	-\$436	-\$368	-\$202	-\$368	-\$688	-\$865
Piute	\$1,133	29.3%	\$340	-\$547	-\$479	-\$313	-\$479	-\$799	-\$976
Rich	\$1,802	34.2%	\$541	-\$346	-\$278	-\$112	-\$278	-\$598	-\$775
Salt Lake	\$1,928	30.7%	\$578	-\$309	-\$241	-\$75	-\$241	-\$561	-\$738
San Juan	\$1,423	33.6%	\$427	-\$460	-\$392	-\$226	-\$392	-\$712	-\$889
Sanpete	\$1,283	25.9%	\$385	-\$502	-\$434	-\$268	-\$434	-\$754	-\$931
Sevier	\$1,760	37.1%	\$528	-\$359	-\$291	-\$125	-\$291	-\$611	-\$788
Summit	\$2,478	28.8%	\$743	-\$144	-\$76	\$90	-\$76	-\$396	-\$573
Tooele	\$2,543	43.6%	\$763	-\$124	-\$56	\$110	-\$56	-\$376	-\$553
Uintah	\$2,331	40.5%	\$699	-\$188	-\$120	\$46	-\$120	-\$440	-\$617
Utah	\$1,434	24.9%	\$430	-\$457	-\$389	-\$223	-\$389	-\$709	-\$886
Wasatch	\$1,391	22.9%	\$417	-\$470	-\$402	-\$236	-\$402	-\$722	-\$899
Washington	\$1,518	30.9%	\$455	-\$432	-\$364	-\$198	-\$364	-\$684	-\$861
Wayne	\$1,698	39.9%	\$509	-\$378	-\$310	-\$144	-\$310	-\$630	-\$807
Weber	\$1,688	26.4%	\$506	-\$381	-\$313	-\$147	-\$313	-\$633	-\$810

Source 1: USCB (2017) Table B18140: 2012 thru 2015 American Community Survey [Data]

Source 2: USCB (2017) Table B25064: 2011-2015 American Community Survey [Data]

Source 3: HUD (2017) Fair Market Rents, FY 2018 [Data].

## Refugees

According to state records, 15,841 refugees have received some form of public assistance through Workforce Services programs between 2011 and 2015. That is equal to 0.53 percent of Utah's total population in 2015. As **Table 16** indicates, 64.9 percent of all refugees served by Workforce Services came from five countries: Myanmar, Iraq, Bhutan, Somalia and Sudan. The remaining originated from over 65 other countries.

The majority of refugees receiving state benefits, 14,861 people, were classified as traditional refugees, as shown in **Figure 37**. However, 6.2 percent of all refugee benefit recipients were not traditional refugees. 4.0 percent of refugees had political asylum while another 1.5 percent were victims of severe forms of human trafficking. Only 0.3 percent of all program benefit recipients were classified as being paroled as refugees or asylees.

As noted previously, income is a key determinant of whether a householder can afford housing. This report conducted a regression analysis to identify significant determinants of refugee annual income using administrative data from Workforce Services from 2011-2015. Based on that analysis there are several implications for the refugee population in Utah receiving benefits from Workforce Services. It found that the expected income of refugees was \$23,999 per year. This analysis also found:

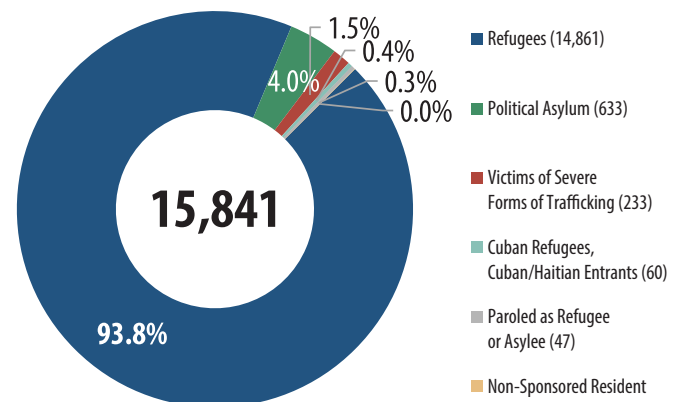
- Annual wages decreased by -\$88.55 for every year over age 20.
- Annual wages only increased by \$495 for every additional job.
- Female refugees earn -\$5,563 per year less than their male counterparts.
- Victims of severe forms of trafficking earned -\$3,139 less per year.
- Hispanic refugees earn \$6,307 more per year than Non-Hispanic refugees.
- Refugees living in nonmetropolitan counties earned \$9,090 more per year.

**Figure 16: Distribution of refugees by country of origin in Utah, 2011-2015**

Country of Origin	n	%	Country of Origin	n	%
Afghanistan	539	3.4%	Indonesia	7	0.0%
Algeria	9	0.1%	Iran, Islamic Republic of	873	5.5%
Armenia	28	0.2%	Iraq	2,335	14.7%
Belarus	6	0.0%	Jordan	6	0.0%
Bermuda	9	0.1%	Kenya	24	0.2%
Bhutan	2,127	13.4%	Korea, Democratic Peoples Republic of	21	0.1%
Bosnia and Herzegovina	3	0.0%	Korea, Republic of	22	0.1%
Burundi	135	0.9%	Kuwait	24	0.2%
Cambodia	8	0.1%	Libyan Arab Jamahiriya	7	0.0%
Cameroon	5	0.0%	Mauritania	1	0.0%
Central African Republic	68	0.4%	Mexico	116	0.7%
Chad	7	0.0%	Moldova, Republic of	25	0.2%
China	184	1.2%	Morocco	4	0.0%
Colombia	47	0.3%	Myanmar	2,976	18.8%
Congo	188	1.2%	Nepal	131	0.8%
Congo, The Democratic Republic of the	820	5.2%	Nicaragua	6	0.0%
Cote Divoire	34	0.2%	Nigeria	3	0.0%
Cuba	583	3.7%	Other	29	0.2%
Czech Republic	5	0.0%	Pakistan	46	0.3%
Djibouti	23	0.1%	Palestinian Territory, Occupied	7	0.0%
Dominica	5	0.0%	Peru	29	0.2%
Dominican Republic	3	0.0%	Russian Federation	21	0.1%
El Salvador	56	0.4%	Rwanda	85	0.5%
Equatorial Guinea	10	0.1%	Somalia	1,710	10.8%
Eritrea	552	3.5%	Sri Lanka	129	0.8%
Ethiopia	250	1.6%	Sudan	1,130	7.1%
Guatemala	44	0.3%	Syrian Arab Republic	25	0.2%
Guinea	7	0.0%	Tanzania, United Republic of	5	0.0%
Guinea-Bissau	15	0.1%	Thailand	90	0.6%
Haiti	3	0.0%	Togo	12	0.1%
Honduras	3	0.0%	Ukraine	12	0.1%
Hungary	3	0.0%	Venezuela	121	0.8%
India	30	0.2%			
<b>Total</b>				15,841	100.0%

Source : Dept. Workforce Services (2017) HMIS Database.

**Figure 37: Distribution of refugee alien types in Utah, 2011-2015**

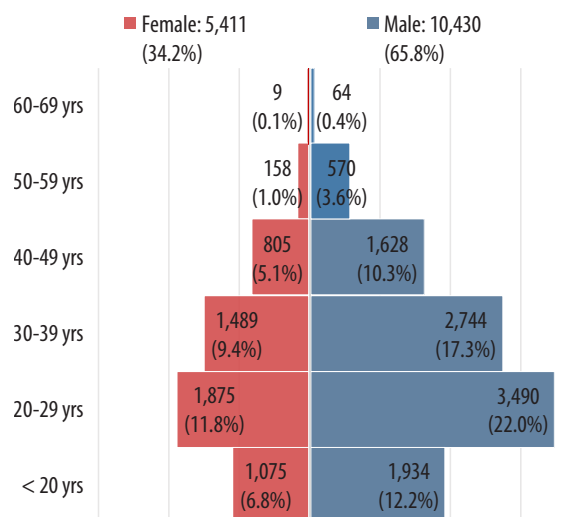


Source: Dept. Workforce Services (2017) HMIS Database [Data].

The majority of refugees live in metropolitan counties (see **Table 17**). According to **Table 18**, the average income of a refugee is less than 30 percent of MFI in Davis County, Salt Lake County, and Utah County, which means that a single-income refugee household would be considered extremely low-income ( $\leq 30$  percent HAMFI) in those counties. These three counties also have the lowest rates of available rental units per 100 extremely low-income renter households in Utah and have deficits of -3,395, -21,370, and -8,075 respectively. **Table 18** also shows that the average income of a refugee is less than 50 percent of MFI in Beaver County, Cache County and Weber County and a single-income refugee household would be considered very low-income (30-50 percent HAMFI). Some of these counties have lower rates of available rental housing per 100 very low-income renter households and have rental housing a surplus or deficit of 30, -1,870, and -1,810 respectively for very low-income households.

In conclusion, it is difficult for single-income refugee households to afford rent in the six counties in which they primarily live. **Table 19** summarizes the income shortfall of single-income refugee households in each of the six counties listed above. Nowhere in those six counties can a single-income refugee household afford the median gross rent. On average, single-income refugee households would need to earn an additional \$382 per month to afford the median gross rent in Utah. On average, single-income refugee households would need to earn an additional \$314 per month to afford a two-bedroom unit at fair market rent in Utah. However, the majority of refugee households reside in Salt Lake County and would need to earn an additional \$533 per month to afford a two-bedroom unit at fair market rent.

**Figure 38: Distribution of refugees in Utah by age and sex, 2011-2015**



Source: Dept. Workforce Services (2017) HMIS Database [Data]

The average income of a refugee is less than 30% of median family income in Davis, Salt Lake and Utah Counties.

**Table 17: Crosstabulation of refugee alien type by residence in type of core-based statistical area in Utah, 2011-2015**

Alien Type	Metropolitan		Micropolitan		Non-metropolitan		Unknown		Total	
	n	%	n	%	n	%	n	%	n	%
Cuban Refugees Cuban/Haitian Entrants	4	0.00%	0	0.00%	0	0.00%	56	0.40%	60	0.40%
Non-Sponsored Resident Aliens Iraqi	0	0.00%	0	0.00%	0	0.00%	7	0.00%	7	0.00%
Paroled as Refugee or Asylee	47	0.30%	0	0.00%	0	0.00%	0	0.00%	47	0.30%
Political Asylum	385	2.40%	11	0.10%	0	0.00%	237	1.50%	633	4.00%
Refugees	11,798	74.50%	3	0.00%	0	0.00%	3,060	19.30%	14,861	93.80%
Victims of Severe Forms of Trafficking	137	0.90%	0	0.00%	37	0.20%	59	0.40%	233	1.50%
<b>Total</b>	<b>12,371</b>	<b>78.10%</b>	<b>14</b>	<b>0.10%</b>	<b>37</b>	<b>0.20%</b>	<b>3,419</b>	<b>21.60%</b>	<b>15,841</b>	<b>100.00%</b>

**Table 18: Expected availability of affordable rental housing units for single income refugee households in Utah, 2010-2014**

County	Median	Average	Average	Affordable & Available Rental Units		
	Family Income	Refugee Income	% MFI	≤ 80% MFI	≤ 50% MFI	≤ 30% MFI
Beaver County	\$60,613	\$23,261	38.4%	455	335	70
Box Elder County	\$62,043	—	—	2,725	1,525	565
Cache County	\$59,288	\$20,185	34.0%	8,430	3,430	645
Carbon County	\$61,600	—	—	1,870	1,350	500
Daggett County	\$73,750	—	—	38	28	14
Davis County	\$78,367	\$16,303	20.8%	14,505	5,620	
Duchesne County	\$67,598	—	—	1,074	534	164
Emery County	\$59,150	—	—	635	450	150
Garfield County	\$47,865	—	—	299	170	60
Grand County	\$49,339	—	—	1,060	505	220
Iron County	\$53,240	—	—	4,725	2,710	775
Juab County	\$58,389	—	—	384	204	65
Kane County	\$63,532	—	—	429	200	45
Millard County	\$61,538	—	—	780	450	225
Morgan County	\$90,000	—	—	254	140	25
Piute County	\$45,000	—	—	71	53	15
Rich County	\$56,827	—	—	103	73	14
Salt Lake County	\$72,049	\$20,072	27.9%	76,120	25,210	5,460
San Juan County	\$50,257	—	—	605	395	150
Sanpete County	\$57,952	—	—	1,570	955	330
Sevier County	\$54,956	—	—	1,145	625	225
Summit County	\$101,659	—	—	2,140	1,430	375
Tooele County	\$69,299	—	—	2,990	1,445	435
Uintah County	\$73,582	—	—	1,554	579	190
Utah County	\$67,496	\$15,877	23.5%	28,270	8,555	2,275
Wasatch County	\$76,021	—	—	1,094	249	4
Washington County	\$58,145	—	—	8,350	2,375	585
Wayne County	\$46,154	—	—	155	104	39
Weber County	\$65,065	\$29,038	44.6%	17,335	9,550	1,955
State of Utah	\$68,817	\$20,197	29.3%	179,165	69,249	16,785

Source: HUD (2017). 2010-2014 Comprehensive Housing Affordability Strategy, Table 8 [Data].

Source: USCB (2017). 2011-2015 American Community Survey, Table S1903 [Data].

Source 3: Dept. Workforce Services (2017). HMIS Database, 2011-2015 [Data].

**Table 19: Rental housing affordability for refugees for select counties in Utah**

County	Refugee Average Income		Affordable Rent	Median Gross Rent		2-BR Fair Market Rent	
	Annual	Monthly	30% Mo. Income	Rent	Shortfall	Rent	Shortfall
Beaver County	\$23,261	\$1,938	\$582	\$626	-\$44	\$704	-\$122
Cache County	\$20,185	\$1,682	\$505	\$686	-\$181	\$702	-\$197
Davis County	\$16,303	\$1,359	\$408	\$913	-\$505	\$882	-\$474
Salt Lake County	\$20,072	\$1,673	\$502	\$936	-\$434	\$1,035	-\$533
Utah County	\$15,877	\$1,323	\$397	\$900	-\$503	\$836	-\$439
Weber County	\$29,038	\$2,420	\$726	\$793	-\$67	\$882	-\$156
State of Utah	\$20,197	\$1,683	\$505	\$887	-\$382	\$819	-\$314

Source: HUD (2017). Fair Market Rent, FY2018 [Data].

Source: USCB (2017). 2011-2015 American Community Survey [Data].

Source 3: Dept. Workforce Services (2017). HMIS Database, 2011-2015 [Data].



# Intergenerational Poverty

Intergenerational poverty is defined as poverty in which two or more successive generations of a family continue in the cycle of poverty, as measured through utilization of public assistance for at least 12 months as an adult and at least 12 months as a child.<sup>34</sup> The 2017 Intergenerational Poverty Report highlights the importance of housing stability as critical to the healthy development of children. It promotes the development of social relationships, cultivates community and supports education. In contrast, when housing is not stable, families face mounting challenges, including frequent moves or homelessness.<sup>35</sup>

**Table 20: Crosstabulation of intergenerational poverty by county and moderate income group**

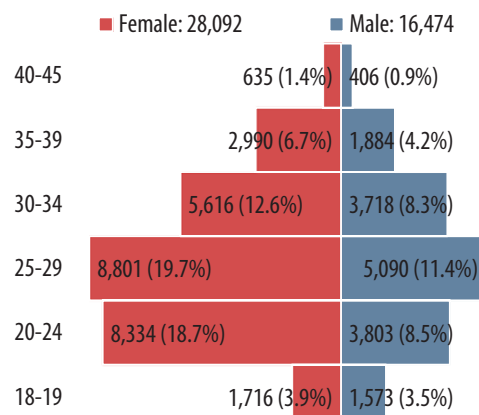
County	ELI		VLI		LI		NLI		Grand Total	
	n	%	n	%	n	%	n	%	n	%
Beaver	74	0.18%	14	0.03%	4	0.01%	0	0.00%	92	0.23%
Box Elder	565	1.39%	135	0.33%	32	0.08%	5	0.01%	737	1.81%
Cache	955	2.34%	232	0.57%	46	0.11%	5	0.01%	1,238	3.04%
Carbon	605	1.48%	86	0.21%	21	0.05%	1	0.00%	713	1.75%
Daggett	5	0.01%	0	0.00%	0	0.00%	0	0.00%	5	0.01%
Davis	2,340	5.74%	608	1.49%	142	0.35%	16	0.04%	3,106	7.62%
Duchesne	308	0.76%	64	0.16%	19	0.05%	4	0.01%	395	0.97%
Emery	130	0.32%	14	0.03%	6	0.01%	2	0.00%	152	0.37%
Garfield	44	0.11%	5	0.01%	0	0.00%	0	0.00%	49	0.12%
Grand	197	0.48%	53	0.13%	7	0.02%	0	0.00%	257	0.63%
Iron	812	1.99%	152	0.37%	33	0.08%	6	0.01%	1,003	2.46%
Juab	127	0.31%	22	0.05%	11	0.03%	0	0.00%	160	0.39%
Kane	57	0.14%	5	0.01%	3	0.01%	0	0.00%	65	0.16%
Millard	155	0.38%	27	0.07%	9	0.02%	2	0.00%	193	0.47%
Morgan	22	0.05%	6	0.01%	2	0.00%	0	0.00%	30	0.07%
Piute	14	0.03%	4	0.01%	0	0.00%	0	0.00%	18	0.04%
Rich	5	0.01%	2	0.00%	2	0.00%	0	0.00%	9	0.02%
Salt Lake	12,375	30.36%	3,253	7.98%	706	1.73%	65	0.16%	16,399	40.23%
San Juan	556	1.36%	121	0.30%	26	0.06%	4	0.01%	707	1.73%
Sanpete	355	0.87%	73	0.18%	18	0.04%	1	0.00%	447	1.10%
Sevier	482	1.18%	68	0.17%	25	0.06%	1	0.00%	576	1.41%
Summit	71	0.17%	18	0.04%	2	0.00%	1	0.00%	92	0.23%
Tooele	696	1.71%	171	0.42%	48	0.12%	11	0.03%	926	2.27%
Uintah	438	1.07%	72	0.18%	23	0.06%	6	0.01%	539	1.32%
Utah	4,060	9.96%	910	2.23%	309	0.76%	36	0.09%	5,315	13.04%
Wasatch	119	0.29%	37	0.09%	8	0.02%	1	0.00%	165	0.40%
Washington	1,646	4.04%	373	0.91%	95	0.23%	9	0.02%	2,123	5.21%
Wayne	22	0.05%	5	0.01%	0	0.00%	0	0.00%	27	0.07%
Weber	4,116	10.10%	910	2.23%	183	0.45%	20	0.05%	5,229	12.83%
Multiple	3,164	7.76%	495	1.21%	82	0.20%	11	0.03%	3,752	9.20%
Out of State	40	0.10%	5	0.01%	1	0.00%	1	0.00%	47	0.12%
<b>Grand Total</b>	<b>31,351</b>	<b>76.9%</b>	<b>7,440</b>	<b>18.3%</b>	<b>1,780</b>	<b>4.4%</b>	<b>196</b>	<b>0.5%</b>	<b>40,767</b>	<b>100.0%</b>

Source : DWS (2017) UWORKS Database [Data]

An important factor in maintaining housing stability is access to affordable housing.<sup>36</sup>

According to state records, 44,566 adults in intergenerational poverty households have received some form of public assistance through Workforce Services programs. As **Table 20** indicates, intergenerational poverty exists in all 29 counties. The majority of the intergenerational poverty population receiving state benefits, 28,902 people, were females. As **Figure 39** shows, females between the ages of 20 and 29 years old made up 38.4 percent of the adult population living in intergenerational poverty.

**Figure 39: Age distribution of Utah's intergenerational poverty adults**



Source: DWS (2017) HMIS Database [Data]

Income is a key determinant of whether a householder can afford housing. This report conducted a regression analysis to identify significant determinants of intergenerational poverty individuals' annual income. Based on that analysis there are several implications for those individuals. It found that the expected income of individuals in intergenerational poverty was \$11,614 per year. This analysis also found the following for individuals in intergenerational poverty:

- Female individuals earn \$2,914 less than males.
- Asian individuals have wages that are \$2,802 more than whites on average.
- Black individuals can expect to see \$803 per year less than their white counterparts.
- Pacific Islander individuals earn \$2,912 more than their white counterparts.
- Hispanic individuals earn \$546 more than their white, non-Hispanic counterparts.
- Individuals that live in micropolitan areas earn \$747 less than those living in metropolitan areas.
- Individuals that live in non-metropolitan areas earn \$369 less than those living in metropolitan areas.
- Transient individuals that lived in multiple counties on average earn \$3,230 less per year than non-transient individuals.

**Table 21: Intergenerational poverty: Crosstabulation of moderate income groups by sex in Utah**

Income Limit	Female		Male		Total	
	n	%	n	%	n	%
ELI	22,833	51.2%	11,722	26.3%	34,555	77.5%
LI	686	1.5%	1,177	2.6%	1,863	4.2%
NLI	54	0.1%	154	0.3%	208	0.5%
VLI	4,519	10.1%	3,421	7.7%	7,940	17.8%
<b>Total</b>	<b>28,092</b>	<b>63.0%</b>	<b>16,474</b>	<b>37.0%</b>	<b>44,566</b>	<b>100.0%</b>

Source : DWS (2017) UWORWS Database [Data]

**Table 23: Intergenerational poverty: Crosstabulation of income by ethnicity**

Income Limit	Hispanic		Non-Hispanic		Total	
	n	%	n	%	n	%
ELI	5,128	11.5%	29,427	66.0%	34,555	77.5%
LI	219	0.5%	1,644	3.7%	1,863	4.2%
NLI	12	0.0%	196	0.4%	208	0.5%
VLI	1,372	3.1%	6,568	14.7%	7,940	17.8%
<b>Total</b>	<b>6,731</b>	<b>15.1%</b>	<b>37,835</b>	<b>84.9%</b>	<b>44,566</b>	<b>100.0%</b>

Source : DWS (2017) UWORWS Database [Data]

**Table 22: Intergenerational poverty: Crosstabulation of moderate income groups by race**

Moderate Income	Asian		Black		Native American		Pacific Islander		Other Race		Two Or More Races		Undeclared Race		White		Total	
	n	%	n	%	n	%	n	%	n	%	n	%	n	%	n	%	n	%
ELI	343	0.8%	946	2.1%	1,688	3.8%	288	0.6%	216	0.5%	25	0.1%	8,512	19.1%	22,537	50.6%	34,555	77.5%
LI	25	0.1%	40	0.1%	61	0.1%	23	0.1%	5	0.0%	3	0.0%	645	1.4%	1,061	2.4%	1,863	4.2%
NLI	4	0.0%	3	0.0%	10	0.0%	3	0.0%	1	0.0%	0	0.0%	71	0.2%	116	0.3%	208	0.5%
VLI	99	0.2%	168	0.4%	326	0.7%	105	0.2%	66	0.1%	4	0.0%	2,344	5.3%	4,828	10.8%	7,940	17.8%
<b>Total</b>	<b>471</b>	<b>1.1%</b>	<b>1,157</b>	<b>2.6%</b>	<b>2,085</b>	<b>4.7%</b>	<b>419</b>	<b>0.9%</b>	<b>288</b>	<b>0.6%</b>	<b>32</b>	<b>0.1%</b>	<b>11,572</b>	<b>26.0%</b>	<b>28,542</b>	<b>64.0%</b>	<b>44,566</b>	<b>100.0%</b>

Source: HCDD (2017) UWORWS Database: Intergenerational Poverty [Data].

**Table 24: Affordability of median rents and FMRs by county for Utah's population in intergenerational poverty**

County	Annual Income			Monthly Income	Affordable Rent	Median Rent		0-BR FMR		1-BR FMR		2-BR FMR		3-BR FMR		4-BR FMR	
	Annual Income	HAMFI	% HAMFI			Cost	Shortfall	Cost	Shortfall	Cost	Shortfall	Cost	Shortfall	Cost	Shortfall	Cost	Shortfall
Beaver	\$14,624	\$62,500	23.4%	\$1,219	\$366	626	-\$260	\$465	-\$99	\$538	-\$172	\$704	-\$338	\$922	-\$556	\$1,014	-\$648
Box Elder	\$15,354	\$65,800	23.3%	\$1,279	\$384	\$672	-\$288	\$455	-\$71	\$524	-\$140	\$697	-\$313	\$983	-\$599	\$1,211	-\$827
Cache	\$14,863	\$60,200	24.7%	\$1,239	\$372	\$686	-\$314	\$448	-\$76	\$573	-\$201	\$702	-\$330	\$1,021	-\$649	\$1,195	-\$823
Carbon	\$12,099	\$62,200	19.5%	\$1,008	\$302	\$619	-\$317	\$511	-\$209	\$541	-\$239	\$715	-\$413	\$1,022	-\$720	\$1,168	-\$866
Daggett	\$10,596	\$61,600	17.2%	\$883	\$265	\$1,069	-\$804	\$532	-\$267	\$616	-\$351	\$805	-\$540	\$1,139	-\$874	\$1,256	-\$991
Davis	\$15,064	\$76,600	19.7%	\$1,255	\$377	\$913	-\$536	\$571	-\$194	\$690	-\$313	\$882	-\$505	\$1,258	-\$881	\$1,471	-\$1,094
Duchesne	\$14,318	\$68,800	20.8%	\$1,193	\$358	\$849	-\$491	\$568	-\$210	\$721	-\$363	\$859	-\$501	\$1,211	-\$853	\$1,425	-\$1,067
Emery	\$13,002	\$59,800	21.7%	\$1,084	\$325	\$593	-\$268	\$461	-\$136	\$607	-\$282	\$697	-\$372	\$901	-\$576	\$949	-\$624
Garfield	\$13,866	\$51,200	27.1%	\$1,155	\$347	\$633	-\$286	\$461	-\$114	\$524	-\$177	\$697	-\$350	\$1,014	-\$667	\$1,022	-\$675
Grand	\$15,532	\$56,700	27.4%	\$1,294	\$388	\$758	-\$370	\$563	-\$175	\$651	-\$263	\$851	-\$463	\$1,155	-\$767	\$1,159	-\$771
Iron	\$13,761	\$52,900	26.0%	\$1,147	\$344	\$661	-\$317	\$502	-\$158	\$577	-\$233	\$697	-\$353	\$1,014	-\$670	\$1,196	-\$852
Juab	\$14,301	\$69,200	20.7%	\$1,192	\$358	\$761	-\$403	\$625	-\$267	\$720	-\$362	\$836	-\$478	\$1,216	-\$858	\$1,472	-\$1,114
Kane	\$12,300	\$64,200	19.2%	\$1,025	\$308	\$858	-\$550	\$594	-\$286	\$687	-\$379	\$898	-\$590	\$1,168	-\$860	\$1,287	-\$979
Millard	\$13,548	\$61,000	22.2%	\$1,129	\$339	\$657	-\$318	\$461	-\$122	\$524	-\$185	\$697	-\$358	\$894	-\$555	\$1,180	-\$841
Morgan	\$14,460	\$76,600	18.9%	\$1,205	\$361	\$917	-\$556	\$571	-\$210	\$690	-\$329	\$882	-\$521	\$1,258	-\$897	\$1,471	-\$1,110
Piute	\$12,727	\$46,400	27.4%	\$1,061	\$318	\$613	-\$295	\$557	-\$239	\$645	-\$327	\$843	-\$525	\$1,057	-\$739	\$1,315	-\$997
Rich	\$21,609	\$63,200	34.2%	\$1,801	\$540	\$614	-\$74	\$532	\$8	\$616	-\$76	\$805	-\$265	\$1,139	-\$599	\$1,256	-\$716
Salt Lake	\$14,949	\$75,400	19.8%	\$1,246	\$374	\$936	-\$562	\$667	-\$293	\$834	-\$460	\$1,035	-\$661	\$1,475	-\$1,101	\$1,690	-\$1,316
San Juan	\$14,101	\$50,800	27.8%	\$1,175	\$353	\$607	-\$254	\$461	-\$108	\$607	-\$254	\$697	-\$344	\$990	-\$637	\$1,096	-\$743
Sanpete	\$13,771	\$59,400	23.2%	\$1,148	\$344	\$675	-\$331	\$492	-\$148	\$559	-\$215	\$744	-\$400	\$933	-\$589	\$1,013	-\$669
Sevier	\$13,010	\$56,900	22.9%	\$1,084	\$325	\$696	-\$371	\$476	-\$151	\$541	-\$216	\$720	-\$395	\$999	-\$674	\$1,134	-\$809
Summit	\$14,987	\$103,400	14.5%	\$1,249	\$375	\$1,220	-\$845	\$793	-\$418	\$1,025	-\$650	\$1,177	-\$802	\$1,712	-\$1,337	\$2,073	-\$1,698
Tooele	\$15,607	\$70,000	22.3%	\$1,301	\$390	\$811	-\$421	\$600	-\$210	\$732	-\$342	\$849	-\$459	\$1,235	-\$845	\$1,495	-\$1,105
Uintah	\$13,976	\$69,100	20.2%	\$1,165	\$349	\$972	-\$623	\$630	-\$281	\$717	-\$368	\$953	-\$604	\$1,270	-\$921	\$1,406	-\$1,057
Utah	\$14,841	\$69,200	21.4%	\$1,237	\$371	\$900	-\$529	\$625	-\$254	\$720	-\$349	\$836	-\$465	\$1,216	-\$845	\$1,472	-\$1,101
Wasatch	\$16,220	\$73,000	22.2%	\$1,352	\$406	\$1,083	-\$677	\$690	-\$284	\$787	-\$381	\$1,044	-\$638	\$1,384	-\$978	\$1,670	-\$1,264
Washington	\$14,917	\$59,000	25.3%	\$1,243	\$373	\$951	-\$578	\$613	-\$240	\$683	-\$310	\$863	-\$490	\$1,238	-\$865	\$1,520	-\$1,147
Wayne	\$13,142	\$51,100	25.7%	\$1,095	\$329	\$544	-\$215	\$461	-\$132	\$607	-\$278	\$697	-\$368	\$941	-\$612	\$1,087	-\$758
Weber	\$13,835	\$76,600	18.1%	\$1,153	\$346	\$793	-\$447	\$571	-\$225	\$690	-\$344	\$882	-\$536	\$1,258	-\$912	\$1,471	-\$1,125

Source : DWS (2017) UWORKS Database [Data]

## Veterans

The Department of Workforce Services assists veterans with employment, training and case management services. Demographic information collected when a veteran registers with the Department of Workforce Services enabled the categorization of veterans into standard income limit groups as well as analyzing the association between demographic characteristics that may affect the income component of housing affordability.

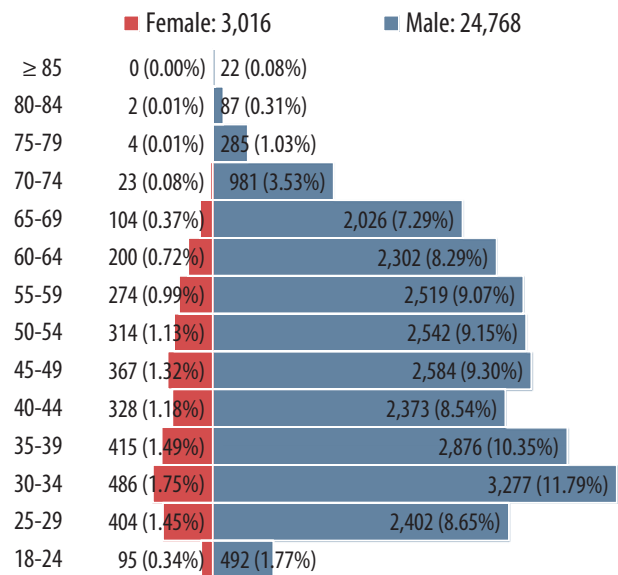
The overwhelming majority of veterans identified by Workforce Services are male. In fact, there are more than eight times as many male customers as there are female. As depicted in **Figure 40**, the highest portion of benefit recipients for males and females is the 30-34-year-old category, with 3,763 people. Also, the number of veterans over age 69 declines precipitously, with a total sample of 1,404 people receiving benefits.

Since 2009, the availability of data on veterans experiencing homelessness has increased considerably. That year, the U.S. Department of Veteran Affairs set a goal to end veteran homelessness. Since then, substantial progress has been made nationwide in achieving that objective. In 2016, a national point-in-time count showed that the rate of homelessness among veterans had fallen by nearly 50 percent since 2010.<sup>37</sup> Efforts to reduce homelessness among Utah's veterans have also been successful. Since 2014, veteran homelessness has fallen a remarkable -7.6 percent per year on average in the state.

Despite the improvement in homelessness among veterans, little is still known about the affordability of housing for veterans in Utah. According to the U.S. Census Bureau, the median income for veterans in Utah was \$40,555 per year with male veterans earning \$41,165 and female veterans earning \$32,101 from 2011-2015. A regression analysis on data from 27,837 veterans found the following:

- Native American veterans earned \$6,487 less per year than white veterans.
- African American, or Black, veterans earned \$7,571 less per year than white veterans.
- Veterans living in non-metropolitan counties earned \$7,022 less per year than those living in metropolitan counties.

**Figure 40: Distribution of Utah's registered veterans by sex and age**



Source: DWS (2017) UWORCS Database [Data]

**Table 25: Crosstabulation of registered veterans by sex and income group in Utah**

Income Group	Female		Male		Undeclared Sex		Total	
	n	%	n	%	n	%	n	%
ELI	1,364	4.90%	8,357	30.02%	25	0.09%	9,746	35.01%
LI	562	2.02%	5,568	20.00%	9	0.03%	6,139	22.05%
NLI	344	1.24%	5,917	21.26%	10	0.04%	6,271	22.53%
VLI	746	2.68%	4,926	17.70%	9	0.03%	5,681	20.41%
<b>Total</b>	<b>3,016</b>	<b>10.83%</b>	<b>24,768</b>	<b>88.98%</b>	<b>53</b>	<b>0.19%</b>	<b>27,837</b>	<b>100.00%</b>

Source: DWS (2017) UWORCS Database [Data]

**Table 27: Crosstabulation of registered veterans by income and ethnicity in Utah**

Income Limit	Hispanic		Non-Hispanic		Total	
	n	%	n	%	n	%
ELI	656	2.4%	9,090	32.7%	9,746	35.0%
LI	416	1.5%	5,723	20.6%	6,139	22.1%
NLI	362	1.3%	5,909	21.2%	6,271	22.5%
VLI	432	1.6%	5,249	18.9%	5,681	20.4%
<b>Total</b>	<b>1,866</b>	<b>6.7%</b>	<b>25,971</b>	<b>93.3%</b>	<b>27,837</b>	<b>100.0%</b>

Source: DWS (2017) UWORCS Database [Data]

**Table 26: Crosstabulation of registered veterans by race and income group in Utah**

Income Group	Asian		Black		Native American		Pacific Islander		White		Undeclared Race		Total	
	n	%	n	%	n	%	n	%	n	%	n	%	n	%
ELI	110	0.40%	347	1.25%	210	0.75%	76	0.27%	8,591	30.86%	412	1.48%	9,746	35.01%
LI	74	0.27%	137	0.49%	88	0.32%	43	0.15%	5,561	19.98%	236	0.85%	6,139	22.05%
NLI	52	0.19%	114	0.41%	91	0.33%	46	0.17%	5,800	20.84%	168	0.60%	6,271	22.53%
VLI	52	0.19%	180	0.65%	101	0.36%	50	0.18%	5,046	18.13%	252	0.91%	5,681	20.41%
<b>Total</b>	<b>288</b>	<b>1.03%</b>	<b>778</b>	<b>2.79%</b>	<b>490</b>	<b>1.76%</b>	<b>215</b>	<b>0.77%</b>	<b>24,998</b>	<b>89.80%</b>	<b>1,068</b>	<b>3.84%</b>	<b>27,837</b>	<b>100.00%</b>

Source: DWS (2017) UWWORKS Database [Data]

**Table 28: Crosstabulation of registered veterans by income group and county in Utah**

County	ELI		VLI		LI		NLI		Grand Total	
	n	%	n	%	n	%	n	%	n	%
Beaver	24	0.09%	8	0.03%	13	0.01%	12	0.04%	57	0.20%
Box Elder	167	0.60%	116	0.42%	125	0.08%	122	0.44%	530	1.90%
Cache	302	1.08%	157	0.56%	206	0.11%	193	0.69%	858	3.08%
Carbon	84	0.30%	41	0.15%	48	0.05%	71	0.26%	244	0.88%
Daggett	3	0.01%	0	0.00%	2	0.00%	2	0.01%	7	0.03%
Davis	1,253	4.50%	742	2.67%	741	0.35%	768	2.76%	3,504	12.59%
Duchesne	66	0.24%	40	0.14%	41	0.05%	69	0.25%	216	0.78%
Emery	35	0.13%	18	0.06%	32	0.01%	30	0.11%	115	0.41%
Garfield	24	0.09%	13	0.05%	3	0.00%	9	0.03%	49	0.18%
Grand	70	0.25%	27	0.10%	36	0.02%	27	0.10%	160	0.57%
Iron	282	1.01%	124	0.45%	137	0.08%	143	0.51%	686	2.46%
Juab	31	0.11%	17	0.06%	27	0.03%	15	0.05%	90	0.32%
Kane	26	0.09%	15	0.05%	10	0.01%	6	0.02%	57	0.20%
Millard	36	0.13%	15	0.05%	24	0.02%	38	0.14%	113	0.41%
Morgan	27	0.10%	9	0.03%	22	0.00%	16	0.06%	74	0.27%
Out of State	530	1.90%	251	0.90%	178	0.00%	168	0.60%	1,127	4.05%
Piute	2	0.01%	5	0.02%	5	0.00%	2	0.01%	14	0.05%
Rich	1	0.00%	2	0.01%	1	0.00%	1	0.00%	5	0.02%
Salt Lake	3,241	11.64%	2,017	7.25%	2,177	1.73%	2,054	7.38%	9,489	34.09%
San Juan	32	0.11%	16	0.06%	16	0.06%	28	0.10%	92	0.33%
Sanpete	89	0.32%	37	0.13%	58	0.04%	68	0.24%	252	0.91%
Sevier	78	0.28%	35	0.13%	54	0.06%	69	0.25%	236	0.85%
Summit	108	0.39%	46	0.17%	29	0.00%	38	0.14%	221	0.79%
Tooele	265	0.95%	171	0.61%	234	0.12%	280	1.01%	950	3.41%
Uintah	112	0.40%	96	0.34%	106	0.06%	130	0.47%	444	1.59%
Utah	1,089	3.91%	680	2.44%	758	0.76%	1,004	3.61%	3,531	12.68%
Wasatch	59	0.21%	47	0.17%	31	0.02%	41	0.15%	178	0.64%
Washington	478	1.72%	274	0.98%	322	0.23%	285	1.02%	1,359	4.88%
Wayne	9	0.03%	2	0.01%	3	0.00%	3	0.01%	17	0.06%
Weber	1,223	4.39%	660	2.37%	700	0.45%	579	2.08%	3,162	11.36%
<b>Grand Total</b>	<b>9,746</b>	<b>35.0%</b>	<b>5,681</b>	<b>20.4%</b>	<b>6,139</b>	<b>4.4%</b>	<b>6,271</b>	<b>22.5%</b>	<b>27,837</b>	<b>100.0%</b>

Source: DWS (2017) UWWORKS Database [Data]



**Table 29: Affordability of median rents and FMRs by county for registered veterans in Utah**

County	Annual Income			Monthly Income	Affordable Rent	Median Rent		0-BR FMR		1-BR FMR		2-BR FMR		3-BR FMR		4-BR FMR	
	Annual Income	HAMFI	% HAMFI			Cost	Shortfall	Cost	Shortfall	Cost	Shortfall	Cost	Shortfall	Cost	Shortfall	Cost	Shortfall
Beaver	\$30,918	\$62,500	49.5%	\$2,576	\$773	626	\$147	\$465	\$308	\$538	\$235	\$704	\$69	\$922	-\$149	\$1,014	-\$241
Box Elder	\$38,553	\$65,800	58.6%	\$3,213	\$964	\$672	\$292	\$455	\$509	\$524	\$440	\$697	\$267	\$983	-\$19	\$1,211	-\$247
Cache	\$33,762	\$60,200	56.1%	\$2,814	\$844	\$686	\$158	\$448	\$396	\$573	\$271	\$702	\$142	\$1,021	-\$177	\$1,195	-\$351
Carbon	\$36,677	\$62,200	59.0%	\$3,056	\$917	\$619	\$298	\$511	\$406	\$541	\$376	\$715	\$202	\$1,022	-\$105	\$1,168	-\$251
Daggett	\$32,352	\$61,600	52.5%	\$2,696	\$809	\$1,069	-\$260	\$532	\$277	\$616	\$193	\$805	\$4	\$1,139	-\$330	\$1,256	-\$447
Davis	\$41,330	\$76,600	54.0%	\$3,444	\$1,033	\$913	\$120	\$571	\$462	\$690	\$343	\$882	\$151	\$1,258	-\$225	\$1,471	-\$438
Duchesne	\$44,788	\$68,800	65.1%	\$3,732	\$1,120	\$849	\$271	\$568	\$552	\$721	\$399	\$859	\$261	\$1,211	-\$91	\$1,425	-\$305
Emery	\$37,371	\$59,800	62.5%	\$3,114	\$934	\$593	\$341	\$461	\$473	\$607	\$327	\$697	\$237	\$901	\$33	\$949	-\$15
Garfield	\$21,877	\$51,200	42.7%	\$1,823	\$547	\$633	-\$86	\$461	\$86	\$524	\$23	\$697	-\$150	\$1,014	-\$467	\$1,022	-\$475
Grand	\$26,414	\$56,700	46.6%	\$2,201	\$660	\$758	-\$98	\$563	\$97	\$651	\$9	\$851	-\$191	\$1,155	-\$495	\$1,159	-\$499
Iron	\$26,977	\$52,900	51.0%	\$2,248	\$674	\$661	\$13	\$502	\$172	\$577	\$97	\$697	-\$23	\$1,014	-\$340	\$1,196	-\$522
Juab	\$36,591	\$69,200	52.9%	\$3,049	\$915	\$761	\$154	\$625	\$290	\$720	\$195	\$836	\$79	\$1,216	-\$301	\$1,472	-\$557
Kane	\$24,617	\$64,200	38.3%	\$2,051	\$615	\$858	-\$243	\$594	\$21	\$687	-\$72	\$898	-\$283	\$1,168	-\$553	\$1,287	-\$672
Millard	\$38,818	\$61,000	63.6%	\$3,235	\$970	\$657	\$313	\$461	\$509	\$524	\$446	\$697	\$273	\$894	\$76	\$1,180	-\$210
Morgan	\$40,370	\$76,600	52.7%	\$3,364	\$1,009	\$917	\$92	\$571	\$438	\$690	\$319	\$882	\$127	\$1,258	-\$249	\$1,471	-\$462
Piute	\$28,243	\$46,400	60.9%	\$2,354	\$706	\$613	\$93	\$557	\$149	\$645	\$61	\$843	-\$137	\$1,057	-\$351	\$1,315	-\$609
Rich	\$29,033	\$63,200	45.9%	\$2,419	\$726	\$614	\$112	\$532	\$194	\$616	\$110	\$805	-\$79	\$1,139	-\$413	\$1,256	-\$530
Salt Lake	\$42,313	\$75,400	56.1%	\$3,526	\$1,058	\$936	\$122	\$667	\$391	\$834	\$224	\$1,035	\$23	\$1,475	-\$417	\$1,690	-\$632
San Juan	\$30,250	\$50,800	59.5%	\$2,521	\$756	\$607	\$149	\$461	\$295	\$607	\$149	\$697	\$59	\$990	-\$234	\$1,096	-\$340
Sanpete	\$36,117	\$59,400	60.8%	\$3,010	\$903	\$675	\$228	\$492	\$411	\$559	\$344	\$744	\$159	\$933	-\$30	\$1,013	-\$110
Sevier	\$33,243	\$56,900	58.4%	\$2,770	\$831	\$696	\$135	\$476	\$355	\$541	\$290	\$720	\$111	\$999	-\$168	\$1,134	-\$303
Summit	\$48,181	\$103,400	46.6%	\$4,015	\$1,205	\$1,220	-\$15	\$793	\$412	\$1,025	\$180	\$1,177	\$28	\$1,712	-\$507	\$2,073	-\$868
Tooele	\$46,034	\$70,000	65.8%	\$3,836	\$1,151	\$811	\$340	\$600	\$551	\$732	\$419	\$849	\$302	\$1,235	-\$84	\$1,495	-\$344
Uintah	\$43,627	\$69,100	63.1%	\$3,636	\$1,091	\$972	\$119	\$630	\$461	\$717	\$374	\$953	\$138	\$1,270	-\$179	\$1,406	-\$315
Utah	\$44,790	\$69,200	64.7%	\$3,733	\$1,120	\$900	\$220	\$625	\$495	\$720	\$400	\$836	\$284	\$1,216	-\$96	\$1,472	-\$352
Wasatch	\$42,631	\$73,000	58.4%	\$3,553	\$1,066	\$1,083	-\$17	\$690	\$376	\$787	\$279	\$1,044	\$22	\$1,384	-\$318	\$1,670	-\$604
Washington	\$32,104	\$59,000	54.4%	\$2,675	\$803	\$951	-\$148	\$613	\$190	\$683	\$120	\$863	-\$60	\$1,238	-\$435	\$1,520	-\$717
Wayne	\$19,131	\$51,100	37.4%	\$1,594	\$478	\$544	-\$66	\$461	\$17	\$607	-\$129	\$697	-\$219	\$941	-\$463	\$1,087	-\$609
Weber	\$37,777	\$76,600	49.3%	\$3,148	\$944	\$793	\$151	\$571	\$373	\$690	\$254	\$882	\$62	\$1,258	-\$314	\$1,471	-\$527

Source : DWS (2017) UWWORKS Database [Data]

## Affordable housing is critical to the programs and initiatives trying to move people out of homelessness.

### People Experiencing Homelessness

The 2017 Comprehensive Report on Homelessness highlights that the solution to homelessness is housing. Affordable housing is critical to the programs and initiatives trying to move people out of homelessness.<sup>38</sup> HUD’s definition of literal homelessness as defined in the Final Rule of the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH), as described in the following four categories:

1. Individuals and families who lack a fixed, regular, and adequate nighttime residence, including a subset for an individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or a place not meant for human habitation immediately before entering that institution;
2. Individuals and families who will imminently lose their primary nighttime residence;
3. Unaccompanied youth and families with children and youth who are defined as homeless under other federal statutes who do not otherwise qualify as homeless under this definition; and
4. Individuals and families who are fleeing, or are attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member.<sup>39</sup>

According to the state’s Homeless Management Information System’s records, 26,543 individuals experiencing homelessness in Utah between 2011–2015 sought state assistance. As stated before, income is a key determinant of whether a householder can afford housing. This report conducted a regression analysis to identify significant determinants of annual income using administrative data from Workforce Services from 2011–2015. Based on this analysis, there are several characteristics that have a statistically

significant effect upon the annual income of people experiencing homelessness. It found that the expected income of individuals experiencing homelessness is \$7,515 per year. This analysis also found:

- Income increases by \$94 per year for each additional year in age.
- Individuals experiencing homelessness living in micropolitan areas have an increased income of \$901 per year.
- Transient individuals, living in multiple counties can expect to earn \$3,937 less per year than non-transient individuals.
- Female individuals experiencing homelessness earn \$1,219 less than their male counterparts per year.
- Individuals that are from two or more races can earn up to \$16,000 more than white individuals experiencing homelessness.
- Native American individuals experiencing homeless can expect to earn \$1,132 less than their white counterparts per year.
- Asians individuals experiencing homeless can expect to earn \$1,653 more than their white counterparts per year.
- In contrast, black individuals experiencing homeless can expect to earn \$743 less than their white counterparts per year.
- Pacific Island individuals experiencing homeless can expect to earn \$2,105 more than their white counterparts per year.

**Table 30: Crosstabulation of homeless benefits recipients by sex and income group in Utah**

Income Group	Female		Male		Undeclared Sex		Total	
	n	%	n	%	n	%	n	%
ELI	11,790	44.42%	11,887	44.78%	10	0.04%	23,687	89.24%
LI	129	0.49%	371	1.40%	1	0.00%	501	1.89%
NLI	23	0.09%	82	0.31%	0	0.00%	105	0.40%
VLI	857	3.23%	1,392	5.24%	1	0.00%	2,250	8.48%
<b>Total</b>	<b>12,799</b>	<b>48.22%</b>	<b>13,732</b>	<b>51.73%</b>	<b>12</b>	<b>0.05%</b>	<b>26,543</b>	<b>100.00%</b>

Source : DWS (2017) HMIS Database [Data]

**Table 31: Crosstabulation of homeless benefits recipients by race and income group**

Income Group	Asian		Black		Native American		Pacific Islander		White		Multiple Races		Undeclared Race		Total	
	n	%	n	%	n	%	n	%	n	%	n	%	n	%	n	%
ELI	226	0.85%	1,243	4.68%	881	3.32%	149	0.56%	12,482	47.03%	2	0.01%	8,704	32.79%	23,687	89.24%
LI	4	0.02%	20	0.08%	16	0.06%	3	0.01%	210	0.79%	0	0.00%	248	0.93%	501	1.89%
NLI	0	0.00%	0	0.00%	0	0.00%	0	0.00%	34	0.13%	1	0.00%	70	0.26%	105	0.40%
VLI	17	0.06%	98	0.37%	61	0.23%	21	0.08%	1,069	4.03%	0	0.00%	984	3.71%	2,250	8.48%
Total	247	0.93%	1,361	5.13%	958	3.61%	173	0.65%	13,795	51.97%	3	0.01%	10,006	37.70%	26,543	100.00%

Source : DWS (2017) HMIS Database [Data]

**Table 32: Crosstabulation of homeless benefits recipients by ethnicity and income group**

Income Group	Hispanic		Non-Hispanic		Undeclared Ethnicity		Total	
	n	%	n	%	n	%	n	%
ELI	2,845	10.72%	19,451	73.28%	1,391	5.24%	23,687	89.24%
LI	40	0.15%	387	1.46%	74	0.28%	501	1.89%
NLI	4	0.02%	56	0.21%	45	0.17%	105	0.40%
VLI	231	0.87%	1,788	6.74%	231	0.87%	2,250	8.48%
Total	3,120	11.75%	21,682	81.69%	1,741	6.56%	26,543	100.00%

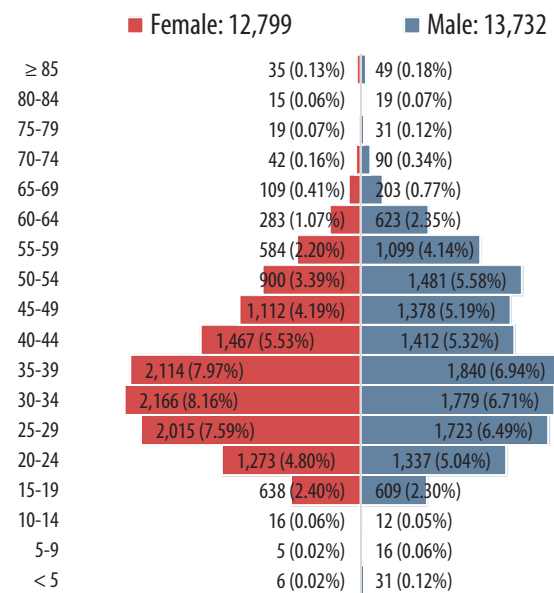
Source : DWS (2017) HMIS Database [Data]

**Table 33: Crosstabulation of Utah's homeless benefits recipients by income group and county**

County	ELI		VLI		LI		NLI		Total	
	n	%	n	%	n	%	n	%	n	%
Beaver	22	0.08%	0	0.00%	0	0.00%	1	0.00%	23	0.09%
Box Elder	104	0.39%	14	0.05%	4	0.02%	0	0.00%	122	0.46%
Cache	168	0.63%	53	0.20%	10	0.04%	6	0.02%	237	0.89%
Carbon	80	0.30%	12	0.05%	3	0.01%	2	0.01%	97	0.37%
Daggett	7	0.03%	0	0.00%	0	0.00%	0	0.00%	7	0.03%
Davis	1,400	5.27%	84	0.32%	15	0.06%	4	0.02%	1,503	5.66%
Duchesne	103	0.39%	21	0.08%	14	0.05%	8	0.03%	146	0.55%
Emery	14	0.05%	2	0.01%	1	0.00%	0	0.00%	17	0.06%
Garfield	37	0.14%	6	0.02%	0	0.00%	0	0.00%	43	0.16%
Grand	121	0.46%	16	0.06%	3	0.01%	0	0.00%	140	0.53%
Iron	438	1.65%	78	0.29%	15	0.06%	3	0.01%	534	2.01%
Juab	14	0.05%	4	0.02%	1	0.00%	1	0.00%	20	0.08%
Kane	20	0.08%	1	0.00%	1	0.00%	0	0.00%	22	0.08%
Millard	9	0.03%	0	0.00%	2	0.01%	1	0.00%	12	0.05%
Morgan	12	0.05%	3	0.01%	0	0.00%	0	0.00%	15	0.06%
Piute	1	0.00%	0	0.00%	0	0.00%	0	0.00%	1	0.00%
Rich	19	0.07%	0	0.00%	0	0.00%	0	0.00%	19	0.07%
Salt Lake	14,042	52.90%	1,244	4.69%	252	0.95%	42	0.16%	15,580	58.70%
San Juan	36	0.14%	3	0.01%	8	0.03%	0	0.00%	47	0.18%
Sanpete	74	0.28%	7	0.03%	2	0.01%	0	0.00%	83	0.31%
Sevier	67	0.25%	10	0.04%	7	0.03%	1	0.00%	85	0.32%
Summit	133	0.50%	12	0.05%	0	0.00%	0	0.00%	145	0.55%
Tooele	310	1.17%	50	0.19%	17	0.06%	2	0.01%	379	1.43%
Uintah	143	0.54%	33	0.12%	22	0.08%	8	0.03%	206	0.78%
Utah	2,753	10.37%	296	1.12%	64	0.24%	13	0.05%	3,126	11.78%
Wasatch	28	0.11%	0	0.00%	2	0.01%	0	0.00%	30	0.11%
Washington	851	3.21%	140	0.53%	30	0.11%	6	0.02%	1,027	3.87%
Wayne	6	0.02%	0	0.00%	0	0.00%	0	0.00%	6	0.02%
Weber	972	3.66%	108	0.41%	19	0.07%	5	0.02%	1,104	4.16%
Multiple	1,703	6.42%	53	0.20%	9	0.03%	2	0.01%	1,767	6.66%
Total	23,687	89.24%	2,250	8.48%	501	1.89%	105	0.40%	26,543	100.00%

Source: DWS (2017) HMIS Database [Data]

**Figure 41: Distribution of Homeless Beneficiaries by Sex and Age in Utah**



Source: DWS (2017) HMIS Database [Data]

**Table 34: Affordability of median rents and fair market rents by county for homeless benefit recipients in Utah**

County	Annual Income	HAMFI	% HAMFI	Monthly Income	Affordable Rent	Median Rent		0-BR FMR		1-BR FMR		2-BR FMR		3-BR FMR		4-BR FMR	
						Cost	Shortfall	Cost	Shortfall	Cost	Shortfall	Cost	Shortfall	Cost	Shortfall	Cost	Shortfall
Beaver	\$8,390	\$62,500	13.4%	\$699	\$210	626	-\$416	\$465	-\$255	\$538	-\$328	\$704	-\$494	\$922	-\$712	\$1,014	-\$804
Box Elder	\$9,781	\$65,800	14.9%	\$815	\$245	672	-\$427	\$455	-\$210	\$524	-\$279	\$697	-\$452	\$983	-\$738	\$1,211	-\$966
Cache	\$14,558	\$60,200	24.2%	\$1,213	\$364	686	-\$322	\$448	-\$84	\$573	-\$209	\$702	-\$338	\$1,021	-\$657	\$1,195	-\$831
Carbon	\$11,658	\$62,200	18.7%	\$971	\$291	619	-\$328	\$511	-\$220	\$541	-\$250	\$715	-\$424	\$1,022	-\$731	\$1,168	-\$877
Daggett	\$10,268	\$61,600	16.7%	\$856	\$257	1069	-\$812	\$532	-\$275	\$616	-\$359	\$805	-\$548	\$1,139	-\$882	\$1,256	-\$999
Davis	\$9,746	\$76,600	12.7%	\$812	\$244	913	-\$669	\$571	-\$327	\$690	-\$446	\$882	-\$638	\$1,258	-\$1,014	\$1,471	-\$1,227
Duchesne	\$17,364	\$68,800	25.2%	\$1,447	\$434	849	-\$415	\$568	-\$134	\$721	-\$287	\$859	-\$425	\$1,211	-\$777	\$1,425	-\$991
Emery	\$11,054	\$59,800	18.5%	\$921	\$276	593	-\$317	\$461	-\$185	\$607	-\$331	\$697	-\$421	\$901	-\$625	\$949	-\$673
Garfield	\$8,565	\$51,200	16.7%	\$714	\$214	633	-\$419	\$461	-\$247	\$524	-\$310	\$697	-\$483	\$1,014	-\$800	\$1,022	-\$808
Grand	\$9,026	\$56,700	15.9%	\$752	\$226	758	-\$532	\$563	-\$337	\$651	-\$425	\$851	-\$625	\$1,155	-\$929	\$1,159	-\$933
Iron	\$9,445	\$52,900	17.9%	\$787	\$236	661	-\$425	\$502	-\$266	\$577	-\$341	\$697	-\$461	\$1,014	-\$778	\$1,196	-\$960
Juab	\$17,954	\$69,200	25.9%	\$1,496	\$449	761	-\$312	\$625	-\$176	\$720	-\$271	\$836	-\$387	\$1,216	-\$767	\$1,472	-\$1,023
Kane	\$9,260	\$64,200	14.4%	\$772	\$232	858	-\$626	\$594	-\$362	\$687	-\$455	\$898	-\$666	\$1,168	-\$936	\$1,287	-\$1,055
Millard	\$20,354	\$61,000	33.4%	\$1,696	\$509	657	-\$148	\$461	\$48	\$524	-\$15	\$697	-\$188	\$894	-\$385	\$1,180	-\$671
Morgan	\$12,719	\$76,600	16.6%	\$1,060	\$318	917	-\$599	\$571	-\$253	\$690	-\$372	\$882	-\$564	\$1,258	-\$940	\$1,471	-\$1,153
Piute	\$11,371	\$46,400	24.5%	\$948	\$284	613	-\$329	\$557	-\$273	\$645	-\$361	\$843	-\$559	\$1,057	-\$773	\$1,315	-\$1,031
Rich	\$1,866	\$63,200	3.0%	\$155	\$47	614	-\$567	\$532	-\$485	\$616	-\$569	\$805	-\$758	\$1,139	-\$1,092	\$1,256	-\$1,209
Salt Lake	\$10,991	\$75,400	14.6%	\$916	\$275	936	-\$661	\$667	-\$392	\$834	-\$559	\$1,035	-\$760	\$1,475	-\$1,200	\$1,690	-\$1,415
San Juan	\$11,487	\$50,800	22.6%	\$957	\$287	607	-\$320	\$461	-\$174	\$607	-\$320	\$697	-\$410	\$990	-\$703	\$1,096	-\$809
Sanpete	\$8,842	\$59,400	14.9%	\$737	\$221	675	-\$454	\$492	-\$271	\$559	-\$338	\$744	-\$523	\$933	-\$712	\$1,013	-\$792
Sevier	\$11,927	\$56,900	21.0%	\$994	\$298	696	-\$398	\$476	-\$178	\$541	-\$243	\$720	-\$422	\$999	-\$701	\$1,134	-\$836
Summit	\$14,052	\$103,400	13.6%	\$1,171	\$351	1220	-\$869	\$793	-\$442	\$1,025	-\$674	\$1,177	-\$826	\$1,712	-\$1,361	\$2,073	-\$1,722
Tooele	\$12,979	\$70,000	18.5%	\$1,082	\$324	811	-\$487	\$600	-\$276	\$732	-\$408	\$849	-\$525	\$1,235	-\$911	\$1,495	-\$1,171
Uintah	\$17,348	\$69,100	25.1%	\$1,446	\$434	972	-\$538	\$630	-\$196	\$717	-\$283	\$953	-\$519	\$1,270	-\$836	\$1,406	-\$972
Utah	\$10,539	\$69,200	15.2%	\$878	\$263	900	-\$637	\$625	-\$362	\$720	-\$457	\$836	-\$573	\$1,216	-\$953	\$1,472	-\$1,209
Wasatch	\$12,814	\$73,000	17.6%	\$1,068	\$320	1083	-\$763	\$690	-\$370	\$787	-\$467	\$1,044	-\$724	\$1,384	-\$1,064	\$1,670	-\$1,350
Washington	\$11,002	\$59,000	18.6%	\$917	\$275	951	-\$676	\$613	-\$338	\$683	-\$408	\$863	-\$588	\$1,238	-\$963	\$1,520	-\$1,245
Wayne	\$7,290	\$51,100	14.3%	\$608	\$182	544	-\$362	\$461	-\$279	\$607	-\$425	\$697	-\$515	\$941	-\$759	\$1,087	-\$905
Weber	\$11,930	\$76,600	15.6%	\$994	\$298	793	-\$495	\$571	-\$273	\$690	-\$392	\$882	-\$584	\$1,258	-\$960	\$1,471	-\$1,173

Source : DWS (2017) HMIS Database [Data]

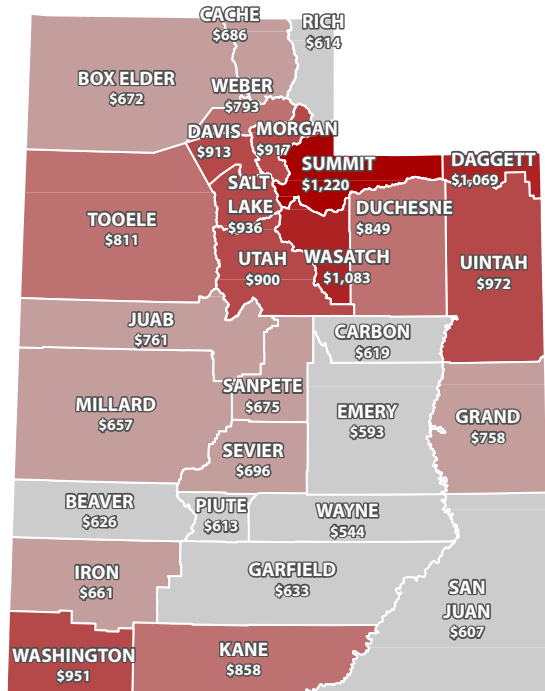
# SECTION 5: Analysis of Utah's Affordable and Available Rental Housing Gap

## Owning vs. Renting

An overview of Utah's housing supply, income drivers, and populations provide a firm basis for understanding housing affordability and availability in the state. Still, there is the question of why Utah's annual affordable housing assessment analyzes the gap in rental housing but not the gap in owner-occupied housing. As discussed in Section 2, most of Utah's funding for subsidizing moderate-income housing comes from the federal government. With few exceptions, these programs tend to only fund the development of rental properties or provide rental assistance for households earning below 80 percent of HAMFI.

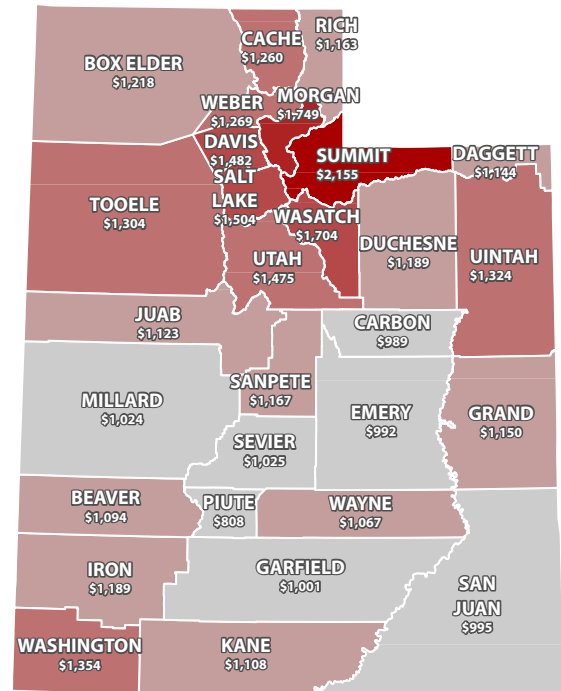
Renter households tend to earn significantly less than owner households. While the typical owner household in Utah earned 109.8 percent of the unadjusted MFI, i.e. \$72,981 per year, the typical renter household only earned 52.7 percent of the unadjusted MFI, i.e. \$36,255 per year according to the 2011-2015 American Community Survey. That means that the typical renter in Utah is from a low-income household—one that is only 2.8 percent above the very low-income threshold.

**Figure 42: Median gross rent for housing units in Utah by county, 2011-2015**



Source: USCB. (2011-2015). Table B25064: American Community Survey. [Data]

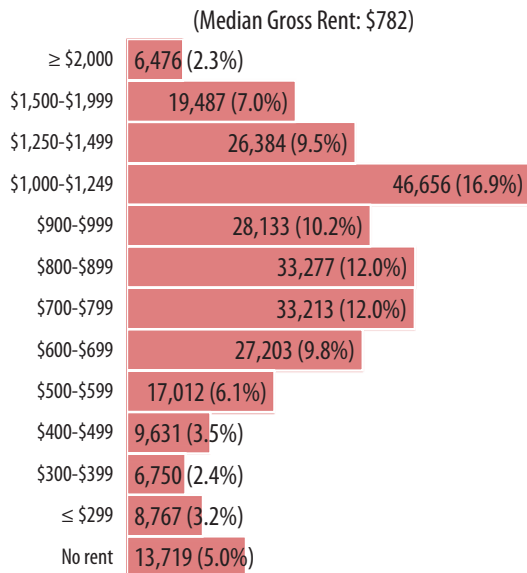
**Figure 43: Median monthly costs of mortgage units in Utah by county, 2011-2015**



Source: USCB. (2011-2015). Table B25064: American Community Survey. [Data]

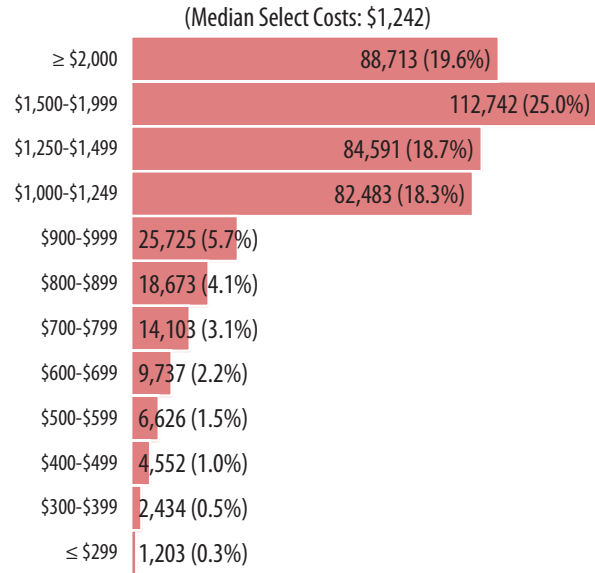


**Figure 44: Rent distribution of 276,708 renter households in Utah, 2011-2015**



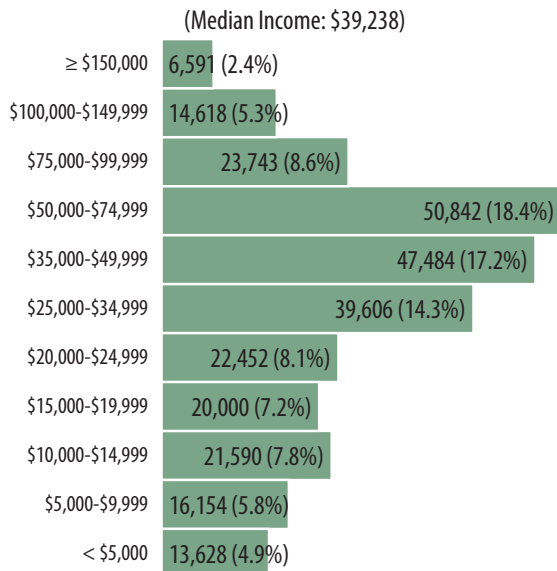
Source: USCB (2017) Table B25063: American Community Survey, 2011-2015 [Data]

**Figure 45: Ownership cost distribution of 451,582 mortgaged units in Utah, 2011-2015**



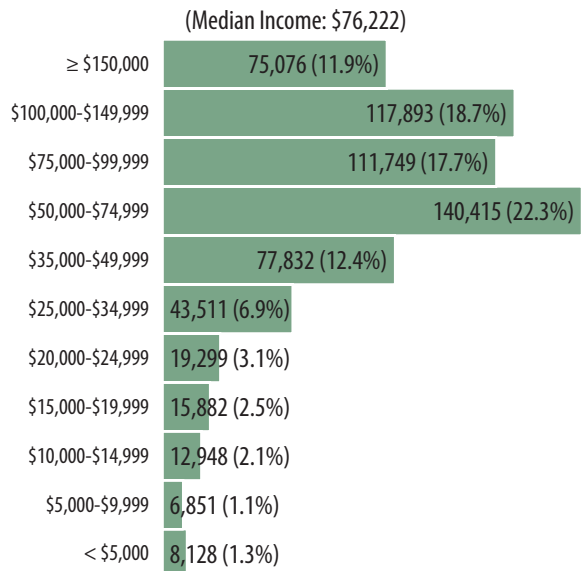
Source: USCB (2017) Table B25087: American Community Survey, 2011-2015 [Data]

**Figure 46: Income distribution of 276,708 renter households in Utah, 2011-2015**



Source: USCB (2017) Table B25118: American Community Survey, 2011-2015 [Data]

**Figure 47: Income distribution of 629,584 owner households in Utah, 2011-2015**



Source: USCB (2017) Table B25118: American Community Survey, 2011-2015 [Data]

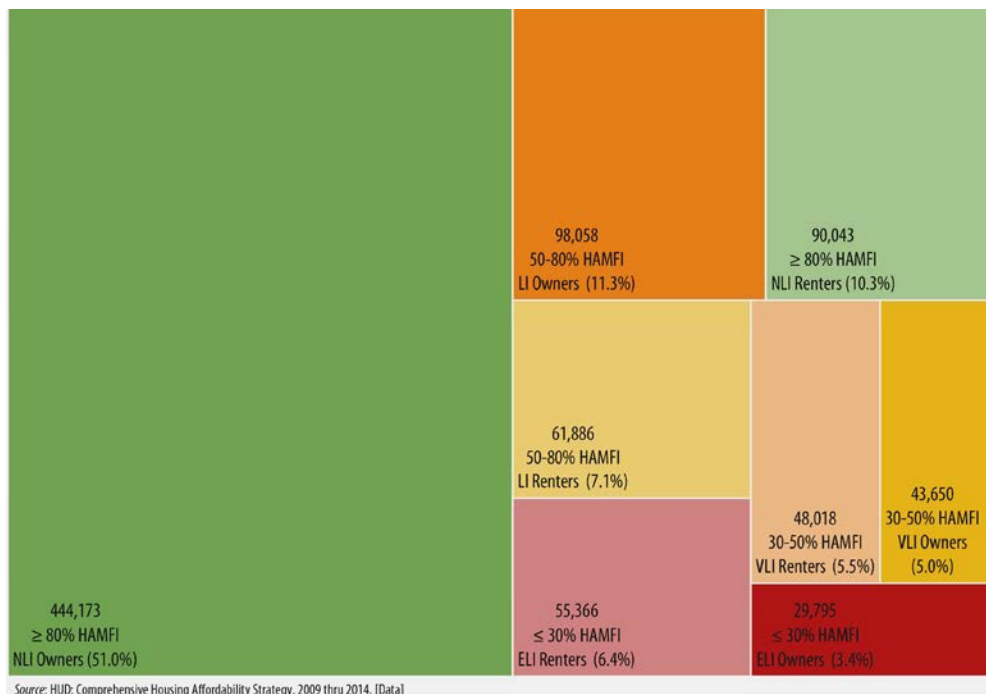
Even when both owners and renters are grouped by income relative to HAMFI, there are significant differences. **Figure 48** provides a visual depiction of Utah's average distribution of owner and renter households over the last several years. At 51.0 percent, non-low-income owners, which is to say households that earn more than 80 percent of HAMFI annually, comprised the largest share of households in Utah on average. In contrast, only 10.3 percent of all households were non-low-income renters. As **Table 35** indicates, moderate income owners (19.7 percent) constituted approximately the same portion of total households as moderate income renters (19.0 percent), yet there are nearly double the number of extremely low-income renters (6.4 percent) than there are extremely low-income owners (3.4 percent).

**Table 35: Crosstabulation of average household income groups by tenure in Utah, 2009-2014**

	Owners		Renters		Total	
	n	%	n	%	n	%
Moderate Income (≤ 80% HAMFI)	171,503	19.7%	165,269	19.0%	336,772	38.7%
Non-low Income (> 80% HAMFI)	444,173	51.0%	90,043	10.3%	534,216	61.3%
<b>Total</b>	<b>615,676</b>	<b>70.7%</b>	<b>255,312</b>	<b>29.3%</b>	<b>870,988</b>	<b>100.0%</b>

Source: HUD: Comprehensive Housing Affordability Strategy, Table 8, 2009 thru 2014 [Data]

**Figure 48: Average distribution of households in Utah by income limit group, 2009-2014**



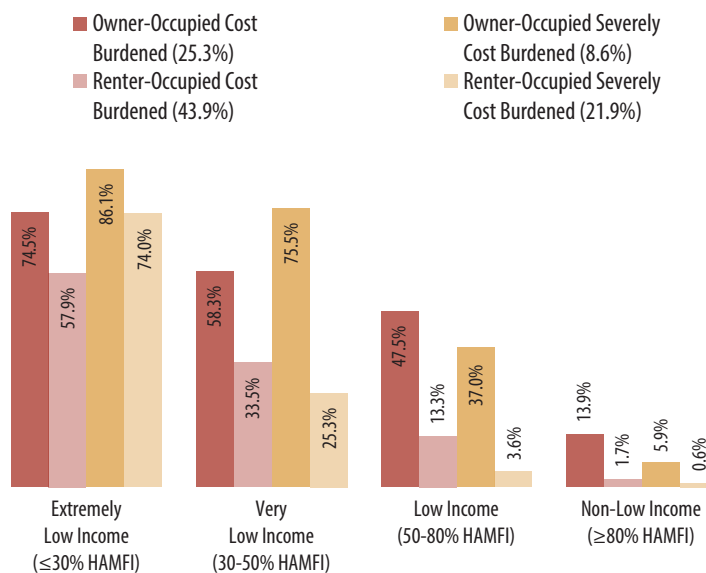
There are noticeable differences in the rate of cost-burdened and severely cost-burdened renters and owners. **Figure 49** shows that renters (43.9 percent) overall are 18.6 percent more likely to be burdened by housing costs than owners (25.3 percent). It also shows that renters (21.9 percent) overall are 13.3 percent more likely to be severely burdened by housing costs than owners (8.6 percent). Interestingly, except for extremely low-income renter households, homeowners are actually more likely to be severely cost burdened by their homes than renter households. This may suggest that owners are more likely to be tempted to over-extend themselves when purchasing a home. This may support Milton Friedman's Permanent Income Hypothesis (PIH).

In his book, *A Theory of the Consumption Function*, Friedman argued that consumers make purchasing decisions based on their expected earnings and not their earnings at a particular point of time.<sup>40</sup> For example, a couple of young first-time homebuyers may qualify for a larger mortgage loan than they can reasonably afford at the time of their purchase, but they assume that their household income will increase gradually over time, thus making future house payments relatively more affordable over the long run. He predicted that households engage in consumption smoothing, which is a stable pattern of consumption when there are diminishing marginal returns on consuming additional

units of a particular good or service. PIH would not seem to explain why renters in general are less likely to have severe housing cost burdens other than perhaps they do not expect their incomes, and consequently the affordability of their homes, to improve over time.

The final reason that the annual affordable housing assessment report focuses on rental housing instead of homeownership is the mortgage interest tax deduction. The mortgage interest tax deduction is the single largest housing subsidy in the U.S., and renters are inherently ineligible for it. The Congressional Budget Office (CBO) reported that the federal government spent approximately \$37 billion on direct rental subsidies for low-income households in 2014: \$18 billion on the Housing Choice Voucher program; \$12 billion on project-based rental assistance; and \$7 billion on public housing.<sup>41</sup> It indirectly provided another \$7 billion in Low-Income Housing Tax Credits (LIHTC) to developers of low-income housing projects; a LIHTC is foregone tax revenue that reduces rent by lowering the upfront cost of housing production. Yet appropriations for rental assistance programs are dwarfed by federal tax incentives and subsidies to homeowners.<sup>42,43</sup> The same report from the CBO estimated that, "The federal government provided much more support through the tax code, about \$130 billion in 2014, for housing not targeted at low-income households—mostly through

**Figure 49: Comparison of average cost burdens of owner and renter households by income limit group in Utah, 2009-2014**



Source: HUD: Comprehensive Housing Affordability Strategy, 2009 thru 2014 [Data]

the tax deductions for mortgage interest payments and for property taxes.” Ostensibly, to qualify for the mortgage interest tax deduction housing subsidy, one must at least have a mortgage, but tenure choice, the decision to own or to rent, is complicated.

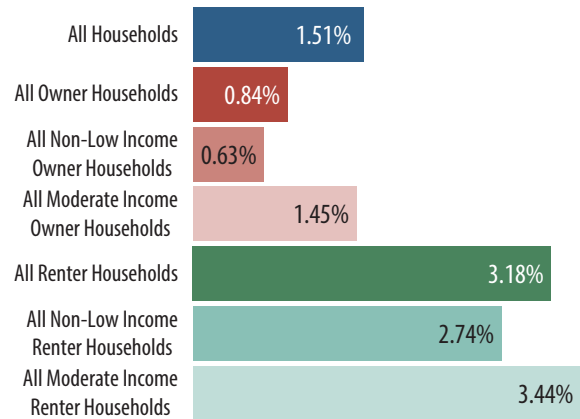
## Changing Income Segments within Utah’s Renter Population

Utah’s demographic profile is changing, and a shift in the income profile of households has accompanied these changes. As shown in **Table 35** in the previous section, on average 29.3 percent of all households in Utah were renter households. The proportion of renter households grew from 27.9 percent of 831,568 total households in 2009 to 30.3 percent of 896,181 households in 2014 at an average annual rate of 3.18 percent for a net increase of 39,158 households. Much of this growth can be attributed to moderate-income renter households, which grew from 18.1 percent of Utah’s total households in 2009 to 19.9 percent of all households in 2014 at a rate of 3.44 percent per year for a net growth of 27,749 households. In other words, moderate income renters grew 0.70 percent per year faster than all non-low-income renters and 0.26 percent per year faster than all renter households together. In fact, this segment grew 2.60 percent per year faster than all owner households and 1.93 percent per year faster than all households combined. The differences in growth rate can be better understood using **Figure 50**. Part of this trend toward renting can be explained by overlapping datasets that included 2009, a post-recession year, but the shift away from homeownership persisted in the most recent dataset from HUD, which covered a post-recession recovery period between 2010 and 2014.

The rates presented in this section identify trends among moderate-income households that are linked to the demand for affordable housing. They demonstrate, on average, that growth among the lowest income renter households is on the rise and is not a one-time occurrence. It also shows that the growth among income bands differs and is not evenly distributed. Assuming rising inflation, it suggests that allocating resources according to the expected demand of each income band is more likely to avert a more costly problems later than merely distributing resources according to a snapshot of the current distribution of moderate-income renter households.

The proportion of renter households grew from 27.9% in 2009 to 30.3% in 2014.

**Figure 50: Annual rates of growth by tenure and income group, 2009-2014**



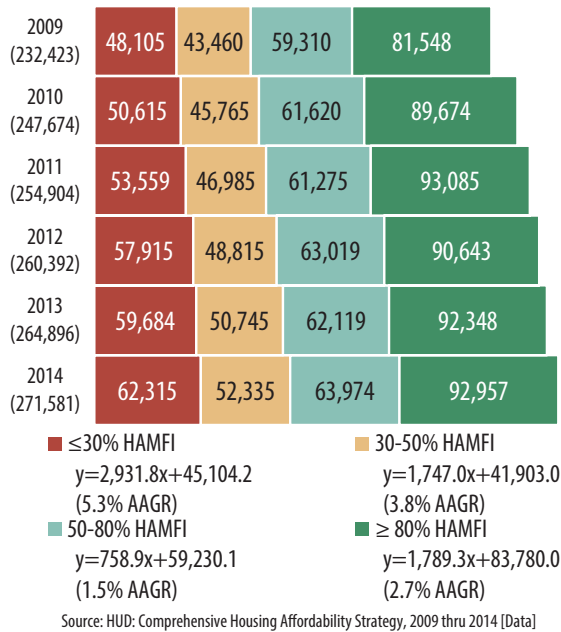
Source: HUD: Comprehensive Housing Affordability Strategy, 2009 thru 2014 [Data]

## Growth in Moderate-Income Renter Households

Despite overall volume growth, shares within the moderate-income renter household segment continue to shift by income limit groupings. On average, 165,269 (64.7 percent) of Utah’s 255,312 renter households were classified by HUD as moderate income households because they had incomes below 80 percent of the HUD Adjusted Median Family Income of the county in which they resided. This segment of Utah’s total renter households grew by 18.4 percent from 150,875 (64.9 percent) in 2009 to 178,624 (65.8 percent) in 2014 for a net growth of 27,749 households, as noted above. Within the moderate-income renter household segment, low-income households, 50-80 percent HAMFI, grew 7.9 percent between 2009 and 2014 for a net increase of 4,664 households or 51.2 percent of the total growth in moderate-income renter households. Very low-income renters, 30-50 percent HAMFI, grew 20.4 percent for a net increase of 8,875 households, and extremely low-income renters, ≤ 30 percent

HAMFI, grew 29.5 percent with a net increase of 14,210 households. Their increases represented 32.0 percent and 16.8 percent of the total growth in moderate-income renter households respectively. Although the combined growth of households in the moderate-income group accounted for most of the growth in Utah's total renter households, it is more important to understand their rates of growth and the proportional changes in the shares of these households. Rates of growth and linear trends are vital for estimating housing production rates and knowing how many housing units Utah would need to build to house each income targeted group.

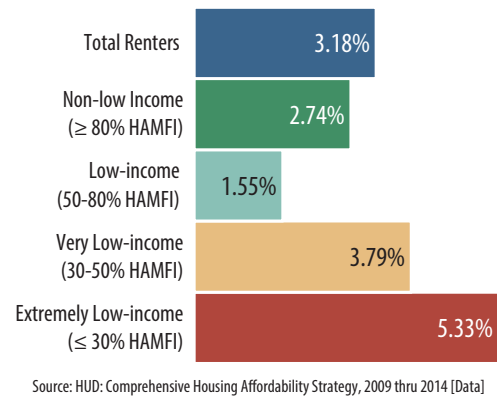
**Figure 51: Renter Households by income group in Utah, 2009-2014**



## Renter Household Annual Growth Rates

Annual growth rates deal with the average increase in the number of households each year over a period of several years. For example, the total number of renter households in Utah grew by 16.8 percent between 2009 and 2014, which is an average annual growth rate of 3.18 percent year, for a net increase of 39,158 households. **Table 36** shows that extremely low-income renter households grew at a rate of 5.33 percent per year, which was 2.15 percent faster than the overall growth of all renter households in Utah. Very low-income renter households, 30-50 percent HAMFI, grew at 3.79 percent per year, outpacing all renter growth by 0.61 percent per year. Low-income renter households, 50-80 percent HAMFI, grew at 1.55 percent per year, but -1.63 percent slower than all renter households. Non-low-income renter households also grew at a rate of 2.74 percent per year, but it was -0.44 percent slower per year than all renter households.

**Figure 52: Average annual growth of moderate-income renter households in Utah, 2009-2014**



**Table 36: Average annual growth of moderate-income renter households in Utah, 2009-2019**

Income Group	2009	2010	2011	2012	2013	2014	Average	AAGR	Linear
≤ 30% HAMFI	48,105	50,615	53,559	57,915	59,684	62,315	55,365.5	<b>5.33%</b>	$y=2,932x+45,104$
30-50% HAMFI	43,460	45,765	46,985	48,815	50,745	52,335	48,017.5	<b>3.79%</b>	$y=1,747x+41,903$
50-80% HAMFI	59,310	61,620	61,275	63,019	62,119	63,974	61,886.2	<b>1.55%</b>	$y=759x+59,230$
≥ 80% HAMFI	81,548	89,674	93,085	90,643	92,348	92,957	90,042.5	<b>2.74%</b>	$y=1,789x+83,780$
<b>Total</b>	<b>232,423</b>	<b>247,674</b>	<b>254,904</b>	<b>260,392</b>	<b>264,896</b>	<b>271,581</b>	<b>255,311.7</b>	<b>3.18%</b>	<b><math>y=7,227x+230,017</math></b>

Source: HUD: Comprehensive Housing Affordability Strategy, 2009 thru 2014 [Data]  
Total Renter Trend:  $y = 7,227.0x + 230,017.3$



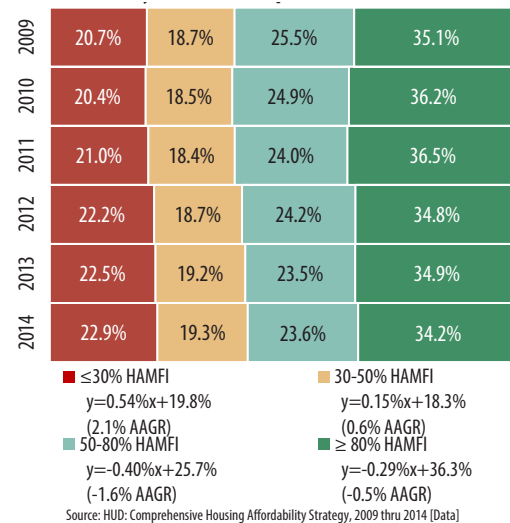
Conceptualizing average annual growth rates is not as intuitive as compound interest, but once the rate of growth has been determined, it can be applied in a similar manner. To put these growth rates into perspective, if the small rural city of Los Pequeñitos had 1,000 households in 2009 and only grew at a rate of 1.55 percent per year, the city could expect to have 1,184 households by 2020. If El Desarrollo, another small city located in a rapidly growing urban county, also had 1,000 households but was growing at 5.33 percent per year, the city could expect to have 1,770 households by 2020.

The most important takeaway from this subsection is that extremely low-income renter households are growing at a high rate. They are growing 2.59 percent faster than non-low-income renter households. In other words, they are growing 1.9 times faster. The good news is that last year Utah expected extremely low-income households to grow at an average rate of 5.56 percent per year, which means that the state has 722 fewer extremely low-income renter households than it anticipated. This may suggest that there has been a slight improvement in the average household income for this population. Even with a revised average annual growth rate, the state should expect to see as many as 22,815 additional extremely low-income households by 2020. That could be a total of 85,130 extremely low-income households. However, a simple linear trend analysis showed an average increase of only 2,932 households were being added to Utah's population of extremely low-income households between 2009 and 2014. If this trend persists linearly, we could expect to add 15,039 households to the population of extremely low-income renter households for a total of 77,354 households in this income limit group by 2020.

## Proportional Change of Moderate-Income Households

Proportional change rates deal with how the percentages or shares of all income limit groups have changed over time as seen in **Table 37**. For instance, 20.7 percent of all renters in Utah were extremely low-income renter households in 2009, but by 2014, that number had grown to 22.9 percent. In contrast, 25.5 percent of all renters in Utah were low-income households in 2009, but by 2014 that number had shrunk to 23.6 percent. Analyzing proportional change rates helps the state determine whether growth is evenly distributed across all income groups or whether it is concentrating in one or more groups over time. It also helps policymakers know whether a county's distribution of moderate-income households is following state trends. Nonetheless, it is easier to see proportional changes using a graph like **Figure 53** despite the succinctness of a table like **Table 37**.

**Figure 53: Proportion of renter households by income group in Utah, 2009-2014**



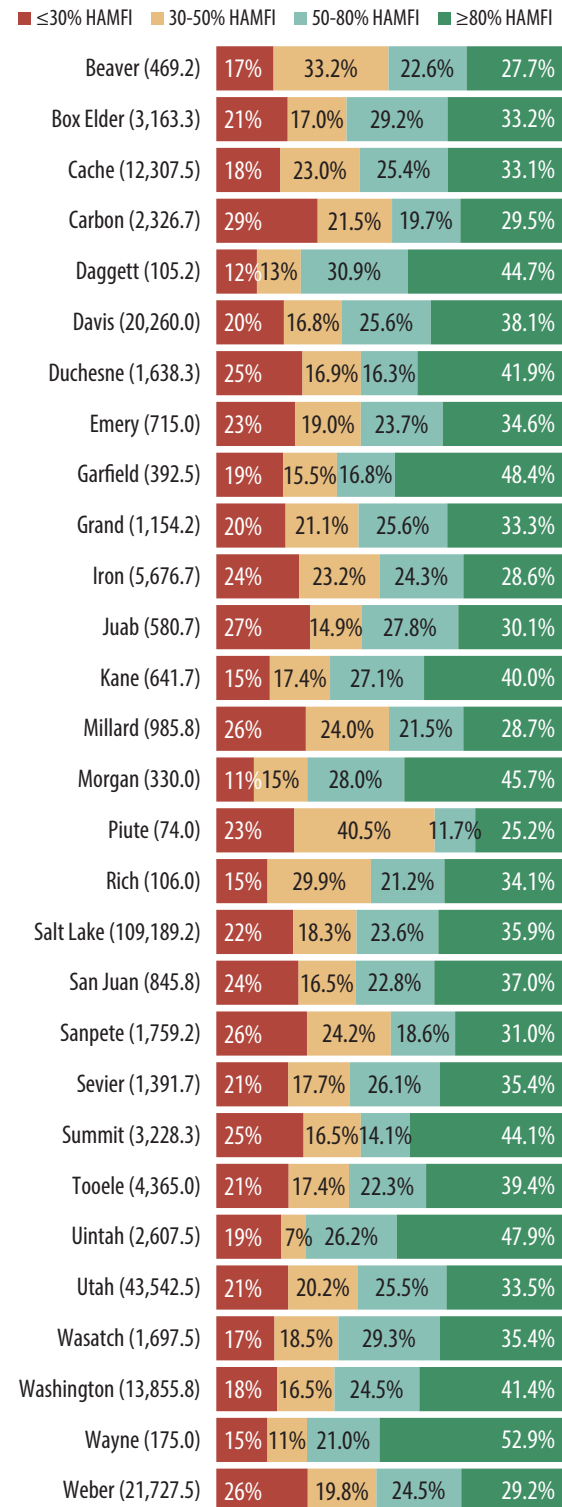
**Table 37: Average proportional change rate of moderate-income renter households in Utah, 2009-2014**

Income Group	2009	2010	2011	2012	2013	2014	Average	AAGR	Linear
≤ 30% HAMFI	20.7%	20.4%	21.0%	22.2%	22.5%	22.9%	21.4%	<b>2.11%</b>	$y = -0.5x + 19.8$
30-50% HAMFI	18.7%	18.5%	18.4%	18.7%	19.2%	19.3%	18.7%	<b>0.61%</b>	$y = -0.1x + 18.3$
50-80% HAMFI	25.5%	24.9%	24.0%	24.2%	23.5%	23.6%	24.4%	<b>-1.57%</b>	$y = -0.4x + 25.7$
≥ 80% HAMFI	35.1%	36.2%	36.5%	34.8%	34.9%	34.2%	35.5%	<b>-0.46%</b>	$y = -0.3x + 36.3$

Source: HUD: Comprehensive Housing Affordability Strategy, 2009 thru 2014 [Data]



**Figure 54: Average share of county renter households by income in Utah, 2009-2014**



Source: HUD: Comprehensive Housing Affordability Strategy, 2009 thru 2014 [Data]

Speaking of the distribution of moderate-income households in Utah’s counties, **Figure 54** visualizes the proportion of each income limit group across the state. This graph clearly shows that income limit groups are not evenly distributed across the state. Some counties like Wayne, Garfield and Uintah counties have a significantly above average portion of non-low-income renter households. However, a large portion of non-low-income renters may be a signal that there is not enough workforce housing in these counties for those households to purchase. Wayne and Daggett Counties also have significantly below average concentrations of very low- and extremely low-income rental households. Iron, Beaver and Piute Counties have a significantly below average portion of non-low-income renter households. At 40 percent of its renter population, Piute County is notable for the fact that it has the highest proportional concentration of very low-income renter households in the state. It also has one of the lowest concentrations of low-income and non-low-income renter households. Carbon, Juab and Weber all have higher-than-expected concentrations of extremely low-income households.

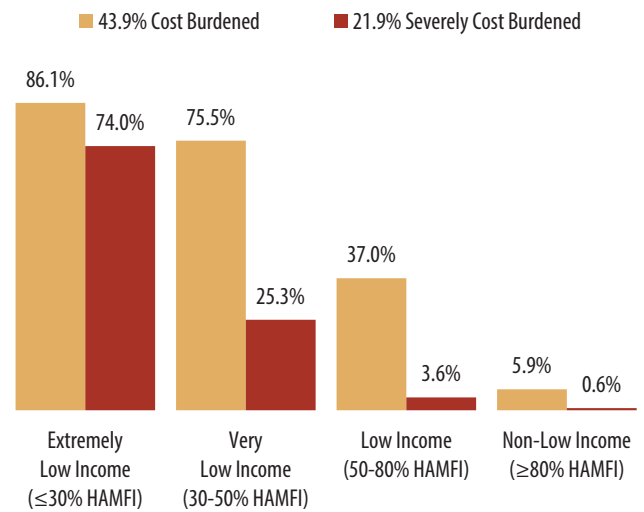
## Rising Cost Burdens

A part of understanding housing affordability is understanding cost burdens. Recall that a cost-burdened household is any household that must expend more than 30 percent of its gross monthly income on housing costs. Also recall that severely cost-burdened households spend more than 50 percent of their monthly income on housing costs. The greater a household's housing cost burden, the less money it has to spend on other needs such as bills, transportation and groceries.



Lower income renter households are more likely to spend more than 30 percent of their gross income on housing costs than higher income households. **Figure 55** shows that on average, using CHAS data from 2009 through 2014, the portion of cost-burdened renter households declined in accordance with income. Extremely low-income renter households were 10.6 percent more likely to be cost-burdened by housing than very low-income households. Very low-income households were 38.5 percent more likely to be cost-burdened than low-income renters. And, low-income renters were 31.1 percent more likely to be cost-burdened than non-low-income renter households. On average for this period, in numeric terms and not by percentage, low income renter households were 4.6 times more likely to be cost-burdened by housing than non-low-income renters. Very low-income renters were 7.5 times more likely, and extremely low-income renters were 10.2 times more likely to be cost-burdened than non-low-income renter households.

**Figure 55: Average cost burdened renter households in Utah, 2009-2014**



Source: HUD: Comprehensive Housing Affordability Strategy, 2009 thru 2014 [Data]

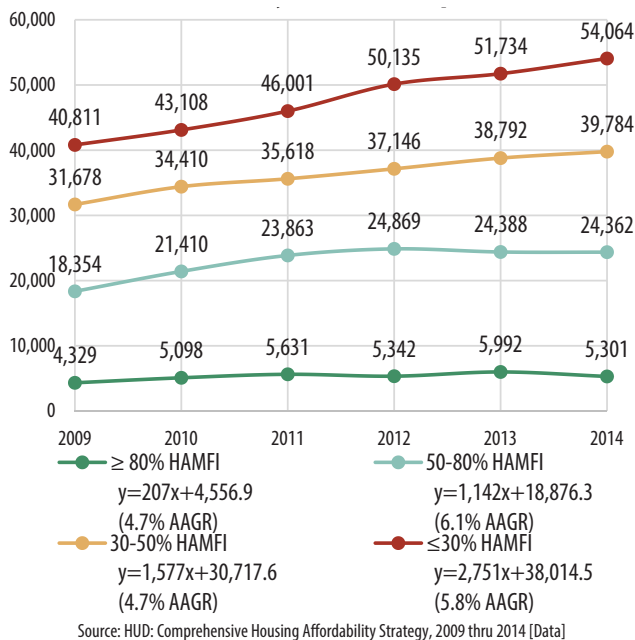
It's also important to note that cost-burdened and severely cost-burdened households are not mutually exclusive groups. This also means that on average, 84.5 percent of cost-burdened ELI households were also severely cost-burdened on average. Also, 33.6 percent of cost-burdened very low-income renters were also severely cost-burdened. Interestingly, only 9.7 percent of cost-burdened low-income households were severely cost-burdened while 10.5 percent of cost-burdened non-low-income renters were also severely cost-burdened. However, there were 4.0 times as many severely cost-burdened low-income renters as there were non-low-income renters. There were 22.0 times as many severely cost-burdened very low-income renter households as there were non-low-income renters. Finally, extremely low-income renters were 74.1 times more likely to be severely cost-burdened as non-low-income renter households.



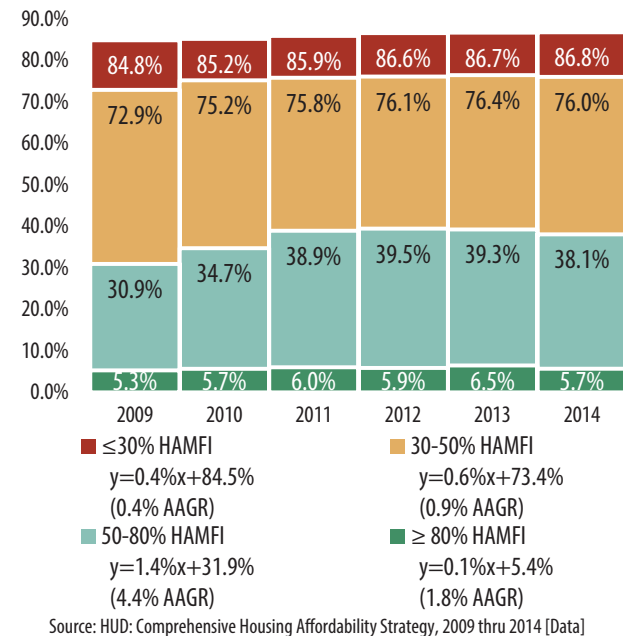
**Figure 56** and **Figure 57** show the numeric and proportional growth of cost-burdened renter households since the 2009 CHAS release. Each income group has progressively added to the number of cost-burdened renter households each year and are expected to continue to do so in the near future. The non-low-income group added 207 new cost-burdened households per year on average (4.7 percent AAGR) and it has the potential of reaching 6,609 households by 2020, if housing trends persist. The low-income group added 1,142 new cost-burdened households per year on average (6.1 percent AAGR) and it has

the potential of reaching 30,919 households by 2020. The very low-income group added 1,577 new cost-burdened households per year on average (4.7 percent AAGR) and it has the potential of reaching 49,028 households by 2020. The extremely low-income group added 2,751 new cost-burdened households per year on average (5.8 percent AAGR) and it has the potential of reaching 71,069 households by 2020. If the number of cost-burdened extremely low-income households reached that size, it would be a net increase of 30,258 households, or a 74.1 percent increase over 2009's estimate.

**Figure 56: Cost burdened renter households by income group in Utah, 2009-2014**



**Figure 57: Proportion of cost burdened renter households by income group in Utah, 2009-2014**



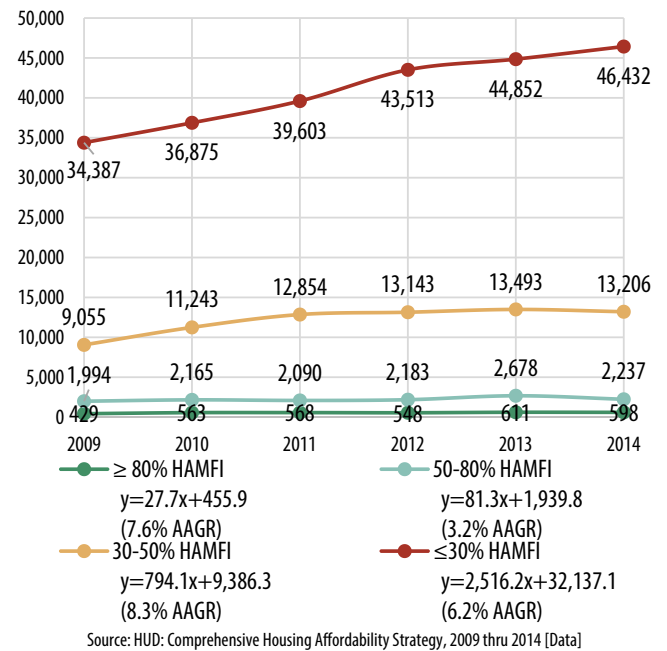


**Figure 58** and **Figure 59** show the growth of severely cost-burdened renter households over time. Like cost-burdened households, each income group can expect to add even more severely cost-burdened households by 2020. Fortunately, they are not expected to increase at the same rate. Between 2009 and 2014, the non-low-income group added only 28 new cost-burdened households per year on average (7.6 percent AAGR) and it has the potential of reaching 734 households by 2020, assuming current conditions in the housing remain the same. The low-income group added 81 new cost-burdened households per year on average (3.2 percent AAGR) and it has the potential of reaching 2,889 households by 2020. The very low-income group added 794 new cost-burdened households per year on average (8.3 percent AAGR) and it has the potential of reaching 17,790 households by 2020. Unfortunately, 91.5 percent the cost-burdened extremely low-income renter households from 2009 to 2017 were also severely cost-burdened. That group added nearly the same amount of severely cost-burdened households as cost-burdened households each year at a rate of 2,516 per year on average (6.2 percent AAGR) and it has the potential of reaching 62,065 households by 2020. If the extremely low-income group reached that size, it would be a net increase of 27,678 households, or 80.5 percent increase over 2009.

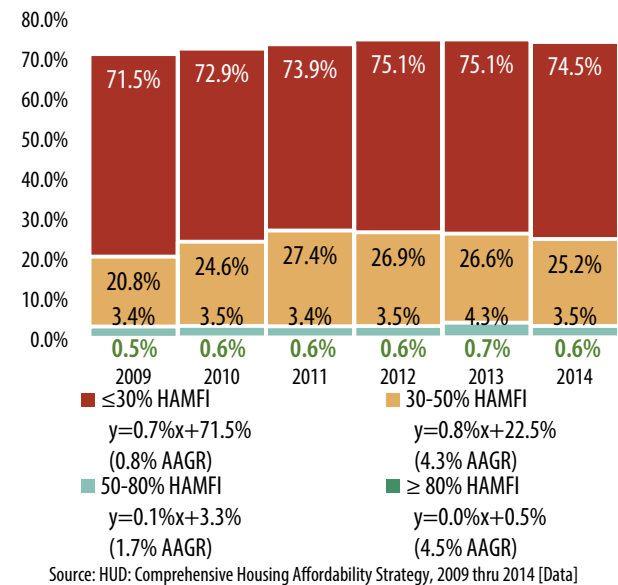
The important takeaway of this subsection is that the housing cost burdens of renter households did not improve between 2009 and 2014, and based on prevailing trends, their cost burdens are expected to worsen over the coming years without an

Based on prevailing trends housing cost burdens of renter households are expected to **worsen** over the coming years without an intervention.

**Figure 58: Severely cost burdened renter households by income group in Utah, 2009-2014**



**Figure 59: Proportion of severely cost burdened renter households by income group in Utah, 2009-2014**





intervention. Overall, cost-burdened renter households increased by 5,677 households per year on average (5.4 percent AAGR) and it has the potential of reaching 154,618 households by 2020. If the number of cost-burdened extremely low-income households reached that size, it would be a net increase of 62,453 households, or a 67.8 percent increase over 2009's estimate. The total number of severely cost-burdened rents in Utah increased by 3,419 households per year on average (6.4 percent AAGR) and it has the potential of reaching 154,618 households by 2020. If the number of severely cost-burdened renter households reached that figure, it would be a net increase of 37,612 households, or a 85.6 percent increase over 2009's estimate.

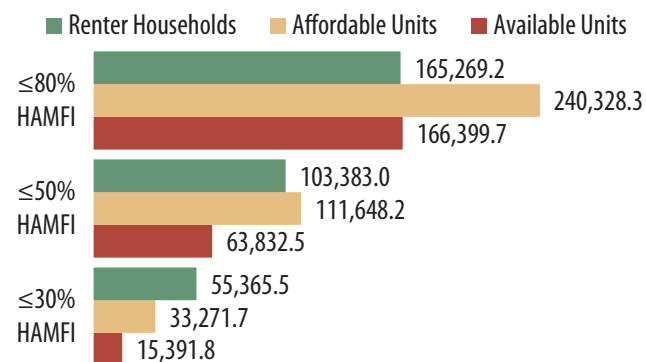
## The Gap in Affordable and Available Rental Units

A housing gap occurs when there are more renters at a particular income threshold than there are affordable or available housing units. Between 2009 and 2014, on average, there were 165,269.2 renter households with incomes at 80 percent HAMFI threshold—i.e., low-income households (see Figure 60). There were 240,328.3 rental units that LI households could afford, or 145.4 rental units for every 100 LI renter households as shown in Figure 64 of the next section. However, there were only 166,399.7 units that were both affordable and available to rent, or 100.7 units per 100 LI renters. This means that 73,928.7 units would have otherwise been affordable for LI households but were no longer available because they were occupied by NLI households. Higher income groups occupying housing affordable for lower income groups exacerbates the housing shortage. So, even if there are affordable housing units on the market, it does not mean that they are occupied by the targeted population. On average, 47,815.7 units that would otherwise be affordable for very low-income household are occupied by higher-income households. Similarly, 17,879.8 affordable housing units are unavailable for extremely low-income households to rent because they are occupied by higher income households.

The supply of affordable or available housing is increasingly falling behind the demand at each income threshold over time. The good news is that how much the gap widens depends on the year and the income group. As we already know, the number of renter households in lower income bands is growing faster than non-low-income bands. The bad news is that the supply categorically grew at a slower rate than renter households between 2009 and 2014.



**Figure 60: Average gap in affordable and available rental units in Utah, 2009-2014**



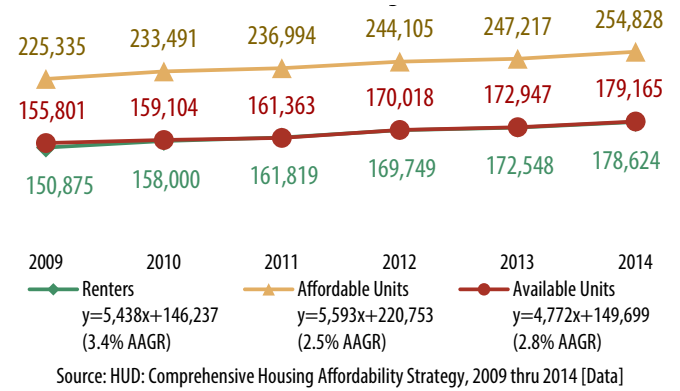
Source: HUD: Comprehensive Housing Affordability Strategy, 2009 thru 2014 [Data]

Figure 61, Figure 62, and Figure 63 show Utah's renter growth by income thresholds superimposed on the supply of affordable units and available units for each year between 2009 and 2014. Figure 61 shows that for renter households at 80 percent or below HAMFI, there has been a consistent surplus of affordable housing. But, looking at the linear rates of growth, one sees that renter households were growing at 5,438 per year and available units were growing at 4,772 per year which created a deficit of 666 units of housing each year. The only reason there is not a deficit in available housing in this income group is because the expected baseline was 149,699 and the expected baseline of renter households was 146,237, an expected surplus of 3,462 units. If the current trend persists, there will be 206,055 total moderate-income households, in all three income groups, but there will only be 202,191 available housing units by 2020.

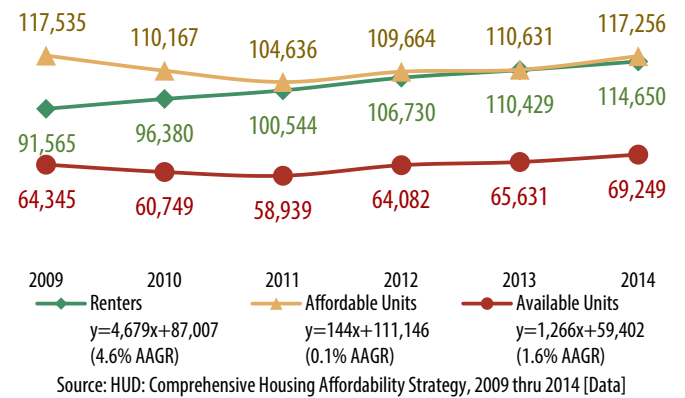
For renter households at 50 percent or below HAMFI, there has not been a consistent surplus of affordable housing. There has been a slight surplus in 2009 and 2010. From 2011 to 2014, however, the surplus of affordable housing narrowed considerably. Since 2011, the supply of housing and number of renters at or below 50 percent of HAMFI has been within the margin of error of one another. The supply of available rental housing has grown somewhat, but far below the needs of renter households at or below this level. The linear rates of growth indicate that renter households grew at 4,679 units per year while available units grew at 4,772 per year, which is widening housing gap for this income threshold by -3,413 units per year. If the current trend persists, there will be 206,055 total very low- and extremely low-income households, but there will only be 73,328 available housing units for them by 2020.

Each year between 2009 and 2014, there was a substantially lower supply of affordable housing units than there were renter households at the 30 percent or below HAMFI income threshold. From 2009 to 2014, the gap in affordable housing has only widened. The supply of available rental housing has stagnated and remained far below that of renter households at 30 percent or below HAMFI. The linear rates of growth indicate that renter households grew at 2,932 units per year while available units grew at 446 units per year which is widening the available housing gap by -2,486 units per year. If the current trend persists, there will be 77,356 extremely low-income households by 2020, but there will only be 18,737 available housing units for them.

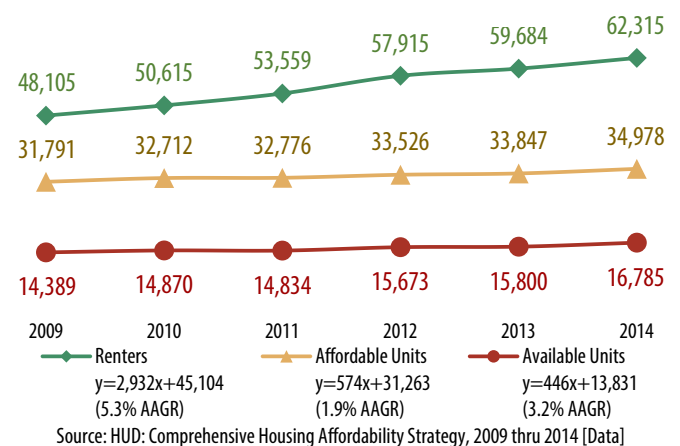
**Figure 61: The State of Utah ≤ 80% HAMFI renter households and available housing growth, 2009-2014**



**Figure 62: The State of Utah ≤ 50% HAMFI renter households and available housing growth, 2009-2014**



**Figure 63: The State of Utah ≤ 30% HAMFI renter households and available housing growth, 2009-2014**



# Rate of Affordable and Available Rental Units in Utah

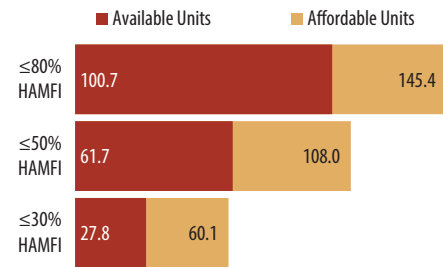
Calculating the rate of affordable and available units per 100 renter households provides for fair comparisons, as illustrated in **Figure 64**, **Figure 65**, and **Figure 66**. It eliminates differences among group sizes that may exaggerate the relative size of a problem from one income threshold to another and one county to another, assessing growth over time.

Rates of affordable and available housing per 100 renter households also make it possible to calculate how significantly the state's distribution of housing at each threshold deviates from year to year. **Figure 64** shows that the average rate of affordable units for 80 percent of HAMFI or below was 145.4 units, but there were only 100.7 available units per 100 renters; which means that there is an adequate supply of available housing units for all moderate-income renters. This math does not consider the percentage of those households are cost-burdened or severely cost-burdened. However, based on rising cost burden subsection, 43.9 percent of those 100 renter households are cost burdened and 21.9 percent are severely cost burdened. Nonetheless this figure shows rough parity between renters and available units across time as indicated by **Figure 61** in the previous section. The rates at available housing at 50 percent of HAMFI and 30 percent of HAMFI or below indicate

that the availability of housing at their income levels are respectively -38.3 and -72.2 per 100 renter households below the demand.

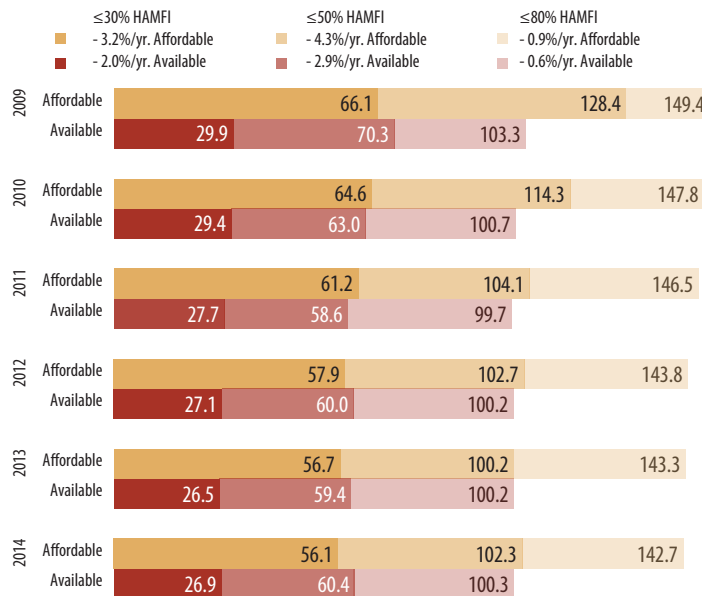
Similarly **Figure 65** shows the same timeframe except illustrated longitudinally. The availability of rental housing for all moderate-income housing units, 80 percent of HAMFI and below, has remained near parity between 2009 and 2014. However, it dropped by three units per 100 renter households in that time. Likewise, the rate of available housing for extremely low-income renters also decline by three units per 100. Housing units for 50 percent of HAMFI and below saw that most significant contraction in housing availability. Renter households under this threshold lost 9.9 units per 100 rents in this span, with some years being worse.

**Figure 64: Average rate of affordable and available units per 100 renter households in Utah, 2009-2014**



Source: HUD: Comprehensive Housing Affordability Strategy, 2009 thru 2014 [Data]

**Figure 65: Rate of affordable and available units per 100 renter households in Utah, 2009-2014**

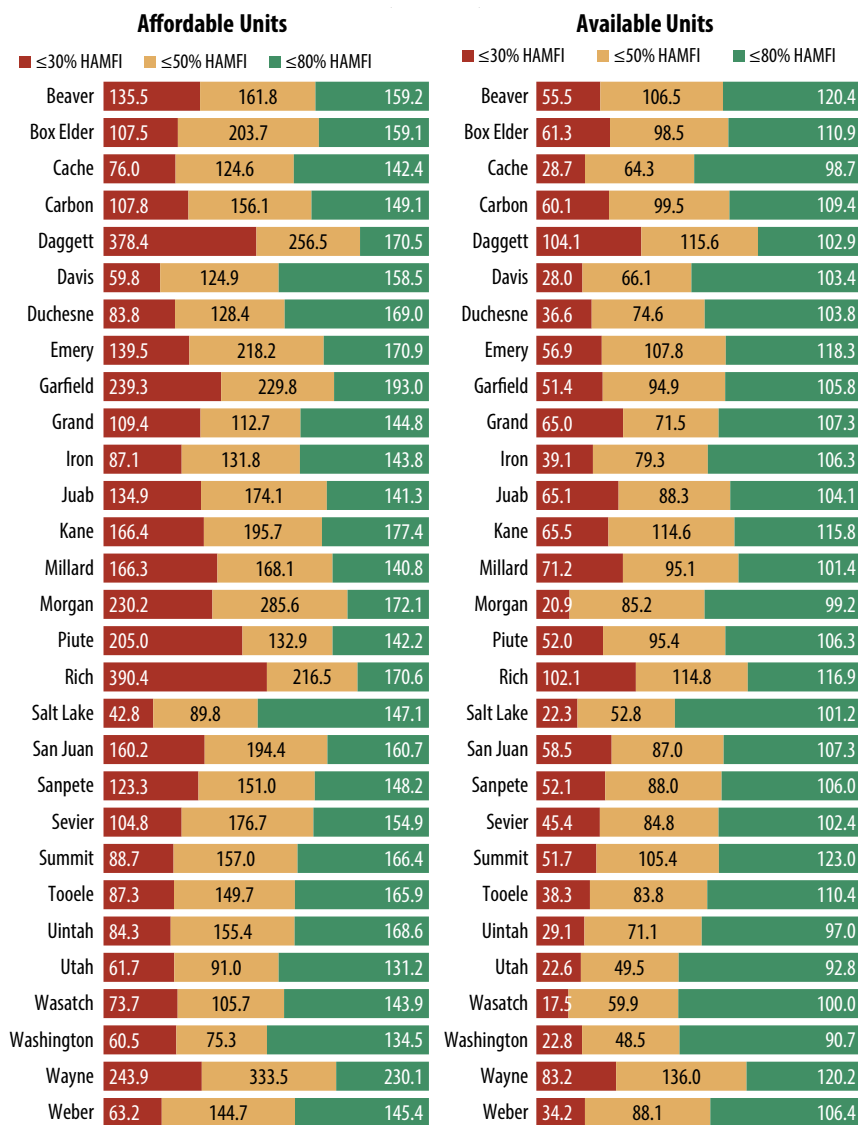


Source: HUD: Comprehensive Housing Affordability Strategy, 2009 thru 2014 [Data]

Figure 66 shows the average rate of affordable and available rental units per 100 renter households by county. Focusing on available housing units, one sees that Summit County, Beaver County and Wayne County had the best ratio of housing units to renter households at or below 80 percent HAMFI, with over 120 available units per 100 renter households in each county. In contrast, Washington County, at 90.7 available units per 100 moderate-income renter households, had the worst ratio, followed by Utah County and Uintah County at 92.8

and 97.0 respectively. On the side of available housing units per 100 extremely low-income renter households, one sees a surplus of 104.1 available units in Daggett County and 102.1 in Rich County. Wasatch County has the greatest need for available rental housing units per 100 extremely low-income renter households at just 17.5 per 100. Morgan County and Salt Lake County are not too much further behind with an average of 20.9 and 22.3 per 100 extremely low-income renter households respectively.

**Figure 66: Average rate of affordable and available units per 100 renter households by county, 2009-2014**



Source: HUD: Comprehensive Housing Affordability Strategy, 2009 thru 2014 [Data]

Wasatch County has the greatest need for available rental housing units per 100 extremely low-income renter households at just 17.5 per 100.



## Utah's Shortage of Affordable and Available Rental Housing

A housing gap occurs when there are more renters at a particular income threshold than there are affordable and available housing units. A housing deficit, or shortage, in affordable housing for an income threshold is the difference between the number of affordable or available rental units and the number of rental units needed to house all of the households within that threshold.

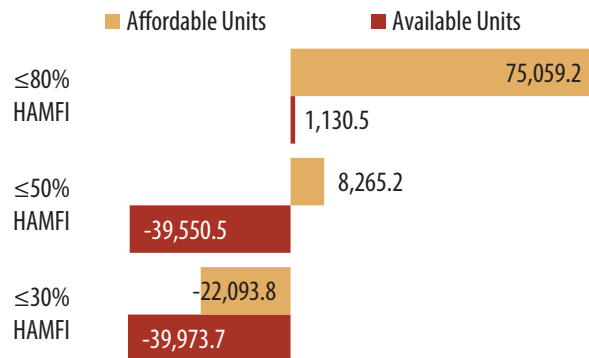


So, how bad is Utah's rental housing deficit? In Utah, the affordability of housing is better for those with higher incomes, but far worse for those at the lowest income levels. On average, over the last six years, Utah has maintained a 75,059 unit surplus of affordable housing for all moderate-income renter households between zero and 80 percent of HAMFI, as seen in **Figure 67**. The obvious question is why can't one just use the 'surplus' of affordable units in to house -22,094 extremely low-income households. If things were simple, one could house all of the state's extremely low-income housing population and leave Utah with a 52,965 unit surplus. Unfortunately, it isn't so simple. Affordability and availability are related concepts but they are not the same thing. Units that may be affordable for a lower income household may be occupied by a households with a higher income.

Because some non-low-income households occupy affordable units, only 1,131 units are actually available for all moderate-income households—and many of those are not affordable for very low- and extremely low-income renter households. Consequently, reducing Utah's housing shortage not only requires more affordable housing units but also the availability of those units.

The estimated average housing shortage stated in the 2016 affordable housing assessment was -38,862 ( $\pm$  3,573) affordable and available units for households at or below 30 percent HAMFI. The estimated average housing deficit in Utah has been revised to -39,974 ( $\pm$  3,568) affordable and available units for extremely low-income households. Nonetheless, **Figure 67** shows negative numbers for very low-income households as well. On average, Utah needs at least -39,551 additional affordable housing units to house its population of very low-income households.

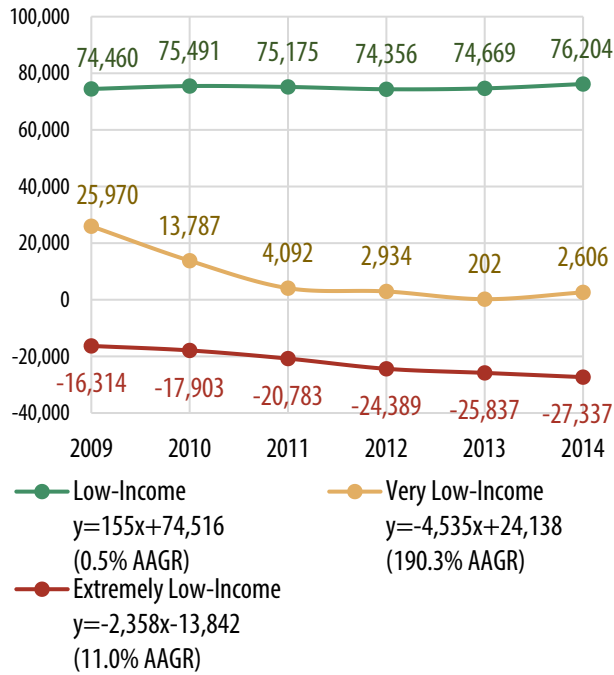
**Figure 67: Average deficit/surplus of rental housing in Utah, 2009-2014**



Source: HUD: Comprehensive Housing Affordability Strategy, 2009 thru 2014 [Data]

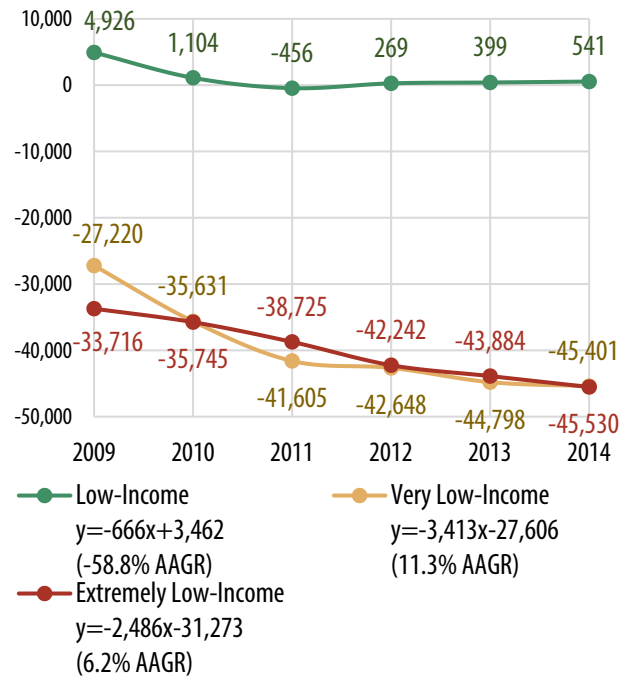


**Figure 68:** Estimated trend in the deficit/surplus of affordable rental housing in Utah, 2009-2014



Source: HUD: Comprehensive Housing Affordability Strategy, 2009 thru 2014 [Data]

**Figure 69:** Estimated trend in the deficit/surplus of available rental housing in Utah, 2009-2014



Source: HUD: Comprehensive Housing Affordability Strategy, 2009 thru 2014 [Data]

Figure 68 and Figure 69 provide a longitudinal glimpse of the housing deficit of each of the three income thresholds for the last several years. As shown in Figure 69, the estimated shortage of housing for extremely low-income households at or below 30 percent HAMFI was -43,884 according to 2013 CHAS data. Based 2014 CHAS data series, Utah has -45,530 affordable and available rental housing units for this population. This is to say that the gap has widened by -1,646

rental housing units. Assuming a linear trend in Utah's extremely low-income household growth and affordable and available rental housing unit growth, the gap has been widening at a rate of -2,486 units per year since the 2005-2009 CHAS on average. Based on the linear growth rates of both households and units, the supply of affordable and available housing units for extremely low-income households at or below 30 percent HAMFI is expected to be -51,161 in 2017 and -58,619 by 2020.

An examination of CHAS data for each of the 29 counties in Utah by renter households revealed patterns of affordability and availability in rental housing consistent with the state as a whole. **Table 38** shows that all 29 counties had an adequate supply of affordable housing for moderate-income renter households at or below 80 percent HAMFI—on average. However, 12 counties carried affordable housing deficits for households at or below 30 percent of HAMFI. Taking availability into consideration, only 23 counties had a surplus of available housing at or below 80 percent HAMFI. Twenty-two counties carried a deficit of available housing at 50 percent of HAMFI or below, and 27 counties carried a deficit of housing for extremely low-income rental housing. Only two counties technically had a surplus of available units between 2009 and 2014—on average. Daggett County alone had a surplus of one available rental housing unit. The other county, Rich County, had a non-negative supply of available housing, which means that between 2009 and 2014, it had more than zero units available. In terms of raw numbers, Davis County, Utah County and Salt Lake County had the widest gap in housing availability at 50 percent of HAMFI with -2,493, -8,993, and -20,882 units available respectively. The more pressing gap is the gap in extremely low-income housing at or below 30 percent of HAMFI. Weber County, Utah County and Salt Lake County each have an urgent need for more affordable housing with respective deficits of -3,778, -6,995, and -18,818 units on average.

**Table 38: Utah's average deficit of affordable and available rental housing units by county, 2009-2014**

County	Affordable Housing Units			Available Housing Units		
	≤30% HAMFI	≤50% HAMFI	≤80% HAMFI	≤30% HAMFI	≤50% HAMFI	≤80% HAMFI
Beaver	28	144	201	-35	15	69
Box Elder	49	1,234	1,248	-253	-18	231
Cache	-545	1,256	3,489	-1,618	-1,823	-108
Carbon	53	663	806	-272	-6	154
Daggett	34	40	41	1	4	2
Davis	-1,592	1,833	7,341	-2,849	-2,493	423
Duchesne	-66	194	657	-259	-174	36
Emery	64	353	331	-70	23	86
Garfield	106	177	188	-37	-7	12
Grand	22	60	345	-81	-135	56
Iron	-175	850	1,776	-828	-553	255
Juab	55	181	168	-55	-29	17
Kane	66	202	298	-34	31	61
Millard	169	335	287	-73	-24	10
Morgan	47	161	129	-28	-13	-2
Piute	18	15	23	-8	-2	4
Rich	46	55	49	0	7	12
Salt Lake	-13,863	-4,505	33,005	-18,818	-20,882	859
San Juan	121	321	323	-83	-44	39
Sanpete	108	453	585	-221	-107	73
Sevier	14	411	494	-158	-81	22
Summit	-92	768	1,198	-393	73	415
Tooele	-116	831	1,743	-563	-271	274
Uintah	-77	374	933	-347	-195	-41
Utah	-3,457	-1,598	9,026	-6,995	-8,993	-2,080
Wasatch	-75	34	481	-235	-240	0
Washington	-963	-1,168	2,807	-1,882	-2,435	-753
Wayne	37	107	107	-4	17	17
Weber	-2,110	4,486	6,983	-3,778	-1,198	990
Total	-22,094	8,265	75,059	-39,974	-39,551	1,131

Source: HUD: Comprehensive Housing Affordability Strategy, 2009 thru 2014 [Data]

# SECTION 6: A Progress Report on Implementing Moderate Income Housing Plans

The Utah State Legislature’s impetus to increase the state’s supply of affordable housing is a relatively recent phenomenon. In 1996, H.B. 295’s Providing Affordable Housing Act, made moderate-income housing a priority for the state’s political subdivisions. That act mandated municipalities and counties to “prepare and adopt a comprehensive, long-range general plan.”<sup>44,45</sup> At a minimum, a comprehensive, long-range general plan is required to have three elements: 1) A land use element; 2) a transportation and traffic circulation element; and 3) a moderate-income housing element.<sup>46,47</sup> This part of the state code also requires cities, which are defined as municipalities with a population of at least 1,000 residents,<sup>48</sup> and counties with a population of at least 25,000 residents, to conduct a biennial review of their progress on implementing the moderate-income housing element of the general plan and then report its findings to what is now the Housing and Community Development Division within the Utah Department of Workforce Services.<sup>50,51</sup>

According to Housing and Community Development Division records, at the close of 2013 there were 13 cities and counties that had never complied with either UCA 10-9a-403 or UCA 17-27a-403—the statutes that require the inclusion of a moderate income housing element in a general plan.<sup>52</sup> During the 2014-2015 biennium, only one noncompliant local government came into compliance. During the 2016-2017 biennium, five of the remaining local governments came into compliance for the first time. Also in 2017, all counties that are obligated to have a moderate-income housing element in their general plan are now in voluntary compliance. The remaining seven local governments are anticipated to complete a moderate-income housing plan element by the third quarter of 2018. Full compliance of obligated cities and counties will enable the Housing and Community Development Division to shift its resources from achieving first time compliance to improving technical assistance with biennial reporting requirements and continued work on improving the quality of moderate income housing plans across the state.



In 2017, division staff assessed the biennial reporting burden of small cities. In particular, staff investigated whether reporting requirements were disproportionate or excessive for fourth- and fifth-class cities compared to cities of the first, second and third class. **Table 39** summarizes the population thresholds used to classify cities and counties. UCA 10-2-301 defines cities of the fifth class as, “A municipality with a population of 1,000 or more but less than 10,000,” and fourth-class cities having populations between 10,000 and 30,000 people. An analysis of biennial reports submitted between 1998 and 2017 found the following:

- As of December 1, 2017, 95.5 percent (147) of 154 obligated local governments have prepared and adopted some form of moderate income housing element for their general plan.
- 94.1 percent (112) of 119 fourth- and fifth-class cities have completed a moderate income housing element for their general plan; only one fourth-class city and six fifth-class cities remain noncompliant with the UCA 10-9a-403.
- 58.4 percent (90) of all 154 obligated local governments reported within the 2016-2017 biennium. Only 4.5 percent (7) of all 154 obligated cities and counties have never reported.
- 19.5 percent (30) of all 154 cities and counties have not reported in five or more years; 10.4 percent (16) of 154 cities and counties have not reported in 10 or more years; 1.3 percent (2) of 154 cities and counties have not reported in 17 years.
- In the current 2016-2017 biennium: All four first-class cities reported; 60.0 percent of five second-class cities reported; 78.6 percent of 14 third-class cities reported; 60.0 percent of 25 fourth-class cities reported; 52.1 percent of fifth-class cities have report, and 58.3 percent of urban counties have reported.
- The typical MIHE compliant local government has only reported an average of 3.3 times since 1996.
- 57.9 percent of all 154 obligated local governments have report three or less times since 1996. 34.5 percent have reported four or five times, and only 7.9 percent of local governments have reported six to eight times.

**Table 39: Categorization of Utah's cities by municipal classification and county classifications according to statutory population thresholds**

City Classification	County Classification						Grand Total
	1st Class County > 700,000	2nd Class County 125,000-700,000	3rd Class County 31,000-125,000	4th Class County 11,000-31,000	5th Class County 4,000-11,000	6th Class County < 4,000	
1st Class City > 100,000	3	1	0	0	0	0	4
2nd Class City 65,000-100,000	1	4	0	0	0	0	5
3rd Class City 30,000-65,000	6	6	2	0	0	0	14
4th Class City 10,000-30,000	4	18	2	1	0	0	25
5th Class City 1,000-10,000	1	29	29	23	12	0	94
Town < 1,000	1	11	24	30	22	14	102
<b>Grand Total</b>	<b>16</b>	<b>69</b>	<b>57</b>	<b>54</b>	<b>34</b>	<b>14</b>	<b>244</b>

Source 1 : USCB (2011) 2010 U.S. Census [Data]  
 Source 2 : Utah Code 10-2-301: Classification of municipalities according to population.  
 Source 3 : Utah Code 17-50-501: Classification of counties.

- On average, first-class cities have reported 4.0 times since 1996; second-class cities 3.4 times; third-class cities 4.4 times; fourth-class cities 3.9 times; fifth-class cities 2.9 times; and urban counties 3.6 times.
- On average, local governments report once every 2.7 years, with first-class cities reporting every 2.2 years; second-class cities 2.4 years; third-class cities 2.4 years; fourth-class cities 2.3 years; fifth-class cities 2.7 years; and urban counties reporting once every 3.6 years since 1996.

Through the analysis of previously submitted biennial reports, division staff reached a few conclusions. First, the reporting rate of cities of the fourth class does not statistically differ from all other obligated local governments. Second, fifth-class cities have a slightly lower reporting rate than all other obligated local governments. City population estimates were not examined explicitly because a city’s classification is already determined by population. Third, the time between the last two submissions and average time between all submissions, excluding the last period, were significantly predictive of reporting rates for all cities. In other words, the longer the interval between reports, the less likely a city is to have reported at all during the 2016-2017 biennium.



# CONCLUSION

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It may seem like distinctions without a difference, but despite falling into the broad category of affordable housing, moderate-income housing and affordable housing are not synonymous. Affordability is simply a ratio of housing costs to household income while moderate-income housing is based on a set of stringent regulations. A housing unit is affordable so long as its costs do not exceed 30 percent of the occupant's gross income regardless of how expensive the unit may actually be. If a household earns more, than it can afford to consume more housing. The affordability of housing is constrained by its availability. A household may receive a housing subsidy only if it qualifies as having a moderate income. The size of the housing subsidy also depends a household's income relative to other incomes within the same county. Qualifying for a subsidy also does not a guarantee that adequate housing will be available.

Economic growth provides significant benefits for Utah's families, but sustaining that growth is dependent upon a number of factors. Part of sustainable growth involves the deliberate cultivation of talent and maintenance of an adequate labor force. A workforce that is unable to meet its housing expectations where it works will look to improve its quality of life elsewhere when opportunities arise. Workforce housing is more than affordable housing for police officers, firefighters, teachers and other civil servants essential to the community, it is affordable housing for the crucial talent that drives Utah's economy.

Utah's economy is renowned for being diverse, so it is unreasonable to assume that its workforce is homogeneous or even uniformly distributed across the state. It is important that decision makers know which industries are currently driving Utah's employment growth in each region, and which are likely to continue to grow, in order to better meet the housing needs of their respective workforces. Adequate affordable housing options for people working in Utah's industries is critical to sustaining the state's economic growth.



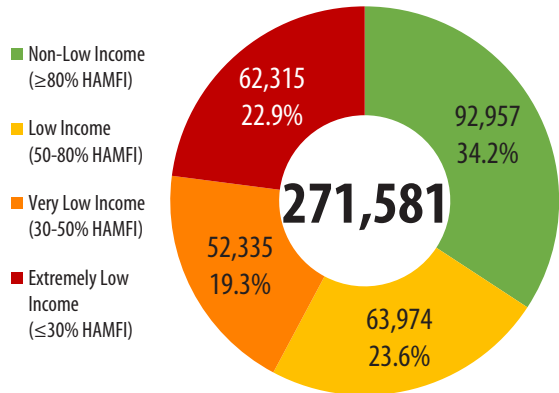
Collaboration with cities is crucial to the development of affordable housing for moderate-income households and vulnerable populations. The state is well situated to help cities identify the housing needs of vulnerable populations within their communities, as well as administering funding for moderate-income housing. Cities have the power to locally legislate ordinances, implement zoning and levy fees and taxes that significantly affect the cost of housing within their geographic jurisdiction. Cities in Utah that regularly monitor the implementation of their moderate-income housing plans are better prepared to meet the housing needs of their residents. Working together, cities and the state can significantly improve the availability of affordable housing for our most vulnerable populations and our workforce.



# APPENDIX A: State of Utah Housing Profile

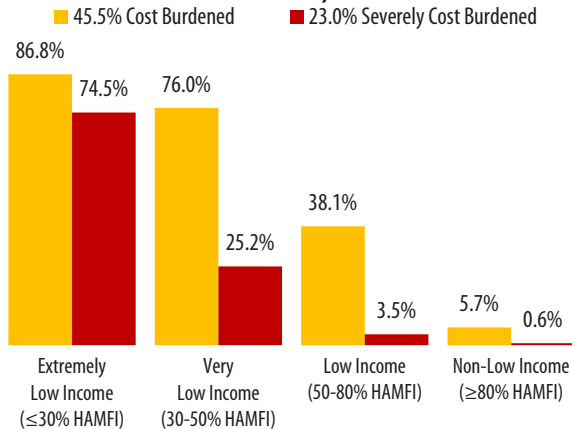
**30.5%** of the 906,292 total households in The State of Utah, 2011-2015, were renter households

## Renter Households in The State of Utah, 2010-2014



Source: HUD: Comprehensive Housing Affordability Strategy, 2010-2014 [Data]

## Cost Burdened Renter Households in The State of Utah, 2010-2014



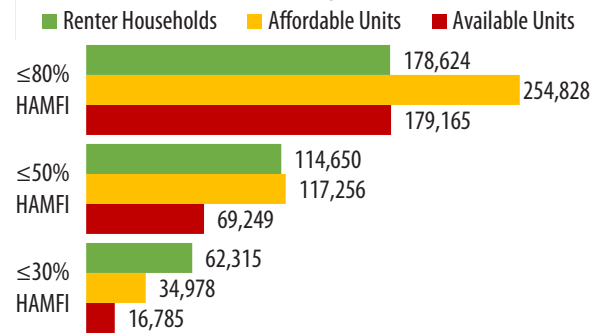
Source: HUD: Comprehensive Housing Affordability Strategy, 2010-2014 [Data]

## Section 8 Income Limits in The State of Utah, FY 2018

30% HAMFI	50% HAMFI	80% HAMFI	100% HAMFI
\$21,500	\$35,900	\$57,400	\$71,700

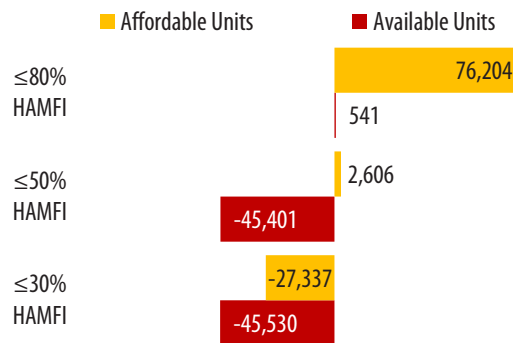
Source: HUD (2017) Section 8 Income Limits [Data].

## Gap in Affordable & Available Rental Units in The State of Utah, 2010-2014



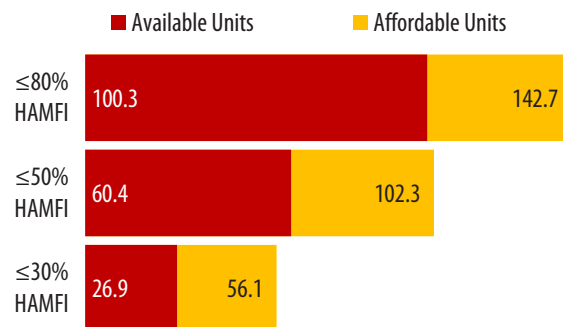
Source: HUD: Comprehensive Housing Affordability Strategy, 2010-2014 [Data]

## Deficit/Surplus of Rental Housing in The State of Utah, 2010-2014



Source: HUD: Comprehensive Housing Affordability Strategy, 2010-2014 [Data]

## Rate of Affordable & Available Rental Units Per 100 Renter Households in The State of Utah, 2010-2014



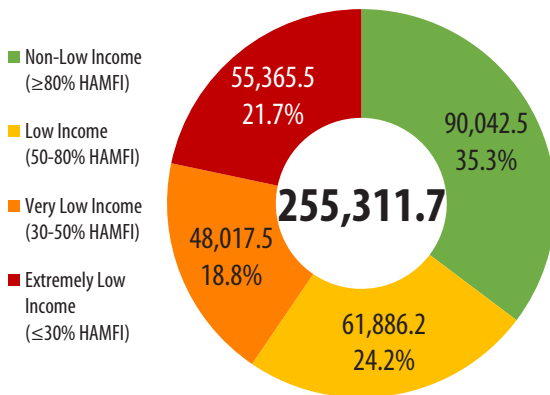
Source: HUD: Comprehensive Housing Affordability Strategy, 2010-2014 [Data]

# APPENDIX A: State of Utah Housing Profile

**28.1%**

of the 2,856,956 people living in The State of Utah, 2011-2015, were living in renter households

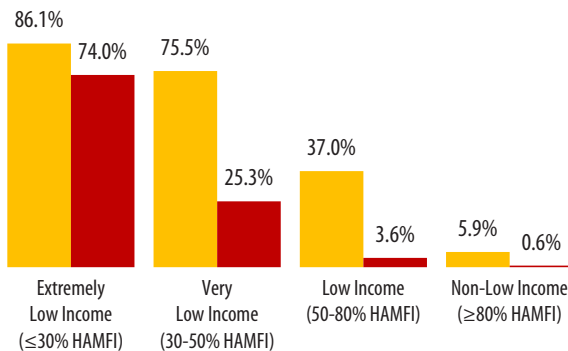
## Average Renter Households in The State of Utah, 2009-2014



Source: HUD: Comprehensive Housing Affordability Strategy, 2009 thru 2014 [Data]

## Average Cost Burdened Renter Households in The State of Utah, 2009-2014

43.9% Cost Burdened 21.9% Severely Cost Burdened



Source: HUD: Comprehensive Housing Affordability Strategy, 2009 thru 2014 [Data]

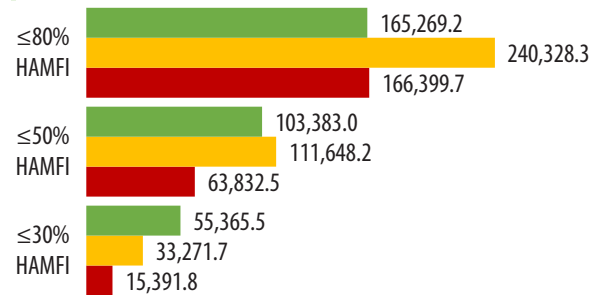
## Fair Market Rent in The State of Utah by Bedroom, FY 2017

FMR-0	FMR-1	FMR-2	FMR-3	FMR-4
\$550	\$653	\$819	\$1,139	\$1,316

Source: HUD (2017) Section 8 Income Limits [Data].

## Average Gap in Affordable & Available Rental Units in The State of Utah, 2009-2014

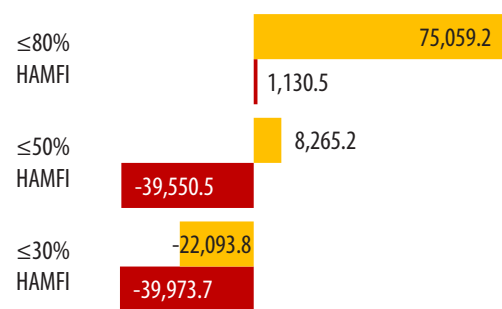
Renter Households Affordable Units Available Units



Source: HUD: Comprehensive Housing Affordability Strategy, 2009 thru 2014 [Data]

## Average Deficit/Surplus of Rental Housing in The State of Utah, 2009-2014

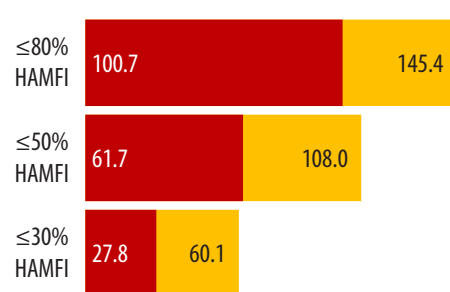
Affordable Units Available Units



Source: HUD: Comprehensive Housing Affordability Strategy, 2009 thru 2014 [Data]

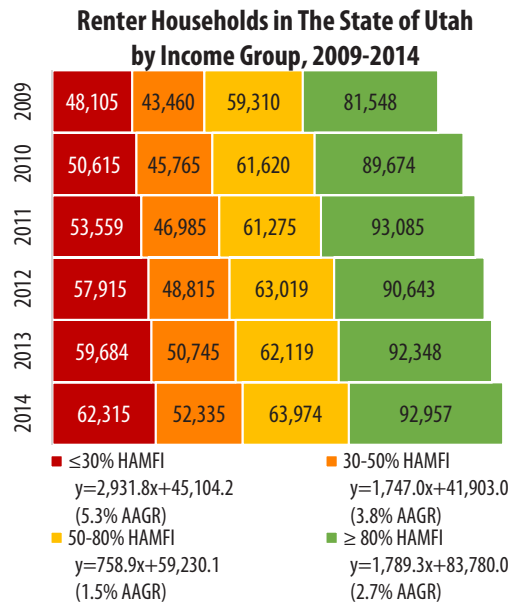
## Average Rate of Affordable & Available Rental Units Per 100 Renter Households in The State of Utah, 2009-2014

Available Units Affordable Units



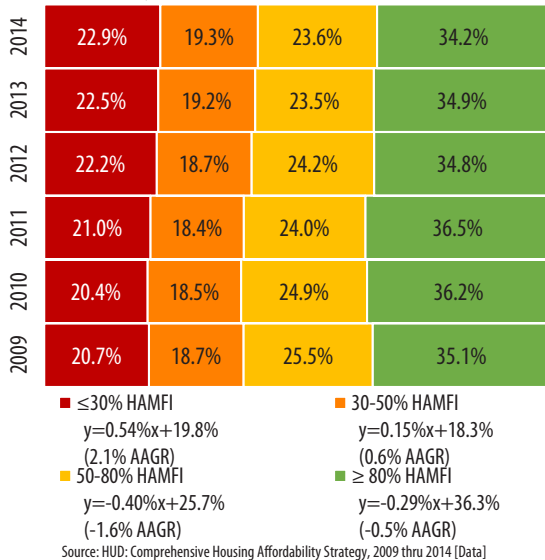
Source: HUD: Comprehensive Housing Affordability Strategy, 2009 thru 2014 [Data]

# APPENDIX A: State of Utah Housing Profile

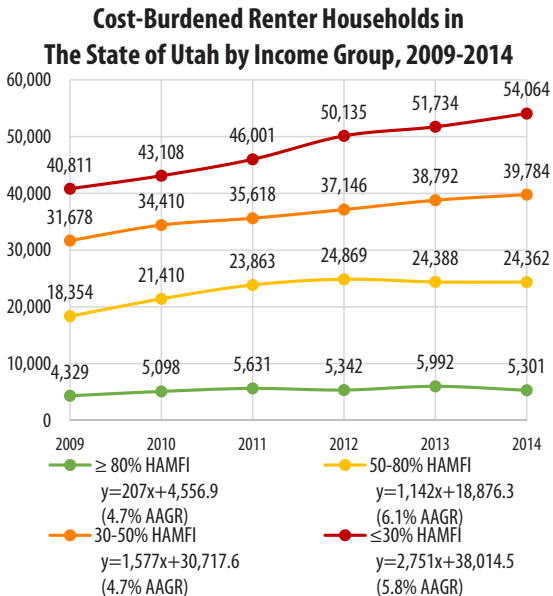


Source: HUD: Comprehensive Housing Affordability Strategy, 2009 thru 2014 [Data]

### Proportion of Renter Households in The State of Utah by Income Group, 2009-2014

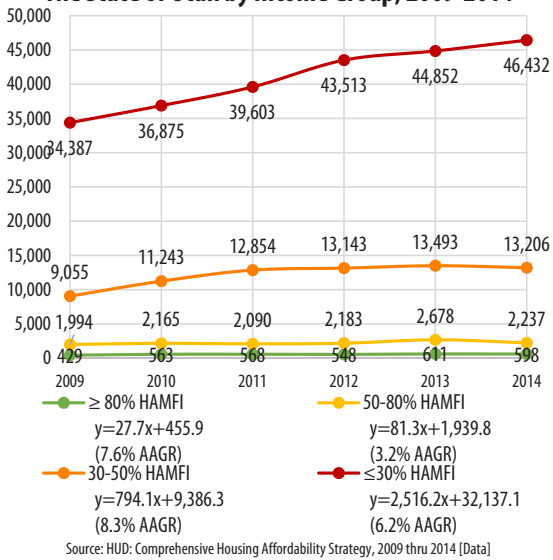


Source: HUD: Comprehensive Housing Affordability Strategy, 2009 thru 2014 [Data]



Source: HUD: Comprehensive Housing Affordability Strategy, 2009 thru 2014 [Data]

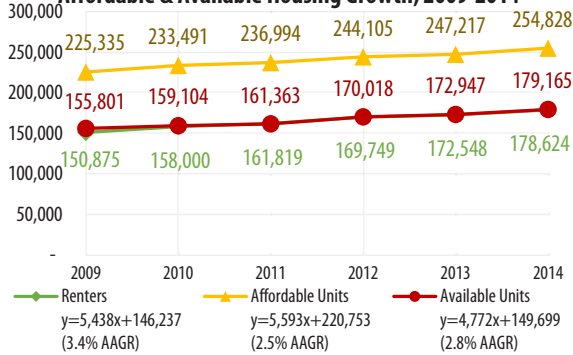
### Severely Cost-Burdened Renter Households in The State of Utah by Income Group, 2009-2014



Source: HUD: Comprehensive Housing Affordability Strategy, 2009 thru 2014 [Data]

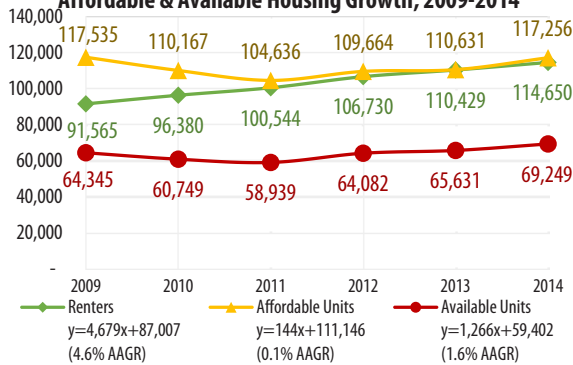
# APPENDIX A: State of Utah Housing Profile

**The State of Utah ≤ 80% HAMFI Renter Households and Affordable & Available Housing Growth, 2009-2014**



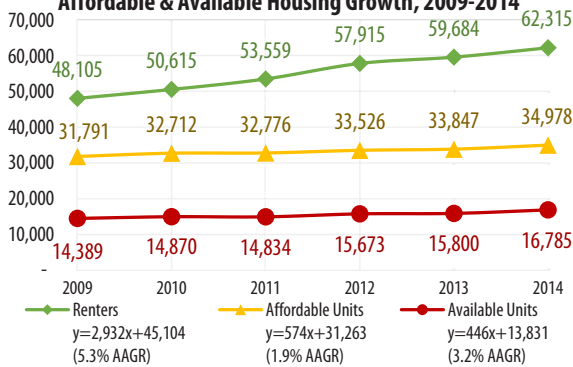
Source: HUD: Comprehensive Housing Affordability Strategy, 2009 thru 2014 [Data]

**The State of Utah ≤ 50% HAMFI Renter Households and Affordable & Available Housing Growth, 2009-2014**



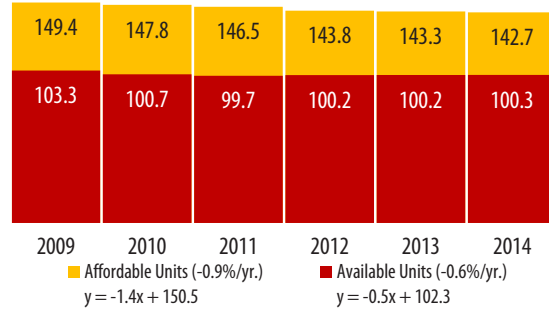
Source: HUD: Comprehensive Housing Affordability Strategy, 2009 thru 2014 [Data]

**The State of Utah ≤ 30% HAMFI Renter Households and Affordable & Available Housing Growth, 2009-2014**



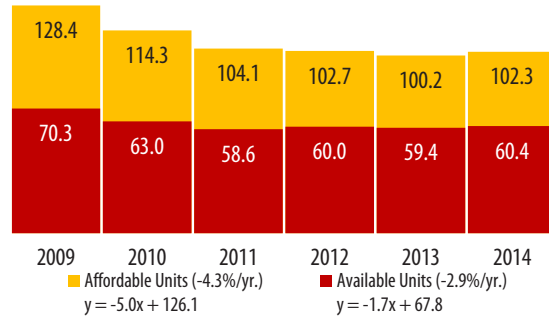
Source: HUD: Comprehensive Housing Affordability Strategy, 2009 thru 2014 [Data]

**The State of Utah's Rate of Affordable & Available Units/100 ≤ 80% HAMFI Renter Households, 2009-2014**



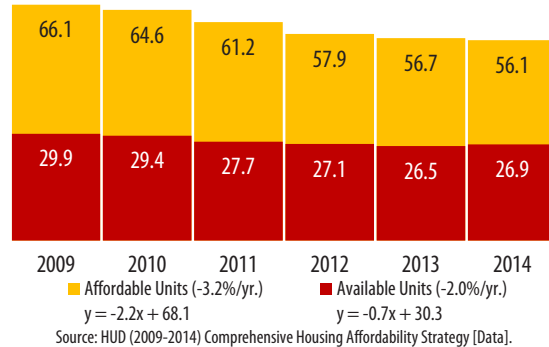
Source: HUD (2009-2014) Comprehensive Housing Affordability Strategy [Data].

**The State of Utah's Rate of Affordable & Available Units/100 ≤ 50% HAMFI Renter Households, 2009-2014**



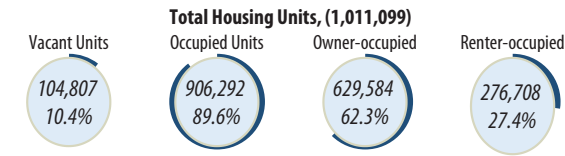
Source: HUD (2009-2014) Comprehensive Housing Affordability Strategy [Data].

**The State of Utah's Rate of Affordable & Available Units/100 ≤ 30% Renter Households, 2009-2014**



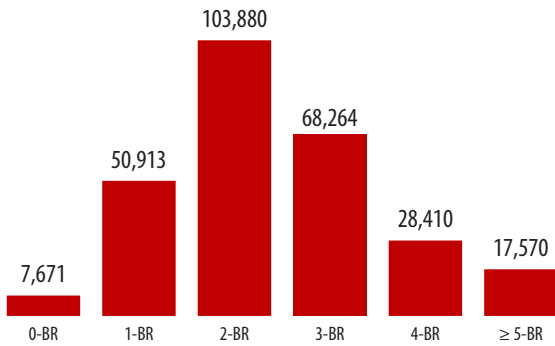
Source: HUD (2009-2014) Comprehensive Housing Affordability Strategy [Data].

# APPENDIX A: State of Utah Housing Profile



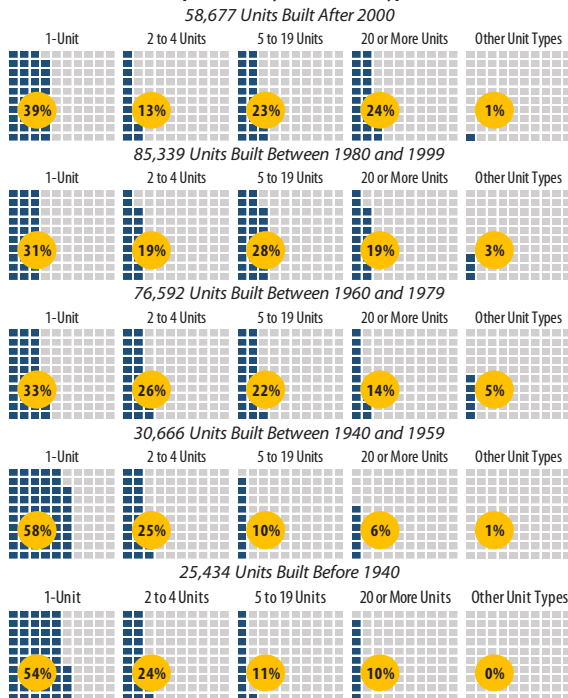
Source: USCB (2017) Table DP04: American Community Survey, 2011-2015 [Data]

## Renter-occupied Units by Number of Bedrooms



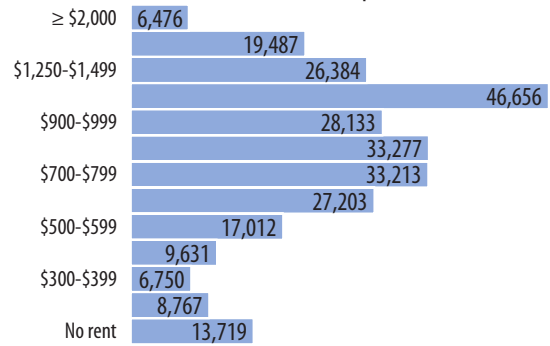
Source: USCB (2017) Table B25042: American Community Survey, 2011-2015 [Data]

## Renter-occupied Units by Year Built & Type (276,708)



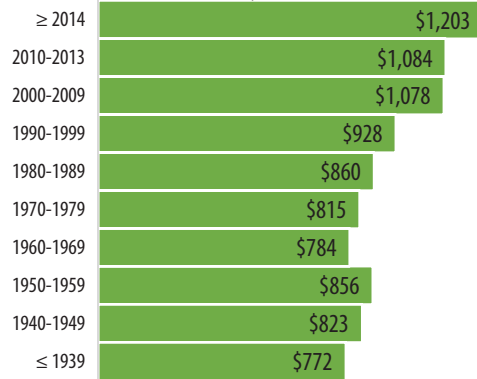
Source: USCB (2017) Table B25127: 2011-2015 American Community Survey, [Data]

## Renter Households by Gross Monthly Rent



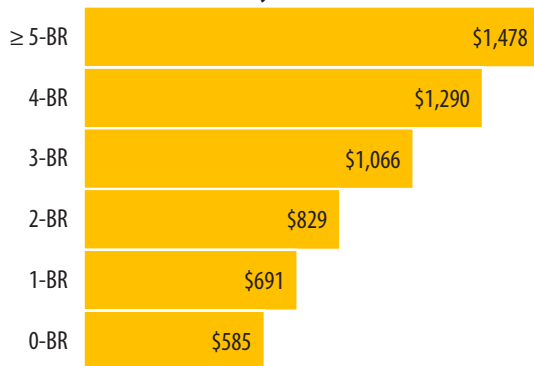
Source: USCB (2017) Table B25063: American Community Survey, 2011-2015 [Data]

## Median Gross Rent by Year Rental Unit Was Built



Source: USCB (2017) Table B25111: American Community Survey, 2011-2015 [Data]

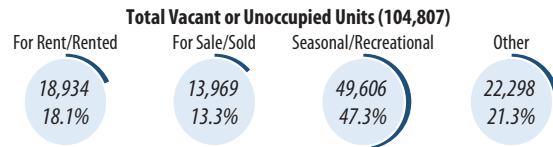
## Median Gross Rent by Bedrooms Per Rental Unit



Source: USCB (2017) Table B25031: American Community Survey, 2011-2015 [Data]

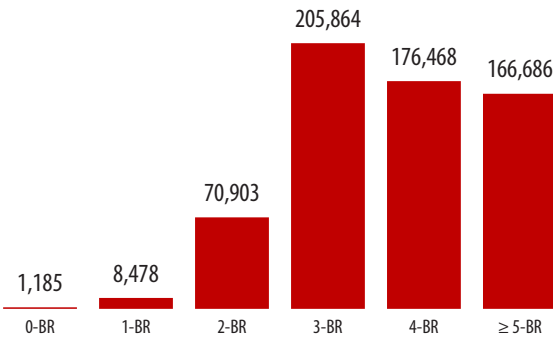


# APPENDIX A: State of Utah Housing Profile



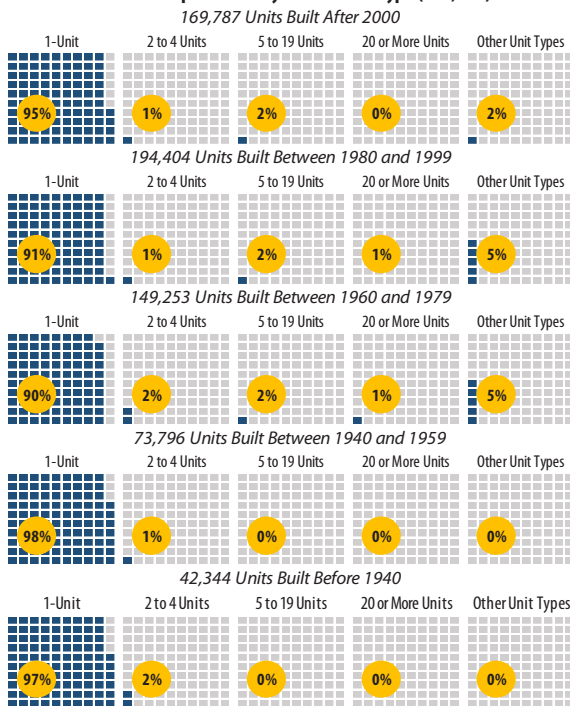
Source: USCB (2017) Table B25004: American Community Survey, 2011-2015 [Data]

## Owner-occupied Units by Number of Bedrooms



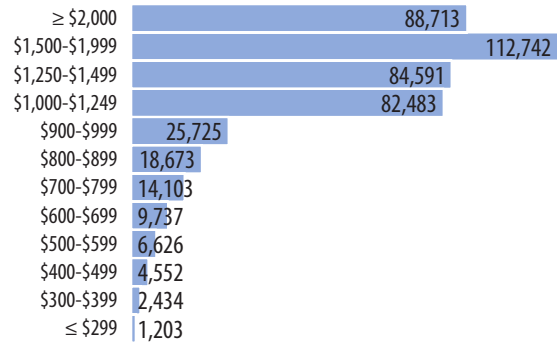
Source: USCB (2017) Table B25042: American Community Survey, 2011-2015 [Data]

## Owner-occupied Units by Year Built & Type (629,584)



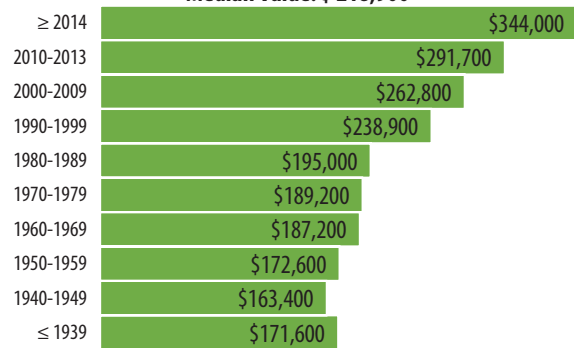
Source: USCB (2017) Table B25127: 2011-2015 American Community Survey, [Data]

## Households With a Mortgage by Monthly Ownership Costs Median Select Costs: \$1,242



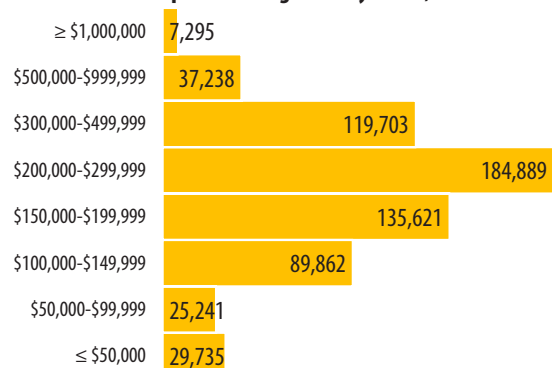
Source: USCB (2017) Table B25087: American Community Survey, 2011-2015 [Data]

## Median Value of Mortgaged Units by Year Built, Median Value: \$ 218,900



Source: USCB (2017) Table B25107: American Community Survey, 2011-2015 [Data]

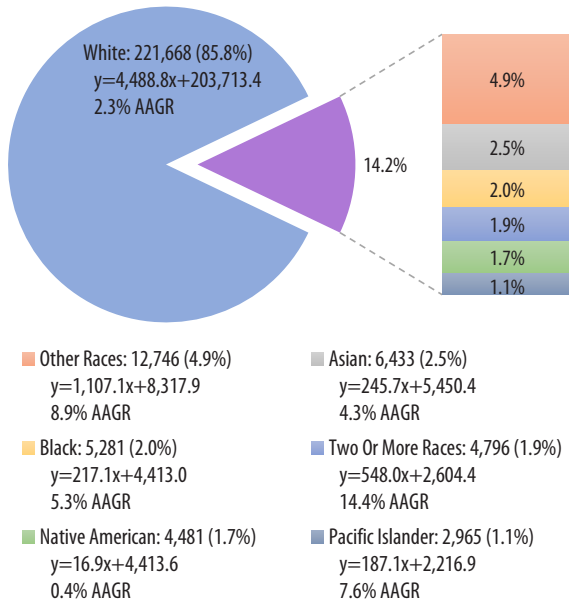
## Owner-occupied Housing Units by Value, 2011-2015



Source: USCB (2017) Table DP04: American Community Survey, 2011-2015 [Data]

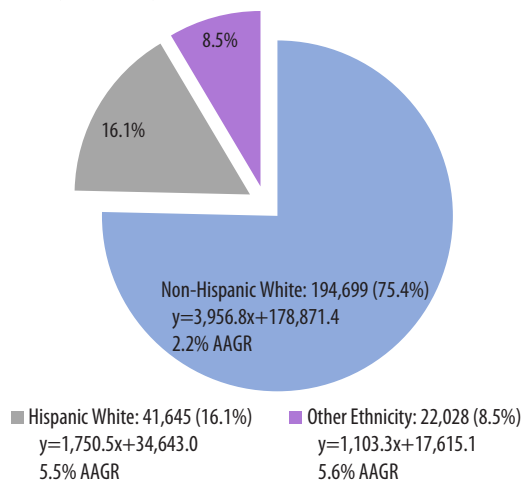
# APPENDIX A: State of Utah Housing Profile

**Average Distribution of Renter Householders by Race in The State of Utah, 2009-2015**



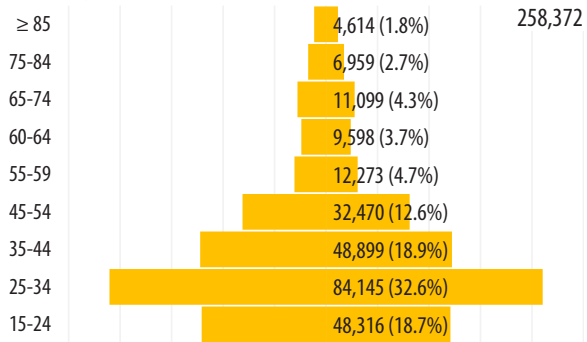
Source: USCB (2009-2015) Tables: B25003A-G, American Community Survey 5-yr. Exstimates [Data].

**Average Distribution of Renter Householders by Ethnicity in The State of Utah, 2009-2015**



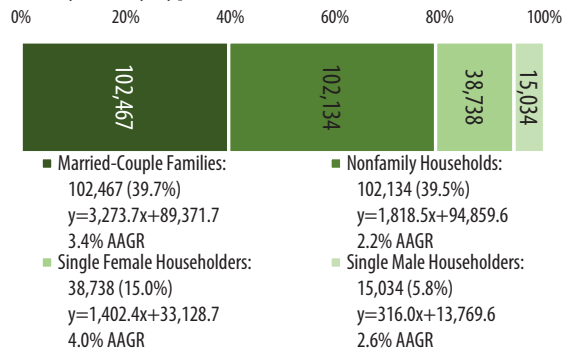
Source: USCB (2009-2015) Tables: B25003H-I, American Community Survey 5-yr. Exstimates [Data].

**Average Distribution of Renter Householders by Age Group in The State of Utah, 2009-2015**



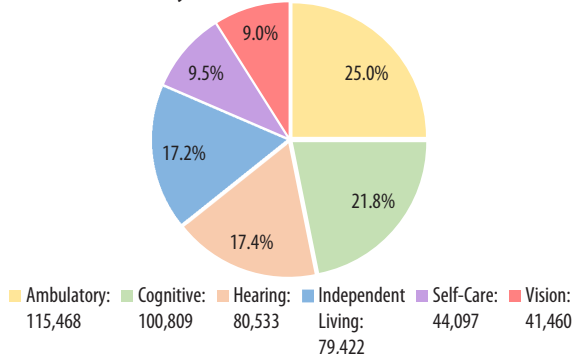
Source: USCB (2009-2015) Table: B25007, American Community Survey 5-yr. Exstimates [Data].

**Average Distribution of Renter Householders by Family Type in The State of Utah, 2009-2015**



Source: USCB (2009-2015) Table: B11012, American Community Survey 5-yr. Exstimates [Data].

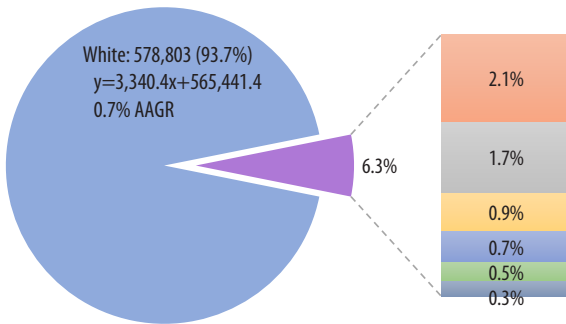
**Average Distribution of 461,788 Disabled Persons by Type of Disability in The State of Utah, 2012-2015**



Source: USCB (2012-2015) Table: S1810, American Community Survey 5-yr. Exstimates [Data].

# APPENDIX A: State of Utah Housing Profile

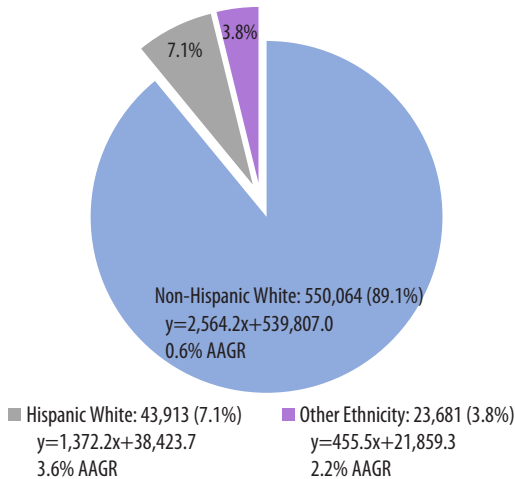
**Average Distribution of Owner Householders by Race in The State of Utah, 2009-2015**



- Other Races: 13,045 (2.1%)  
 $y=493.1x+11,072.1$   
3.5% AAGR
- Asian: 10,500 (1.7%)  
 $y=323.5x+9,205.6$   
3.6% AAGR
- Two Or More Races: 5,742 (0.9%)  
 $y=196.1x+4,957.6$   
4.2% AAGR
- Native American: 4,617 (0.7%)  
 $y=4.5x+4,598.4$   
-0.3% AAGR
- Black: 2,830 (0.5%)  
 $y=26.4x+2,724.7$   
1.2% AAGR
- Pacific Islander: 2,122 (0.3%)  
 $y=7.9x+2,090.1$   
2.9% AAGR

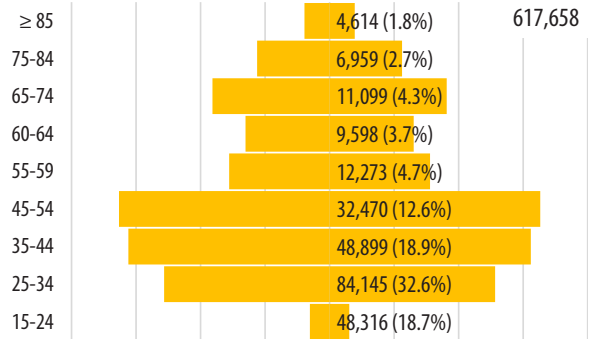
Source: USCB (2009-2015) Tables: B25003A-G, American Community Survey 5-yr. Estimates [Data].

**Average Distribution of Owner Householders by Ethnicity in The State of Utah, 2009-2015**



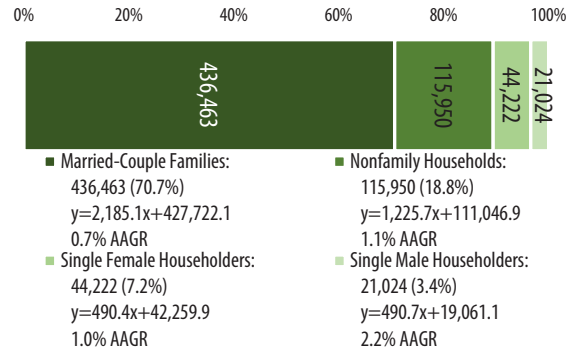
Source: USCB (2009-2015) Tables: B25003H-I, American Community Survey 5-yr. Estimates [Data].

**Average Distribution of Owner Householders by Age Group in The State of Utah, 2009-2015**



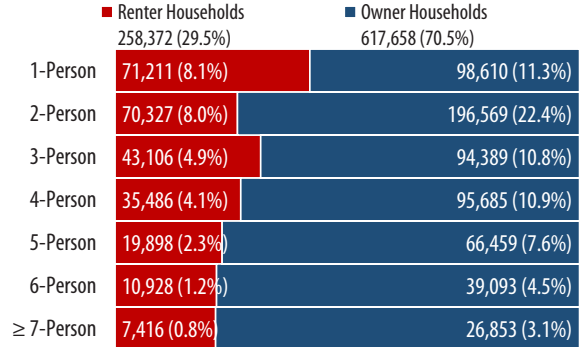
Source: USCB (2009-2015) Table: B25007, American Community Survey 5-yr. Estimates [Data].

**Average Distribution of Owner Householders by Family Type in The State of Utah, 2009-2015**



Source: USCB (2009-2015) Table: B11012, American Community Survey 5-yr. Estimates [Data].

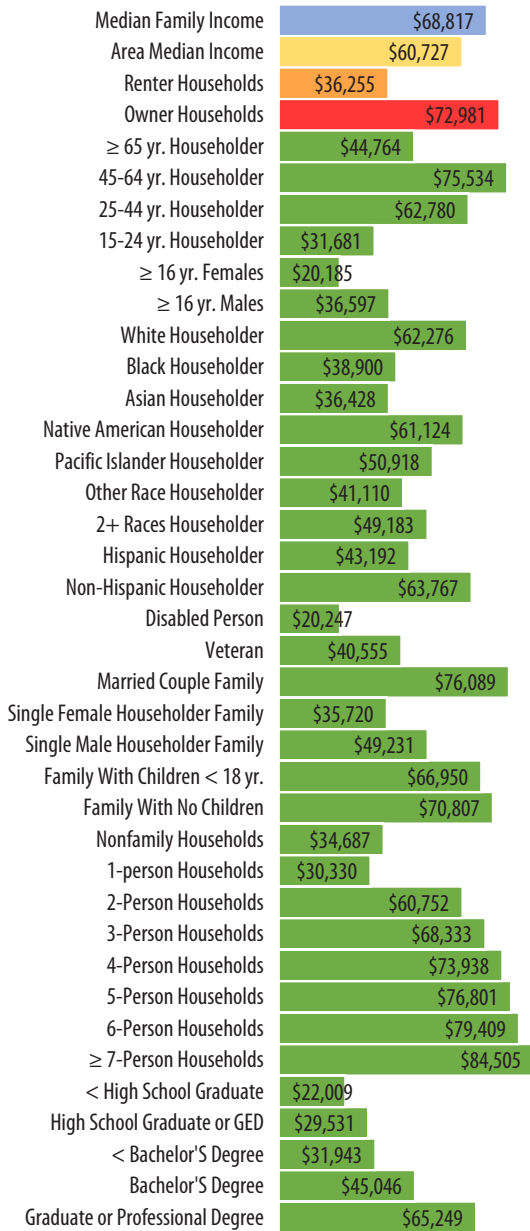
**Average Distribution of 876,030 Households by Size and Tenure in The State of Utah, 2009-2015**



Source: USCB (2009-2015) Table B25009: 5-yr. American Community Survey [Data]

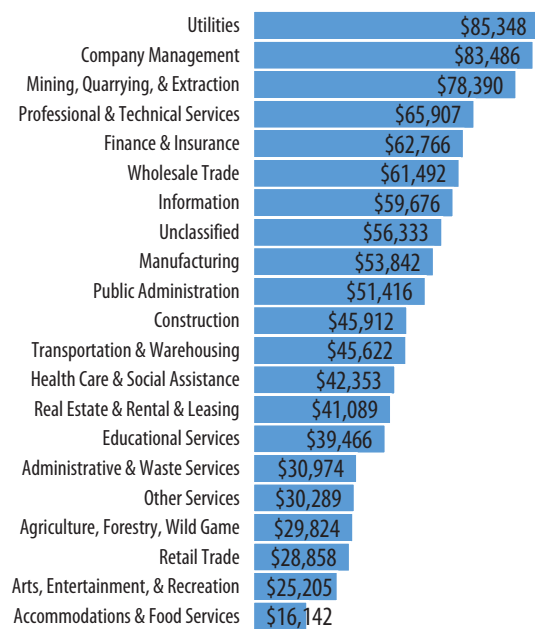
# APPENDIX A: State of Utah Housing Profile

## Median Income by Demographic Characteristics in The State of Utah, 2011-2015



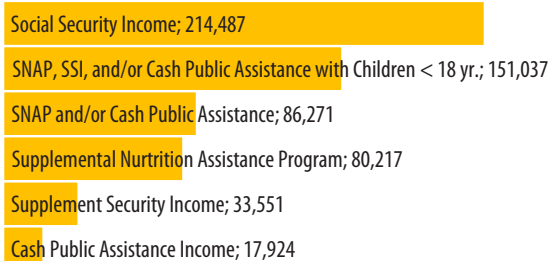
Source: USCB (2017) 2011-2015 American Community Survey, 5-yr Estimates [Data]

## Average Constant Annual Wage by Industry in The State of Utah, 2009-2015



Source: BLS (2017) Quarterly Census of Employment & Wages, 2009 thru 2015 [Data]

## Households in The State of Utah Receiving Government Assistance, 2011-2015



Source: USCB. Tables B19055-58, B2203: 2011-2015 American Community Survey, 5-yr Estimates [Data]

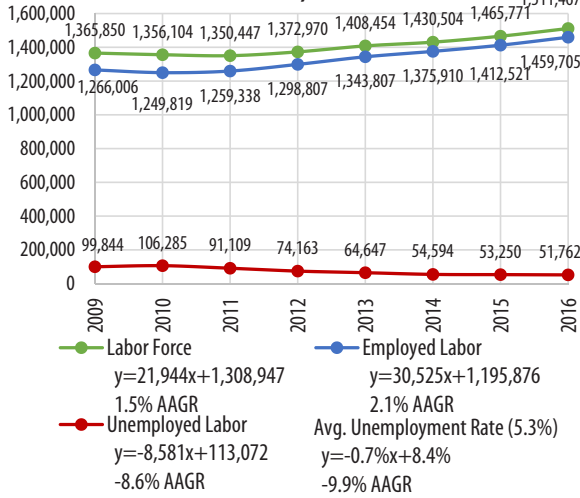
## Expected Cost Burdens of Fair Markets Rent as a Proportion of Monthly Income Limits in The State of Utah

FMR/Income Limit	FMR 0-BR	FMR 1-BR	FMR 2-BR	FMR 3-BR	FMR 4-BR	
	\$550	\$653	\$819	\$1,139	\$1,316	
80% HAMFI	\$4,783	11.5%	13.7%	17.1%	23.8%	27.5%
50% HAMFI	\$2,992	18.4%	21.8%	27.4%	38.1%	44.0%
30% HAMFI	\$1,792	30.7%	36.4%	45.7%	63.6%	73.5%

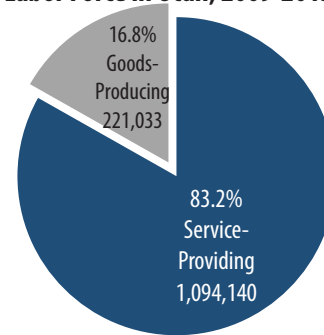
Sources: HUD: 2017 Income Limits and 2018 Fair Market Rents [Data Files]

# APPENDIX A: State of Utah Housing Profile

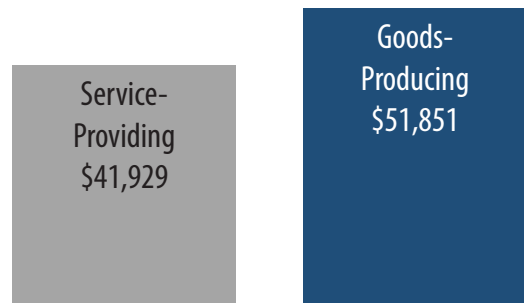
**Estimated Labor Force and Unemployment in The State of Utah, 2009-2016**



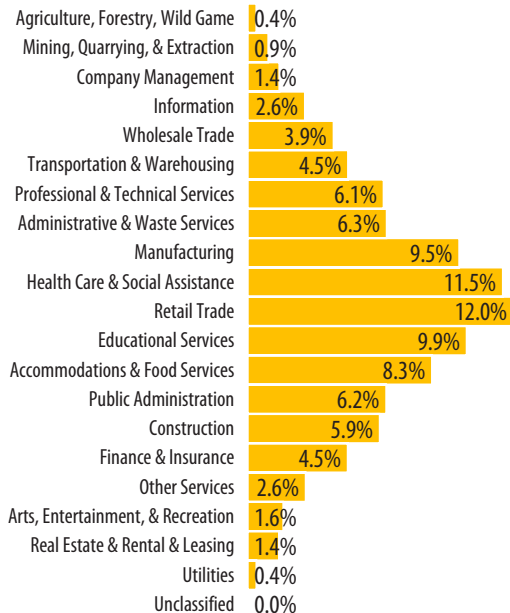
**Average Employment Weighted by LAUS Employed Labor Force in Utah, 2009-2015**



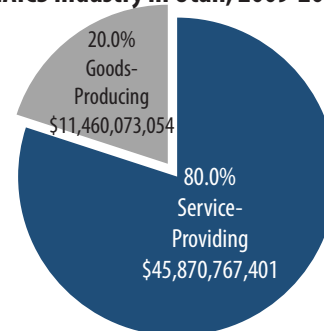
**Average Inflation Adjusted Income by Industry Sector in Utah, 2009-2015**



**Average Distribution of Employment by Industry in The State of Utah, 2009-2015**



**Real Gross Sector Product, Weighted by LAUS and NAICS Industry in Utah, 2009-2015**





# APPENDIX B: Direct Funding for Multifamily Housing Developments

**OWHLF:** The Olene Walker Housing Loan Fund is a state program administered through a board to allocate two funding sources for multifamily development: state funding for affordable housing and the federal HOME funding. Any program income from repayment of loans is also allocated, but includes the original funds program requirements. Many times this funding is considered GAP funding for projects. The application is the same as the QAP application for LIHTC so developer can create one application for both processes. The object of OWHLF is to develop housing that is affordable to very low-, low- and moderate-income persons. OWHLF has a maximum investment of \$1,000,000 per project.

**HOME Program:** HUD formula grant to states and localities to build, buy or rehab affordable housing. Provides non-interest and interest-bearing deferred loans and grants to for-profit and nonprofit developers for the purpose of creating affordable housing throughout the state. The program is administered in accordance with the federal HOME regulations such as federal fair housing, environmental reviews and Davis-Bacon Act.

**NHTF:** The National Housing Trust Fund is a formula grant to states that is a permanent program with a dedicated source of funding not subject to the annual appropriations process. Funds for the Housing Trust Fund will come from annual contributions made by Fannie Mae and Freddie Mac. The amount will be based on a percentage of each company's annual new business. Currently Utah is expected to receive \$3 million. At least 90 percent of the funds must be used for the production, preservation, rehabilitation or operation of rental housing. At least 75 percent of the funds for rental housing must benefit extremely low-income households (30 percent AMI), and all funds must benefit very low-income households. This fund is created specifically to focus on the need for ELI units. The Trust Funds will be administered by HUD.

**CRA:** The Community Reinvestment Act is a formula obligation where industrial banks are to provide financing options for affordable housing/economic development. Industrial banks in Utah play an extremely important role in funding CRA programs.

These banks must meet certain federal CRA regulations. Their investment in the loan programs, as they purchase taxable bonds and partner in loan participations and lines of credit, not only accomplishes that regulatory demand, but more importantly, it provides resources to Utah Housing that are not available in most other states. Notably UBS Bank USA, American Express (AmEx) Centurion Bank, AmEx FSB and Synchrony Bank have provided funding sources to Utah Housing through participation agreements or lines of credit. Some industrial banks and commercial banks are major investors in the LIHTC allocated by Utah Housing to developers of affordable rental housing.

**USDA—U.S. Department of Agriculture's Rural Development Loans and Grants:** Rural Rental Housing Loans (Section 515) are direct, competitive mortgage loans made to provide affordable multifamily rental housing for VLI, LI and MLI households, the elderly and persons with disabilities. There are four variations of the Section 515 loan program: cooperative housing, downtown renewal areas, congregate housing or group homes for persons with disabilities, and the rural housing demonstration program. The loans can be up to 100 percent of total cost. The program is adaptable for participation by a wide variety of owners. Loans can be made to individuals, trusts, associations, partnerships, limited partnerships, state or local public agencies, consumer cooperatives and profit or nonprofit corporations. Rural Rental Housing Loan Guarantees (Section 502) provides loan guarantees on loans to build or preserve affordable housing for very low-income to moderate-income tenants. The loan guarantees up to 90 percent of the principal. Guarantees are for profit or nonprofit lenders.

**TOD:** Transit Oriented Development loan guarantee is a fund designed to fund large multifamily housing properties along and near transit accessible areas. These locations include stops along the many Wasatch Front TRAX and FrontRunner lines. TODs are especially important because they allow low-income households the option to commute without the reliance on personal vehicles.

**RDA:** Redevelopment agencies allocate funds for property acquisition and maintenance, and marketing RDA-owned properties for reuse. The tax increment generated in a project area is reinvested into that same project area, thus recycling of the funds for a specific period of time (usually 20–25 years), after which the tax increment will again be available to the local taxing entities. Projects include loan programs and infrastructure improvements.

**Private Activity Bonds (PAB):** The Private Activity Bond (PAB) Program is Utah’s tax-exempt bonding authority creating a lower cost, long-term source of capital under the Federal Tax Act of 1986. The Federal Government allocates over \$37 billion per year to states on a per capita basis, with Utah receiving \$302,875,000 in 2016. Each state establishes its usage priorities by statute.

**RCAC:** Rural Community Assistance Corporation loan fund provides rural Utah communities with capacity-building grants and technical assistance. These loans can be used for land acquisition, predevelopment and construction. It also provides loan guarantee on rural properties with USDA.

**RMCR:** Rocky Mountain Community Reinvestment Corporation is a private nonprofit created and supported by Utah’s banking community to increase the access to credit to serve low- and moderate-income communities. Through its 24-member bank network, Rocky Mountain CRC provides technical assistance to customers and investors and underwrites, originates and services commercial loans for affordable housing and community development. Rocky Mountain CRC provides financial products for both nonprofit and for-profit developers and service providers.

**CDBG:** The Community Development Block Grant is a HUD formula grant to states and localities. The program provides annual grants on a formula basis to entitled cities and counties to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons. Entitlement communities develop their own programs and funding priorities. However, grantees must give maximum feasible priority to activities that benefit low- and moderate-income persons. Metropolitan cities and urban counties are entitled to receive annual grants. Metropolitan cities are principal cities of Metropolitan Areas (MAs) or other cities within MAs that have populations of at least 50,000.

Urban counties are within MAs and have a population of 200,000 or more (excluding the population of metropolitan cities within their boundaries).

**Federal Home Loan Bank:** Each year, FHL Bank Des Moines sets aside approximately 10 percent of its net income to fund the Affordable Housing Program (AHP). The AHP supports projects that provide affordable housing to individuals and families whose incomes are defined as low (51 to 80 percent of area median) or very low (50 percent and below of area median). Low income is just one of many common denominators AHP-eligible individuals and families share. As a result, AHP funds are increasingly being channeled toward projects that provide special-needs populations—such as the mentally/physically disabled, frail elderly, persons with HIV/AIDS, persons recovering from drug/alcohol addiction or victims of domestic violence—with counseling, vocational and educational services, medical support and other forms of assistance, in addition to housing. A maximum subsidy amount of up to \$750,000 may be allocated to each project.

**Local municipality general or housing trust funds:** SLC Housing Trust Fund invests in affordable housing projects in Salt Lake City. This is a significant GAP funding source for the highest need area.

**Developer private-financed affordable units:** Developers can create affordable units within their multifamily project without specific funding.

**Foundations:** Mission-focused foundations that look to fund projects that serve specific populations like the homeless, domestic violence survivors, the elderly, the disabled and young families may contribute to the funding development of a project. This is an important funding partner in a project of this type.

**HUD:** The Department of Housing and Urban Development can help provide public housing through project-based Section 8, or project-based vouchers through a public housing agency’s (PHAs) housing choice voucher program. A PHA can attach up to 20 percent of its voucher assistance to specific housing units if the owner agrees to either rehabilitate or construct the units, or the owner agrees to set aside a portion of the units in an existing development.

# APPENDIX C: Housing Tax Credits — A Primary Funding Source

**LIHTC:** The Low-income Housing Tax Credit (LIHTC) program finances the construction, rehabilitation and preservation of housing affordable to lower income households. LIHTC can be used to support a variety of projects: multifamily or single-family housing; new construction or rehabilitation; special-needs housing for the elderly or people with disabilities; and permanent supportive housing for homeless families and individuals. The LIHTC program encourages private investment by providing a tax credit: a dollar-for-dollar reduction in federal taxes owed on other income. The tax credit program differs from previous incentives in that the program does not provide deductions to the investor's income but provides, instead, credits that can be used against the investor's tax liability. Another departure is that the program is administered by the U.S. Department of the Treasury and is not a part of the Department of Housing and Urban Development (HUD), as are most other federal housing programs. LIHTC are allocated in a competitive application process annually. The Qualified Allocation Plan (QAP) determines priorities and scoring with AMI percentages of projects considered in the process.

**State Tax Credit:** The objective of the State Tax Credit Program is to encourage the construction, rehabilitation and preservation of rental housing for very low-, low- and moderate-income households earning no more than 60 percent of the area median income in the State of Utah and can only be used on projects that have federal tax credits. In order to most efficiently administer the State Tax Credit Program, and to most effectively allocate this very limited resource to certain selected projects, Utah Housing Corporation has incorporated the Utah Housing Credits into the Federal Qualified Allocation Plan. Generally, Utah Housing Credits are requested as part of the federal application to reduce rents beyond those proposed in the federal application.

## About the Low-Income Housing Tax Credit Program

The LIHTC is considered to be one of the most critical component for developing affordable housing. The LIHTC program is an indirect federal subsidy used to finance the construction and rehabilitation of affordable low-income rental housing. To improve and increase the nation's supply of housing for lower income households, Congress enacted this program as an incentive for private developers and investors. Without the incentive, few affordable rental housing projects would generate sufficient profit to warrant the investment. ELI developments in particular seldom produce a profit on their own, and without subsidies, they are rarely sustainable.

LIHTC gives investors a dollar-for-dollar reduction in their federal tax liability in exchange for providing financing to develop affordable rental housing. Investors' equity contributions subsidize low-income housing development, thus allowing some units to rent at below-market rates. In return, investors receive tax credits paid in annual allotments, generally over 10 years. Financed projects must meet eligibility requirements for at least 30 years after project completion. In other words, owners must keep the units rent-restricted and available to low-income tenants. At the end of the period, the properties remain under the control of the owner.

## The Two Types of Federal LIHTC

Claimed pro rata over 10 years, the tax credit can be used to construct new or renovate existing rental buildings. The LIHTC is designed to subsidize either 30 percent or 70 percent of the low-income unit costs in a project. The 30 percent subsidy, which is known as the so-called automatic 4 percent tax credit, covers new construction that uses additional subsidies or the acquisition cost of existing buildings. The 70 percent subsidy, or 9 percent tax credit, supports new construction without any additional federal subsidies.

Rental properties that qualify for the LIHTC tend to have both lower debt-service payments and lower vacancy rates than market-rate rental housing. LIHTC properties typically experience a relatively quick lease-up and offer potentially strong economic returns, primarily due to the existence of the credit. LIHTC properties are often packaged as limited partnerships such that they afford limited liability to their investors.

## Program Administration

Within general guidelines set by the Internal Revenue Service (IRS), the state's housing agency, Utah Housing Corporation (UHC), administers the LIHTC program. In 2015, Utah received \$6,915,819. UHC reviews the tax credit applications submitted by developers and allocates the credits. The IRS requires that state Qualified Allocation Plans (QAP) prioritize projects that serve the lowest-income tenants and ensure affordability for the longest period.

The QAP competitive application process provides for potentially greater scoring of a project if the developer chooses to set-aside a portion of their project's units for members of vulnerable populations that are often hard to house. A tenant must meet the conditions to qualify for a set-aside unit. Set-asides for elderly households comprised the largest share of all multifamily set-asides, which was more than double the number of set-asides for homeless households. The efficacy of housing set-asides has been identified as a potential area for further investigation.

Other areas that may provide more competitive applications are mixed-income and/or TOD developments.

Once an applicant secures a tax credit reservation, the developer leverages the financial resources for the development. Under a typical LIHTC transaction, a developer must secure a conventional loan from a private mortgage lender or public agency, gap financing from a public or private source and equity from the developer or private investor in exchange for the tax credits.

## Seeking Investors

Developers may claim LIHTCs themselves. However, due to limitations and the lack of enough taxable income, most developers choose to find tax credit investors, who provide cash that is channeled into the development.

The developer can work either with an investor who invests directly into a partnership or LLC and receives tax credits, or with a syndicator who acts as a broker between the developer and investor. To benefit from economies of scale, syndicators pool several projects into one LIHTC equity fund. Then, syndicators market the tax credits to investors who essentially invest in a piece of the syndicator's fund. This spreads the risk across the various projects benefiting from the fund.

The LIHTC program is a complex income tax area, requiring owners and investors to comply with numerous administrative rules and regulations such as maintaining the required number of income-eligible tenants and ensuring that the appropriate documents and records are filed and maintained.

The paperwork associated with LIHTC properties is extensive to say the least. Apartment owners/investors must contend not only with the application process but also the carryover allocation, cost certifications and submission of numerous compliance forms on an annual basis.

Even with all the complexity and challenges, the LIHTC program offers developers and investors great opportunities to provide quality affordable housing to low-income residents and an opportunity to earn a profit. It is a bedrock of Utah's affordable housing ecosystem.



# APPENDIX D: Rental Assistance Programs

## **HUD—Section 8 Housing Choice Voucher**

**Program:** Through housing authorities, this program assists in making safe and quality housing in the private rental market affordable to very low-income families by reducing housing costs through direct rent subsidy payments to landlords. Based on the premise that housing costs (rents and utilities) should not exceed 30 percent of a family's income, the program provides annual funds for rental subsidies to a limited number of very low-income applicants (special emphasis is placed on assisting special needs residents in their efforts to live independently in the community). Very low-income families, single individuals over 62 years of age or individuals with special needs are eligible. Section 8 housing programs are administered throughout the state by a number of municipal and county authorities.

## **Veterans Administration (VA) or Grant and**

**Per Diem (VA-GPD):** Up to 65 percent cost of construction, renovation or acquisition of a building. Additionally, pays a per-diem rate for housing eligible veterans in transitional housing programs.

## **Veterans Administration Supportive Housing**

**(HUD-VASH):** The HUD VASH program provides housing authorities with funding to provide rental assistance and case management to eligible veterans who are homeless.

**VA-SSVF—Veterans Administration (VA):** Rapid rehousing rental assistance for eligible veterans and their families who are homeless.

**HHS –TANF:** Short-term rental assistance and employment-focused case management for needy families.

## **DCFS Family Unification Program (DCFS-FUP):**

DCFS has the only federal program that explicitly provides housing assistance to youth aging out of foster care. At a minimum, FUP provides Section 8 vouchers to child welfare families and youth aging out of care through collaboration between housing authorities and child welfare agencies.

## **HOME Tenant-Based Rental Assistance (TBRA):**

Provides tenant-based rental assistance to families with special needs and, in some cases, to eligible, in-place residents of a rental project being rehabilitated under the HOME program.

## **Housing Opportunities for Persons with HIV/AIDS (HOPWA):**

Enables eligible persons with HIV/AIDS and their families to secure decent safe and sanitary housing in the private rental market by subsidizing a portion of the household's monthly rent.

## **Emergency Solutions Grant Program (ESG):**

The purpose of the Emergency Solutions Grant (ESG) program is to assist units of government and nonprofit organizations in their efforts to provide services to homeless individuals and families. The Emergency Solutions Grant Program monies are primarily used to support emergency shelters and rapid rehousing assistance programs. The ESG program encourages and participates in a continuum of care approach to service the many needs of homeless individuals and families.

## **Continuum of Care (CoC):**

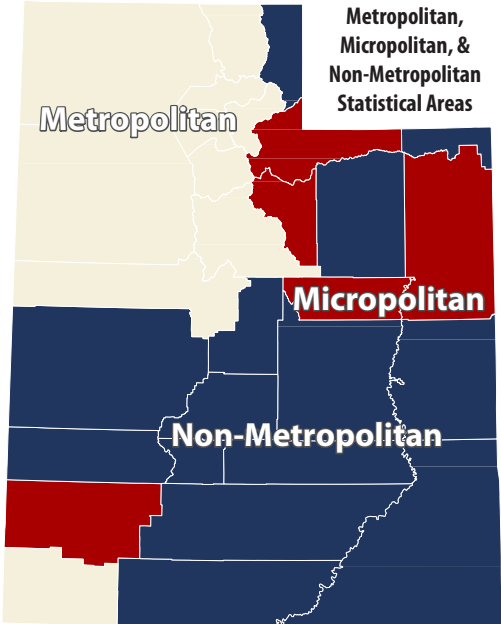
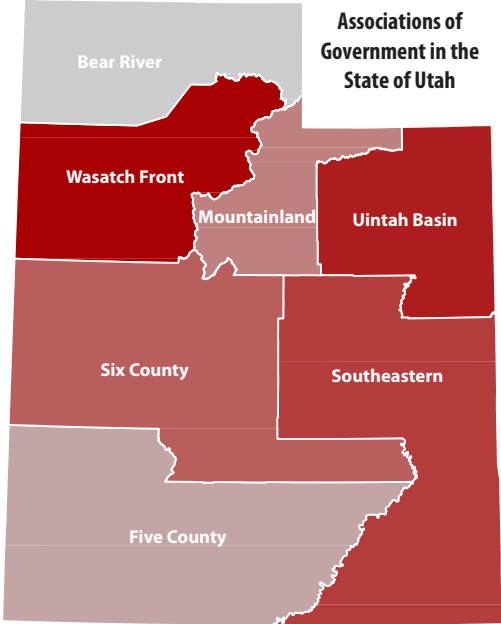
The Continuum of Care program was designed to promote community-level planning and provide resources to target persons experiencing homelessness. Through a competitive application process, HUD annually awards funding to nonprofit and government organizations. CoC program funds may be used to develop new permanent housing projects, lease buildings/units, provide rental assistance and offer supportive services to qualifying homeless individuals to end homelessness through permanent housing.

## **Supportive Housing for the Elderly (Section 202):**

Capital advances are made to eligible private, nonprofit sponsors to finance the development of rental housing with supportive services for the elderly. The advance is interest free and does not have to be repaid so long as the housing remains available for very low-income elderly persons for at least 40 years. Project rental assistance covers the difference between the HUD-approved operating cost of the project and the tenants' contributions toward rent (usually 30 percent of monthly adjusted income).

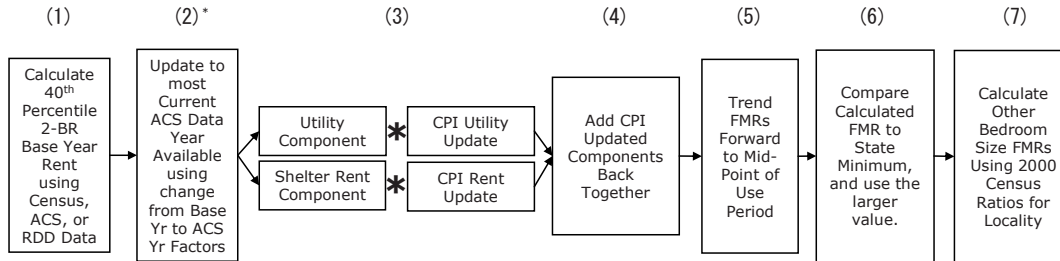


# APPENDIX E: Supplemental Maps



# APPENDIX F: HUD Fair Market Rents and Section 8 Income Limits

## Fair Market Rent Calculation Process- FY 2008



\* For areas whose base year is the 2000 Census, change factors are calculated as the change in rents for the relevant geography from 2000 to the ACS year. For areas using an RDD as its base, a monthly change factor is calculated from the 2000 to the ACS year change factor, and then applied for the number of months between the RDD date and June of the ACS year. For areas with an ACS base rent, there is no need for updating to the ACS base year.

Source: U.S. Department of Housing and Urban Development. (2007). *Fair Market Rents For The Section 8 Housing Assistance Payments Program*. Retrieved from HUD's website [https://www.huduser.gov/portal/datasets/fmr/fmrover\\_071707R2.doc](https://www.huduser.gov/portal/datasets/fmr/fmrover_071707R2.doc)

FY2018 HUD Fair Market Rents for Utah

County	Bedrooms				
	FMR-0	FMR-1	FMR-2	FMR-3	FMR-4
Beaver County	\$465	\$538	\$704	922	\$1,014
Box Elder County	\$455	\$524	\$697	983	\$1,211
Cache County	\$448	\$573	\$702	1021	\$1,195
Carbon County	\$511	\$541	\$715	1022	\$1,168
Daggett County	\$532	\$616	\$805	1139	\$1,256
Davis County	\$571	\$690	\$882	1258	\$1,471
Duchesne County	\$568	\$721	\$859	1211	\$1,425
Emery County	\$461	\$607	\$697	901	\$949
Garfield County	\$461	\$524	\$697	1014	\$1,022
Grand County	\$563	\$651	\$851	1155	\$1,159
Iron County	\$502	\$577	\$697	1014	\$1,196
Juab County	\$625	\$720	\$836	1216	\$1,472
Kane County	\$594	\$687	\$898	1168	\$1,287
Millard County	\$461	\$524	\$697	894	\$1,180
Morgan County	\$571	\$690	\$882	1258	\$1,471
Piute County	\$557	\$645	\$843	1057	\$1,315
Rich County	\$532	\$616	\$805	1139	\$1,256
Salt Lake County	\$667	\$834	\$1,035	1475	\$1,690
San Juan County	\$461	\$607	\$697	990	\$1,096
Sanpete County	\$492	\$559	\$744	933	\$1,013
Sevier County	\$476	\$541	\$720	999	\$1,134
Summit County	\$793	\$1,025	\$1,177	1712	\$2,073
Tooele County	\$600	\$732	\$849	1235	\$1,495
Uintah County	\$630	\$717	\$953	1270	\$1,406
Utah County	\$625	\$720	\$836	1216	\$1,472
Wasatch County	\$690	\$787	\$1,044	1384	\$1,670
Washington County	\$613	\$683	\$863	1238	\$1,520
Wayne County	\$461	\$607	\$697	941	\$1,087
Weber County	\$571	\$690	\$882	1258	\$1,471

Source: HUD (2017) Fair Market Rents, FY2018 [Data].

FY2017 Section 8 Income Limits for a four person

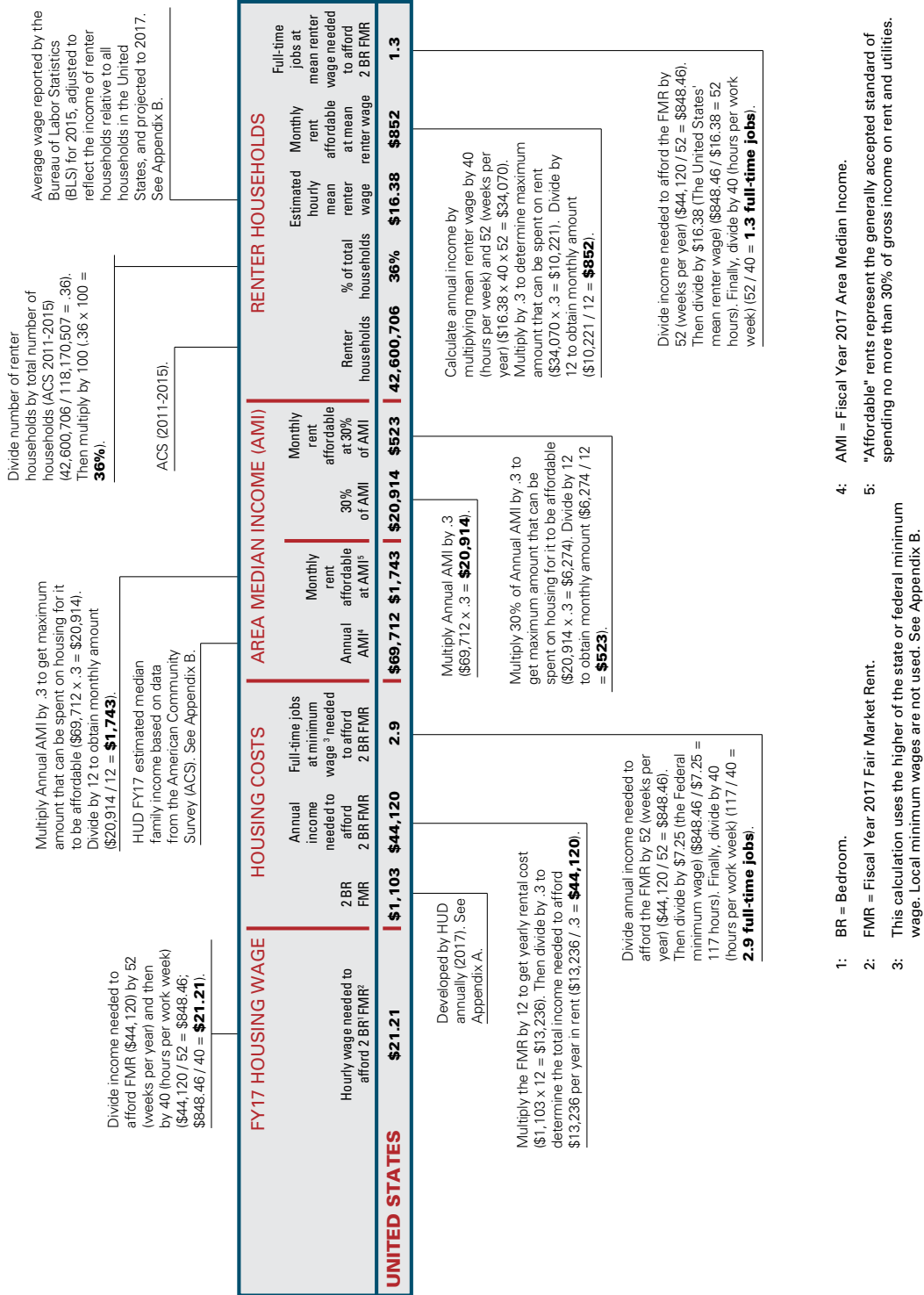
moderate-income household in each of Utah's counties

County	0-30%	30-50%	50-80%
	HAMFI	HAMFI	HAMFI
Beaver County	\$24,600	\$33,850	\$54,150
Box Elder County	\$24,600	\$33,850	\$54,150
Cache County	\$24,600	\$33,850	\$54,150
Carbon County	\$24,600	\$33,850	\$54,150
Daggett County	\$24,600	\$33,850	\$54,150
Davis County	\$24,600	\$38,300	\$61,300
Duchesne County	\$24,600	\$34,400	\$55,050
Emery County	\$24,600	\$33,850	\$54,150
Garfield County	\$24,600	\$33,850	\$54,150
Grand County	\$24,600	\$33,850	\$54,150
Iron County	\$24,600	\$33,850	\$54,150
Juab County	\$24,600	\$34,600	\$55,350
Kane County	\$24,600	\$33,850	\$54,150
Millard County	\$24,600	\$33,850	\$54,150
Morgan County	\$24,600	\$38,300	\$61,300
Piute County	\$24,600	\$33,850	\$54,150
Rich County	\$24,600	\$33,850	\$54,150
Salt Lake County	\$24,600	\$37,700	\$60,300
San Juan County	\$24,600	\$33,850	\$54,150
Sanpete County	\$24,600	\$33,850	\$54,150
Sevier County	\$24,600	\$33,850	\$54,150
Summit County	\$31,000	\$51,700	\$68,000
Tooele County	\$24,600	\$35,000	\$56,000
Uintah County	\$24,600	\$34,550	\$55,300
Utah County	\$24,600	\$34,600	\$55,350
Wasatch County	\$24,600	\$36,500	\$58,400
Washington County	\$24,600	\$33,850	\$54,150
Wayne County	\$24,600	\$33,850	\$54,150
Weber County	\$24,600	\$38,300	\$61,300

Source: HUD (2017) Section 8 Income Limits, FY2017 [Data].

# APPENDIX G: Methodology of NLIHC's 'Out of Reach' and 'The Gap'

## WHERE THE NUMBERS COME FROM



# HOW TO USE THE NUMBERS

A renter household needs to earn at least **\$21.21** per hour in order to afford a two-bedroom unit at FMR.

For a family earning 100% of AMI, monthly rent of **\$1,743** or less is affordable.

Renter households represented **36%** of all households in the United States (2011-2015).

The estimated mean (average) renter wage in the United States is **\$16.38** per hour (2017).

There were **42,600,706** renter households in the United States (2011-2015).

	FY17 HOUSING WAGE		HOUSING COSTS		AREA MEDIAN INCOME (AMI)		RENTER HOUSEHOLDS			
	Hourly wage needed to afford 2 BR FMR <sup>2</sup>	2 BR FMR	Annual income needed to afford 2 BR FMR	Full-time jobs at minimum wage <sup>3</sup> needed to afford 2 BR FMR	Annual affordable rent at AMI <sup>4</sup>	Monthly rent affordable at 30% of AMI	Monthly rent affordable at 30% of AMI	Estimated hourly mean renter wage	Monthly rent affordable at mean renter wage	Full-time jobs at mean renter wage needed to afford 2 BR FMR
<b>UNITED STATES</b>	<b>\$21.21</b>	<b>\$1,103</b>	<b>\$44,120</b>	<b>2.9</b>	<b>\$69,712</b>	<b>\$1,743</b>	<b>\$523</b>	<b>\$16.38</b>	<b>\$852</b>	<b>1.3</b>

The FMR for a two-bedroom rental unit in the United States is **\$1,103** (2017).

A renter household needs an annual income of **\$44,120** in order to afford a two-bedroom rental unit at FMR.

In the United States, an extremely low income family (30% of AMI) earns **\$20,914** annually.

For a family earning 30% of AMI, monthly rent of **\$523** or less is affordable.

If a household earns the mean renter wage, monthly rent of **\$852** or less is affordable.

A renter household needs **2.9** full-time jobs paying the minimum wage in order to afford a two-bedroom rental unit at FMR.

A renter household needs **1.3** full-time jobs paying the mean renter wage in order to afford a two-bedroom rental unit at FMR.

- 1: BR = Bedroom.
- 2: FMR = Fiscal Year 2017 Fair Market Rent.
- 3: This calculation uses the higher of the state or federal minimum wage. Local minimum wages are not used. See Appendix B.
- 4: AMI = Fiscal Year 2017 Area Median Income.
- 5: "Affordable" rents represent the generally accepted standard of spending no more than 30% of gross income on rent and utilities.



# STATE OF UTAH OUT OF REACH ESTIMATE: 2018

Utah Counties	FY18 Housing Wage				Expected 2018 Housing Costs				Median Family Income				Renter Households			
	Hourly wage needed to afford 2-BR FMR <sup>2</sup>	2-BR FMR 2018	Annual Income needed to afford 2-BR FMR	Full-time jobs at minimum wage <sup>3</sup> to afford 2-BR FMR	Inflation Adjusted Annual IMF <sup>4</sup>	Monthly rent affordable at MF <sup>5</sup>	30% MF <sup>5</sup>	Monthly rent affordable at 30% MF <sup>5</sup>	Renter households (2010-2014)	% of total households (2011-2015)	Mean renter hourly wage <sup>6</sup>	Monthly rent affordable at the mean renter wage	Full-time jobs at mean renter wage needed to afford 2-BR FMR			
Beaver	\$13.54	\$704	\$28,160	1.9	\$62,170	\$1,554	\$18,651	\$466	561	24.9%	\$10.48	\$545	1.3			
Box Elder	\$13.40	\$697	\$27,880	1.8	\$63,637	\$1,591	\$19,091	\$477	3,696	22.5%	\$11.06	\$575	1.2			
Cache	\$13.50	\$702	\$28,080	1.9	\$60,811	\$1,520	\$18,243	\$456	12,396	34.7%	\$9.50	\$494	1.4			
Carbon	\$13.75	\$715	\$28,600	1.9	\$63,183	\$1,580	\$18,955	\$474	2,252	28.9%	\$11.86	\$617	1.2			
Daggett	\$15.48	\$805	\$32,200	2.1	\$75,645	\$1,891	\$22,693	\$567	32	12.2%	\$18.69	\$972	0.8			
Davis	\$16.96	\$882	\$35,280	2.3	\$80,381	\$2,010	\$24,114	\$603	22,227	22.7%	\$11.51	\$598	1.5			
Duchesne	\$16.52	\$859	\$34,360	2.3	\$69,335	\$1,733	\$20,800	\$520	1,616	24.5%	\$14.91	\$775	1.1			
Emery	\$13.40	\$697	\$27,880	1.8	\$60,670	\$1,517	\$18,201	\$455	616	17.4%	\$11.96	\$622	1.1			
Garfield	\$13.40	\$697	\$27,880	1.8	\$49,095	\$1,227	\$14,728	\$368	342	19.5%	\$10.37	\$539	1.3			
Grand	\$16.37	\$851	\$34,040	2.3	\$50,607	\$1,265	\$15,182	\$380	1,206	31.8%	\$9.81	\$510	1.7			
Iron	\$13.40	\$697	\$27,880	1.8	\$54,608	\$1,365	\$16,382	\$410	5,498	36.4%	\$8.69	\$452	1.5			
Juab	\$16.08	\$836	\$33,440	2.2	\$59,889	\$1,497	\$17,967	\$449	554	17.8%	\$10.08	\$524	1.6			
Kane	\$17.27	\$898	\$35,920	2.4	\$65,164	\$1,629	\$19,549	\$489	568	20.4%	\$12.59	\$655	1.4			
Millard	\$13.40	\$697	\$27,880	1.8	\$63,119	\$1,578	\$18,936	\$473	903	21.7%	\$11.07	\$576	1.2			
Morgan	\$16.96	\$882	\$35,280	2.3	\$92,312	\$2,308	\$27,694	\$692	507	16.8%	\$9.85	\$512	1.7			
Plute	\$16.21	\$843	\$33,720	2.2	\$46,156	\$1,154	\$13,847	\$346	89	16.0%	\$9.39	\$488	1.7			
Rich	\$15.48	\$805	\$32,200	2.1	\$58,287	\$1,457	\$17,486	\$437	134	20.9%	\$7.97	\$414	1.9			
Salt Lake	\$19.90	\$1,035	\$41,400	2.7	\$73,900	\$1,848	\$22,170	\$554	118,800	33.8%	\$15.71	\$817	1.3			
San Juan	\$13.40	\$697	\$27,880	1.8	\$51,548	\$1,289	\$15,464	\$387	820	20.9%	\$14.24	\$741	0.9			
Sanpete	\$14.31	\$744	\$29,760	2.0	\$59,441	\$1,486	\$17,832	\$446	2,060	25.9%	\$8.61	\$448	1.7			
Sevier	\$13.85	\$720	\$28,800	1.9	\$56,368	\$1,409	\$16,910	\$423	1,608	22.8%	\$10.53	\$547	1.3			
Summit	\$22.63	\$1,177	\$47,080	3.1	\$104,271	\$2,607	\$31,281	\$782	3,539	25.4%	\$12.95	\$673	1.7			
Tooele	\$16.33	\$849	\$33,960	2.3	\$71,080	\$1,777	\$21,324	\$533	4,284	23.0%	\$12.05	\$627	1.4			
Uintah	\$18.33	\$953	\$38,120	2.5	\$75,473	\$1,887	\$22,642	\$566	2,616	23.8%	\$16.62	\$864	1.1			
Utah	\$16.08	\$836	\$33,440	2.2	\$69,230	\$1,731	\$20,769	\$519	49,095	33.1%	\$12.45	\$647	1.3			
Wasatch	\$20.08	\$1,044	\$41,760	2.8	\$77,974	\$1,949	\$23,392	\$585	2,186	27.0%	\$12.75	\$663	1.6			
Washington	\$16.60	\$863	\$34,520	2.3	\$59,639	\$1,491	\$17,892	\$447	15,273	31.2%	\$12.09	\$629	1.4			
Wayne	\$13.40	\$697	\$27,880	1.8	\$47,340	\$1,183	\$14,202	\$355	167	17.2%	\$11.44	\$595	1.2			
Weber	\$16.96	\$882	\$35,280	2.3	\$66,737	\$1,668	\$20,021	\$501	23,063	28.8%	\$11.05	\$575	1.5			
<b>State of Utah</b>	<b>\$17.76</b>	<b>\$923</b>	<b>\$36,940</b>	<b>2.4</b>	<b>\$70,585</b>	<b>\$1,765</b>	<b>\$21,176</b>	<b>\$529</b>	<b>276,708</b>	<b>30.5%</b>	<b>\$13.57</b>	<b>\$706</b>	<b>1.3</b>			

1: BR = Bedroom

2: FMR = HUD (2017) Fair Market Rent, Fiscal Year 2018.

3: Minimum wage = \$7.25/hr.

4: MF<sup>5</sup> = 2015 Median Family Income adjusted to 2017 Constant dollars via BLS Consumer Price Index.

5: Affordable rent represents the generally accepted standard of ≤ 30% gross household income on gross rent.

6: BLS (2016) Quarterly Census of Earnings and Wages, Annual Averages, 2015 [Data].



**National Low Income Housing Coalition's methodology for using CHAS data to estimate housing cost burdens**

**Definitions:**

Income Categories

Extremely Low Income (ELI) Households	Household income is less than 30% of the area's HUD Adjusted Median Family Income (HAMFI)
Very Low Income (VLI) Households	Household income is between 30% and 50% of their area's HAMFI
Low Income (LI) Households	Household income is between 50% and 80% of their area's HAMFI
Not Low Income (NLI) Households	Household income is above 80% of their area's HAMFI

Level of Housing Cost Burden

Unaffordable Cost Burden	Household spends more than 30% of their income towards housing costs (including utilities)
Severe Cost Burden	Household spends more than 50% of their income towards housing costs (including utilities)

**Sources:**

The data in this workbook was taken from HUD's Comprehensive Housing Affordability Strategy (CHAS) data for 2008-2012. This data is available online from HUD at <http://www.huduser.org/portal/datasets/cp.html>. All data in this workbook was taken from Table 8. The following table shows the estimate numbers from which each data set was drawn.

Income Level	Renter Households	Unaffordable Cost Burden	Severe Cost Burden
ELI	8(69)	8(73)+8(76)+8(79)	8(76)+8(79)
VLI	8(82)	8(86)+8(89)	8(89)
LI	8(95)	8(99)+8(102)	8(102)
NLI	8(108)+8(121)	8(112)+8(115)+8(125)+8(128)	8(115)+8(128)
All	8(68)	8(73)+8(76)+8(86)+8(89)+8(99)+8(102)+8(112)+8(115)+8(125)+8(128)	8(76)+8(89)+8(102)+8(115)+8(128)

Source: National Low Income Housing Coalition (n.d.) Gap analysis procedure using CHAS data.

**National Low Income Housing Coalition's methodology for using CHAS data to estimate housing gaps**

This workbook shows the gap between housing need and housing supply among renters by showing the number of units affordable to renters at various income levels as well as the number of units both affordable and available (units both in the given price range and not occupied by higher income households). Data are presented at the county level.

**Definitions:**

Moderate Income

Extremely Low Income (ELI) Households	Households whose income is less than 30% of their area's HUD Adjusted Median Family Income (HAMFI)
Very Low Income (VLI) Households	Households whose income is less than 50% of their area's HUD Adjusted Median Family Income (HAMFI)
Low Income (LI) Households	Households whose income is less than 80% of their area's HUD Adjusted Median Family Income (HAMFI)

Affordability & Availability

Affordable Units	An affordable unit is one in which a household at the defined income threshold can rent without paying more than 30% of its income on housing and utility costs.
Affordable and Available Units	A unit is both affordable and available if that unit is both affordable and vacant, or if it is currently occupied by a household at the defined income threshold or below.

**Sources:**

The data in this workbook was taken from HUD's Comprehensive Housing Affordability Strategy (CHAS) data for 2008-2012. This data is available online from HUD at <http://www.huduser.org/portal/datasets/cp.html>. The following table shows the table number and estimate (T#(E#)) number from which each data set was drawn.

Income Level	Renter Households	Affordable Vacant Units (hidden)	Affordable Occupied Units (hidden)	Affordable Units	Surplus or Deficit of Affordable Units	Affordable Units per 100 Renter Households	Affordable and Available Units (excluding vacant units) (hidden)	Affordable and Available Units	Surplus or Deficit of Affordable and Available Units	Affordable and Available Units per 100 Renter Households
ELI	8(69)	14B(4)	15C(4)	14B(4)+15C(4)	=Total Affordable Units - Renter Households	=Total Affordable Units/Renter Households * 100	15C(5)	15C(5)+14B(4)	=Affordable and Available Units - Renter Households	=Total Affordable and Available Units/Renter Households * 100
ELI+VLI	8(69)+8(82)	14B(4)+14B(8)	15C(4)+15C(25)	14B(4)+14B(8)+15C(4)+15C(25)	=Total Affordable Units - Renter Households	=Total Affordable Units/Renter Households * 100	15C(5)+15C(9)+15C(26)+15C(30)	15C(5)+15C(9)+15C(26)+15C(30)+14B(4)+14B(8)	=Affordable and Available Units - Renter Households	=Total Affordable and Available Units/Renter Households * 100
ELI+VLI+LI	8(69)+8(82)+8(95)	14B(4)+14B(8)+14B(12)	15C(4)+15C(25)+15C(46)	14B(4)+14B(8)+14B(12)+15C(4)+15C(25)+15C(46)	=Total Affordable Units - Renter Households	=Total Affordable Units/Renter Households * 100	15C(5)+15C(9)+15C(26)+15C(30)+15C(13)+15C(34)+15C(47)+15C(51)+15C(55)	15C(5)+15C(9)+15C(26)+15C(30)+15C(13)+15C(34)+15C(47)+15C(51)+15C(55)+14B(4)+14B(8)+14B(12)	=Affordable and Available Units - Renter Households	=Total Affordable and Available Units/Renter Households * 100

Source: National Low Income Housing Coalition (n.d.) Gap analysis procedure using CHAS data.

# GLOSSARY: Affordable Housing Terms

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## A

**ADJUSTED HOUSEHOLD INCOME:** Adjusted household income includes the income of all members of the household at the time of the survey and is adjusted for inflation to reflect the most recent year of the data release.

**AFFORDABILITY:** Affordability can be understood as a relationship between a household's income and its housing costs. It is often summarized as a ratio of gross housing costs and gross household income.

**AFFORDABILITY GAP:** The affordability gap is the difference between the home price a household can afford and the current market price of a typical home for that household size. A deficit or shortage in affordable housing for a region is the difference between the number of affordable homes available and the number of homes needed to house all of that region's low-income residents.

**AFFORDABLE HOUSING:** In general, housing for which the occupant(s) is/are paying no more than 30 percent of his or her income for gross housing costs, including utilities.

**AFFORDABLE HOUSING PROGRAM (AHP):** A competitive program of the Federal Home Loan Bank system that provides grants twice a year through financial institutions for investment in low- or moderate-income housing initiatives. The program is flexible, so that AHP funds can be used in combination with other programs and funding sources, thus promoting a project's feasibility.

**AMERICAN COMMUNITY SURVEY (ACS):** A nationwide survey designed to provide communities with a fresh look at how they are changing. The ACS collects information such as age, race, income, commute time to work, home value, veteran status, and other important data from U.S. households. After the 2010 Census, the U.S. Census Bureau replaced the long form of the decennial census with an annual randomized survey. The ACS offers timely data for the period between censuses, allowing for a relatively current picture of local conditions. ACS surveys are consider

rolling samples because the random sample of each one-year survey is rolled into subsequent three-year and five-year aggregates every year to maximize geographic coverage. Random sampling methods allow the Census Bureau to collect a statistically significant sample from the nation's most populated metropolitan areas each year. A statistically significant sample of both large and intermediate-sized metropolitan areas is generated over a three-year period. A statistically significant sample of large metropolitan areas, intermediate-sized metropolitan areas and all populated non-metropolitan areas is generated over a five-year period. Because of the Census Bureau's rolling sample technique, annual three-year ACS releases will contain approximately 66 percent of the sample from the previous year's release. Annual five-year ACS releases will contain approximately 80 percent of the sample from the previous year's release. Comparing overlapping ACS periods may increase the margin of error for some estimates.

**ANALYSIS OF IMPEDIMENTS (AI):** A review of impediments or barriers that affect the rights of fair housing choice. It covers public and private policies, practices, and procedures affecting housing choice. The AI serves as the basis for fair housing planning, provides essential information to policymakers, administrative staff, housing providers, lenders, and fair housing advocates, and assists in building public support for fair housing efforts.

**AREA MEDIAN INCOME (AMI):** A simple mathematical median divides a random sample of gross annual incomes, which is the total earnings of all household members over a 12-month period before any deductions such as taxes or withholdings, collected from a geographic area and time period into two equal parts at the midpoint. AMI is a commonly misused term when discussing affordable housing because annual Census Bureau estimates do not adjust for household size. Notably, the U.S. Census Bureau's American Community Survey estimates both household and individual median income statistics.

**AVAILABILITY:** Availability can be understood as a relationship between housing vacancy, occupancy, and affordable housing costs.

**AVAILABLE HOUSING:** An affordable rental unit is defined as available if it is affordable and vacant, or not occupied by a household with a higher income threshold.

## B

**BUILDING CODE:** A set of building construction requirements developed and administered by national and local bodies to ensure that buildings meet certain minimum standards for structural integrity, safety, design, and durability.

## C

**CENSUS TRACT:** A small, relatively permanent statistical subdivision of a county or statistically equivalent entity, delineated for data presentation purposes by a local group of census data users or the geographic staff of a regional census center in accordance with Census Bureau guidelines.

**CHRONICALLY HOMELESS INDIVIDUAL:** A homeless individual with a disability who lives either in a place not meant for human habitation, a safe haven, or in an emergency shelter, or in an institutional care facility if the individual has been living in the facility for fewer than 90 days and had been living in a place not meant for human habitation, a safe haven, or in an emergency shelter immediately before entering the institutional care facility. In order to meet the “chronically homeless” definition, the individual also must have been living as described above continuously for at least 12 months, or on at least four separate occasions in the last 3 years, where the combined occasions total a length of time of at least 12 months. Each period separating the occasions must include at least seven nights of living in a situation other than a place not meant for human habitation, in an emergency shelter, or in a safe haven.

**COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG):** Created under the Housing and Community Development Act of 1974, this program provides grant funds to local and state governments to develop viable urban communities by providing decent housing with a suitable living environment and expanding economic opportunities to assist low- and moderate-income residents. CDBG replaced several categorical grant programs, such as the Model Cities program, the Urban Renewal program, and the Housing Rehabilitation Loan and Grant program.

## COMPREHENSIVE HOUSING

**AFFORDABILITY STRATEGY (CHAS):** Each year, the U.S. Department of Housing and Urban Development (HUD) receives custom tabulations of American Community Survey data from the U.S. Census Bureau that are generally not otherwise publicly available and utilizes this information to develop the Comprehensive Housing Affordability Strategy (CHAS). CHAS data demonstrates the extent of housing problems and housing needs, particularly for low-income households. State and local governments use this data to plan how to spend HUD funds, and HUD may use it to distribute grant funds.

**CONSOLIDATED PLAN:** A document written by a state or local government describing the housing needs of the low- and moderate-income residents, outlining strategies to meet these needs, and listing all resources available to implement the strategies. This document is required in order to receive HUD Community Planning and Development funds.

**CONSTANT DOLLARS:** Constant dollars and real dollars are terms describing income after adjusting for inflation. The U.S. Bureau of Labor Statistics utilizes the Consumer Price Index to calculate a rate at which the cost of commensurate goods increases over time. It is a factor by which the price of a good would need to be multiplied to be equivalent to the purchase price of that item in the past. For example, a \$15 pizza in 2006 would now cost \$20 at an inflation rate of 2.92 percent per year.

**CORE-BASED STATISTICAL AREA:** Refers collectively to metropolitan and micropolitan statistical areas designated by the U.S. Office of Management and Budget and adopted by the U.S. Census Bureau. Nonmetropolitan area are sometimes considered to be a third category.

**COST BURDEN:** HUD defines any household paying more than 30 percent of its gross income on gross housing expenses as cost burdened.

**CURRENT DOLLARS:** Current dollars is a term to describe income in the year in which a person, household or family receives it and is not adjusted for inflation.

## D

**DEBT SERVICE:** Required payments for principal and interest made with respect to a mortgage secured by housing.

**DECENNIAL CENSUS:** The Decennial Census, undertaken by the U.S. Census Bureau, occurs every 10 years, in years ending in zero, to count the population and housing units for the entire United States. Its primary purpose is to provide the population counts that determine how seats in the U.S. House of Representatives are apportioned.

**DEEPLY LOW INCOME (DLI):** A DLI household has an income of 15 percent or below the HAMFI. State and federal housing programs typically do not recognize DLI as being separate from ELI.

**DENSITY:** The average number of dwelling units or persons per gross acre of land, usually expressed in units per acre, excluding any area of a street bordering the outside perimeter of a development site.

**DIFFICULT DEVELOPMENT AREA (DDA):** Any area designated by the HUD Secretary as an area that has high construction, land, and utility costs relative to the area median gross income.

**DEVELOPMENT SUBSIDY:** A financial incentive provided to a housing developer for the construction, acquisition, or rehabilitation of housing, usually resulting in rents below market rate.

**DISABILITY:** A physical or mental impairment that substantially limits one or more of the major life activities of such for an individual. HUD identifies people with one of four different physical or cognitive impediments as disabled: hearing or vision impairment, ambulatory limitation, cognitive limitation and independent living limitation.

**DOMESTIC VIOLENCE:** Includes felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.

## E

**ELASTIC HOUSING DEMAND:** The demand for housing in a certain area will increase or decrease with the number of rental households wanting to live in a specific area, and price of rent increases or decreases in relation to the consumption of that housing. For example, as renter households move into a housing market, landlords are able to charge higher rents because more households are willing to pay a premium just to have a home. However, when renter households move out of a housing market, fewer households are willing to pay higher rents due to the availability of cheaper units.

**ELDERLY:** In general, elderly refers to individuals whose age is between 62 and 74. Individuals ages 62 to 74 are generally recognized as a population with different needs than those age 75 and up. Some state housing set-asides define elderly as people aged 55 and up. See also Frail Elderly.

**ELDERLY PERSON HOUSEHOLD:** A household composed of one or more persons at least one of whom is 62 years of age or more at the time of initial occupancy.

**EMERGENCY SHELTER:** Any facility, the primary purpose of which is to provide temporary or transitional shelter for the homeless in general or for specific populations of the homeless. Emergency shelters offer an intervention that places homeless families directly in permanent housing rather than putting them through a succession of programs. Families reside in shelters for the minimum time necessary to secure housing. Individually tailored support services assist families in attaining housing and achieving stability.

**EMINENT DOMAIN:** An exercise of the power of government or quasi-government agencies (such as airport authorities, highway commissions, community development agencies, and utility companies) to take private property for public use.

**EQUITABLE LAND USE PLANNING:** Zoning, land use regulation, master planning, and other land use planning that, at a minimum, furthers the purposes of Title VI of the Civil Rights Act, Section 504 of the Rehabilitation Act of 1973, and the Fair Housing Act and are intended to achieve additional objectives for expanding housing choice.

**EXTREMELY LOW INCOME (ELI):** An ELI household has an income of 30 percent or below the HAMFI.



## F

**FAIR HOUSING ACT:** 1968 act (amended in 1974 and 1988) providing the HUD Secretary with fair housing enforcement and investigation responsibilities. A law that prohibits discrimination in all facets of the home buying process on the basis of race, color, national origin, religion, sex, familial status, or disability.

**FAIR MARKET RENT (FMR):** Primarily used to determine payment standard amounts for the Housing Choice Voucher program, to determine initial renewal rents for some expiring project-based Section 8 contracts, to determine initial rents for housing assistance payment contracts in the Moderate Rehabilitation Single Room Occupancy program, and to serve as a rent ceiling in the HOME rental assistance program. On an annual basis, HUD determines equitable rent payment standards for its housing choice voucher program and Section 8 contracts using a simple formula applied to a local market. Instead of using the median gross rent of a geographic area, with a few exceptions, it typically uses the 40th percentile of gross rents for standard rental units, which reflects contract costs and utilities for each county. Insular FMR statistics typically assume the cost of a two-bedroom rental unit.

**FAIR MARKET VALUE:** The amount of money that would probably be paid for a property in a sale between a willing seller, who does not have to sell, and a willing buyer, who does not have to buy.

**FAMILY HOUSEHOLD:** A householder and one or more other people living in the same household who are related to the householder by birth, marriage or adoption. Insular HAMFI statistics typically assume that a family is a household of four related individuals.

**FEDERAL HOUSING ADMINISTRATION (FHA):** Provides mortgage insurance on loans made by FHA-approved lenders throughout the United States and its territories. FHA insures mortgages on single-family, multifamily, and manufactured homes and hospitals. It is the largest insurer of mortgages in the world, insuring over 34 million properties since its inception in 1934.

**FRAIL ELDERLY:** An elderly person who is unable to perform at least three “activities of daily living” comprising of eating, bathing, grooming, dressing, or home management activities.

## G

**GEOGRAPHIC INFORMATION SYSTEMS (GIS):** A computer system for the input, storage, processing, applications development, retrieval, and maintenance of information about the points, lines, and areas that represent the streets and roads, rivers, railroads, geographic entities, and other features on the surface of the earth — information that previously was available only on paper maps.

**GROSS ANNUAL INCOME:** the total income, before taxes and other deductions, received by all members of the tenant’s household. There shall be included in this total income all wages, social security payments, retirement benefits, military and veterans’ disability payments, unemployment benefits, welfare benefits, interest and dividend payments and such other income items as the Secretary considers appropriate.

**GROSS RENT:** Gross rent includes the contract rent plus the estimated average monthly cost of utilities and fuels. Gross rents eliminate discrepancies that often result from varying practices with respect to the inclusion of utilities and fuels as part of the rental payment.

**GROUP HOME:** A group home is where a small number of unrelated people in need of care, support or supervision can live together, such as those who are elderly or mentally ill.

## H

**HOME (HOME INVESTMENT PARTNERSHIPS PROGRAM):** Provides formula grants to states and localities that communities use — often in partnership with local nonprofit groups — to fund a wide range of activities that build, buy, and/or rehabilitate affordable housing for rent or homeownership, or to provide direct rental assistance to low-income people.

**HOMELESS:** An individual who lacks a fixed, regular, and adequate nighttime residence; as well an individual who has a primary nighttime residence that is a supervised publicly or privately operated shelter designed to provide temporary living accommodations, an institution that provides a temporary residence for individuals intended to be institutionalized; or a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.



**HOMELESS MANAGEMENT INFORMATION SYSTEM (HMIS):** A database and database management software designed to record and store longitudinal, client-level information on the characteristics and service needs of homeless individuals.

**HOMELESS PREVENTION:** Activities or programs designed to prevent the incidence of homelessness, including, but not limited to: (1) short-term subsidies to defray rent and utility arrearages for families that have received eviction or utility termination notices; (2) security deposits or first month's rent to permit a homeless family to move into its own apartment; (3) mediation programs for landlord-tenant disputes; (4) legal services programs that enable representation of indigent tenants in eviction proceedings; (5) payments to prevent foreclosure on a home; and (6) other innovative programs and activities designed to prevent the incidence of homelessness.

**HOUSEHOLD:** All the people who occupy a housing unit. A household includes the related family members and all the unrelated people, if any, such as lodgers, foster children, wards, or employees who share the housing unit. A person living alone in a housing unit, or a group of unrelated people sharing a housing unit such as partners or roomers, is also counted as a household.

**HOUSING MARKET AREA:** A geographic region from which it is likely that renters/purchasers would be drawn for a given housing project. A housing market area most often corresponds to a Metropolitan Statistical Area (MSA).

**HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA):** Provides housing assistance and supportive services to low-income people with HIV/AIDS and their families. HOPWA funds may also be used for health care and mental health services, chemical dependency treatment, nutritional services, case management, assistance with daily living, and other supportive services.

**HOUSING STOCK:** The number of existing housing units based on data compiled by the United States Bureau of the Census and referable to the same point or period in time.

**HOUSING UNIT:** A housing unit is a house, an apartment, a mobile home or trailer, a group of rooms or a single room that is occupied, or, if vacant, is intended for occupancy as separate living quarters. A rental unit is any housing unit that is offered for rent or lease by its owner. Gross housing costs are the sum total of monthly rent or mortgage payments, utilities and basic charges required to occupy a housing unit.

**HUD:** U.S. Department of Housing and Urban Development

**HUD ADJUSTED MEDIAN FAMILY INCOME (HAMFI):** HUD Adjusted Median Family Income. This is the median family income calculated by HUD for each jurisdiction, in order to determine Fair Market Rents (FMRs) and income limits for HUD programs. HUD often uses the terms HAMFI and MFI interchangeably with AMI, but HAMFI will not necessarily be the same as other calculations of median incomes due to a series of adjustments. HAMFI is based on five-year ACS household MFI statistics, but it is then adjusted for family size, inflation, statutory criteria, and then rounded.

**HUD METRO FMR AREA:** Indicates that only a portion of the OMB-defined core-based statistical area (CBSA) is in the area to which the income limits or FMRs apply. HUD is required by OMB to alter the name of metropolitan geographic entities it derives from the CBSAs when the geography is not the same as that established by OMB.

**INADEQUATE HOUSING:** Housing with severe or moderate physical problems, as defined in the American Housing Survey (AHS) since 1984. A unit is defined as having severe physical problems if it has severe problems in any of five areas: plumbing, heating, electrical system, upkeep, and hallways. It has moderate problems if it has problems in plumbing, heating upkeep, hallways, or kitchen, but no severe problems.

**INCLUSIONARY ZONING (IZ):** Inclusionary zoning is a housing intervention policy intended to promote the development of affordable housing in a community. IZ policies require or encourage developers to set aside a certain percentage of housing units in a project for low-income and moderate-income residents. Local governments typically implement IZ policies by enacting inclusionary zoning ordinances, but a state may enact statutes governing affordable housing in all of its subdivisions; state statutes always preempt local ordinances. IZ programs can be mandatory or voluntary and have different set-aside requirements, affordability levels and control periods. Most inclusionary zoning programs offer developers incentives such as density bonuses, expedited approval and fee waivers. Mandatory programs typically require 10 to 20 percent of the housing units in a development be affordable.

**INCOME BAND:** Federal statutes and agencies, such as HUD, define housing program eligibility, entitlements and benefits relative to a percentile of the Area Median Income. The range between each defined percentile of the Area Median Income is an income band. Standard income bands include: Extremely Low Income (ELI); Very Low Income (VLI); Low Income (LI); Moderate Income (MI); and non-low-income (NLI).

**INCOME LIMIT (IL):** Determines the eligibility of applicants for HUD's assisted housing programs. The major active assisted housing programs are the Public Housing program, the Section 8 Housing Assistance Payments program, Section 202 housing for the elderly, and Section 811 housing for persons with disabilities.

**INCOME THRESHOLDS:** An income threshold is related to standardized income bands, but a threshold is inclusive of all income bands beneath it.

**INELASTIC HOUSING SUPPLY:** Housing supply is inelastic, or slow to respond to rapid changes in a housing market because the rate of its production is typically slower than the rate of its consumption. When there are more renter households in an area than available housing units, it is called a housing shortage. A housing market may be flooded or oversaturated when there are fewer renter households in an area than housing units, which may lead housing developers to rent housing units below the cost of production.

## J

## K

## L

**LAND DEVELOPMENT:** the process of making, installing, or constructing improvements.

**LEASE:** A written agreement between an owner and a family for the leasing of a decent, safe, and sanitary dwelling unit to the family.

**LEASE TERM:** The period of time for which a lease agreement is written.

**LIVABILITY:** a measure of integration of the housing, transportation, environmental, and employment amenities accessible to residents. A livable community is one with multiple modes of transportation, different types of housing, and destinations located within an easy distance (20 minutes by transit, 15 minutes by bike or foot, 10 minutes by car) of homes.

**LOCAL PUBLIC AGENCY:** the official body empowered under State law to plan and undertake a local urban renewal program with Federal assistance. May be a city, county or other governmental entity, or a separate body such as a redevelopment agency or a local housing authority.

**LOW INCOME (LI):** An LI household has an income of 50 to 80 percent of the HAMFI.

**LOW-INCOME HOUSING TAX CREDIT (LIHTC):** A tax incentive intended to increase the availability of low-income housing. The program provides an income tax credit to owners of newly constructed or substantially rehabilitated low-income rental housing projects.

## M

**MARKET AREA:** The geographic area from which a project owner could reasonably expect to draw applicants, based on the services and amenities offered by the development and the needs of the community.

**MARKET FAILURE:** A market fails when it inefficiently allocates resources. Under such circumstances, individual incentives undermine efficient collective outcomes. When a market economy is economically efficient, any changes made to assist one entity would harm another. In other words, a market failure is a situation where a community is made worse off by an incentive to misallocate resources or goods, making some people inordinately better off.

**MARKET-RATE RENT:** The market-rate rent is the prevailing monthly cost for rental housing set by the landlord without restrictions. The rate varies on market conditions but historically trends higher over time.

**MARKET VALUE:** The most probable price that a property should bring in a competitive and open market, provided that all conditions requisite to a fair sale are present, the buyer and seller are knowledgeable and acting prudently, and the price is not affected by any undue stimulus.

**MEDIAN GROSS RENT (MGR):** Gross rents include the total cost of the contract rent, utilities, and fuels. A median divides a random sample of gross rental costs collected from a geographic area and time period into two equal parts at the midpoint, with one-half falling below the median and one-half above the median. The U.S. Census Bureau's 2014 American Community Survey (ACS) estimated the MGR of Salt Lake County to be \$922 per month.

**MEDIAN INCOME:** This is a statistical number set at the midpoint of a range of incomes where half of all households earn an income above this point and half of all households earn an income below.

**METROPOLITAN AREA (MA):** A large population nucleus, together with adjacent communities that has a high degree of economic and social integration with that nucleus.

#### **METROPOLITAN PLANNING**

**ORGANIZATION:** That organization required by the Department of Transportation, and designated by the Governor as being responsible for coordination within the State, to carry out transportation planning provisions in a Standard Metropolitan Statistical Area.

**METROPOLITAN STATISTICAL AREA (MSA):** An area with at least one urbanized area of 50,000 or more population, plus adjacent territory that has a high degree of social and economic integration with the core, as measured by commuting ties.

**MICROPOLITAN STATISTICAL AREA:** An area with at least one urban cluster of at least 10,000 but less than 50,000 population, plus adjacent territory that has a high degree of social and economic integration with the core, as measured by commuting ties.

**MINORITY NEIGHBORHOOD:** A neighborhood in which the percentage of persons of a particular racial or ethnic minority is at least 20 points higher than that minority's percentage in the housing market as a whole; the neighborhood's total percentage of minority persons is at least 20 points higher than the total percentage of minorities for the housing market area as a whole; or in the case of a metropolitan area, the neighborhood's total percentage of minority persons exceeds 50 percent of its population.

**MODERATE INCOME:** An income band or income threshold between zero percent of HAMFI and 80 percent of HAMFI. It is inclusive of low-incomes (50-80 percent HAMFI), very low-incomes (30-50 percent HAMFI), and extremely low-incomes ( $\leq$  30 percent HAMFI). It does not include non-low-incomes ( $\geq$  80 percent HAMFI).

**MODERATE INCOME HOUSING:** Housing occupied or reserved for occupancy by households with a gross household income equal to or less than 80 percent of the median gross income for households of the same size in the county in which the city is located.

## **N**

### **NEIGHBORHOOD STABILIZATION**

**PROGRAM (NSP):** Provides emergency assistance to state and local governments to acquire and redevelop foreclosed properties that might otherwise become sources of abandonment and blight within their communities. The Neighborhood Stabilization Program (NSP) provides grants to every state and certain local communities to purchase foreclosed or abandoned homes and to rehabilitate, resell, or redevelop these homes in order to stabilize neighborhoods and stem the decline of house values of neighboring homes. The program is authorized under Title III of the Housing and Economic Recovery Act of 2008.

**Non-Low-Income (NLI):** An NLI household has an income of 80 percent or above of the HAMFI. Strictly speaking, the non-low-income threshold includes all moderate-income households.

**NONPROFIT HOUSING ORGANIZATION:**

Any private organization that is organized under state or local laws; has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual; and has a long-term record of service in providing or financing quality affordable housing for low-income families through relationships with public entities.

**NONPROFIT HOUSING:** Nonprofit housing is developed by nonprofit corporations with a community board of directors and specific mission. Most housing developed by nonprofit housing developers is affordable, with rents or prices below market rate. Income generated from the housing is put back into the buildings and the mission of the organization rather than being distributed to stockholders or individual investors as would be the case in for-profit housing.

**NONPROFIT HOUSING DEVELOPER:** A nonprofit housing developer is an organization whose mission involves the creation, preservation, renovation, operation or maintenance of affordable housing.

**O****OFFICE OF MANAGEMENT AND BUDGET**

**(OMB):** Assists the President in overseeing the preparation of the federal budget and supervises its administration in Executive Branch agencies. In helping to formulate the President's spending plans, OMB evaluates the effectiveness of agency programs, policies, and procedures, assesses competing funding demands among agencies, and sets funding priorities. OMB ensures that agency reports, rules, testimony, and proposed legislation are consistent with the President's Budget and with Administration policies. In addition, OMB oversees and coordinates the Administration's procurement, financial management, information, and regulatory policies. In each of these areas, OMB's role is to help improve administrative management, to develop better performance measures and coordinating mechanisms, and to reduce any unnecessary burdens on the public.

**OPERATING SUBSIDY:** Property owners receive an operating subsidy to reduce the management, maintenance and utility costs of housing. It is needed for projects housing extremely low-income residents who can't afford rents covering the actual costs of housing.

**OWNER:** Any private person or entity, including a cooperative, an agency of the federal government, or a public housing agency, having the legal right to purchase dwelling units.

**P****PERCENTILE RENT ESTIMATES (50th):**

Calculated for all FMR areas. These are not fair market rents. Under certain conditions, as set forth in the Interim Rule (Federal Register Vol. 65, No. 191, Monday October 2, 2000, pages 58870—58875), these 50th percentile rents can be used to set success rate payment standards.

**PERMANENT AFFORDABLE HOUSING FOR HOMELESS FAMILIES:**

Permanent affordable housing serves homeless families with barriers to sustaining sufficient income to maintain independent housing. Like Rapid Re-Housing, emphasis is placed on rapid placement into housing from shelters or homelessness to support families in establishing permanent housing as quickly as possible. Rent obligations remain affordable by an established standard (based on fund sources). Supportive services are not required, but tenant services may be made available for families.

**PERMANENT HOUSING:** Permanent housing is the apartment rental or homeownership that provides individuals and families with a fixed street address and residence. Most housing is permanent.

**POVERTY THRESHOLD:** In 1964, the Social Security Administration defined a national poverty threshold at three times the cost of a minimum nutritious diet and is adjusted for inflation annually. HUD's housing programs generally are not based on the national poverty threshold.

**PRIVATE MARKET OR FOR-PROFIT**

**HOUSING:** This housing rents or sells at market rate and is developed and owned by for-profit individuals, partnerships or corporations. Most housing in Utah is privately developed.

**PROHIBITED BASES:** Civil rights statutes establish the demographic categories by which discrimination is prohibited. Under the Fair Housing Act, the prohibited bases are race, color, religion, sex, national origin, familial status, and disability.

**PROJECT-BASED SECTION 8 HOUSING:** This federal program created in the mid-1970s initially pledged 20-year commitments of rent subsidy to developers of privately owned rental housing stock in the community to encourage them to build affordable housing. The program is subsidized and regulated by HUD.



**PROTECTED CLASSES:** Demographic categories of persons established by civil rights statutes against whom discrimination is prohibited.

**PUBLIC HOUSING:** Public housing is housing owned and run by a local housing authority under the oldest federal housing program—the Housing Act of 1937. To be eligible to live in public housing, one must meet program requirements including being low income. In most cases, rent including utilities can comprise no more than 30 percent of one’s income.

**PUBLIC HOUSING AGENCY (PHA):** Any state, county, municipality, or other governmental entity or public body, or agency or instrumentality of these entities that is authorized to engage or assist in the development or operation of low-income housing under the U.S. Housing Act of 1937.

**PUBLIC-PRIVATE PARTNERSHIP (PPP):** A long-term cooperative arrangement between a private party and a government entity, for providing a public asset or services, in which the private party bears significant risk and management responsibility.

## Q

**QUALIFIED CENSUS TRACT (QCT):** Any census tract (or equivalent geographic area defined by the Census Bureau) in which at least 50 percent of households have an income less than 60 percent of the area median gross income or have a poverty rate of at least 25 percent.

## R

**RAPID RE-HOUSING PROGRAM:** Short-term intervention for homeless families, which includes housing attainment, employment and financial assistance services. Support is provided for up to one year.

**REAL ESTATE SETTLEMENT PROCEDURES ACT (RESPA):** A law protecting consumers from abuses during the residential real estate purchase and loan process by requiring lenders to disclose all settlement costs, practices, and relationships.

**REGULATORY BARRIERS CLEARINGHOUSE (RBC):** Collects, processes, assembles, and disseminates information on the barriers faced in the creation and maintenance of affordable housing. The Clearinghouse is hosted by HUD USER.

**REHABILITATION:** The labor, materials, tools, and other costs of improving buildings, other than minor or routine repairs. The term includes where the use of a building is changed to an emergency shelter and the cost of this change and any rehabilitation costs does not exceed 75 percent of the value of the building before the change in use.

**RENOVATION:** Rehabilitation that involves costs of 75 percent or less of the value of the building before rehabilitation.

**RENTAL AGREEMENT:** A binding contract of mutual assent and consideration between a tenant and a landlord of legal capacity for a rental unit. Typically, a rental agreement will specify rental costs, fees, utilities, payment intervals and the terms and conditions of residential use.

**RENTAL ASSISTANCE:** A subsidy provided to a property owner or low-income household to make the cost of renting affordable. Assistance is issued by a public entity such as a City, County, or local housing authority.

**RENTAL UNIT:** A dwelling or housing unit that may be leased or rented by a non-owner occupant.

**RENTER:** Any private person or entity, including a cooperative, an agency of the federal government, or a public housing agency, having the legal right to lease or sublease a dwelling unit.

## S

**SECTION 202:** Provides capital advances to finance the construction, rehabilitation or acquisition (with or without rehabilitation) of structures that will serve as supportive housing for very low-income elderly persons, including the frail elderly, and provides rent subsidies for the projects to help make them affordable.

**SECTION 8 EXISTING RENTAL ASSISTANCE:** Provides rental assistance to low-income families who are unable to afford market rents. Assistance may be in the form of vouchers or certificates.

**SECTION 8 HOUSING CHOICE VOUCHERS:** Vouchers for which eligible tenants can use to help pay for apartments in the private market. With a voucher, tenants pay between 28 and 40 percent of their household income for rent and utilities, and the housing authority pays the difference between this amount and the amount the landlord requests. Local housing authorities and PHAs administer this federal program.



**SECTION 8 HOMEOWNERSHIP PROGRAM:**

Allows low-income families who qualify for Section 8 rental assistance to use their certificates or vouchers to pay for homeownership costs under a mortgage.

**SECURITY DEPOSIT:** A payment required by an owner to be held during the term of the lease (or the time period the tenant occupies the unit) to offset damages incurred due to the actions of the tenant. Such damages may include physical damage to the property, theft of property, and failure to pay back rent. Forfeiture of the deposit does not absolve the tenant of further financial liability.

**SERVICE COORDINATOR PROGRAM:**

Provides funding for the employment of Service Coordinators in insured and assisted apartment housing that is designed for the elderly and persons with disabilities. A service coordinator is a social service staff person hired or contracted by the development's owner or a management company. The Service Coordinator is responsible for assuring that elderly residents, especially those who are frail or at risk, and those nonelderly residents with disabilities are linked to the specific supportive services they need to continue living independently in that housing development.

**SEVERE COST BURDEN:** HUD defines any household paying more than 50 percent of its gross income on gross housing expenses as severely cost burdened.

**SHELTERS:** Also called emergency housing, shelters provide temporary overnight living accommodations. Shelters often are not open during the day.

**SHELTER PLUS CARE PROGRAM (S+C):**

Authorized by title IV, subtitle F, of the Stewart B. McKinney Homeless Assistance Act (the McKinney Act) (42 U.S.C. 11403–11407b). S+C is designed to link rental assistance to supportive services for hard-to-serve homeless persons with disabilities (primarily those who are seriously mentally ill; have chronic problems with alcohol, drugs, or both; or have acquired immunodeficiency syndrome (AIDS and related diseases) and their families. The program provides grants to be used for rental assistance for permanent housing for homeless persons with disabilities. Rental assistance grants must be matched in the aggregate by supportive services that are equal in value to the amount of rental assistance and appropriate to the needs of the population to be served. Recipients are chosen on a competitive basis nationwide.

**SINGLE FAMILY PROPERTY:** A single-unit family residence, detached or attached to other housing structures.

**SINGLE-ROOM OCCUPANCY (SRO) UNITS:**

Also known as efficiency units or studio apartments. The traditional SRO unit is a single room, usually less than 100 square feet, designed to accommodate one person. Amenities such as a bathroom, kitchen or common areas are located outside the unit and are shared with other residents.

**SOURCE OF INCOME:** Lawful, verifiable income paid directly to a tenant or to a representative of the tenant.

**SUBAREA (SA):** Designation placed in front of those areas where only the counties or towns of the subarea are used in calculating income limits and FMRs.

**SUBSIDIZED HOUSING:** Subsidized housing is a generic term covering all federal, state or local government programs that reduce the cost of housing for low- and moderate-income residents. Housing can be subsidized in numerous ways—giving tenants a rent voucher, helping homebuyers with down payment assistance, reducing the interest on a mortgage, providing deferred loans to help developers acquire and develop property, giving tax credits to encourage investment in low- and moderate-income housing, authorizing tax-exempt bond authority to finance the housing or providing ongoing assistance to reduce the operating costs of housing and others. Public housing, project-based Section 8, Section 8 vouchers, tax credits, the Olene Walker Housing Loan Fund are all examples of subsidized housing.

**SUPPORTIVE HOUSING:** Supportive housing combines affordable housing with individualized health, counseling and employment services for persons with mental illness, chemical dependency, chronic health problems or other challenges. Generally it is transitional housing, but it can be permanent in cases such as a group home for persons with mental illness or developmental disabilities. Supportive housing is a homelessness intervention because it addresses its root causes and provides effective means of reintegrating families and individuals into a community by addressing basic needs for housing and ongoing support.

**SUPPORTIVE HOUSING PROGRAM:** This program is authorized by title IV of the Stewart B. McKinney Homeless Assistance Act (the McKinney Act) (42 U.S.C. 11381–11389). The program is designed to promote the development of supportive housing and supportive services, including innovative approaches to assist homeless persons in the transition from homelessness, and to promote the provision of supportive housing to homeless persons to enable them to live as independently as possible.

**SUPPORTIVE HOUSING FOR THE ELDERLY:** Housing that is designed to meet the special physical needs of elderly persons and to accommodate the provision of supportive services that are expected to be needed, either initially or over the useful life of the housing, by the category or categories of elderly persons that the housing is intended to serve.

**SUSTAINABLE COMMUNITIES:** Urban, suburban, and rural places that successfully integrate housing, land use, economic and workforce development, transportation, and infrastructure investments in a manner that empowers jurisdictions to consider the interdependent challenges of: 1) economic competitiveness and revitalization; 2) social equity, inclusion, and access to opportunity; 3) energy use and climate change; and 4) public health and environmental impact.

## T

**TENANCY TERMINATION:** Occurs when a landlord ends a rental agreement and asks the tenant to vacate the rental unit.

**TENANT-BASED RENTAL ASSISTANCE (TBRA):** HUD assists low- and very low-income families in obtaining decent, safe, and sanitary housing in private accommodations by making up the difference between what they can afford and the approved rent for an adequate housing unit.

**TRANSIT-ORIENTED DEVELOPMENT (TOD):** Development of commercial space, housing services, and job opportunities close to public transportation, thereby reducing dependence on automobiles. TODs are typically designed to include a mix of land uses within a quarter-mile walking distance of transit stops or core commercial areas.

**TRANSITIONAL HOUSING:** A project that has as its purpose facilitating the movement of homeless individuals and families to permanent housing within

a reasonable amount of time (usually 24 months).

Transitional housing includes housing primarily designed to serve deinstitutionalized homeless individuals and other homeless individuals with mental or physical disabilities and homeless families with children. Transitional housing provides stability for residents who need more intensive support services. Length of stay is flexible to allow them to recover from a crisis such as homelessness or domestic violence before transitioning into permanent housing. Transitional housing providers often offer supportive services that enable a person to transition to a more independent living situation in market-rate or other permanent housing. Low-income housing providers and funders have moved away from this model and toward permanent supportive housing or housing with transitional services due in part to difficulties residents had securing and maintaining market housing.

## U

**URBAN RENEWAL AREA:** A slum area or a blighted, deteriorated, or deteriorating area in the locality involved which the Secretary approves as appropriate for an urban renewal project.

**URBAN RENEWAL PROJECT:** A project planned and undertaken by an LPA [Local Public Agency] in an urban renewal area with Federal financial and technical assistance under Title I of the Housing Act of 1949. A project may involve slum clearance and redevelopments rehabilitation and conservation, or a combination of both. It may include acquisition of land, relocation of displaced site occupants, site clearance, and installation of site improvements, rehabilitation of properties and disposition of acquired land for redevelopment in accordance with the Urban Renewal Plan.

**U.S. CENSUS BUREAU (USCB):** Serves as the leading source of quality data about our nation's people and economy.

**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD):** Established in 1965, HUD's mission is to increase homeownership, support community development, and increase access to affordable housing free from discrimination. To fulfill this mission, HUD will embrace high standards of ethics, management and accountability and forge new partnerships — particularly with faith-based and community organizations — that leverage resources and improve HUD's ability to be effective on the community level.

## V

**VACANCY RATE:** The vacancy rate is the percentage of unoccupied units in a particular rental building or complex or area. A desirable low vacancy rate is generally considered to be 5 percent and factors for recently vacated units beings prepared for the next occupants. In boom times, vacancy rates generally fall, while in recessions, vacancy rates rise. Low vacancy rates often are a signal for market providers to raise rents.

**VACANT UNIT:** a dwelling unit that has been unoccupied for not less than nine consecutive months.

**VERY LOW-INCOME (VLI):** A VLI household has an income of 30 to 50 percent of the HAMFI. Households whose incomes do not exceed 50 percent of the median area income for the area, as determined by HUD, with adjustments for smaller and larger families and for areas with unusually high or low incomes or where needed because of facility, college, or other training facility; prevailing levels of construction costs; or fair market rents.

## W

**WAITING LIST:** A formal record of applicants for housing assistance and/or assisted housing units that identifies the applicant's name, date and time of application, selection preferences claimed, income category, and the need for an accessible unit. The waiting list may be kept in either a bound journal or a computer program. Whichever method is used to maintain the waiting list, the owner must establish a method of documenting the appropriate selection of applicant names from the list.

**WORKFORCE HOUSING:** Housing whose gross monthly costs target working class households earning between 60 percent and 120 percent of HAMFI and have at least one member of the household participating in the local labor force. Workforce housing enables people that are gainfully employed in low-income service occupations to live and work in the same community. Local governments in areas of high income disparity often subsidize workforce housing directly to attract and retain essential occupations, such as teachers, policemen, firemen and other local-level civil servants.

**WORST CASE HOUSING NEEDS:** Needs experienced by unassisted very low-income renters who either (1) pay more than one-half of their monthly income for rent; or (2) live in severely inadequate conditions, or both.

## X

## Y

## Z

**ZONING:** The classification of land by types of uses permitted and prohibited in a given district, and by densities and intensities permitted and prohibited, including regulations regarding building location on lots.

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State of Utah

# AFFORDABLE HOUSING ASSESSMENT

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