
Housing Crisis Task Force Report

Presented March 14, 2023
to Cache County Council

Introduction

The Cache County Housing Crisis Task Force was created in response to concern about our community's extreme shortage of housing and unaffordable home prices, including how that shortage has affected the ability of employers to hire and grow.

Co-Chairs:

- John Drew, former Providence City Mayor
- Shawn Milne, Cache County Economic Development Director
- Karina Brown, Policy Analyst for Cache County Executive

Introduction

Committee of 50 members with diverse backgrounds:

- Economic Development and Planning
- Real Estate and Developers
- Elected and Appointed state, county, and city officials
- Church Leaders, Private Citizens, Private Industry, Non-profits
- Education - USU, BTech faculty and institutional leaders

Jess Lucero
USU Social Work Professor/ /Homeless Council

Phil Redlinger
Cache Valley Veterans Association

Brett Greene
Cache Valley Bank, Mortgage Lending President

Scott Danielson
BTECH
Associate VP for Instruction Manufacturing,
Construction, and Transportation

Blake Dursteler
Center for Growth and Opportunity

Jay Stocking
Sierra Homes

Jeff Jackson
Visionary Homes

Justin Nunez
Realtor

Josh Runhaar
Neighborhood Nonprofit

Leticia Shifflet
Cache Valley Realtors Association

Bracken Atkinson
Wasatch Development Group

Curtis Wall
Smithfield City Council

Tim Watkins
Cache County Development Services

Janea Lund
Department of Workforce Services

Representative Dan Johnson
Utah Legislature,

Senator Chris Wilson
Utah Legislature

Gordon Zilles
Cache County Council

Sandi Goodlander
Future Cache County Councilwoman

Kathleen Alder
Providence Mayor

Mike Desimone
Community Development Director, Logan

Sara Doutre
Planning Commissioner, Logan

Ben Palmer
USU Student/Representative Moore

Val Potter
Former member Commission on Housing Affordability,
former State Representative

Jeanell Sealy
Providence City Council

Wid Bastian
Filmmaker

Damon Cann
USU Professor Political Science, former North Logan Mayor

Brian Blotter
Malouf, Human Resources

Randy Simmons
USU Professor, Economics

Shaun Dustin,
Engineer, Developer, former Nibley Mayor

Jeff Nebeker
Providence City Council

Laura Gale
BRAG, Regional Growth Planning Specialist

Brian Carver
BRAG, Community & Economic Development Director

Zac Covington
BRAG, Planning Director

Lucas Martin
BRAG, Human Services Director

Paul Davis
BRAG, Business Outreach/Special Projects

Adam Tripp
Property Management Company

Chris Harrild
County Development Services Director

Bart Baird
Chaplain & Grief Counselor

Skarlet Bankhead
City of Providence

Caleb Harrison
Bear River Health Department Epidemiologist

Andy Rasmussen
Realtor

Kristina Eck
Realtor

Keith Christensen
USU, Department of Landscape Architecture &
Environmental Planning

Lucy Delgadillo
USU Extension Family Finance

John Bostock
USU Housing Director

Bryan Cox
Hyde Park Mayor

Erika Lindstrom
USU Inclusion Center (Diversity & Residential Housing)

Michael Fortune
Providence Planning Commissioner

Richard West
Bear River Communications Council, The Church of Jesus
Christ of Latter Day Saints

Jeanette Christenson
Concerned Providence citizen

Adam Ritter
Visionary Homes, VP of Operations

Addison Gallup
Concerned Logan renter/student

Randy Williams
USU retired Professor, folklorist & ethnographer

Shawn Milne
Cache County Economic Development Director

John Drew
Former Providence Mayor

Karina Brown
Policy Analyst for Cache County Executive

“Never doubt that a small group of thoughtful, committed, citizens can change the world. Indeed, it is the only thing that ever has.”

Margaret Mead

Introduction

The task force's responsibility was to take 60 days to:

1. Identify the causes of the crisis
2. Quantify the magnitude of the problem
3. Survey public attitudes and
4. Make impactful recommendations

Introduction

- This report is a summary of task force findings, with specific references and citations for every statement.
- What follows is a description of the primary causes and recommended solutions to address this challenge.
- The housing crisis issues are numerous, and as such, they have focused on that which they believe will have the most impact.

The Housing Crisis in Cache Valley

The Milken Institute (2022) recently ranked the Logan, UT-ID Metropolitan Statistical Area as the #1 performing community in the nation!

However, they ranked us No. 178 for housing affordability.

The Housing Crisis in Cache Valley

As home prices have reached historic highs, the supply of available housing units has not kept pace with population growth.

The US Census reported an almost 20% growth in Cache Valley population from 2010 to 2020, with more than 85% of that growth being children of current residents, with growth driven by natural increase (Hollinghaus et al., 2022).

As a result, we have an overwhelming demand for housing units, including an acute shortage of rental property.

Hollinghaus, K., Hogue, M., Harris, E., Bateman, M., Backlund, M., & Albers, E. (January 2022). Utah Long-Term Planning Projections: A Baseline Scenario of Population and Employment Change in Utah and its Counties. *Kem C. Gardner Policy Institute*.

<https://gardner.utah.edu/wp-content/uploads/LongTermProj-Jan2022.pdf?x71849>

The Housing Crisis in Cache Valley

During that same period, housing prices have grown 8 to 10 percent per year, pausing during 2020, the first year of the pandemic, only to accelerate rapidly to 18% in 2021.

These sustained increases have pushed home ownership out of reach for many in Cache Valley.

The Kem C. Gardner Policy Institute at the University of Utah estimates that Cache Valley will need 11,600 housing units between now and 2030 to accommodate new household growth.

Why the High Demand for Housing?

Utah has the highest birth rate of any state in the US, of 14.9 per 1000 population.

A US Census report stated that Cache County Cache County was one of 4 out of more than 3100 counties with the highest birth rate. Utah has the highest birth rate of any state.

The culture in Utah promotes large families.

A BYU report states, “When compared with other religious groups, Latter-day Saints have larger families, the highest rates of fertility, and the lowest divorce rates.”

It’s mostly those people from out of state, right?

United Van Lines annual study of population migration considers Utah a “balanced” state where on average, approximately **the same number of families move in as move out.**

We knew that population growth was going to happen.

Envision Cache Valley 2010 report anticipates a doubling of population by 2050. Thus far, our growth is on course to meet that projection. The 2020 US Census reported that Utah was the fastest-growing state.

Why a Housing Supply Shortage?

We do not have a free market for housing.

- Developers only build housing they are allowed by local government. Existing city codes and general plans encourage low-density residential, single-use zoning.
- City councils, planning commissions, city staff and citizens exhibit their biases against allowing a variety of housing types and are reluctant to consider anything controversial or innovative.
- Members of the public push the idea that any housing density higher than in their neighborhood will depress property values. More than half a dozen studies refute that notion, and several point out statistically significant *increases* in property values.
- Public clamor and the threat of a ballot referendum make for timid council members and uncertainty for landowners.

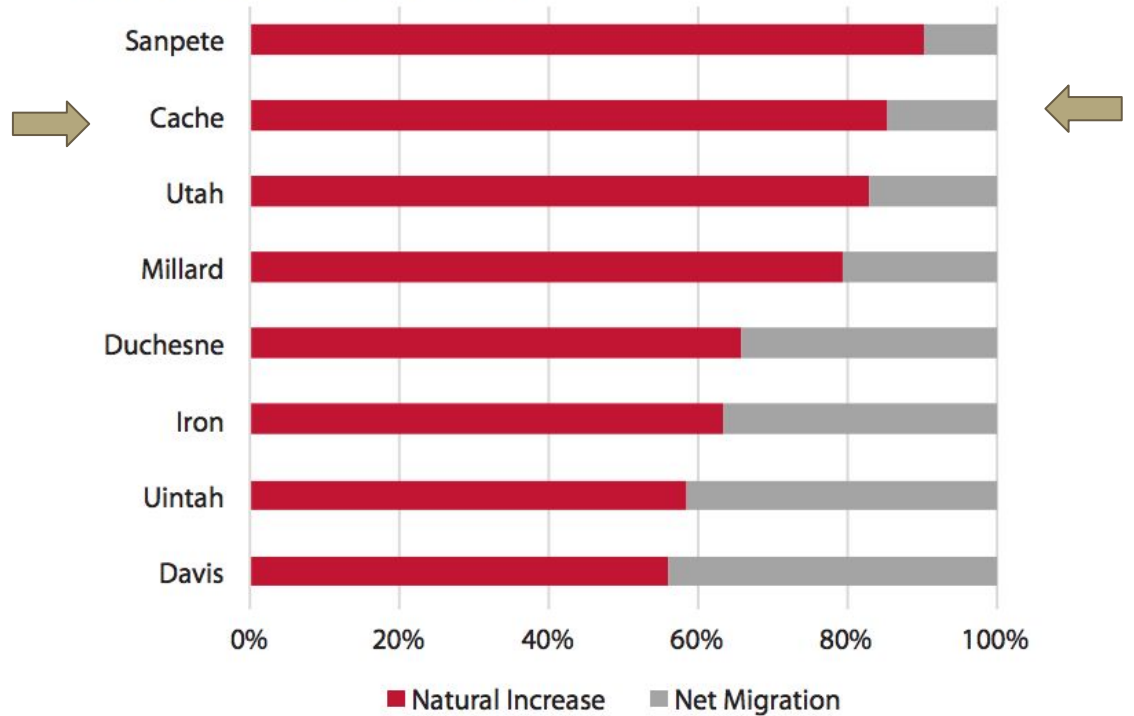
Today's Crisis Impact

- We have an extreme shortage of available homes across most socio-economic levels. According to the Kem Gardner Policy Institute at the University of Utah, “Utah’s housing market faces a severe imbalance that creates record price increases for homeowners and renters.”
- Here in Cache Valley, **more than 75%** of households with householders ages 25 to 45 are outpriced of the housing market.
- Most people could not afford to purchase the house they live in, given today’s market prices and household income.

In looking toward the future, the projected population growth in Cache County from 2020-2060 will be driven by natural increase (85%).

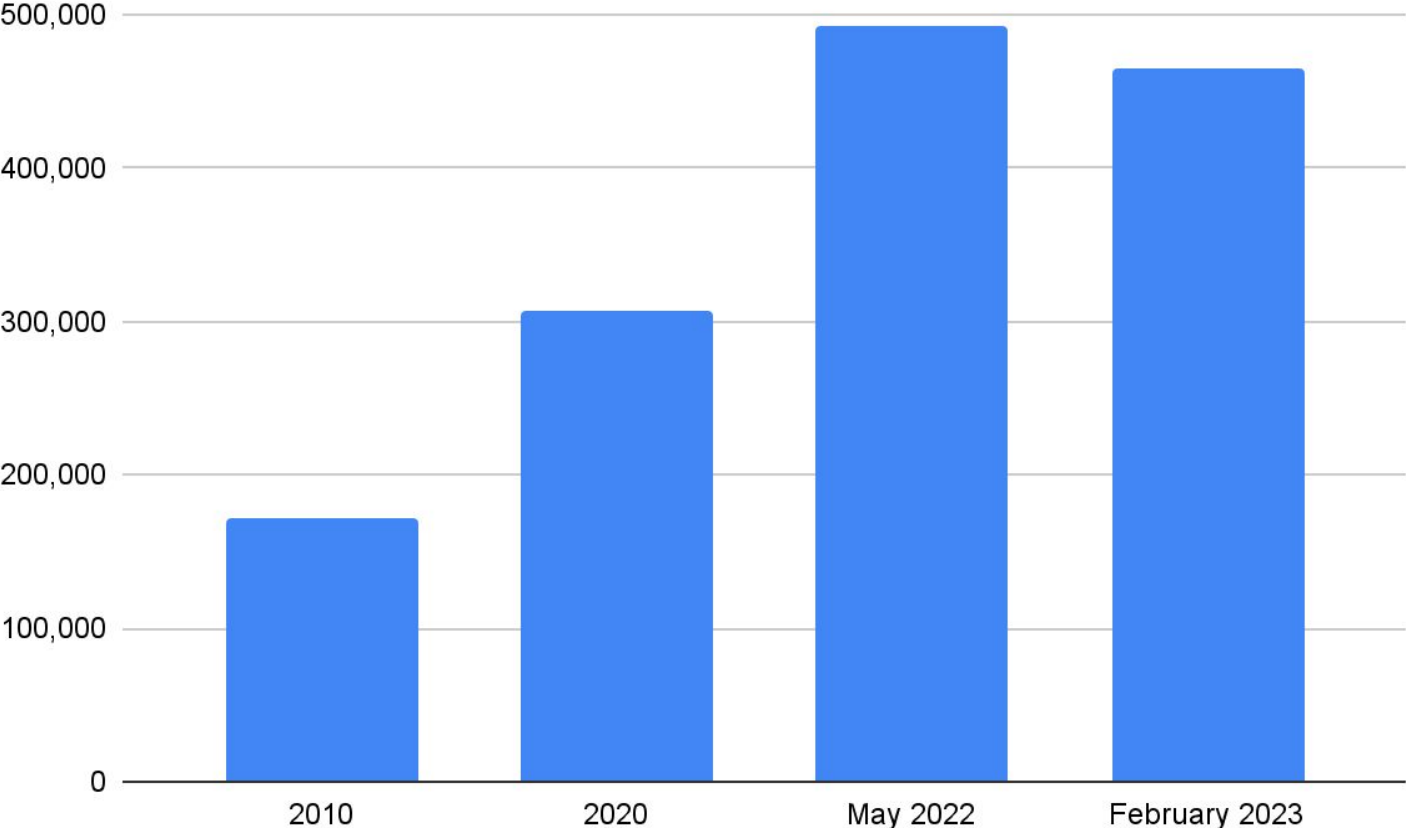
Kem C. Gardner Policy
Institute, 2022

Figure 11: Counties Share of Years Driven by Projected Natural Increase, 2020–2060

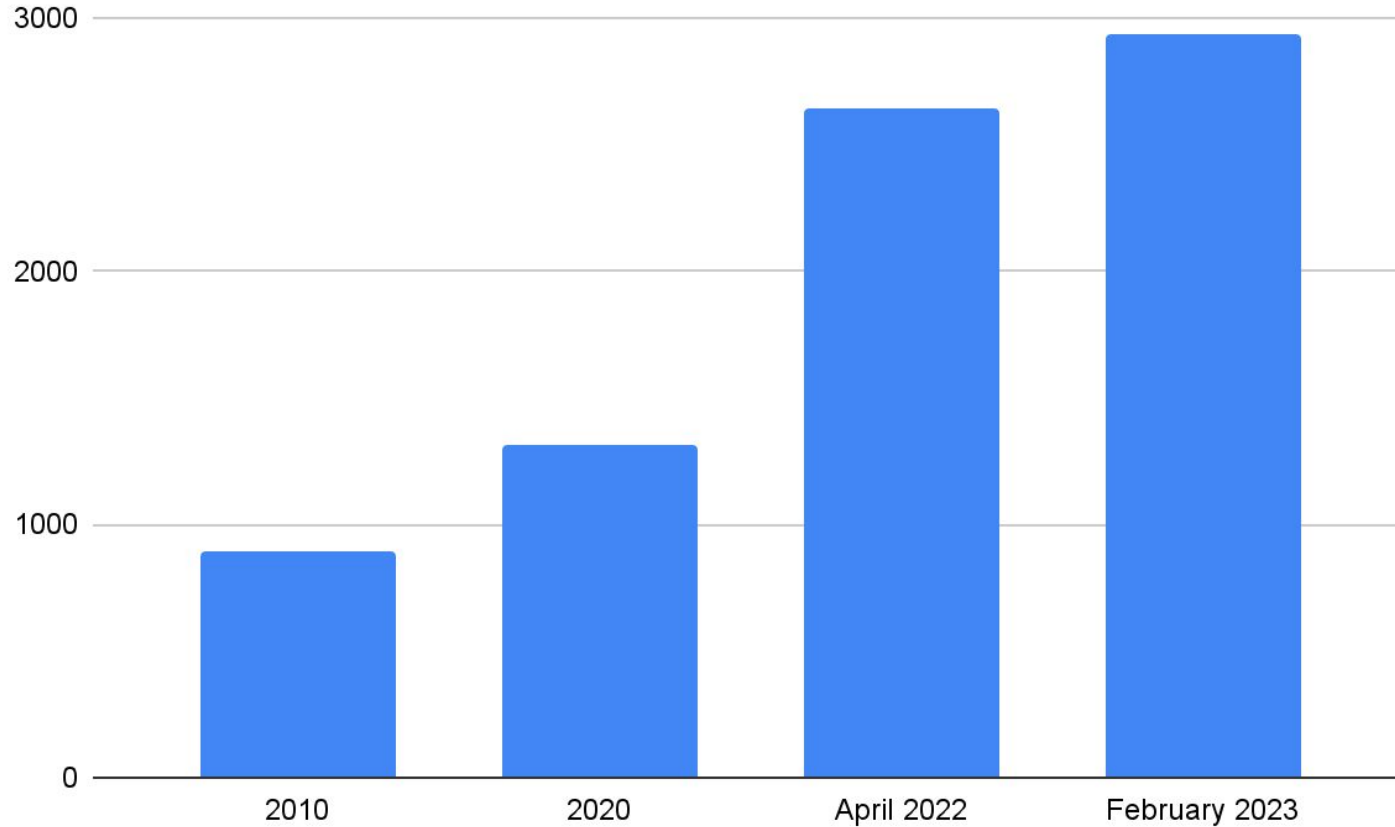


Source: Kem C. Gardner Policy Institute, 2020–2060 Projections

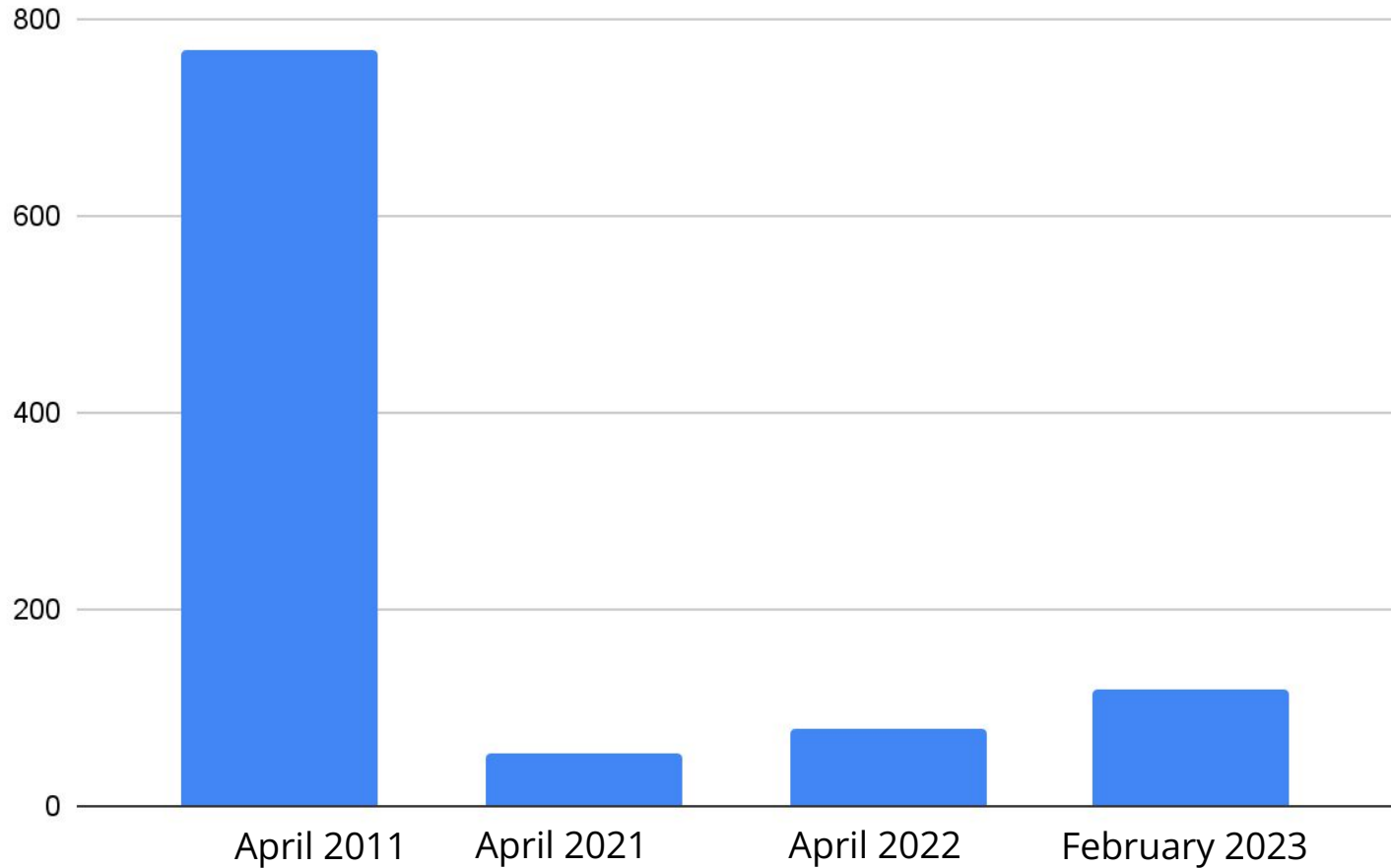
Cache Valley Average Home Prices, 2010 to February 2023



Cache Valley Average Monthly Mortgage Payment 2010 to February 2023



Cache Valley Average Number of MLS listings-2011 to 2023



Housing Crisis Myths

Our Task Force shared many complaints they have heard

- Great ideas, just not in my neighborhood or my city
- All that high density should be in Logan
- It's “those people” that bring crime, and trashy neighborhoods
- Higher density will reduce home values in our neighborhood
- “Everybody knows” that high-density housing becomes run down after 15 – 20 years

And on and on...

What are the Consequences of Doing Nothing, Maintaining the Status Quo?

- Housing and jobs go hand in hand. There are recent examples of businesses unable to attract employees, taking job expansion outside the valley.
- Companies with high-paying jobs may choose not to locate here, so jobs necessary for a growing population go elsewhere.
- With wage growth not keeping pace with housing cost growth, young people move elsewhere.
- Over time, the average age of Cache Valley residents will increase, with little available that is affordable for young families.
- **Many families will find that their children and grandchildren have no choice but to live elsewhere.**

Recommendations

Federal Government

- Identify and publicize factors that contribute to increased housing costs, and rank by impact.
- Investigate the impact of the supply of labor and materials on the housing market, including gilded trades and unions, training and certification programs, import caps, tariffs, and subsidies.
- Take action to eliminate supply chain problems.
- Analyze the extreme swings in the cost of money (interest rates) on housing market booms and busts.
- Take steps to control inflation.

State Government

- Reign-in / limit zoning by local referendum.
- Prohibit city codes that create barriers to a variety of housing options.
- Track and publish progress by cities toward meeting housing goals and penalize cities that fail to meet these goals while providing incentives for those that meet goals.
- Create or support programs to help first time homebuyers.

County/CMPO/BRAG

- Working with Cache Valley cities, prepare a county-wide master plan (General Plan with housing and transportation plans) that incorporates city plans.
- Conduct meetings with city leaders on a county-wide development plan at least once a year.
- Include in the County General Plan a plan to preserve open spaces and then take action to preserve open space, in order to limit pressure on development in cities.
- Adopt code revisions that allow denser development in the unincorporated areas.
- Identify and implement strategies to support residents faced with homelessness due to economic factors.
- Prepare and publish an annual report on the state of Cache Valley's growth and housing picture, and progress toward addressing housing crisis issues.

Cities

- Adopt city-wide general plans with development philosophies that emphasize housing varieties to reduce the cost of living.
- Educate city councils, planning commissions and citizens on housing issues.
- Enact zoning and code reform to reduce/eliminate restrictions that inhibit the development of a variety of housing types.
- Designate open spaces for permanent preservation.

Utah State University/Bridgerland Technical College

- Survey students for housing preferences and needs.
- Meet with student groups to present these findings and hear their concerns, do video interviews for publication.

School Districts

- Survey staff and senior students for housing preferences and needs.
- Visit classrooms and student groups to interview and get their feedback; video record class discussions for publication. Survey parent housing needs.

Private and Non-Profit Organizations

- Prepare an analysis of income/debt loads of young buyers with corresponding adequate housing inventory to meet their needs.
- Compile data and research sources related to the housing shortage.

Cache Valley Chamber of Commerce

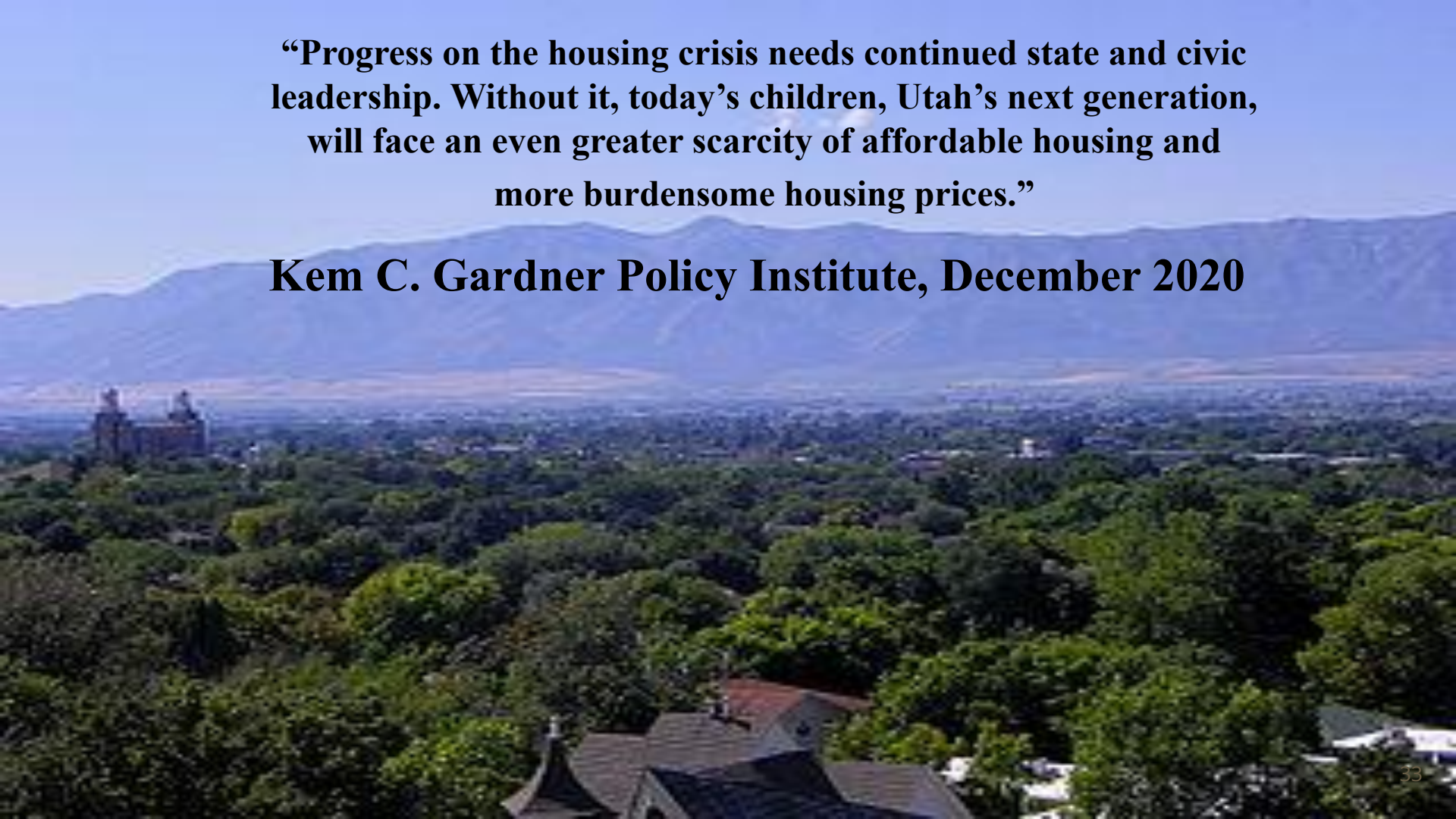
- Document cases of business/worker unmet housing needs, and share with local officials.

Public Outreach Recommendations

- Conduct Media and Public Outreach, Education and Awareness Campaigns in a multitude of venues and population groups.
- Meet in a town hall type public venue to present findings and do video interviews for documentary-type productions.
- Connect with young people; they are the future policymakers/drivers.
- **Foster a Cultural Shift** to help citizens become more open to new neighbors.
 - Church
 - Education/Schools
 - Arts/Entertainment

Top 3 Recommendations

- Zoning reform at the county and city levels, limit zoning by referendum at the state level.
- Public education campaign with an emphasis on reaching younger people who are close to or at home-ownership life-stages. Educational videos about our housing market.
- Coordinated county and city planning for growth.

An aerial photograph of a city, likely Salt Lake City, Utah, showing a dense forest of green trees in the foreground and middle ground. In the distance, a range of blue mountains is visible under a clear blue sky. The city buildings are scattered throughout the landscape, with a prominent building on the left side.

“Progress on the housing crisis needs continued state and civic leadership. Without it, today’s children, Utah’s next generation, will face an even greater scarcity of affordable housing and more burdensome housing prices.”

Kem C. Gardner Policy Institute, December 2020