



WASATCH BACK AFFORDABLE HOUSING ECONOMIC IMPACT ANALYSIS

MCHT



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OVERVIEW

Analysis Sections



Community Benefits



Economic Value



Opportunity Costs

Key Assumptions



100 resident housing units



1.73 jobs per housing unit



0.40 school aged children per housing unit



\$100,000 public investment in rental product and a
\$400,000 investment in ownership product

COMMUNITY CONTEXT

Employment Trends



Total employment has increased by **47.6%** since 2010

In-commuters account for **70%** of employment growth

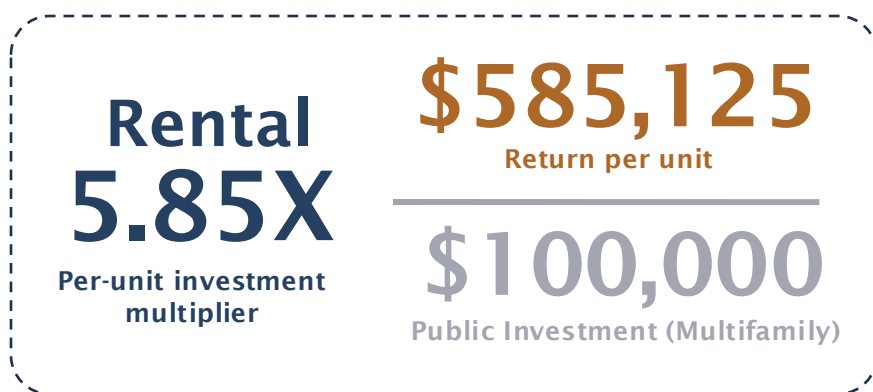
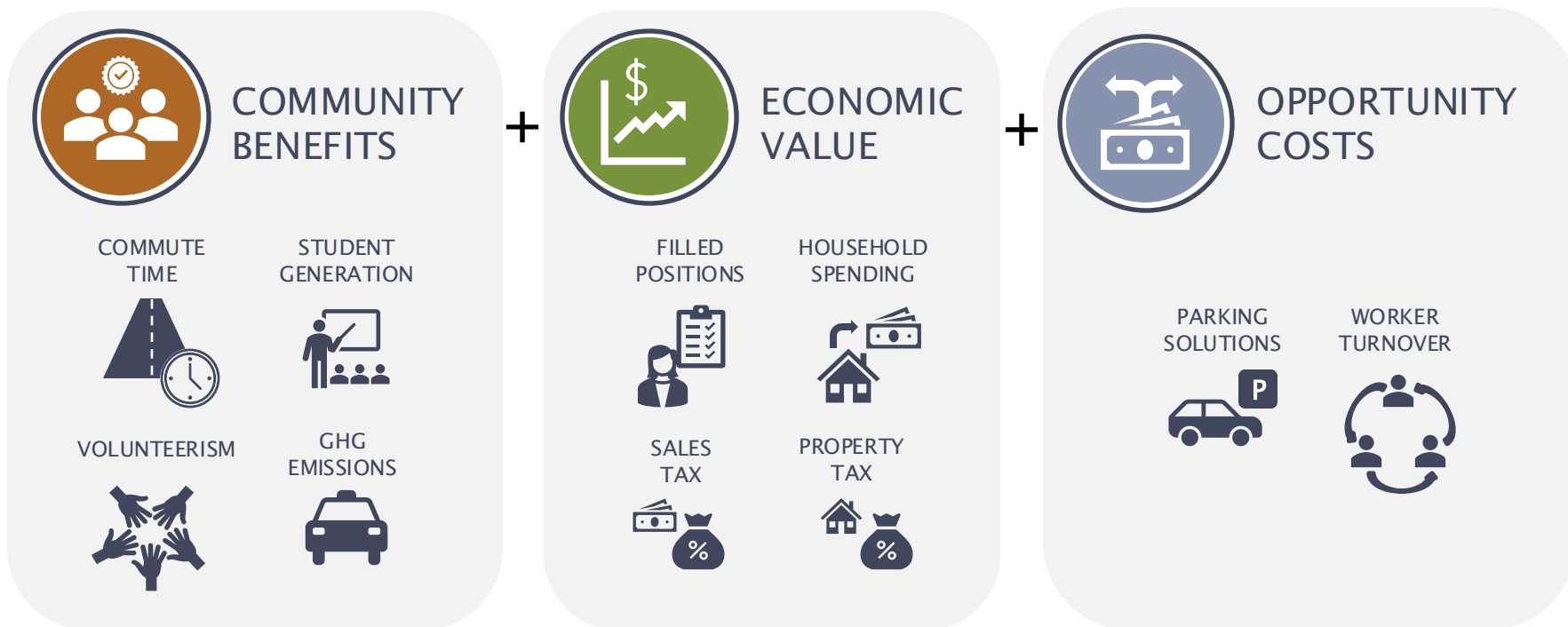
Household Trends



Households making \$75K or less have *decreased* by **17%** since 2010

Households making \$200K or more have *increased* by **291%** since 2010

OVERALL BENEFIT





COMMUNITY BENEFITS OVERVIEW

Annual community and quality of life benefits from investing in resident housing.

The presence of residents plays a pivotal role in boosting the vitality of a community while simultaneously elevating the quality of the guest experience. Community benefits include:

- ✓ Reduced Commute Times
- ✓ Increased Student Generation
- ✓ Increased Volunteer Hours
- ✓ Reduced Carbon Emissions



COMMUNITY BENEFITS



COMMUTE TIME

\$1.2 million per year

Value of time (\$18.80 per hour)
for more than 66,000 annual
commute hours eliminated



COMMUNITY BENEFITS



STUDENT GENERATION

\$180,000 per year

Estimated total based on the State of Utah's per-pupil funding for 40 new school-aged children



COMMUNITY BENEFITS



VOLUNTEERISM

\$150,000 per year

Value of increased volunteer labor
to the non-profit community
(at \$31.46 per hour)



COMMUNITY BENEFITS



GREENHOUSE GAS EMISSIONS

\$75,000 per year

A reduction of 3.3M vehicle miles traveled per year reduces greenhouse gas emissions related to Carbon Monoxide (CO), Carbon Dioxide (CO₂), Nitrogen Oxides (NO_x), Sulfur Oxides (SO_x), and Particulate Matter 2.5 (PM_{2.5})



ECONOMIC VALUE OVERVIEW

Annual economic value to the regional economy due to investment in resident housing.

With an expanded inventory of resident housing, numerous sectors of the business community benefit. This increased economic activity was captured in the following areas:

- ✓ Reduced Unfilled Positions
- ✓ Increased Household Spending
- ✓ Increased Sales Tax
- ✓ Increased Property Tax



ECONOMIC VALUE



FILLED POSITIONS

\$43.1 million per year

Estimated economic impact of
173 full-time positions filled



ECONOMIC VALUE



HOUSEHOLD SPENDING

\$4.2 million per year

Increased economic impact of resident household spending in the region



ECONOMIC VALUE



SALES TAX

\$73,000 per year

Increased sales tax revenue based on an additional \$1.7M of direct spending within the Wasatch Back



ECONOMIC VALUE



PROPERTY TAX

\$186,000 per year

Increased property tax revenue
based on a \$450,000
property valuation per unit



OPPORTUNITY COSTS OVERVIEW

One-time costs avoided by an investment in resident housing.

If it did not invest in resident housing, Wasatch Back communities would need to commit potentially greater investments in:

- ✓ Parking Investment Opportunity Cost
- ✓ New Hire Training Opportunity Cost



OPPORTUNITY COSTS



PARKING SOLUTIONS

\$5.3 million one-time

Estimated construction cost for
87 structured parking spaces
(\$55,000 per space) and
43 surface parking spaces
(\$12,000 per space)



OPPORTUNITY COSTS



WORKER TURNOVER

\$4.1 million one-time

Cost of worker turnover,
training, and lost productivity
for 173 positions

TOTAL IMPACT

| Description | Total | Per Unit |
|----------------------------------------|---------------------|------------------|
| Community Benefits | | |
| Value of Volunteerism | \$149,622 | \$1,496 |
| Equivalencies of GHG Emissions | \$75,048 | \$750 |
| Value of Time from Commute Hours Saved | \$1,236,419 | \$12,364 |
| Value of Student Generation | <u>\$178,677</u> | <u>\$1,787</u> |
| Subtotal | \$1,639,766 | \$16,398 |
| Economic Value | | |
| Economic Impact of Filled Positions | \$43,065,334 | \$430,653 |
| Economic Impact of Household Spending | \$4,186,274 | \$41,863 |
| Value of Sales Tax | \$72,812 | \$728 |
| Value of Property Tax | <u>\$185,774</u> | <u>\$1,858</u> |
| Subtotal | \$47,510,194 | \$475,102 |
| Opportunity Costs | | |
| Parking Investment Opportunity Cost | \$5,311,965 | \$53,120 |
| Worker Turnover Opportunity Cost | <u>\$4,050,742</u> | <u>\$40,507</u> |
| Subtotal | \$9,362,707 | \$93,627 |
| Total | \$58,512,667 | \$585,127 |

Source: Economic & Planning Systems