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Highlights

- Davis County's relative importance in the Wasatch Front economy has increased since 1990 as the county's population and employment growth rates exceeded rates of growth in both Salt Lake and Weber Counties.
- Since 1990, northern Davis County has substantially increased its share of county population, accounting for 80% of county growth over the period. The county's five fastest growing cities are all located in the north: Layton, Syracuse, Clinton, Kaysville and Clearfield.
- Layton has dominated population growth with an increase of nearly 20,000 residents since 1990. This exceeds the gain for all southern Davis County cities combined. Layton also dominates in employment growth. Since 1990, 41% of the county's job growth has been in Layton.
- Wages in Davis County in 1990 were 4% above the state average, but by 2005 had fallen to 1% below. This decline is attributed to a structural change in the county's economy. The high-wage government sector declined from 36% of nonagricultural employment in 1990 to 25% in 2005. The share of manufacturing employment also declined. In contrast, the service sector, a relatively low-wage sector, expanded significantly. Half of all new jobs in the county from 2001 to 2005 were service sector jobs, and their share of nonagricultural employment increased from 28% to 36%.
- Retail leakage from Davis County has been reduced in the past 10 years, as indicated by the county's increasing share of Wasatch Front retail sales and its per-capita sales growth.
- Industrial, office and retail space in Davis County is concentrated in a few cities. Ninety percent of the county's developed industrial property is located in Clearfield/Layton and North Salt Lake/Woods Cross, 60% of developed office space is in Layton and Bountiful, and nearly 45% of retail space is in Layton. These areas of commercial concentration will capture a significant share of future economic activity.
- Over the next 20 years the projected demand for office, retail and industrial land is 325 acres to 700 acres, depending on rates of economic and demographic growth.
- Since 1990 approximately 700 acres a year have been converted from agricultural land to residential and commercial land in Davis County, for an estimated total of 13,000 converted acres. Residential land accounts for 96% of the converted land. Layton ranks first in land conversion with nearly 2,300 acres. Woods Cross ranks first in commercial land conversion with 98 acres.
- There are currently 60,000 acres "in farm land" in Davis County. Assuming half this land can be developed for residential and commercial use, there is sufficient land to meet development needs in the county for the next 30 years.

The Changing Economic Structure and Current Baseline of Davis County

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At the request of the Davis County Department of Community and Economic Development, the Bureau of Economic and Business Research examined the changing economic structure of Davis County over the past 15 years and developed a current economic baseline for the county. BEBR considered changing demographics (including population, households, and income), employment and wages by major industry sector, retail sales activity and consumer expenditures, tax revenue (property tax, sales tax, and total taxes), housing, and real estate. The following article summarizes some of the Bureau's findings.

Demographic Characteristics and Trends

Compared to statewide averages, the Davis County population is young, less racially diverse, and has higher educational attainment, higher incomes, and fewer individuals in poverty. Since 1990 the population of Davis County has grown by 52.4% from 188,000 to 286,500 (Table 1). Over the same period the total population of

Table 1
Population Change of Wasatch Front Counties,
1990–2006

	1990	2000	2006	1990–2006 Change	2000–06 Change
Davis	188,000	240,204	286,547	52.4%	19.3%
Salt Lake	728,000	902,777	996,374	36.9%	10.0%
Utah	266,000	371,894	475,425	78.7%	27.8%
Weber	159,000	197,541	215,870	35.8%	9.3%
Total	1,341,000	1,712,416	1,974,216	47.2%	15.3%

Source: Governor's Office of Planning and Budget.

the Wasatch Front increased by 47.2 %. Davis County's growth rate has accelerated since 2000, resulting in a gain of 19.3% between 2000 and 2006, compared to a 15.3% increase for the Wasatch Front.

Over the past 15 years Davis County has maintained a consistent share of the population base of the Wasatch Front. In 1990 Davis County accounted for 14% of the population of the four Wasatch Front counties, and by 2006 the county's share had grown only slightly to 14.5% (Table 2). During this period Salt Lake and Weber Counties' demographic shares declined, while Utah County made

Current Demographic and Economic Baseline of Davis County

Population

Population (2006)	286,547
Median Age (2005)	28.2
Households (2005)	81,754
Average Household Income (2006)	\$68,347

Employment

Average Nonagricultural Employment (2005)	95,963	
Employer Firms (2005)	6,586	
Average Annual Wage (2005)	\$32,556	
Major Employment Sectors (2005)	<u>Number</u>	<u>Share</u>
Government	24,002	25.0%
Trade, Transportation, Utilities	19,063	19.9%
Manufacturing	10,591	11.0%
Professional & Business Services	9,221	9.6%
Education & Health Services	8,637	9.0%

Retail Sales

Taxable 2005 Retail Sales (millions)	\$2,064.3
Major Retail Categories (millions)	
Motor Vehicles	\$514.9
General Merchandise	\$426.2
Food Stores	\$351.3
Per Capita Retail Sales	\$0

Housing, New Construction and Real Estate

	<u>Number</u>	<u>Share</u>
Total Housing Units (2006)	93,000	100.0%
Owner Occupied	72,800	78.3%
Renter Occupied	17,150	18.4%
Median Home Prices (2006)		
Existing	\$198,940	
New	\$250,000	

Tax Revenue

Total 2005 Tax Revenue (millions)	\$41.5
Property Tax Receipts	\$25.0
Sales and Use Tax Receipts	\$9.8
Per Capita Tax Revenue (2005)	\$149

Note: All dollar figures are in current dollars.

Sources: Utah Population Estimates Committee U.S. Census Bureau Bureau of Economic and Business Research, University of Utah Utah Department of Workforce Services Utah State Tax Commission Wasatch Front Regional Multiple Listing Service NewReach Center for Public Policy & Administration, University of Utah.

an impressive gain, moving from 19.8% in 1990 to 24.1% in 2006.

All but one city in Davis County participated in this population expansion. The fastest growing city was Syracuse, with a population increase of 271%. In contrast, the nearby city of Sunset experienced a population decline of 6.9%.

The county's population growth has been concentrated in the cities of northern Davis County (north of Farmington to the county line). Since 1990 the population of the county has

increased by nearly 81,000 people, and 80% of this population growth has occurred in northern Davis County (Table 3). The five fastest growing cities in the county are all located in northern Davis County: Syracuse, Clinton, South Weber, West Point, and Kaysville. These five cities combined for an increase in population of 37,500 since 1990. The population of Layton, the largest city in the county, increased by 19,600 over the past 15 years, the largest absolute increase in population of any city. Since 1990, the population gain for Layton alone exceeds the population gain for all southern Davis County cities.

In 1990 Layton and Bountiful were the two largest cities in the county and they remained ranked first and second in 2005. In 1990 Layton was just slightly (10%) larger than Bountiful, but by 2005 Layton was 50% larger. Demographically, Layton has become the unchallenged leader among the 15 cities in the county.

Davis County's population has high rates of out-commuting; 45.7% of the resident workers travel outside the county to their job location. In 2000, only Morgan County had a higher rate of out-commuting among Utah's 29 counties. Two-thirds of the out-commuters work in Salt Lake County and nearly 30% work in

Table 3
Population Change by City, 1990–2005

	1990	2005	Change
<i>North Davis</i>			
Layton	42,181	61,782	19,601
Clearfield	21,531	27,413	5,882
Kaysville	14,215	22,510	8,295
Syracuse	4,864	17,938	13,074
Clinton	8,015	17,735	9,720
West Point	3,998	7,650	4,779
South Weber	2,871	5,593	1,595
Sunset	5,348	4,947	-401
Fruit Heights	3,808	4,764	956
Total	106,831	170,332	63,501
<i>South Davis</i>			
Bountiful	38,656	41,085	2,429
Centerville	11,544	14,898	3,354
Farmington	9,506	14,357	4,851
North Salt Lake	6,784	10,538	3,754
Woods Cross	5,381	8,019	2,638
West Bountiful	4,514	4,896	382
Total	76,385	93,793	17,408
Grand Total	183,216	264,125	80,909

Source: U.S. Census Bureau.

Weber County. North Salt Lake has the highest rate of out-commuting with 63.9% of resident workers commuting outside the county. The rate for Bountiful is 53.0% and for Layton 41.7%. Although Davis County has high rates of out-commuting, the rate remained almost unchanged between 1990 and 2000, increasing only slightly from 45.5% to 45.7%. While the rate of out-commuting remained unchanged, the number of out-commuters rose from 36,000 in 1990 to 50,500 in 2000.

Out-commuting has created increased traffic congestion for Davis County, which has prompted the investment of \$1.2 billion in commuter rail and the Legacy Parkway. These two transportation projects will be completed late in 2008.

Table 2
Population Share of Wasatch Front Counties, 1990–2006

	1990		2000		2006	
	Population	Share	Population	Share	Population	Share
Davis	188,000	14.0%	240,204	14.0%	286,547	14.5%
Salt Lake	728,000	54.3%	902,777	52.7%	996,374	50.5%
Utah	266,000	19.8%	371,894	21.7%	475,425	24.1%
Weber	159,000	11.9%	197,541	11.5%	215,870	10.9%
Total	1,341,000	100.0%	1,712,416	100.0%	1,974,216	100.0%

Source: Governor's Office of Planning and Budget.

Table 4
Employment Share of Wasatch Front Counties

	1990		2000		2005	
	Employ.	Share	Employ.	Share	Employ.	Share
Davis	59,738	10.2%	84,845	9.7%	95,963	10.6%
Salt Lake	368,698	62.7%	545,153	62.6%	555,055	61.0%
Utah	93,884	16.0%	152,699	17.5%	167,938	18.5%
Weber	66,091	11.2%	88,346	10.1%	90,438	9.9%
Total	588,411	100.0%	871,043	100.0%	909,394	100.0%

Source: Utah Department of Workforce Services.

Employment Characteristics and Trends

Nonagricultural employment in Davis County increased from nearly 60,000 in 1990 to 96,000 in 2005, an average annual growth rate of 3.2%. Over the same period nonagricultural employment statewide grew at an average annual growth rate of 3.1%.

Davis County's share of Wasatch Front employment has remained stable over the past 15 years. In 1990 Davis County had 10.2% of the employment in Wasatch Front counties, and by 2005 the county's share had grown only slightly to 10.6% (Table 4). Both Salt Lake and Weber Counties have lost employment share since 1990, while Utah County's employment share, as was the case with population, has grown. In 1990 Utah County accounted for 16% of the employment in Wasatch Front counties and by 2005 that share had increased to 18.5%.

Table 5
Employment Change in Wasatch Front Counties, 1990–2005

	1990	2000	2005	1990–2005 Change	2000–05 Change
Davis	59,738	84,845	95,963	60.6%	13.1%
Salt Lake	368,698	545,153	555,055	50.5%	1.8%
Utah	93,884	152,699	167,938	78.9%	10.0%
Weber	66,091	88,346	90,438	36.8%	2.4%
State	723,629	1,074,879	1,148,315	58.7%	6.8%

Source: Utah Department of Workforce Services.

Among the four Wasatch Front counties, Davis County leads in employment growth since 2000 with an increase of 13.1% or about 11,100 new jobs. Utah County ranks second in rate of employment growth since 2000, with a 10% increase (Table 5). While the structure of the Davis County economy has undergone change, the geographic concentration of employment has been stable: Clearfield continues to dominate manufacturing employment, Layton retail employment, and Bountiful and Layton office employment.

Davis County has the highest ratio of population to employment of any of the Wasatch Front counties. In 2005 there were 2.9 persons in Davis County for every job, higher even than Utah County's 2.72 persons per job (Table 6). Davis County's high ratio is due to out-commuting, which more than offsets those factors in Utah County creating a high

Table 6
Ratio of Population to Employment in Wasatch Front Counties, 1990–2005

	1990	2000	2005
Davis	3.15	2.83	2.90
Salt Lake	1.98	1.66	1.76
Utah	2.83	2.44	2.72
Weber	2.40	2.24	2.36
State	2.39	2.09	2.22

Source: Utah Department of Workforce Services.

population-to-employment ratio—a very young population, a high rate of population growth, and large households.

In contrast to population, the employment shares of north and south Davis County have been very stable. In 1990, 63% of the nonagricultural employment in Davis County was north of Farmington and in 2005 that share was unchanged at 63%. The employment growth in Farmington, North Salt Lake, and Centerville has helped south Davis County maintain its share of total nonagricultural employment in the county.

Layton's employment growth has been spectacular, increasing from 9,284 jobs in 1990 to 24,165 in 2005, an increase of 160.3% (Table 7). Although Clearfield–South Weber continues to be the

Table 7
Employment Change by City, 1990–2005

	1990	2005	Absolute Change	Percent Change
Bountiful	10,647	11,907	1,260	11.8%
Centerville	1,776	4,225	2,449	137.9%
Clearfield–So. Weber	23,531	26,717	3,186	13.5%
Farmington	2,488	5,191	2,703	108.6%
Kaysville	2,615	5,840	3,225	123.3%
Layton	9,284	24,165	14,881	160.3%
North Salt Lake	4,007	7,401	3,394	84.7%
Sunset–Syracuse	2,421	3,954	1,533	63.3%
West Bountiful	0	1,928	1,928	
Woods Cross	2,969	4,378	1,409	47.5%
Total	59,738	95,706	35,968	60.6%

Source: Utah Department of Workforce Services.

largest employment concentration in the county, it has experienced only a 13.5% increase in employment over the past 15 years. It is very likely that Layton will overtake Clearfield–South Weber as the largest employment center of the county within the next few years.

In 1990 wages in Davis County were 4% above the state average, but by 2005 had fallen to 1% below. Wage rates have increased at 3.1% annually since 1990 in Davis County, slightly below the statewide annual increase of 3.5%. The average wage in 2005 in Davis was \$32,556 compared to the state average of \$32,832.

The relative decline in wages is due to the changing structure of the Davis County economy. Although government remains a dominant sector, its share of nonagricultural jobs has dropped from 36.6% in 1990 to 25.0% in 2005. Hill Air Force Base is the major government employer with 17,500 employees (civilian and military) in 2006. Although employment at Hill AFB has increased since 1990, it has not grown as rapidly as overall employment. Consequently, the civilian employment at Hill AFB dropped from 16% of nonagricultural employment in 1990 to 12.5% in 2005.

Other changes in the structure of Davis County's economy include the decline of manufacturing from nearly 15% of nonagricultural employment in 1995 to 11% in 2005, and most significantly the expansion of the service sector (professional and business services, education and health, leisure and hospitality, and other services). Between 2001 and 2005 the share of employment in services increased from 28.3% to 36.0% of nonagricultural employment. Over this period the number of service jobs

Table 8
Market Value of Agricultural Products Sold, 1969–2002

(millions of current dollars)

Year	Davis	State	County Share
1969	\$10.1	\$212.9	4.74%
1978	\$18.8	\$468.5	4.01%
1987	\$28.6	\$617.8	4.63%
1997	\$34.9	\$888.5	3.93%
2002	\$30.4	\$1,115.8	2.72%

Source: U.S. Department of Agriculture, *Census of Agriculture: Utah*.

increased by 4,300 and accounted for 50% of the job growth in the county.

Agriculture has not played an important role in the Davis County economy for several generations. Davis can be characterized as one of the least agricultural counties in the state. The

earnings data for 2005 show that farms in Davis County actually lost \$7.7 million, thus making no contribution to the personal income of the county. The market value of agricultural products produced in Davis County represents a small fraction of the market value of Utah's agricultural products. Currently, only 2.7% of the value of agricultural products sold in Utah is produced in Davis County (Table 8).

Retail Sales

In 2005 retail sales in Davis County totaled nearly \$2.1 billion (Table 9). The largest retail sector was motor vehicles with a 25% share. This sector's share of sales has declined slightly from its 1990 level of 27.5%. The most rapidly growing sector has been building and garden with a 226.7% increase in sales between 1990 and 2005. The second-ranked sector in terms of growth is general merchandise, which increased by 181.7% over the 15-year period. With the recent addition of Costco in West Bountiful, the rate of growth for general merchandise sales is certain to accelerate.

In 2006 residents of Davis County had an estimated household income of \$5.7 billion. Residents will spend \$4.6 billion on

Table 9
Retail Sales in Davis County

(millions of constant 2005 dollars)

Category	1990	2005	Change
Building and Garden	\$60.7	\$198.3	226.7%
General Merchandise	\$151.3	\$426.2	181.7%
Food Stores	\$315.3	\$351.3	11.4%
Motor Vehicles	\$308.4	\$514.9	67.0%
Apparel	\$26.2	\$72.6	177.1%
Furniture	\$83.6	\$100.6	20.3%
Eating and Drinking	\$100.6	\$210.8	109.5%
Miscellaneous	\$74.0	\$189.6	156.2%
Total	\$1,120.2	\$2,064.3	84.3%

Source: Utah State Tax Commission.

consumer purchases, with the largest expenditure for housing, followed by transportation and food (Table 10).

Over the past several years Davis County has improved its retail position among the Wasatch Front counties. The development

Table 10
Potential Consumer Expenditures by Residents of Davis County, 2006

	Expenditures (millions)
Food	\$550.4
Alcoholic Beverages	\$45.8
Housing	\$1,564.3
Apparel and Services	\$169.7
Transportation	\$871.6
Health Care	\$229.4
Entertainment	\$256.9
Personal Care	\$55.0
Reading	\$13.7
Education	\$82.6
Tobacco Products	\$22.9
Miscellaneous	\$87.2
Cash Contributions	\$142.2
Personal Insurance and Pensions	\$500.0
Total	\$4,587.4

Source: Utah State Tax Commission.

since the mid-1990s of over 1.5 million square feet of retail space near the Layton Hills Mall, along with major retail developments in Centerville and Bountiful, has reduced retail leakage from the

Table 11
Share of Wasatch Front Retail Sales by County, 1990–2005

(millions of current dollars)

Year	Davis		Salt Lake		Utah		Weber		Total
	Sales	Share	Sales	Share	Sales	Share	Sales	Share	
1990	\$749.8	10.9%	\$4,210.1	61.0%	\$1,076.6	15.6%	\$861.1	12.5%	\$6,897.6
2000	\$1,553.2	11.2%	\$8,206.2	59.4%	\$2,553.9	18.5%	\$1,507.0	10.9%	\$13,820.3
2005	\$2,063.9	12.1%	\$9,924.6	58.1%	\$3,395.6	19.9%	\$1,698.5	9.9%	\$17,082.6

Note: Retail sales include building and garden, general merchandise, food, motor vehicles, apparel, furniture, eating and drinking, and miscellaneous retail.

Source: Utah State Tax Commission.

county. An indicator of reduced retail leakage is the increase in market share for Davis County. The county's share of Wasatch Front retail sales has increased from 10.9% in 1990 to 12.1% in 2005 (Table 11).

Reduced retail leakage is confirmed by the increase in retail sales per capita in Davis County. Per capita retail sales rose from \$3,988 in 1990 to \$7,203 in 2006, an 80% increase, the highest among the Wasatch Front counties (Table 12). Adjusting for inflation, 1990 retail sales per capita in Davis County were \$6,154. Therefore, in real dollars retail sales per capita have increased 17% since 1990, compared to 14% for Utah County, the second-ranked county.

Tax Revenue

The assessed value of real and personal property in Davis County in 2006 was \$12 billion, 26% larger than the assessed value in 1997 of \$9.5 billion (in constant 2005

Table 12
Retail Sales per Capita by County, 1990–2005

	1990	2000	2005	Change
Davis	\$3,988	\$6,466	\$7,203	80.6%
Salt Lake	\$5,783	\$9,090	\$9,961	72.2%
Utah	\$4,047	\$6,867	\$7,142	76.5%
Weber	\$5,416	\$7,629	\$7,868	45.3%

Note: Retail sales include building and garden, general merchandise, food, motor vehicles, apparel, furniture, eating and drinking, and miscellaneous retail.

Source: Utah State Tax Commission.

dollars). The assessed value of commercial and industrial property has risen at twice the rate of residential property. In 1997 the assessed value of commercial and industrial property was \$1.3 billion, and by 2006 the value had grown to \$2.4 billion, an increase of 81%. Over the same period the assessed value of residential property increased by 42.7%. Residential property's

Table 13
Per Capita Tax Revenue by City, 2005

	Property Tax	Sales Tax	Total*
Bountiful	\$68.04	\$167.73	\$274.90
Centerville	\$99.61	\$166.21	\$337.62
Clearfield	\$146.68	\$171.77	\$365.84
Clinton	\$60.17	\$114.93	\$239.59
Farmington	\$132.19	\$115.76	\$329.19
Fruit Heights	\$73.84	\$75.27	\$177.22
Kaysville	\$62.05	\$124.13	\$243.29
Layton	\$85.90	\$189.42	\$313.90
North Salt Lake	\$142.75	\$236.24	\$493.33
South Weber	\$40.35	\$79.98	\$179.69
Sunset	\$40.36	\$136.81	\$206.40
Syracuse	\$32.58	\$68.39	\$164.41
West Bountiful	\$136.52	\$226.22	\$408.69
West Point	\$41.56	\$78.44	\$196.24
Woods Cross	\$103.35	\$199.64	\$330.41

*Property tax and sales tax do not add to total taxes due to other sources of tax revenue.
Source: Center for Public Policy & Administration, University of Utah; BEBR calculations based on Governor's Office of Planning and Budget population figures.

share of total assessed value is 63%, compared to 20% for commercial and industrial property.

The per-capita property and sales tax revenue for each city reflects the differences in residential and commercial development patterns among the cities. Those cities, such as North Salt Lake, Clearfield, West Bountiful, and Layton, that have substantial

amounts of commercial property collect much more in property taxes on a per capita basis. Small cities with a commercial tax base are particularly advantaged. North Salt Lake and West Bountiful are the only two cities that collect over \$400 per resident in tax revenue. Tax revenue for cities dominated by residential development collect, on a per capita basis, much less

tax revenue. Cities such as Fruit Heights, South Weber, West Point, and Syracuse all collect less than \$200 in tax revenue per resident (Table 13).

Housing

The local housing market represents one of the most important components of Davis County's economic base. The county's current housing inventory of 93,000 units comprises 75,000

owner-occupied units and 18,000 rental units (Table 14). These residential units have an assessed value of \$7.6 billion. The inventory of housing is concentrated in three cities: Layton, Bountiful, and Clearfield. These cities account for nearly half of all residential units in Davis County (Table 15).

Housing prices vary greatly among cities in the county (Table 16). Fruit Heights and Farmington have the highest median sales price for existing homes, while Centerville has the highest median sales price for new homes. Woods Cross and Clinton have the lowest

priced new homes in the county, while Sunset has the least expensive existing homes. Despite the presence of some of the highest priced housing markets in the state, Davis County's affordable housing prices have been the driving force behind population growth in Syracuse, Clinton, North Salt Lake, and Layton.

Farmington has had the greatest appreciation in home prices since 1997 (Table 17). The median sales price of existing homes increased by 89.2%, well ahead of second-ranked Bountiful at 76.2%. Clearfield and Sunset had the lowest price appreciation.

Affordable housing opportunities have attracted many young families to west Davis County communities. The demand was driven by the unique age structure of the Utah population. Between 2000 and 2005 the population of the 25–29-year age group increased significantly. In Davis County this age group grew by 36%, creating very strong demand for “starter” homes. However, the demographics are changing for both the county and

Table 15
Housing Inventory by City, 2006

	Total Units	Share
Layton	22,200	23.9%
Bountiful	14,725	15.8%
Clearfield	9,500	10.2%
Kaysville	7,350	7.9%
Syracuse	6,100	6.6%
Clinton	5,950	6.4%
North Salt Lake	4,825	5.2%
Centerville	4,750	5.1%
Farmington	4,700	5.1%
Woods Cross	2,875	3.1%
West Point	2,560	2.8%
Sunset	1,840	2.0%
South Weber	1,650	1.8%
West Bountiful	1,550	1.7%
Fruit Heights	1,460	1.6%
Unincorporated	965	1.0%
Total	93,000	100.0%

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

the state. This age group will increase by only 14% between 2005 and 2010. The peak year in Davis County for the 25–29-year age group will be 2009, then the population of this age group slowly recedes until 2024, when it reverses direction. The changing age structure of the population will mean less demand for “starter” homes in the near future in both the state and Davis County. Peak rates of residential construction for many of

Table 16
Median Sales Price for Existing and New Homes, 2006

	Existing	New
Fruit Heights	\$299,900	NA
Farmington	\$289,000	\$235,869
North Salt Lake	\$270,165	\$211,184
Centerville	\$257,000	\$415,789
Kaysville	\$255,000	\$321,354
Bountiful	\$244,000	\$368,333
South Weber	\$239,900	\$287,019
Syracuse	\$232,500	\$228,422
Woods Cross	\$209,500	\$177,500
West Bountiful	\$204,500	\$353,333
West Point	\$189,500	\$230,978
Layton	\$187,485	\$289,534
Clinton	\$170,000	\$195,752
Clearfield	\$142,000	\$200,000
Sunset	\$116,450	NA

Source: Wasatch Front Regional MLS and NewReach.

the cities in Davis County were reached in 2005 and will not be surpassed for several years.

Nonresidential and Commercial Real Estate Market

When measured in constant 2006 dollars, the peak period for nonresidential construction activity in Davis County was 1995–1998, while the peak year was 1997 at \$145.6 million (Table 18). Over the 1994–2006 period, nonresidential construction averaged \$112 million annually. Since 1994 Layton has led in retail and office construction and North Salt Lake has led in industrial construction.

Since 2000 the value of new industrial, office, and retail buildings in Davis County totals \$303.2 million (Table 19). The new construction activity is distributed almost evenly among the three commercial categories: industrial \$103.8 million, office \$103.0 million, and retail \$96.4 million. Compared to the other Wasatch

Table 17
Cities Ranked by Percent Change in Median Sales Price of Existing Homes, 1997–2006

	Change
Farmington	89.2%
Bountiful	76.2%
Kaysville	73.1%
Fruit Heights	65.8%
Syracuse	60.4%
North Salt Lake	57.8%
Davis	53.8%
South Weber	52.8%
Clinton	51.7%
Centerville	50.4%
Woods Cross	47.3%
Layton	45.2%
West Bountiful	43.8%
West Point	39.1%
Clearfield	37.0%
Sunset	28.6%

Source: Wasatch Front Regional Multiple Listing Service.

Table 18
Value of Permit-Authorized Nonresidential Construction in Davis County, 1994–2006
(thousands of dollars)

Year	Current Dollars	Constant '06 Dollars
1994	\$62,232.8	\$104,115.2
1995	\$89,334.2	\$143,987.8
1996	\$66,018.7	\$103,669.0
1997	\$96,387.3	\$145,590.7
1998	\$95,668.9	\$138,188.4
1999	\$67,656.9	\$94,126.2
2000	\$65,802.4	\$87,699.7
2001	\$66,931.3	\$86,584.9
2002	\$66,364.5	\$85,019.5
2003	\$95,525.3	\$121,983.2
2004	\$83,437.9	\$101,017.2
2005	\$116,461.2	\$128,805.8
2006	\$121,904.6	\$121,904.6
Total	\$1,093,726.0	\$1,462,692.1

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

Table 19
Comparison of Construction Value for Industrial, Office, and Retail 2000–2006
(millions of current dollars)

	Davis	Salt Lake	Davis % of Salt Lake	Utah	Davis % of Uah	Weber	Davis % of Weber
Industrial	\$103.8	\$530.1	19.6%	\$147.4	70.4%	\$74.9	138.5%
Office	\$103.0	\$691.8	14.9%	\$227.7	45.2%	\$93.0	110.8%
Retail	\$96.4	\$582.7	16.5%	\$234.1	41.2%	\$97.3	99.1%
Total	\$303.2	\$1,804.6	16.8%	\$609.2	49.8%	\$265.2	1.14%

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

that commercial development in Davis County since 2000 has been consistent with the employment base of the county and shows no signs, in relative terms, of lagging behind commercial development in Salt Lake, Utah, and Weber Counties.

Table 20
Inventory and Share of Leasable Commercial Space by County, 2006
(million square feet)

	Retail		Office		Industrial	
	Sq. Ft.	Share	Sq. Ft.	Share	Sq. Ft.	Share
Davis	6.2	12.8%	3.5	8.4%	21.1	12.9%
Salt Lake	28.3	58.2%	27.8	66.8%	100.0	61.0%
Utah	9.0	18.5%	7.5	18.0%	14.5	8.8%
Weber	5.1	10.5%	2.8	6.7%	28.3	17.3%
Total	48.6	100.0%	41.6	100.0%	163.9	100.0%

Source: Commerce CRG.

In 2006 Davis County's retail inventory of 6.2 million square feet was 12.8% of the retail space in the Wasatch Front counties. The county's 21.1 million square feet of industrial space was 12.9% of the industrial space along the Wasatch Front, while the 3.5 million square feet of office space represents only 8.4% of the office space inventory (Table 20).

Land Use

Since 1990 over 11,700 acres in Davis County have been platted for residential subdivisions (Table 21). Each year an average of about 700 acres of land is converted from agricultural use to residential use. In 2005 the number of acres platted for residential use reached an all-time high of 1,062 acres. Acreage platted for commercial use since 1990 amounts to a fraction, 4%, of the land platted for residential use. Since 1990 only 443 acres have been platted for commercial use in Davis County.

Since 1990 Layton City has platted nearly 2,300 acres for

Table 21
Acres Platted for Residential Subdivisions and Commercial Development in Davis County, 1990–2006

Year	Residential	Commercial
1990	249.19	0.00
1991	176.44	0.00
1992	474.25	0.48
1993	525.35	0.00
1994	657.81	15.93
1995	728.25	93.02
1996	763.98	12.59
1997	957.71	32.95
1998	784.73	42.18
1999	982.46	48.59
2000	819.10	59.59
2001	917.32	19.78
2002	747.34	27.06
2003	561.62	24.90
2004	461.43	0.00
2005	1,062.45	26.81
2006	864.89	27.76
Total	11,734.32	443.85

Source: Davis County Department of Community and Economic Development.

residential and commercial development (Table 22). Layton leads Syracuse, the second-ranked city, by 460 acres. Woods Cross ranks first among all cities in commercial acreage platted. Since 1990 Woods Cross has platted 98.5 acres for commercial development.

The 2002 *Census of Agriculture* for Utah reported that Davis County had 65,857 acres of land in 582 farms. Since 2002, about 5,000 acres have been converted to residential and commercial use. Therefore, an estimated 60,000 acres in Davis County are currently

Table 22
Cities Ranked by Acres Platted for Residential Subdivisions and Commercial Development from 1990 through 2006

	Residential	Commercial	Total
Layton	2,193.23	87.51	2,280.74
Syracuse	1,817.09	4.15	1,821.24
Kaysville	1,507.27	2.22	1,509.49
Clinton	1,216.05	8.05	1,224.10
Bountiful	1,016.17	22.95	1,039.12
North Salt Lake	722.13	80.74	802.87
Farmington	715.81	37.66	753.47
Clearfield	570.77	25.61	596.38
Centerville	413.49	75.91	489.40
Woods Cross	343.88	98.50	442.38
West Point	387.27	0.00	387.27
South Weber	381.22	0.00	381.22
Fruit Heights	197.93	0.00	197.93
West Bountiful	155.95	0.55	156.50
Unincorporated	90.00	0.00	90.00
Sunset	6.06	0.00	6.06
Total	11,734.32	443.85	12,178.17

Source: Davis County Department of Community and Economic Development.

defined as “land in farms.” Certainly not all of these acres can be developed for residential or commercial use. A high water table, topography, and other features will limit the number of convertible acres. Nevertheless, assuming that 50% of the land currently in farms is suitable for conversion, this 30,000 acres, at the current pace of development, would meet the residential and commercial growth needs of Davis County for about 30 years.

Projected Demand for Commercial Space

The future need for commercial land is an important economic development issue for “land-constrained” Davis County. Davis County is the smallest Wasatch Front county with 305 square miles compared to Utah County, the largest county, with 1,998 square miles (Table 23). Land area constraints in Davis County have and will continue to, at an increasing rate, impact development patterns and characteristics in the county.

The demand projections for commercial space in Davis County over the next ten years range from 160 acres to 315 acres, depending on rates of demographic and economic growth (Table 24).

Between 2017 and 2027 a minimum of 167 acres and a maximum of 385 acres will be required to meet the demand for office, industrial, and retail space (Table 25). For the 20-year period 2007 to 2027, a range of roughly 320 to 700 acres of commercial land will be needed for office, industrial, and retail space in the county.

In order to be competitive, industrial development will generally need to be in close proximity to I-15. Four cities, West Point, Syracuse, Fruit Heights, and South

Table 23
Land Area by County

	Square Miles	Acres	Davis % Comparison
Davis	305	194,866	100.0%
Salt Lake	738	471,922	41.3%
Utah	1,998	1,278,932	15.3%
Weber	576	368,344	53.0%

Source: U.S. Census Bureau and U.S. Department of Agriculture, *Census of Agriculture: Utah*.

Weber, are not crossed by I-15 although Highway 89 does travel through Fruit Heights and South Weber. Nevertheless, industrial development in these four cities will be limited. Ninety percent of the industrial development in Davis County is currently located near I-15 at Layton/Clearfield and Woods Cross/North Salt Lake locations. These concentrations of development represent the most competitive and feasible locations for future industrial development in the county.

Table 24
Additional Commercial Space Requirements by 2017 in Davis County
(acres)

	Office	Industrial	Retail	Total
Low Scenario	33	80	47	160
Medium Scenario	50	125	55	230
High Scenario	70	170	75	315

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

Sixty percent of the office space in Davis County is located in the cities of Bountiful and Layton. Bountiful, with its close proximity to the employment and commercial base of downtown Salt Lake City, as well as its existing commercial development, possesses locational advantages for future office development. Likewise, Layton has the locational advantages of a large, well-developed commercial sector as well as its central location to rapidly growing north Davis County. Both Bountiful and Layton offer backward linkages (suppliers, business support services) and forward linkages (customers), which enhances the feasibility of office development in these cities.

Retail development is generally more dispersed than either industrial or office employment. Although Layton accounts for 41% of the retail space in the county, the remaining 60% is spread throughout 11 other cities. Two cities, Bountiful and Centerville, do have somewhat higher levels of concentration than the typical

Table 25
Additional Commercial Space Requirements from 2017 to 2027 in Davis County
(acres)

	Office	Industrial	Retail	Total
Low Scenario	40	95	32	167
Medium Scenario	65	160	37	262
High Scenario	90	240	50	380

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

city. Bountiful’s retail presence is due to its population base and the city’s long historical role in the commercial development of Davis County. Centerville’s retail development is much more recent, with the development of the 600,000-square-foot Centerville Market Place in 1997. Centerville has the retail advantage of a central location between the populations of north and south Davis County. In the future, retail development will continue to agglomerate around the existing concentrations but will also follow the anticipated population growth in northwest Davis County.

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