

SUMMARY OF 2010 SNYDERVILLE BASIN HOUSING NEEDS ASSESSMENT

Study prepared by
BUREAU OF ECONOMIC AND BUSINESS RESEARCH

SEPTEMBER 2010

To: Snyderville Basin Planning Commission (SBPC), Work Session
Author(s): Mountainlands Community Housing Trust – *Scott Loomis*
Summit County Planning Department – *Kimber Gabryszak*
Meeting Date: October 12, 2010

The following is a summary of the Needs Assessment prepared by the University of Utah Bureau of Economic and Business Research for the Snyderville Basin Planning Commission, Summit County Council and Mountainlands Association of Governments. The Needs Assessment's purpose is to determine the needs for moderate income housing in the Snyderville Basin ("Basin") pursuant to Utah Senate Bill 60 requiring an evaluation of needs and a reasonable plan to fulfill the housing needs for low and moderate income households.

The SBPC held a work session on September 28, 2010, and requested additional information concerning pent up need from the consultant. He has been contacted, and will be providing that information prior to the meeting. **As of the date of this report, that additional information has not yet been received, so the information in the report addresses the existing study, and changes / additions since the September 28, 2010 meeting are highlighted. A memo outlining the requested information will be presented to the SBPC and the public at the hearing.**

Definitions

Affordability Calculation- For Sale -30% of gross income devoted to housing, 3% down payment, prevailing mortgage rate and property taxes, insurance and mortgage insurance of 11% of the total mortgage payment. Renters 30% of gross income for rent and utilities

Area Median Income (AMI) - Summit County \$93,300. (Stated as family of four unless otherwise noted)

Low Income - households earning between 50-60% AMI (\$46,650- 55,980)

Moderate Income - households earning between 60-80% AMI (\$55,980-76,640)

Very Low Income - household earning below 50% AMI (\$46,650)

Background, Character, and Determinates to Housing Demand:

- 9045 housing units in Basin
 - 6000 occupied, 92% owner occupied
- 3080 unoccupied units (no full-time residents), up from 505 in 2000

- Housing inventory is young (avg. 10 yrs)
- Rental inventory declined from 833 in 2000 to 732 in 2010
 - 75% of rentals are condos, median 2-bdrm rent of \$1150
 - 732 total rentals, of which 134 are subsidized tax credit rental
- Population in Basin is 17,200
 - up 3300 since 2000- 2.2% annual growth.
- Median age in Basin 33. 9-5 years over state average
- 5950 households in Basin
 - 5300 owner-occupied
 - 650 renter-occupied
- 380 average annual new units since 2000
 - 40% of new units are owner-occupied, rest are 2nd homes / rentals
- Minority in Basin
 - 6.9% 2000
 - under 5% in 2010
- Minority in Summit County as a whole
 - 10.5% in 2000
 - 15.2% in 2010
- Median income in Basin \$101,700
 - no significant change in ten years
- Commuting workforce
 - 1 in 8 workers live in Basin
 - Typical communities, ratio 1 in 2
 - 11% of County workforce lives in Basin
- Workforce of 2400 in Basin
 - 60% low paying wages
- 25% of Basin workforce lives outside Summit County
- There are no special needs projects in Basin

Changes since the 2006 Needs Assessment:

- 25% of homes sold 2005-2009 affordable to **median** income households (100% AMI)
 - Total of 836 units:
 - 102 single family
 - 734 condominiums
 - No apartments
- 2.5% of single family homes sold to **moderate** income households (80% AMI)
- 2009 - 36% of total sales were affordable:
 - 92% were condos
- Affordable to very low income households:
 - 6.3% of all sales in 2009 (23 condos)
- Affordable condo sales dropped 25% from 2005 levels
- New construction down 90% from peak in 2005
- Median prices down 26% since peak (07-08)
 - single family unit now \$625,000
 - condo \$317,000
- 1,082 new housing units added to inventory:
 - 617 condominiums
 - 415 single family residences
 - 44 cabins
 - One (1) manufactured home
 - No apartments

- Affordable rental housing for moderate income dropped from 356 in 2000 to 200 in 2010
 - Only 25% of rentals available to very-low and low-income households-serious shortage
- 3.6% of mortgages in Basin 90 days delinquent

Projects since the 2006 Assessment

The SBPC requested additional information concerning development since the 2006 assessment, in terms of what projects have been constructed and / or approved, and how much progress has been made towards addressing the needs outlined in that report:

- Newpark Flats rental units
 - 30 units built, taken into account in the 2006 study
 - Only count for 13.33 Workforce Unit Equivalents (WUEs)
- Woods of Parleys Lane
 - 4 units built
 - Count for 5.97 WUEs
- Bear Hollow Village
 - 4-8 units built
 - Accounted for in 2006 study
- Summit Research Park
 - 152 units required but not yet built
- CORE incentive density rezones / projects
 - 3 applications
 - No approved projects yet
- Majority of development that occurred or is approved was/is either vested prior to implementation of mandatory requirement, obligated to provide more limited housing under previous codes, or otherwise exempt:
 - Park City Business Center
 - Silver Creek commercial areas
 - Canyons Resort & Colony
 - Walmart Expansion
 - Murnin Kilgore
 - Silver Creek Village Center
 - Quarry Village / Quarry Springs
 - The Jeremy Center
 - Silver Creek Plat I
 - MIDA
 - Weilenmann Charter School
 - Newpark buildout
 - Build out of platted subdivisions (i.e. Pinebrook, Summit Park)

In summary:

2006 Needs Assessment:	Units provided:	Remainder (2006):
Pent up: 299	Pent up: 0	Pent up: 299
Future: 506 (if committed are built)	Future: 152 approved (139 WUEs)	Future: 354 units (367 WUEs)

From this list and table, it is clear that very little progress was made towards addressing either pent up or future need according to the 2006 study. Additionally, it demonstrates that the majority of upcoming development will also not be required to provide affordable housing, putting the County even further from the goal outlined in the 2010 Assessment, a 1:4 ratio of affordable to market units.

Comparison of the 2006 Assessment to the 2010 Assessment

	2006 Needs Assessment	2010 Needs Assessment
Pent up need:	299 households	No number assigned; topic referenced
Methods for pent up:	Analysis of cost-burdened households (paying more than 30% gross income on housing)	NA
Basis:	Growth in employment	Growth in population
Estimated 5-yr future need:	506 households <i>(662 minus committed and built units)</i>	350-375 units
Ratio affordable to market units:	Not defined; 1 in 5 units adopted in Development Code	1 in every 4 new units recommended
Sources:	Census, employment data from Bureau of Labor Statistics, housing sales data / MLS	Same

Findings and Recommendations of the 2010 Housing Affordability and Needs Assessment

- | | |
|---|--|
| <ul style="list-style-type: none"> <input type="checkbox"/> Growth rate of 2% over next 5 years will require 600-650 new housing units <input type="checkbox"/> No provision in workforce housing ordinance for low income rentals <ul style="list-style-type: none"> • lack of new rentals serious affordable restraint <input type="checkbox"/> Year-round homeowners increase by 100 annually | <ul style="list-style-type: none"> <input type="checkbox"/> New units over next 5 years should include: <ul style="list-style-type: none"> • 225 low to median income rental units (tax credit projects) • 125 moderate income owner occupied condominiums • 300 homes for above 80% AMI • 1 in 4 new units should be affordable to moderate income households |
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Mountainlands Community Housing Trust Observations

1. The study concludes Liberty Peak Apartments being 154 affordable rentals targeting 60% AMI will impact the need, but these apartments are being built to mitigate the effects of the workforce housing needs attributable to the development of 750,000-1,200,000 square feet of commercial development at the Summit Research Park.
 - a. Note that the workforce housing formula would have required more units than 154, but the requirement was reduced since the developers committed to provide the affordable housing before any commercial buildings.
2. The study states there are no provisions in the workforce housing code for low income rentals, but CORE incentive provisions allow for a 50% bonus density for a development targeting an average 50% AMI or below.
3. The study concludes there will be no affordable single family ownership units for very low and low income households, however this is not entirely correct. For example, two of four affordable homes in The Woods of Parleys Lane, selling at an average of \$280,000, were sold to very-low income households. This was made possible by subsidized loans for very low and low income households from USDA Rural Development. As provided in the code, with donated fully

improved lots and the payment of impact fees by developers, single family homes for sale can target low and moderate households as well as tax credit rentals targeting very low income renters.

4. The December 2006 Needs Assessment did not need updating until 2011, but because Mountainlands Association of Governments required a needs assessment for three counties, it was a considerable savings to have it completed now and to obtain current information after the recent downturn in the real estate market. The 2006 study cost approximately \$11,000 with the present study costing only \$1750, a considerable savings for a more complete study. Despite delays, it was a significant savings for the county.
5. The methodology of the December 13, 2006 Needs Assessment is essentially the same as the present study. The 2006 study projects a growth rate in "employment" of 3.8% annually (more than 15% over five years), where the 2010 study projects a "population" increase of 2% annually for five years, a significantly lower number.
6. The December 2006 Needs Assessment concluded there was a "pent up demand" for 112 homeownership units low income households and 187 units for moderate income units and of 805 units total less 156 committed units. Of those "committed units" 126 at the Canyons have not been built. The present study only concludes the need is for 350-375 total units which is significantly lower than the 2006 study. The likely reasons for these significant change are:
 - a. The five year growth rate in the 2006 assessment was projected growth in employment of over 3% per year where the 2010 study shows a decline in employment in the Basin from 2008 to 2007 after increases of almost 5% the previous two years.
 - b. AMI increased by approximately \$10,000 from 2006 to 2010, increasing the allowable prices.
 - c. The declining real estate market of over 25% of its peak from the 2006 study.
7. The 2006 study refers to the 10% rule stating nationally 10% of housing in a community should be affordable, but there is no reference to this standard in the 2010 study. Under the 2006 study the formula came to a total of 1250 units.
8. The study does not address the potential "MIDA Factor". It is presently assumed that MIDA will allow a hotel of unknown size to be built to service military personnel in Wasatch County. The commercial property which will support the hotel development and operations is presently targeted to be built in the Basin near Home Depot. Under the calculations of the current code, the potential 1,500,000 square feet of commercial development will generate 4950 employees which would equate to 550 workforce unit equivalent units of restricted affordable housing. MIDA and the developer are not required to abide by the development code and it is anticipated affordable housing will not be built for the commercial development or hotel. If built, the impact on workforce housing and this Needs Assessment will be substantial.
9. The current study concludes that one-in-four future homes built should be affordable. This supports the SBPC and BCC position in code changes which require 20% of residential development to be restricted workforce housing. The code also requires workforce housing units for commercial development as well which, coupled with the residential component, should come close to the 25% target.

Exhibit: 2010 Snyderville Basin Housing Assessment, 29 pages



SNYDERVILLE BASIN HOUSING ASSESSMENT

**Prepared by
Bureau of Economic and Business Research
University of Utah**

**Prepared for
Summit County Office of Community Development
Mountainlands Association of Government**

September 2010

Key Findings

Housing Supply Estimates and Characteristics

¶ At year-end 2009 Snyderville Basin had a housing inventory of 9,045 units. Nearly 6,000 of these housing units were occupied. Of the occupied units 92 percent were owner occupied and 8 percent were renter occupied. The nearly 3,100 vacant units (no full-time resident) were composed primarily of time-share, second home and recreation units.

¶ One of the most significant trends in the Snyderville Basin housing market is the increased number of unoccupied units, which increased from 505 units in 2000 to 3,080 in 2010. The 2002 Olympics and its aftermath created developer enthusiasm for time-share and condominium development.

¶ Another important trend during the past decade was the declining role of rental housing in Snyderville Basin. In 2000 the rental inventory was 833 units but by 2010 the rental inventory had declined to 732 units, a decline of 18 percent. The loss of rental units is attributable to the condominium conversion in 2004-2005 of the 312-unit Canyon Creek Apartments.

¶ The housing inventory in Snyderville Basin is very young. The median age of a unit is less than 10 years old. This characteristic is due to the significant level of new residential construction in the basin since 2000. In the past ten years permits have been issued for 4,590 new residential units in Snyderville Basin, about half of the total inventory of 9,045. Snyderville Basin accounts for about 70 percent of new residential construction in Summit County in the past ten years.

¶ Snyderville Basin has some of the highest housing prices of any community in the state. In 2010 (through 2nd quarter) the median sales price of a single-family home was \$625,000. The median sales price of a condominium unit was \$317,000. The median sales prices for both homes and condominiums have dropped 26 percent since the peak prices of 2007-2008.

¶ The rental market in Snyderville Basin has two distinct market segments; traditional apartments in rental communities and condominiums for rent. Of the 732 rental units in the basin at least 75 percent are condominium units. Rental condominiums typically have higher rents than apartments consequently rental rates in Snyderville Basin are relatively high. In 2010 the median rental rate for a two bedroom condominium was \$1,150. The high rental rates are corroborated by HUD's high Fair Market Rents, which are gross rents at the 40th percentile.

Rental Rates in Snyderville Basin: 2010

Type	Apartments	Condominiums	Fair Mkt Rent*
Studio	\$650	\$700	\$686
One Bedroom	\$750	\$850	\$953
Two Bedroom	\$850	\$1,150	\$1,059
Three Bedroom	\$1,150	\$1,600	\$1,483

**HUD's Fair Market Rent is gross rent (includes utilities) at the 40th percentile. Source: Park Record.*

¶Snyderville Basin has no targeted rental project for special needs populations, which include elderly, disabled, victims of domestic violence, homeless, large families and individuals with HIV/AIDS. Generally, special needs housing is developed in counties or areas with populations much larger than Summit County or the Snyderville Basin.

¶Of the 732 rental units in Snyderville Basin 134 are subsidized tax credit units. Elk Meadows has 96 tax credit units and Newpark Studio Apartments has 38 units. Most of Elk Meadows' units have AMI rent targets at 60 percent while Newpark's target rents are from 30-50 percent AMI.

Determinates of Housing Demand

¶The full-time resident population of the Snyderville Basin in 2010 is estimated at 17,200, an increase of 3,300 residents since 2000. The average annual population growth rate for the decade is 2.03 percent. The number of households has increased to 5,950. The average annual growth rate for households is 2.2 percent.

¶Typically household growth drives the demand for new housing units; however in the Snyderville Basin demand for new residential units is significantly augmented by the time-share and second home market. Over the past ten years the number of new residential units in Snyderville Basin has averaged about 380 units annually. Only about 40 percent or 150 units were occupied by full-time residents.

¶The high cost of housing as well as the limited number of rental units in the basin affects the demographic characteristics of the area. The population is older, with a disproportionate share of people between 30-59 years. More than half of the population in Snyderville Basin is in this age group. The median age was 33.9 years in 2000 about 5 years older than the statewide median age.

¶The high cost of housing and scarcity of rental units also influence the minority composition of Snyderville Basin. In Summit County the increase in minority population accounts for about 30 percent of the population growth since 2000. In 2008 minority population in Summit County was estimated at 6,075 or 15.2 percent of the population, up from 10.5 percent in 2000. However, in the Snyderville Basin the relative share has very likely declined due to housing prices and types of housing available. In 2000, 6.9 percent of the population of the basin was minority. In 2010 the minority share of the population is likely less than 5 percent.

¶Snyderville Basin is unique in the sharp contrast between median income of residents and average wages paid by establishment located in the area. The estimated median income of a resident of the Snyderville Basin in 2008 was \$101,700. For the same year, Utah's Department of Workforce Services estimated the average wage paid by employers in Snyderville Basin was \$34,573, one-third of the median income of residents.

¶The difference between the income of residents and wages paid by employers reflects the economic base of Snyderville Basin and commuting patterns. The basin has a population of 17,300 and an employment base of about 2,400, about one employee for every eight residents. Typically this ratio is closer to one employee for every two residents. Snyderville Basin is first and foremost a residential community. Only about 10 percent of the employment in the county is located in Snyderville Basin. This characteristic has implications for the location of workforce housing.

¶The 2000 Census provides the most recent data on commuting patterns for Summit County. In 2000, 17 percent of the Summit County workforce resided in Salt Lake County and commuted to Summit County for employment. Another 10 percent commuted from Wasatch County. In many cases these commuters represent pent-up demand for affordable housing.

¶Demand for housing has been severely reduced due to the recession. New construction of single-family homes is down nearly 90 percent from its peak in 2005 and condominium construction has dropped from 576 units in 2007 to zero in 2009. Existing home and condominium sales have also plummeted 60 to 70 percent since peak years and median sales prices for both types of housing have declined by over 20 percent. In this recession Snyderville Basin's unique resort and recreation environment and exclusive real estate market have not insulated the local market from a serious housing contraction.

Housing Affordability and Needs Assessment

¶Housing affordability has been a persistent problem in Snyderville Basin. The availability of affordable owner and renter occupied units has been limited due to land prices, housing market conditions and zoning ordinances.

¶*Affordability for Median Income Household* - Data from the Park City Multiple Listing Service shows that 25 percent of the sales of homes and condominiums in Snyderville Basin between 2005 and 2009 were affordable to the median income household. A total of 836 units were affordable; 102 single-family homes and 734 condominiums. Affordability improved in 2009 with 36 percent of homes and condominiums affordable to the median income household. This was the highest degree of affordability since 2005 when 37 percent of home and condominium sales were affordable. Improving affordability was due to declining interest rates and housing prices. Condominiums accounted for 87 percent of the affordable housing units.

¶ *Affordability for Moderate Income Households (80% Area Median Income)* – Opportunities for home ownership decline significantly for moderate income households. For combined single-family and condominium sales 15 percent of all units sold from 2005 through 2009 were affordable for moderate income households. Only 2.5 percent of all detached single-family homes sold in the Snyderville Basin area were affordable to moderate income households. A total of 513 housing units were affordable; 41 single-family homes and 472 condominiums. Condominiums accounted for 92 percent of all affordable housing units sold.

¶ *Affordability for Low Income Households (50% AMI)* – A low income household could afford only 6.3 percent of the combined single-family homes and condominiums sold in Snyderville Basin in 2009. All 23 of the affordable dwellings were condominium units. No detached single-family homes were affordable to low income households. Over the five-year period only 3.7 percent of all homes and condominiums sold were affordable to low income households. The limited opportunity of homeownership for low income households is a characteristic of most housing market. Housing market conditions, land and home prices generally exclude low income household from ownership.

¶The sale of affordable condominiums has dropped off precipitously since 2005 when sales totaled 394 units for median income households, 275 for moderate income households and 91 for low income households. Sales levels since have been at 25 percent or less of the 2005 level, a disturbing trend, which has led to lower levels of housing affordability for moderate and low income households in Snyderville Basin.

¶ There is a shortage of affordable rental housing in Snyderville Basin. Updating the inventory with additions and losses the 2010 rental inventory shows a significant change in affordability, particularly for the moderate income renter. The number of rental units available for moderate income renters has dropped from 356 in 2000 to 200. For the most vulnerable and highest need renters (very low and low income) only about 25 percent or 168 rental units are available for these households.

¶ The two existing tax credit projects have a total of 134 units. Ninety-six of these units are targeted for renters at 50 to 60 percent AMI; one bedroom rents above \$800 and two bedroom rents above \$1,000. Liberty Peaks, a new tax credit rental project will begin construction in October 2010 of 152 tax credit and market rate units. The tax credit units at Liberty Peaks will have AMI targets of 60 percent and include 41 one-bedroom tax credit units with rents at \$927, 39 two-bedroom tax credit units with rents at \$1,106, 40 market rate one-bedroom units with rents at \$950 and 39 two-bedroom units with rents at \$1,360. Liberty Peaks will be a welcome and much needed addition to the Snyderville Basin rental inventory.

¶ While Liberty Peaks will improve the affordability of rental housing for moderate income housing there remains a serious shortage of rental housing for low and very low income renter households.

¶ Many of these low and very low income households are minority households. Snyderville Basin has not participated in providing housing opportunities for the rapidly growing minority population of Summit County.

¶ The number of year-round homeowners in the Snyderville Basin increases at about 100 households annually. Over the next five years Summit County should encourage through housing policy an affordable home owner ratio of 1:4, i.e. one-out-of-every four new owner-occupied units should be affordable to a moderate income household.

¶ Snyderville Basin has an employment base of nearly 2,400 of which 60 percent are low paying construction, retail and leisure and hospitality workers. At least one-quarter of this workforce resides outside the county. These commuters represent a sizeable pool of pent-up demand for low and moderate income rental housing.

¶ The number of permanent resident households in the Snyderville Basin will grow at a projected 2 percent annually between 2010 and 2015. This growth rate will generate demand for about 600-650 new housing units by 2015. These additional units should include; 225 affordable low and moderate income rental units (Liberty Peaks helps meet this need), 125 affordable moderate income owner-occupied condominiums and 300 homes for households with incomes above 80 percent AMI.

I. Housing Supply Estimates, Trends and Characteristics

From April 1, 2000 through December 31, 2009 the Snyderville Basin’s housing stock nearly doubled, from 4,645 dwelling units to approximately 9,045¹ *Table 1*. The owned housing stock increased 118 percent from 3,812 to 8,313 units, with ownership growing from 82 percent to 92 percent of the total housing stock. In contrast, the rental stock declined by 18.2 percent from 833 units to 732 units. The overall vacancy rate climbed from 11 percent in 2000 to 34 percent in 2009, and was as high as 37 percent among owned housing units. As of January 2010 there were approximately 5,965 owner-occupied dwelling units, 732 renter-occupied units, and 3,080 vacant units in the Snyderville Basin. Much of the increase in vacancy rates is due to the construction of time-share condos (for example, at The Canyons) and other vacation homes that are not occupied by full-time residents. Some of the increase may also be due to the fact that the 2000 and 2009 numbers are measuring different geographic areas, as explained in footnote 1.

Table 1
Snyderville Basin Housing Stock,
2000 & 2009

	2000	2009	Change
Total Housing Stock	4,645	9,045	94.7%
Occupied	4,140	5,965	44.1%
Share	89.1%	65.9%	
Vacant	505	3,080	610.0%
Share	10.9%	34.0%	
Owned Housing Stock	3,812	8,313	118.0%
Share	82.1%	91.9%	
Occupied	3,411	5,290	
Vacant	401	3,023	
Vacancy Rate	10.5%	36.4%	
Rental Housing Stock	833	732	-18.2%
Share	17.9%	8.1%	
Occupied	729	675	
Vacant	104	57	
Vacancy Rate	12.5%	7.8%	

Note: 2000 figures are as of April 1; 2009 figures are as of July 1. See footnote for further details.

Source: U.S. Census Bureau (2000) and Bureau of Economic and Business Research (2009).

Exhibit 1 shows annual permits issued for new residential construction in unincorporated Summit County from January 2000 through December 2009 by type of structure. Permits were issued for a total of 4,590 new dwelling units over the period. While these figures are for all of unincorporated Summit County, the vast majority of these were constructed in the Snyderville Basin, which has been the locus of most of Summit County’s growth. More than half (2,490) of the new units were single-family homes and about 40 percent (1,727) were condominiums. There were 56 new twin homes, 55 new apartment units, and 24 mobile homes. There were also 238 new cabins, which are more likely to be vacation homes than year-round residences.

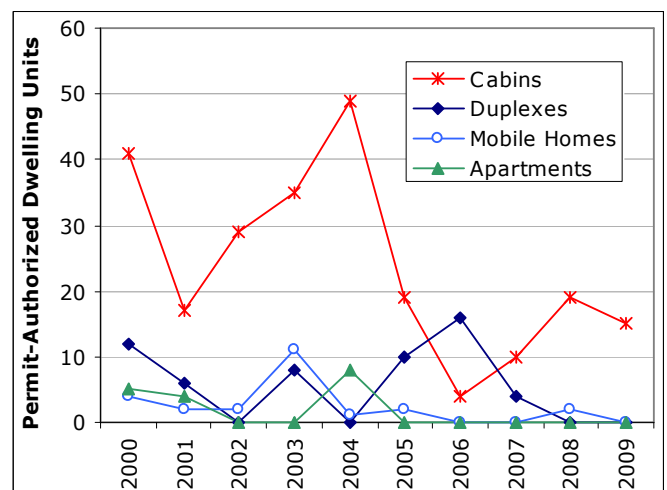
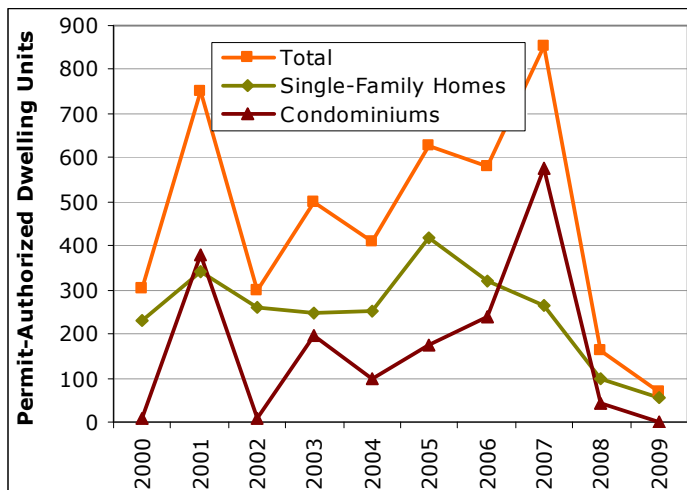
¹ Note that the 2000 figures are from the U.S. Census Bureau and are for the North Snyderville Basin, South Snyderville Basin, and Summit Park Census Designated Places. The housing units that are added to the Census numbers to get the 2009 amounts are from the Bureau of Economic and Business Research’s Construction Database and are for Other Summit County. This does not correspond exactly to the Census Bureau’s three CDPs and likely includes a small amount of new construction outside the Snyderville Basin.

After a spike in 2001 due to the approval of 380 new condominium units, new residential construction in the Snyderville Basin grew from 300 permit-authorized dwelling units in 2002 to 853 units in 2007. With the collapse of the credit markets, the number of permitted units plummeted to 160 in 2008 and just 69 in 2009. The two main components of residential construction in the area, single-family homes and condominiums, peaked at different times. Permits issued for new single-family homes climbed from 232 in 2000 to a high of 420 in 2005. This was two-thirds higher than the number issued in 2004. From here they declined to 321 in 2006 and 263 in 2007, then sank to 98 in 2008 and just 54 in 2009. Permit-authorized condominium units (individual units, not buildings) hit a high of 380 units in 2001, the year before the Olympics. Permits were issued for only ten condo units in 2000 and just eight in 2002. However, in 2003 condo construction jumped to 198 permit-authorized units, then grew to 576 units in 2007. Only 41 condo units were authorized in 2008, and no condos were permitted in 2009.

**Exhibit 1
Snyderville Basin Permit-Authorized New Dwelling Units by Type, 2000–2009**

Structure Type	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
Single-Family Homes	232	343	261	246	252	420	321	263	98	54	2,490
Duplexes and Twin Homes	12	6	0	8	0	10	16	4	0	0	56
Condominiums	10	380	8	198	100	177	237	576	41	0	1,727
Apartments (3 or more units)	5	4	0	0	8	0	38	0	0	0	55
Cabins	41	17	29	35	49	19	4	10	19	15	238
Manufactured / Mobile Homes	4	2	2	11	1	2	0	0	2	0	24
Total	304	752	300	498	410	628	616	853	160	69	4,590

Note: Figures are for "Other Summit County." While this includes construction activity in other unincorporated parts of the county, it is dominated by the Snyderville Basin.



Source: Bureau of Economic and Business Research, Construction Database.

The Park City Board of Realtors provided existing-home sales data for the Snyderville Basin from 2000 through 2009. They define the Snyderville Basin as The Canyons, Olympic Park, the Silver Springs area, Old Ranch Road, Kimball Junction, Pinebrook, Summit Park, Jeremy Ranch, Glenwild/Silver Creek, and the Trailside Park area. In 2000, the median price of existing single-family homes sold was \$310,000 *Table 2*. Prices declined in 2001, in response to the recession, to a median of \$287,204, but then increased consistent-

ly to a peak of \$848,888 in 2007. The median price fell 17.5 percent in 2008 and a further 2.9 percent in 2009 to \$680,000—still higher (in nominal terms) than in 2005. The largest increases were in 2005 and 2006, when the median price jumped by 32.3 and 34.8 percent, respectively. Through the first half of 2010, single-family home prices had continued to fall, with a median sales price of \$625,000.

The nominal median price of existing multifamily homes in the Snyderville Basin fell 20 percent in 2001 to \$167,500 *Table 3*. It then grew continually to a high of \$429,550 in 2008. The years 2004 through 2006 saw the fastest price growth, with annual increases of 18.9, 25.1, and 39.8 percent, respectively. In 2009 the median sales price fell by nearly one-quarter to \$327,050. The decline continued in the first half of 2010, with the median price reaching \$317,000.

Table 2
Snyderville Basin Median Price
of Existing Single-Family Homes
Sold, 2000-2009
 (Nominal Dollars)

Year	Median Price	Annual Change	No. Sold
2000	\$310,000		350
2001	\$287,204	-7.4%	378
2002	\$325,000	13.2%	401
2003	\$338,000	4.0%	373
2004	\$400,000	18.3%	469
2005	\$529,000	32.3%	554
2006	\$713,000	34.8%	380
2007	\$848,888	19.1%	343
2008	\$700,000	-17.5%	208
2009	\$680,000	-2.9%	183

Source: Park City Board of Realtors.

Table 3
Snyderville Basin Median Price
of Existing Multifamily Homes
Sold, 2000-2009
 (Nominal Dollars)

Year	Median Price	Annual Change	No. Sold
2000	\$209,000		229
2001	\$167,500	-19.9%	259
2002	\$175,900	5.0%	222
2003	\$187,500	6.6%	303
2004	\$223,000	18.9%	487
2005	\$279,000	25.1%	641
2006	\$390,000	39.8%	313
2007	\$420,000	7.7%	313
2008	\$429,550	2.3%	216
2009	\$327,050	-23.9%	184

Source: Park City Board of Realtors.

Residential sales activity peaked in 2005 then began to decline while prices continued to rise for two or three more years.

Rental Rates - There are no data available on rental rates for the Snyderville Basin however, the countywide rental rates serve as a very adequate surrogate. In order to determine the countywide rental rates a survey of the classified ads in the Park City Record newspaper was taken. The weekend editions for 2010 were surveyed and a median rental rate determined for studio, one, two and three bedroom units for both apartments and condominiums.

The rental market in Summit County is divided into two market segments: apartment units and condominium for rent. The “condominium for rent” units are a relatively large segment of the rental inventory. This unique structure of the rental market is due to the economic base of Summit County: skiing and winter sports activities. The condominium inventory reflects the lodging needs of the thousands of skiers at Park City and Deer Valley. During the offseason many of these condominiums are placed in a rental pool. Due to the significant presence of condominiums in the rental market the market rental rates are segmented by apartment and condominium rents. Condominium rental rates are higher than apartment rental rates for all

types of units *Table 4* . Due to the dominance of condominiums in the market the condominium rental rates are likely much closer to the prevailing rental rate. This is verified by HUD’s 2010 Fair Market Rents for Summit County. Fair Market Rents are gross rents (includes utilities) at the 40th percentile.

**Table 4
Median Rental Rates in Summit County - 2010**

Type	Apartments	Condominiums	Fair Mkt Rent*
Studio	\$650	\$700	\$686
One Bedroom	\$750	\$850	\$953
Two Bedroom	\$850	\$1,150	\$1,059
Three Bedroom	\$1,150	\$1,600	\$1,483

**Fair Market Rent is gross rent (includes utilities) at the 40th percentile. Source: Park Record.*

Special Needs Inventory - HUD requires state and certain local communities to prepare, every five years, a Consolidated Plan in order to receive Community Development Block Grants. In the consolidated plan HUD recommends that jurisdictions review the housing inventory of special needs populations defined as elderly, disabled, victims of domestic violence, homeless, large families and individuals with HIV/AIDS. Generally, special needs housing is developed in counties or areas with populations much larger than Summit County or the Snyderville Basin. The numbers of homeless or individuals with HIV/AIDS or victims of domestic violence are too small in the Snyderville Basin to warrant development of housing projects targeted only for a specific special needs population. Consequently, there are no special needs housing projects in Snyderville Basin.

Tax Credit Rental Inventory - Tax credit projects are the only subsidized rental housing in Snyderville Basin. There are no RD 515, HUD 202, HUD project based or public housing projects.

**Elk Meadows
2627 West Kilby Road
Snyderville Basin**

**Total Units – 96 units
Year Built - 1993**

**Vacancy Rate – 11.5%
Type of Project – Tax Credit
All Units at 60% AMI**

Category	One Bedroom	Two Bedroom		Three Bedroom
		One Bath	Two Bath	
Number of Units	30	48	0	18
Average Square Feet	511	726	0	1,000
Vacant Units	3	8		0



**Newpark Studios
1528 West Highland Drive
Snyderville Basin/Kimball Junction**

Total Units - 38 units
Year Built - 2007

Estimated Vacancy - 0%

**Type of Project - Tax Credit; 8@
30% AMI, 15 @35% AMI, 15@40% AMI**

Category	Studio
Number of Units	38
Average Sq. Ft.	400
Vacant Units	0

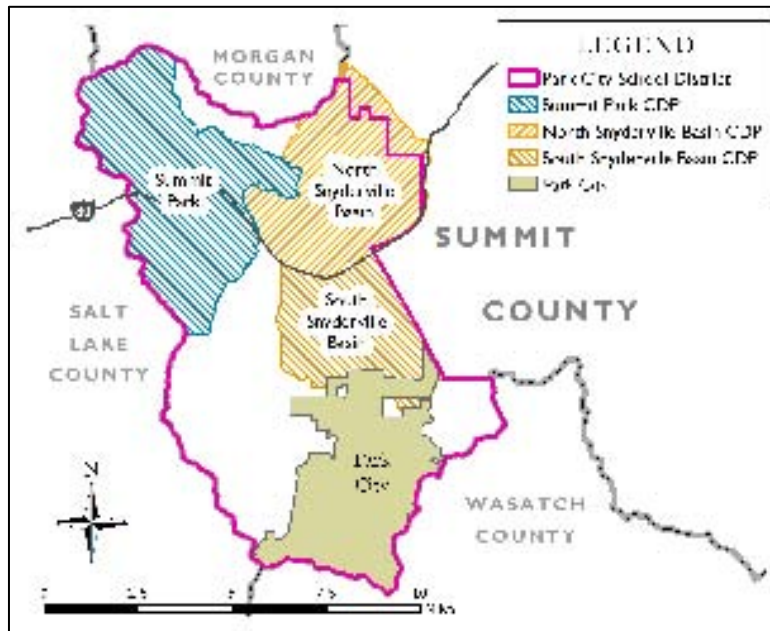


II. Determinants of Housing Demand

Population and Households

The decennial census reports population for the Census Designated Places of North Snyderville Basin, South Snyderville Basin, and Summit Park. However, there are no intercensal population estimates for these areas. The Census Bureau does provide intercensal estimates of the population of the Park City School District and of Park City proper. The school district boundaries, minus Park City itself, are a reasonable approximation of the Snyderville Basin as defined for this study. *Figure 1* shows the boundaries of the school district, the CDPs, and Park City.

Figure 1
Snyderville Basin Boundaries



Source: Utah Automated Geographic Reference Center, U.S. Census Bureau, and Bureau of Economic and Business Research, University of Utah.

Thus, to derive population estimates for the Snyderville Basin for 2000 through 2008, BEBR subtracted the estimates for Park City from those for the Park City School District. *Table 4* presents the results.

In 2000, the population of the Snyderville Basin was roughly 13,900. It saw fairly consistent growth through 2008, with only minor declines in 2005 and 2007. By 2008, the Basin's population had grown 22 percent to almost 16,900—an increase of 3,000 persons and an average annual growth rate of 2.5 percent. The population increase from 2008 to 2010 is probably only about 300. The recession has severely reduced the demographic growth of the Snyderville Basin over the past 18 months. It is estimated that the current population of Snyderville Basin is 17,200.

Table 4
Snyderville Basin
Population Change,
2000–2008

Year	Population	Households
2000	13,894	4,792
2001	14,323	4,939
2002	15,053	5,191
2003	15,542	5,360
2004	16,269	5,611
2005	16,208	5,590
2006	16,546	5,706
2007	16,515	5,695
2008	16,897	5,827
2000–08 Change	3,003	1,036

Note: Figures are as of July 1 and are for the Park City School District less Park City itself.

Source: U.S. Census Bureau and Bureau of Economic and Business Research, University of Utah.

As of April 1, 2000, there were a total of 4,792 households in North Snyderville, South Snyderville, and Summit Park. With a combined (household) population of 13,894, this represents an average household size of 2.90. The average household size for all of Summit County in 2000 was 2.87. The American Community Survey provides a 2006–2008 estimate of the county’s average household size of 2.89 ±0.14. Therefore, it is probably safe to assume that household size did not change significantly in the Snyderville Basin between 2000 and 2008. Given a constant household size of 2.90 in the Snyderville Basin as defined here (i.e., the Park City School District less Park City proper), there were approximately 4,790 households in the Basin as of July 1, 2000 and 5,830 as of July 1, 2008—an increase of roughly 1,040. The estimated number of households in 2010 is 5,950.

Minority Population and Age Structure

There are no estimates of minority population for Summit County in the intercensal years, however, estimates have been made for Summit County and show a rapidly growing minority population. Recent estimates show that between 2000 and 2008 the minority population in Summit County increased by 2,947 individuals, accounting for nearly 30 percent of the population growth of the county. Seventy-five percent of the increase in minorities was individuals of Hispanic or Latino origin. Countywide Hispanics comprised 11.7 percent of the population. It is likely, however, that less than a proportionate share of the minority growth has occurred in Snyderville Basin. Location of minorities in Snyderville Basin has been constrained due to the lack of affordable housing and the decline in the rental inventory.

In relative terms the minority population in the Snyderville Basin has very likely declined since 2000 . In 2000, 6.9 percent of the population of the basin was minority. Non-Hispanic whites represented 93.1 percent of the population. Hispanics made up 4.0 percent of the population versus 8 percent countywide, non-Hispanic Asians were 1.0 percent, and non-Hispanics of two or more races represented 1.3 percent. Hispanics accounted for 58.2 percent of the minority population, while persons of two or more races represented 18.0 percent and Asians 13.7 percent. While the minority population has certainly increased in Park City and many of the smaller municipalities in the county it is likely that the minority popu-

lation in Snyderville Basin accounts for no more than 5 percent of the population versus 15 percent countywide. Since minorities tend to have larger families than whites, the low minority population is part of the reason for the relatively small household size (2.90 vs. 3.15 for the state) and older age distribution in the Snyderville Basin.

The cost of new housing and the limited amount of rental housing also affects the age distribution of Snyderville Basin. Young families are not able to afford homes in the basin consequently the age distribution of the population tends to be older. This characteristics is reinforced by the declining rental inventory. Thus, the age distribution of the population has likely not changed significantly since the 2000 Census. *Exhibit 2 and 3* shows the population by age and sex, as well as the minority population in 2000 for the combined area of North Snyderville Basin, South Snyderville Basin, and Summit Park. The area's population is older than the state as a whole, with a disproportionate share in the 30–59 age group, relative to the Basin's share of the state population. More than half, 53.1 percent, of the Snyderville Basin population was between 30 and 59 years old in 2000; for the state, this group represented just 34.3 percent of the population. The area also had a slightly disproportionate share of 5- to 14-year-olds, with that group representing 18.7 percent of the local population compared with 17.3 percent statewide. The 15-to-29 and 60-plus age groups are both underrepresented in the Snyderville Basin. While the former accounts for 27.8 percent of the statewide population, its share in the Basin is just 16.2 percent. Likewise the 60-plus group represents 11.3 percent of the state's population but just 4.4 percent of the Snyderville Basin.

Exhibit 2
Snyderville Basin Population by Age and Sex, Race, and Ethnicity: 2000

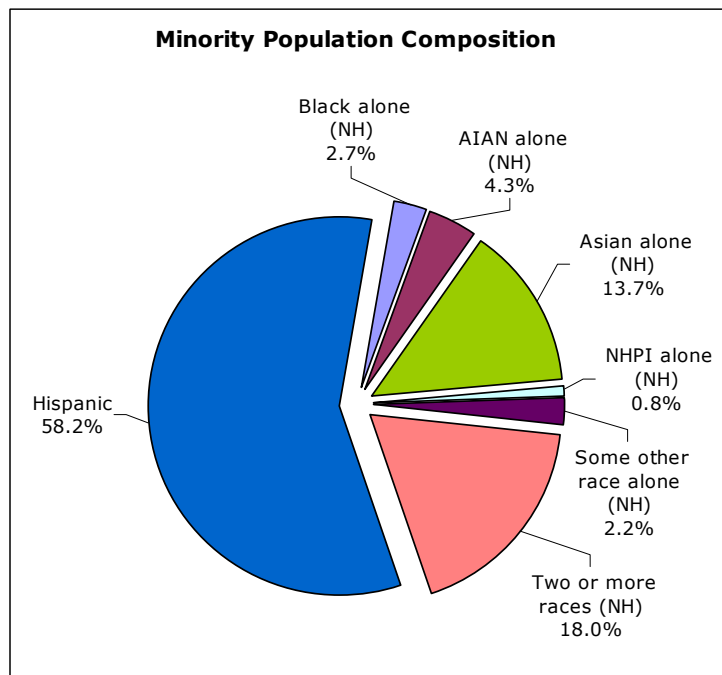
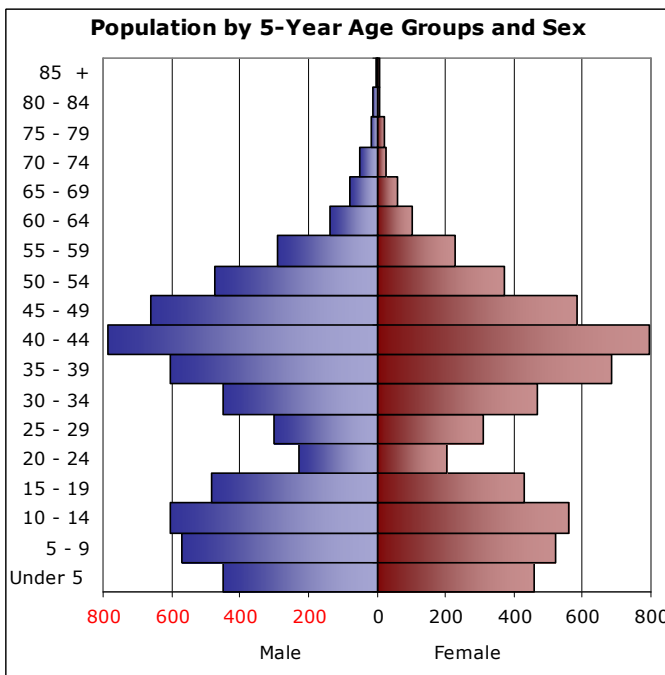


Exhibit 3 Age Distribution and Race and Ethnicity in Summit County: 2000

Age Distribution of the Snyderville Basin Population						Race and Ethnicity of the Snyderville Basin Population			
	Male	Female	Sex Ratio	Share	Share of State		Population	Share	Share of State
Under 5	451	460	0.98	7.6%	0.4%	Total	12,054	100%	0.5%
5-9	571	520	1.10	9.1%	0.6%	Not Hispanic or Latino	11,567	96.0%	0.6%
10-14	603	562	1.07	9.7%	0.6%	White alone	11,217	93.1%	0.6%
15-19	482	429	1.12	7.6%	0.4%	Black or African American alone	23	0.2%	0.1%
20-24	227	206	1.10	3.6%	0.2%	American Indian and Alaska Native alone	36	0.3%	0.1%
25-29	302	312	0.97	5.1%	0.3%	Asian alone	115	1.0%	0.3%
30-34	449	470	0.96	7.6%	0.6%	Native Hawaiian and Other Pacific Islander alone	7	0.1%	0.0%
35-39	603	687	0.88	10.7%	0.9%	Some other race alone	18	0.1%	0.9%
40-44	785	794	0.99	13.1%	1.1%	Two or more races	151	1.3%	0.5%
45-49	663	582	1.14	10.3%	0.9%	Ethnicity			
50-54	474	374	1.27	7.0%	0.8%	Hispanic or Latino	487	4.0%	0.2%
55-59	293	228	1.29	4.3%	0.7%	Minority	837	6.9%	0.3%
60-64	139	102	1.36	2.0%	0.4%				
65-69	78	58	1.34	1.1%	0.3%				
70-74	52	28	1.86	0.7%	0.2%				
75-79	18	23	0.78	0.3%	0.1%				
80-84	11	6	1.83	0.1%	0.1%				
85 +	4	8	0.50	0.1%	0.1%				
Total	6,205	5,849	1.06	100%	0.5%				
Share 60 years+	4.4%				0.2%				
Median Age*	33.9								

Note: NH is Not Hispanic. If a cell is shaded yellow and has bold red type, this indicates that the area's share of the state for the given category exceeds the area's share of total population in the state. Blue shading indicates a male-to-female ratio greater than one.

*Implied median calculated from age distribution. Source: Bureau of the Census, Census 2000, SF1.

Household Income

To estimate median household income for the Snyderville Basin BEBR combined the household income distributions from the 2000 Census for North Snyderville Basin, South Snyderville Basin, and Summit Park. From this combined "Snyderville Basin" distribution we then calculated an implied median household income of approximately \$82,860 (in nominal dollars). This was 127.5 percent of the median for Summit County as a whole. We assumed that the income distribution in the Snyderville Basin was well established in 2000 and has remained fairly constant in relation to the countywide distribution in the ensuing years. Therefore, we derived annual estimates of median household income in the Basin by multiplying those for Summit County by 1.275. Note, however, that the underlying county estimates for 2001 through 2008 are subject to margins of error ranging from ± 6.6 percent to ± 8.8 percent of the value. Therefore, income estimates are rounded to the nearest \$100 to avoid the appearance of undue accuracy.

The Snyderville Basin is one of the more affluent regions of the state. Median household income in the Basin was approximately \$102,500 in 2000 (in constant 2008 dollars), 80 percent higher than the statewide median. Because of the nature of the data set and changes in the Census Bureau's modeling methodology in 2005 and 2006, it is difficult to compare values across years. Nevertheless, the Basin's median household income generally trended downward between 2001 and 2004, and its 2008 estimated median of \$101,700 was not significantly different from the level in 2000 Table 5. The Snyderville Basin has attracted a more affluent population for decades now, which is reflected in the area's age distribution: its older population means that more people are in the middle and latter parts of their careers and thus earning higher wages than would a younger, early-career population.

Table 5
Snyderville
Basin Median
Household
Income,
2000–2008
 (Constant 2008
 Dollars)

Year	Income
2000	\$102,500
2001	\$103,400
2002	\$99,500
2003	\$97,000
2004	\$96,200
2005	\$103,000
2006	\$107,000
2007	\$106,100
2008	\$101,700

*Source: Bureau of
 Economic and Business
 Research, University of
 Utah based on U.S. Census
 Bureau, Small Area Income
 and Poverty Estimates.*

Employment and Wages

The Utah Department of Workforce Services did publish detailed employment and wage data for the Snyderville Basin in 2008 *Table 6*. That year there were 2,427 nonfarm jobs with an average annual wage of \$34,573. Employment was concentrated in five broad sectors: Leisure and Hospitality (27.4 percent of total employment); Trade, Transportation, and Utilities (20.8 percent); Professional and Business Services (13.8 percent); and Construction (13.7 percent). Note that the majority of jobs in the Trade, Transportation, and Utilities grouping were likely in retail trade. With the decline in residential building permits issued from 2008 to 2009, Construction has likely lost some of its share. Countywide, Construction employment fell 31 percent from 2008 to 2009.

The highest wages in 2008 were paid by the Financial Activities sector, with an annual average of \$75,708. However, this sector accounted for only 6.7 percent of total employment in Snyderville. The next highest-paying sectors were Professional and Business Services, with an average annual wage of \$42,898, and Construction, which paid an average of \$40,129. These two sectors together accounted for more than one-quarter of all jobs in the Snyderville Basin in 2008, though as noted earlier Construction has likely seen a significant decline since then. Manufacturing (\$39,943) and Trade, Transportation, and Utilities (\$36,756) also paid above-average wages. While the latter sector accounted for one-fifth of jobs in the area, there were only six Manufacturing jobs. The largest sector, Leisure and Hospitality, paid the lowest wages, with an annual average of just \$19,400 in 2008.

Table 6
Average Covered Employment and Annual
Wages by Industry in the Snyderville Basin,
2008
(Current Dollars)

Industry Sector	Jobs	Share	Annual Wage
Total Covered Employment	2,427		\$34,573
Mining	0	0.0%	\$0
Construction	333	13.7%	\$40,129
Manufacturing	6	0.2%	\$39,943
Trade, Transportation & Utilities	504	20.8%	\$36,756
Information	34	1.4%	\$27,050
Financial Activities	162	6.7%	\$75,708
Professional & Business Services	334	13.8%	\$42,898
Education & Health Services	83	3.4%	\$31,563
Leisure & Hospitality	666	27.4%	\$19,400
Other Services	64	2.6%	\$22,235
Government	241	9.9%	\$30,308

Source: Utah Department of Workforce Services, Annual Report of Labor Market Information; and Bureau of Economic and Business Research, University of Utah.

Table 7
Change in Nonfarm Employment in Summit County

	2004	2005	2006	2007	2008	2009
Mining	52	59	79	106	90	86
Construction	1,500	1,709	2,113	2,583	2,367	1,638
Manufacturing	582	601	620	652	611	606
Wholesale Trade	176	203	228	217	224	217
Retail Trade	2,477	2,700	2,908	3,106	3,438	3,080
Transportation and Utilities	230	253	293	331	372	344
Information	251	244	252	267	243	234
Financial Activities	1,125	1,291	1,479	1,602	1,643	1,455
Professional/Business Srv.	1,263	1,477	1,608	1,634	1,688	1,559
Health & Priv. Edu.	770	798	839	866	940	964
Leisure/Hospitality	6,456	6,771	7,288	7,662	8,121	7,496
Other Services	443	544	608	530	551	574
Government	2,197	2,250	2,305	2,343	2,457	2,490
Total	17,522	18,900	20,620	21,899	22,745	20,743

Source: Utah Department of Workforce Services.

The employment base of Snyderville Basin accounts for about 11 percent of the total employment in Summit County. In 2008 Summit County had 22,745 nonfarm jobs *Table 7* and 2,437 jobs were located in Snyderville Basin. Snyderville Basin has 15 percent of the retail jobs and only 8 percent of the leisure and hospitality jobs in the county. Snyderville Basin is primarily a residential area with a population of 17,200 and a nonfarm workforce of only 2,400.

Mortgage and Consumer Debt

The price and demand for housing is affected by the credit worthiness of households. Data on mortgage and consumer debt are not disaggregated to a subcounty level. Therefore the countywide data are used. The countywide data show that Summit County households generally have less financial stress than households in the four Wasatch Front Counties and Washington County. In Summit County 3.6 percent of all mortgage loans are 90+ days delinquent *Table 8*. Only Davis County has a lower percentage of delinquent mortgage loans. By type of mortgage loan Summit County households also fare better than most households in other major counties *Table 9* and likewise for auto loans and bank card debt *Table 10*.

Table 8
Percent of Mortgage Loans 90+ Days Delinquent
(June 2010)

County	All Loans
Summit	3.6%
Davis	3.2%
Salt Lake	4.9%
Utah	5.5%
Washington	9.0%
Weber	3.9%

Source: New York Federal Reserve and credit reporting agency, TransUnion LLC'sTrend Data database.

Table 9
Percent of Mortgage Loans in Foreclosure
(June 2010)

County	Prime Loans	Jumbo Loans	Fannie & Freddie Loans	FHA & VA Loans
Summit	2.0%	4.1%	1.3%	0.9%
Davis	1.2%	6.0%	0.9%	1.2%
Salt Lake	1.8%	6.7%	1.3%	1.9%
Utah	2.2%	11.5%	1.8%	1.6%
Washington	2.9%	12.7%	3.1%	1.6%
Weber	1.6%	5.5%	1.3%	1.6%

Source: New York Federal Reserve and credit reporting agency, TransUnion LLC'sTrend Data database.

Table 10
Percent of Auto Loans and Bank Card Debt
60+ Days Delinquent
 (June 2010)

County	Auto Loan	Bank Card
Summit	0.4%	0.7%
Davis	0.7%	1.0%
Salt Lake	1.2%	1.3%
Utah	1.1%	1.2%
Washington	1.5%	1.2%
Weber	1.1%	1.5%

Source: New York Federal Reserve Reserve and credit reporting agency, TransUnion LLC's Trend Data database.

Housing Market Conditions

The housing market in Snyderville Basin has suffered due to the severity of the recession. Permits issued for new single-family homes peaked in 2005 at 420 homes but by 2009 had fallen by 87 percent to only 54 homes. Condominium development peaked in 2008 with 576 new condominium units. In 2009 no permits were issued in Snyderville Basin for condominium units. New residential construction has fallen to only about 10 percent of the level of peak years.

Sales of existing real estate have also plummeted. Existing home sales have fallen from a peak of 554 sales in 2005 to only 183 in 2009, a decline of 67 percent. Existing condominium sales have declined by 71 percent, from 641 sales in 2005 to 184 sales in 2009. The median sales price of existing homes and condominium has fallen by about 20 percent in the past three years.

The health of the Snyderville Basin housing market is tied to the Summit County and Wasatch Front housing markets. Until conditions in these larger housing markets improve new home construction, sales of existing homes and condominiums and home prices in the basin will continue at very low levels. A recovery in the housing market will not begin until at least the summer of 2011 and the recovery will be slow to modest for the 2011-2012 period.

III. Housing Affordability and Needs Assessment

In 2009 Snyderville Basin had an estimated population of 17,300 and 5,950 households. Housing for these 5,965 households includes about 5,300 owner occupied units and 650 renter occupied units. Since 2000 the owner and renter occupied housing inventory (excludes second home, vacation home and time share units) has increased at an annual growth rate of about 2.5 percent.

Availability of Affordable Housing

Housing affordability has been a persistent problem in Snyderville Basin. The availability of affordable owner and renter occupied units has been limited due to land prices, housing market conditions and zoning ordinances.

Affordability of Owner Occupied Housing - In order to assess the current availability of affordable owner occupied housing five years of data from the Park City Multiple Listing Services were analyzed regarding affordability for median, moderate (80% AMI) and low income (50% AMI) households. Real estate sales data were used to infer the affordability of owner occupied housing in Snyderville Basin. Sales data provide a useful measure of prices and hence affordability in a housing market. Using sales data to describe local real estate prices is a widely accepted methodology. Real estate sales data provide the basis for all price indices, average and median sales prices reported by multiple listing boards, National Association of Realtors, Federal Housing Finance Agency and Case-Shiller housing price index.

Affordability for Median Income Households - The analysis of home sales showed that of the 1,668 detached single-family homes sold in Snyderville Basin between 2005 and 2009 only 102 or 6.1 percent were affordable to median income households *Table 11*. However, homeownership opportunities improved substantially with attached condominium housing. Over the five-year period the number of condominium sales was 1,667 units---nearly identical to detached home sales of 1,668 detached homes. Forty-four percent or 734 condominiums sold were affordable to median income households. In 2009, 109 of 184 condominiums sold were affordable to median income households.

Combining the affordable condominiums sales with sales of detached single family homes shows that about 25 percent of the combined sales of homes and condominiums in Snyderville Basin from 2005 through 2009 were affordable to median income households. Affordability improved in 2009 with 36 percent of homes and condominiums affordable to the median income household. This was the highest degree of affordability since 2005 when 37 percent of home and condominium sales were affordable.

Table 11
Number and Percent of Housing Units Sold That Were
Affordable to Households =<Median Income in Snyderville Basin

Single Family Homes			
	Total Units Sold	Affordable Units	Percent Affordable
2005	554	53	9.6%
2006	380	11	2.9%
2007	343	6	1.7%
2008	208	9	4.3%
2009	183	23	12.6%
Total	1,668	102	6.1%
Condominiums			
	Total Units Sold	Affordable Units	Percent Affordable
2005	641	394	61.5%
2006	313	84	26.8%
2007	313	81	25.9%
2008	216	66	30.6%
2009	184	109	59.2%
Total	1,667	734	44.0%
Combined Single Family Homes and Condominiums			
	Total Units Sold	Affordable Units	Percent Affordable
2005	1,195	447	37.4%
2006	693	95	13.7%
2007	656	87	13.3%
2008	424	75	17.7%
2009	367	132	36.0%
Total	3,335	836	25.1%

Source: Park City Multiple Listing Service.

Affordability for Moderate Income Households – Opportunities for home ownership decline significantly for moderate income households. Only 2.5 percent of all detached single family homes sold in the Snyderville Basin area were affordable to moderate income households *Table 12*. Again, condominiums enhance affordability with 472 units affordable over the five year period. For combined single family and condominium sales 15 percent of all units sold from 2005 through 2009 were affordable for moderate income households. A total 3,335 single family and condominiums were sold from 2005 through 2010 and 513 were affordable for households at 80 percent AMI.

**Table 12
Number and Percent of Housing Units Sold That Were
Affordable to Moderate Income Households =<80% AMI in Snyderville Basin**

	Total Units Sold	Affordable Units	Percent Affordable
2005	554	22	4.0%
2006	380	7	1.8%
2007	343	1	0.3%
2008	208	3	1.4%
2009	183	8	4.4%
Total	1,668	41	2.5%
Condominiums			
Single Family Homes	Total Units Sold	Affordable Units	Percent Affordable
2005	641	275	42.9%
2006	313	44	14.1%
2007	313	41	13.1%
2008	216	39	18.1%
2009	184	73	39.7%
Total	1,667	472	28.3%
Combined Single Family Homes and Condominiums			
	Total Units Sold	Affordable Units	Percent Affordable
2005	1195	297	24.9%
2006	693	51	7.4%
2007	656	42	6.4%
2008	424	42	9.9%
2009	367	81	22.1%
Total	3,335	513	15.4%

Source: Park City Multiple Listing Service.

Affordability for Low Income Households – A low income households (50 percent AMI) in 2009 had income =<\$46,700. This households could afford only 6.3 percent of the combined detached single family homes and attached condominiums sold in Snyderville Basin in 2009 *Table 13*. In fact all 23 of the affordable dwellings were condominium units. No detached single family homes were affordable to low income households. Over the five year period only 3.7 percent of all homes and condominiums sold were affordable to low income households. The limited opportunity of homeownership for low income households is a characteristic of most housing market. Housing market conditions, land and home prices generally exclude low income household from ownership.

Affordability and Condominiums – As noted condominiums have supplied a large percentage of affordable owner occupied housing units. Nearly 90 percent of affordable units in the Snyderville Basin have been condominium units. Most of the condominium activity however, was concentrated in a single year, 2005 *Tables 14 and 15*. Over half of all affordable condominiums were sold in 2005. Much of this elevated level of activity was due to the condominium conversion of Canyon Creek, a 312 unit apartment project. There were also a number of existing condominium projects with high levels of sales activity in 2005; Fox Point, Powderwood and Crestview. The sale of affordable condominiums has dropped off precipitously since 2005 when sales totaled 394 units for median income households, 275 for moderate income households and 91 for low income households. Sales levels since have been at 25

percent or less of the 2005 level, a disturbing trend, which has lead to lower levels of housing affordability for Snyderville Basin.

Table 13
Number and Percent of Housing Units Sold That Were
Affordable to Low Income Households =<50% AMI in Snyderville Basin

Single Family Homes			
	Total Units Sold	Affordable Units	Percent Affordable
2005	554	5	0.9%
2006	380	1	0.3%
2007	343	0	0.0%
2008	208	1	0.5%
2009	183	0	0.0%
Total	1,668	7	0.4%
Condominiums			
	Total Units Sold	Affordable Units	Percent Affordable
2005	641	91	14.2%
2006	313	1	0.3%
2007	313	1	0.3%
2008	216	2	0.9%
2009	184	23	12.5%
Total	1,667	118	7.1%
Combined Single Family Homes and Condominiums			
	Total Units Sold	Affordable Units	Percent Affordable
2005	1,195	96	8.0%
2006	693	2	0.3%
2007	656	1	0.2%
2008	424	3	0.7%
2009	367	23	6.3%
Total	3,335	125	3.7%

Source: Park City Multiple Listing Service.

Table 14
Affordable Condominiums Projects and Unit Sales in 2005

	Total Units Sold	Units Affordable to =<Median Income Household	Units Affordable to =<80% AMI Household	Units Affordable to =<50% AMI Household
Bear Hollow	67	11	6	0
Canyon Creek	97	97	91	51
Crestview	35	35	26	1
Fox Point	91	60	37	0
Newpark	90	27	0	0
Park West/Hidden Creek	12	9	7	4
Powderwood	36	36	36	0
Red Pine	35	30	23	5
Total	463	305	226	61

Source: Park City Multiple Listing Service.

Table 15
Percent Affordable Condominium Sales by Project in 2005

	Total Units Sold	% Affordable to Median Income Household	% Affordable to =<80% AMI Household	% Affordable to =<50% AMI Household
Bear Hollow	67	16.4%	9.0%	0.0%
Canyon Creek	97	100.0%	93.8%	52.6%
Crestview	35	100.0%	74.3%	2.9%
Fox Point	91	65.9%	40.7%	0.0%
Newpark	90	30.0%	0.0%	0.0%
Park West/Hidden Creek	12	75.0%	58.3%	33.3%
Powderwood	36	100.0%	100.0%	0.0%
Red Pine	35	85.7%	65.7%	14.3%
Total	463	65.9%	48.8%	13.2%

Source: Park City Multiple Listing Service.

Affordability Calculations – HUD provides median income estimates for counties Table 16. Using the median income estimates the price level of affordable homes was determined for median, moderate, low and very low income households Table 17. These price estimates were derived using the following assumptions; 30 percent of gross income devoted to housing, 3 percent down payment, prevailing mortgage rate and property taxes, insurance and mortgage insurance of 11 percent of total mortgage payment Table 18.

Table 16
Household Income by AMI Level for Snyderville Basin

Year	Median	80% AMI	50% AMI	30% AMI
2005	\$83,400	\$66,720	\$41,700	\$25,020
2006	\$81,200	\$64,960	\$40,600	\$24,360
2007	\$83,400	\$66,720	\$41,700	\$25,020
2008	\$87,000	\$69,600	\$43,500	\$26,100
2009	\$93,400	\$74,720	\$46,700	\$28,020

Source: Bureau of Economic and Business Research, University of Utah and HUD income estimate.

Table 17
Affordable Home Prices by Income Category for Snyderville Basin

Year	Affordability for Household at Median Income	Affordability for Household at 80% AMI	Affordability For Household at 50% AMI	Affordability for Household at 30% AMI
2005	=<\$315,369	=<\$250,315	=<\$152,724	=<\$87,692
2006	=<\$290,715	=<\$230,785	=<\$141,053	=<\$81,287
2007	=<\$300,847	=<\$238,988	=<\$146,114	=<\$84,255
2008	=<\$325,022	=<\$258,144	=<\$157,742	=<\$90,864
2009	=<\$379,195	=<\$303,345	=<\$189,523	=<\$113,640

Source: Bureau of Economic and Business Research, University of Utah and HUD income estimate.

Table 18
Affordability Calculations for Snyderville Basin

	Median	80% AMI	50% AMI	30% AMI
2009				
Income	\$93,400	\$74,720	\$46,700	\$28,020
Income Available for Housing @ 30% of Income	\$28,020	\$22,416	\$14,010	\$8,406
Income Available Monthly	\$2,335	\$1,868	\$1,168	\$701
Less Taxes , Home Insurance, Mortgage Insurance	\$2,078	\$1,663	\$1,039	\$623
Mortgage Interest Rate	5.5	5.5	5.5	5.5
Amount of Loan Financed	\$367,819	\$294,245	\$183,837	\$110,231
Down Payment	\$11,376	\$9,100	\$5,686	\$3,409
Maximum Home Price	\$379,195	\$303,345	\$189,523	\$113,640
2008				
Income	\$87,000	\$69,600	\$43,500	\$26,100
Income Available for Housing @ 30% of Income	\$26,100	\$20,880	\$13,050	\$7,830
Income Available Monthly	\$2,175	\$1,740	\$1,088	\$653
Less Taxes , Home Insurance, Mortgage Insurance	\$1,936	\$1,549	\$968	\$581
Mortgage Interest Rate	6	6	6	6
Amount of Loan Financed	\$315,271	\$250,400	\$153,010	\$88,138
Down Payment	\$9,751	\$7,744	\$4,732	\$2,726
Maximum Home Price	\$325,022	\$258,144	\$157,742	\$90,864
2007				
Income	\$83,400	\$66,720	\$41,700	\$25,020
Income Available for Housing @ 30% of Income	\$25,020	\$20,016	\$12,510	\$7,506
Income Available Monthly	\$2,085	\$1,668	\$1,043	\$626
Less Taxes , Home Insurance, Mortgage Insurance	\$1,856	\$1,485	\$928	\$557
Mortgage Interest Rate	6.34	6.34	6.34	6.34
Amount of Loan Financed	\$291,822	\$231,818	\$141,731	\$81,727
Down Payment	\$9,025	\$7,170	\$4,383	\$2,528
Maximum Home Price	\$300,847	\$238,988	\$146,114	\$84,255
2006				
Income	\$81,200	\$64,960	\$40,600	\$24,360
Income Available for Housing @ 30% of Income	\$24,360	\$19,488	\$12,180	\$7,308
Income Available Monthly	\$2,030	\$1,624	\$1,015	\$609
Less Taxes , Home Insurance, Mortgage Insurance	\$1,807	\$1,445	\$903	\$542
Mortgage Interest Rate	6.41	6.41	6.41	6.41
Amount of Loan Financed	\$281,994	\$223,861	\$136,821	\$78,848
Down Payment	\$8,721	\$6,924	\$4,232	\$2,439
Maximum Home Price	\$290,715	\$230,785	\$141,053	\$81,287
2005				
Income	\$83,400	\$66,720	\$41,700	\$25,020
Income Available for Housing @ 30% of Income	\$25,020	\$20,016	\$12,510	\$7,506
Income Available Monthly	\$2,085	\$1,668	\$1,043	\$626
Less Taxes , Home Insurance, Mortgage Insurance	\$1,856	\$1,485	\$928	\$557
Mortgage Interest Rate	5.87	5.87	5.87	5.87
Amount of Loan Financed	\$305,908	\$242,806	\$148,142	\$85,061
Down Payment	\$9,461	\$7,509	\$4,582	\$2,631
Maximum Home Price	\$315,369	\$250,315	\$152,724	\$87,692

Source: Bureau of Economic and Business Research, University of Utah..

Affordability of Renter Occupied Housing - There is a shortage of affordable rental housing in Snyder-ville Basin. In 2000, the rental inventory in the Snyder-ville Basin totaled 784 units as reported by HUD. (The Census Bureau reported 888 rental units in Snyder-ville Basin, noted elsewhere in the study.) HUD estimated the number of rental units that were affordable for each income category, for example 36 units were affordable for very low income households ($= < 30\%$ AMI) *Table 19*.

Table 19
Number of Rental Units Affordable by Income Categories – 2000
(units)

Income Category	South Snyder-ville Basin	North Snyder-ville Basin	Summit Park	Total	% Share
Less than 30% AMI	4	0	32	36	4.6%
30-50% AMI	14	0	80	94	12.0%
50%-80% AMI	34	230	92	356	45.4%
More than 80% AMI	68	134	96	298	38.0%
Total	120	364	300	784	100.0%

Source: HUD CHAS 2000.

Since 2000 there has been some change in the inventory of rental units in Snyder-ville Basin. The additions include 38 tax credit units at Newpark Studio Apartments and another 17 apartment units spread throughout the basin. There was also a loss of units in the rental inventory. The reduction or loss in the inventory was created by the conversion of 312-apartment units at Canyon Creek to owner-occupied condominiums. Some of these converted units were purchased by inventors that then rented the units, essentially keeping the units in the rental inventory. Updating the inventory with additions and losses the 2010 rental inventory by affordability shows a significant change in affordability, particularly for the moderate income renter *Table 20*. The number of rental units available for moderate income renters has dropped from 356 to 200. For the most vulnerable and highest need renters (very low and low income) only about 25 percent or 168 rental units are available in the basin.

Table 20
Number of Units Affordable by Income Categories – 2010
(units)

Income Category	Total 2000	Additions	Losses	Total 2009	% Share
Less than 30% AMI	36	0		36	5.3%
30-50% AMI	94	38		132	19.3%
50%-80% AMI	356	0	-156*	200	29.3%
More than 80% AMI	298	17		315	46.1%
Total	784	55		683	100.00%

**Conversion of Canyon Creek Apartments (312 units) to condominium units in 2005. It was assumed that 50 percent of converted units remain in rental inventory.*

Source: HUD Affordability Mismatch and Bureau of Economic and Business Research, University of Utah.

The rent ranges by income category are shown in *Table 21*.

Table 21
Affordable Rental Rate Ranges by
Income Category for Summit County-2010
(incl. utilities)

Type of Unit	Less than 30% AMI	30-50% AMI	50%-80% AMI	More than 80% AMI
Studio	\$0-\$490	\$490-\$817	\$817-\$1,307	\$1,307
One Bedroom	\$0-\$525	\$525-\$875	\$875-\$1,400	\$1,400
Two Bedroom	\$0-\$631	\$631-\$1,051	\$1,051-\$1,682	\$1,682
Three Bedroom	\$0-\$728	\$728-\$1,214	\$1,214-\$1,942	\$1,942
Four Bedroom	\$0-\$812	\$812-\$1,353	\$1,353-\$2,165	\$2,165

Source: HUD Income and Rent Schedule 2009.

It is difficult to estimate the current rental inventory given the dynamics of the local rental market. That dynamic is characterized by changing tenure for condominium units as units often move from rental to ownership or vice versa. Nevertheless, as shown in *Table 20* it is very likely that the rental inventory in Snyderville Basin has fewer units in 2010 than in 2000 due to the conversion of the 312 units Canyon Creek Apartments (built in 1993) to condominiums in 2005. Canyon Creek's units were included in the 2000 HUD estimate of rental inventory of 784. Some of Canyon Creek units are investor owned and remain in the Snyderville Basin rental inventory nevertheless many are now owner occupied reducing the rental inventory, particularly the inventory for moderate income households.

Since 2000 only 55 new apartment units have been added to Snyderville Basin. Most of these new units were in the Newpark Studio Apartments, 38 affordable studio units at 30-50% AMI. Given the limited number of new units added to the inventory since 2000 combined with the loss of Canyon Creek the current rental inventory in Snyderville Basin is likely between 650 and 700 units.

Only about 10 percent of the year-round occupied housing inventory in Snyderville Basin is renter occupied, much lower than the 28 percent statewide. Furthermore the rental inventory has only a small percentage of subsidized affordable units for low income households (<50% AMI); Elk Meadows (96 units) and Newpark Studio Apartments (38 units) *Table 22*.

Since the adoption of the *Snyderville Basin Moderate Income Housing Needs Assessment* in December 2006 1,082 new housing units have been added to the housing inventory. These units include 617 condominium units, 415 single family homes, 44 cabins, one manufactured home and no apartment units. The availability of affordable rental housing in Snyderville Basin is very limited and has declined over the past ten years.

The distribution of tax credit units by AMI targets shows that over 75 percent of all tax credit units are targeted between 50 percent AMI and 60 percent AMI *Table 23*. Elk Meadows accounts for 96 of these units.

Table 22
Mix of Units in Tax Credit Projects in Summit County
(Bold denotes project in Snyderville Basin)

Project	Studio	One Bdrm	Two Bdrm One Bath	Two Bdrm Two Bath	Three Bdrm	Total
Aspen Villa	0	0	18	0	70	88
Dolly's	0	3	0	0	0	3
Elk Meadows	0	30	48	0	18	96
Holiday Village	0	40	40	0	0	80
Iron Horse	0	0	0	0	94	94
Newpark Studio	38	0	0	0	0	38
Parkside	0	0	30	0	12	42
Silver Meadow	0	0	0	0	14	14
Washington Mill	0	0	8	0	0	8
<i>Total</i>	38	73	144	0	208	463

Source: Utah Housing Corporation.

Table 23
AMI Targets of Tax Credit Projects

Project	30 AMI	35 AMI	39 AMI	40 AMI	43 AMI	48 AMI	50 AMI	53 AMI	56 AMI	58 AMI	59 AMI	60 AMI
Elk Meadows												
One Bdrm								30				
Two Bdrm								48				
Three Bdrm								18				
Iron Horse												
Three Bdrm						14		36		44		
Silver Meadow												
One Bdrm		3										
Two Bdrm							5					
Three Bdrm											6	
Washington Mill												
Two Bdrm							2		6			
Aspen Villa												
Two Bdrm												18
Three Bdrm												70
Holiday Village												
One Bdrm							24					16
Two Bdrm							24					16
Parkside												
Two Bdrm		18		12								
Three Bdrm				12								
Newpark Studios												
Studio	6	16		16								
<i>Total</i>	6	37		40		14	55	132	6	44	6	120

Source: Utah Housing Corporation.

Housing Needs Assessment

The number of year-round homeowners in the Snyderville Basin increases at about 100 households annually. Over the next five years Summit County should encourage through housing policy an affordable home owner ratio of 1:4, i.e. one-out-of-every four new owner occupied units should be affordable to a moderate income household. In 2000—the most recent data—about 20 percent of homeowners in Snyderville Basin were moderate income households. Sales data from the MLS show that over the last five years about 15 percent of homes and condominiums sold have been affordable to moderate income households, which indicates a decline in affordability. To reverse this trend the local housing market will need over the next five years the addition of 125 to 150 new owner occupied units that are affordable to moderate income households.

The new workforce housing ordinance adopted in December 2007 should assist in providing additional moderate income owner occupied housing in Snyderville Basin. Most of the housing units produced by the workforce housing ordinance will likely be owner occupied units for households with incomes from \$60,000 to \$70,000 (70-80 percent AMI), the very top-end of households in need of affordable housing. In 2009 a moderate income family (\$74,720 income) in the Snyderville Base could afford a home priced up to \$303,345.

There is no specific provision in the workforce housing ordinance that ensures at least some of the housing produced will be the type in greatest demand or need—low income, rental housing. It is unlikely many rental units will be produced by the ordinance. The lack of new rental units in Snyderville Basin is a serious affordability constraint. In a growing economy, with low wage rates it is almost impossible for a housing market to make any progress in improving affordability without producing rental units.

The need for additional affordable rental units is difficult to quantify from the characteristics of the local rental market. Demand derived from an analysis of the local market will understate the overall demand for rental housing since it does not account for the significant level of pent-up demand from those local workers who now reside outside Snyderville Basin due to the lack of affordable rental housing.

Snyderville Basin has an employment base of nearly 2,500 of which 60 percent are low paying construction, retail and leisure and hospitality jobs. At least one-quarter of the workforce in Snyderville Basin resides outside the county. These commuters represent a sizeable pool of pent-up demand for low and moderate income rental housing.

Housing policy should encourage the development of moderate and low income rental housing. Over the next five years the share of occupied housing units devoted to rentals should increase from the current low level of 10 percent to at least 15 percent of the occupied inventory.

Housing needs for special needs populations; elderly, victims of domestic violence, homeless, large families and individuals with HIV/AIDS are not sufficiently large in number to be formalized in the housing policy of the county.

The number of households in the Snyderville Basin will grow at a projected 2 percent annually between 2010 and 2015. This growth rate will generate demand for about 600-650 new housing units by 2015. These additional units should include; 225 affordable low (tax credit project) and moderate income rental units, 125 affordable moderate income owner-occupied condominiums and 300 homes for households with incomes above 80 percent AMI.