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## Highlights

- South Salt Lake has been characterized by slow population growth since 1990, augmented by annexation. Total residential population (excluding the county jail's approximately 2,000 inmates) is estimated to have increased from 10,179 in 1990 to 24,161 in 2008. A 1998 annexation added approximately 8,000 new residents.
- The residential minority population in South Salt Lake grew more than fourfold from 1,691 in 1990 to 6,741 in 2000, doubling its share of the total residential population from 17 percent to 33.5 percent.
- From 1990 through 2006, the number of establishments in South Salt Lake grew at an average annual rate of 1.9 percent, from 1,552 to 2,111. Over the same period, total employment increased 1.3 percent annually, from 25,424 to 31,272, just under half the rate of countywide employment growth.
- In 2006, trade and services each provided about one-quarter of total employment, government provided 18 percent, and manufacturing provided 14 percent.
- From 1990 to 2007 retail sales in South Salt Lake grew 2.9 percent annually, adjusted for inflation, from \$447.9 million to \$724.1 million—a 62 percent increase.
- The largest categories are motor vehicles, with \$223.9 million and 31 percent of 2007 retail sales; building and garden supplies, with \$167.7 million and 23 percent of sales; and furniture, with \$155.4 million and 21.5 percent of sales.
- Since 1990, South Salt Lake has approved new residential construction valued at \$63.8 million (in constant 2008 dollars). Existing home sales have totaled \$54.0 million since 1996.
- Since 1990, 270 new single-family homes have been built in South Salt Lake, 214 condominiums and townhomes, 100 apartment units, and 34 twin homes.
- Sales of existing homes in South Salt Lake have been fairly volatile over the past decade. While the real median sales price increased 26 percent from \$125,692 in 1996 to \$158,500 in 2008, annual price changes have fluctuated from declines of as much as 20.5 percent to gains as large as 22 percent.
- Since 1995, \$240.3 million in new nonresidential construction permits have been issued in South Salt Lake. Almost three-quarters of this was due to additions and alterations (\$83.2 million), industrial buildings (\$49.0 million), and public buildings and projects (\$44.3 million).
- Total city revenues increased 136 percent, adjusted for inflation, from 1990 to 2007; expenditures grew by one-third.

## The Changing Economic Structure and Current Baseline of South Salt Lake

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### Introduction

South Salt Lake's central location and extensive transportation network (two interstates, a railroad and yard, a light rail line, and several major arterial streets) make it a prime location both for trade and manufacturing establishments and for residents looking for affordable housing with easy access to Salt Lake City's central business district and the rest of the valley (Figure 1).

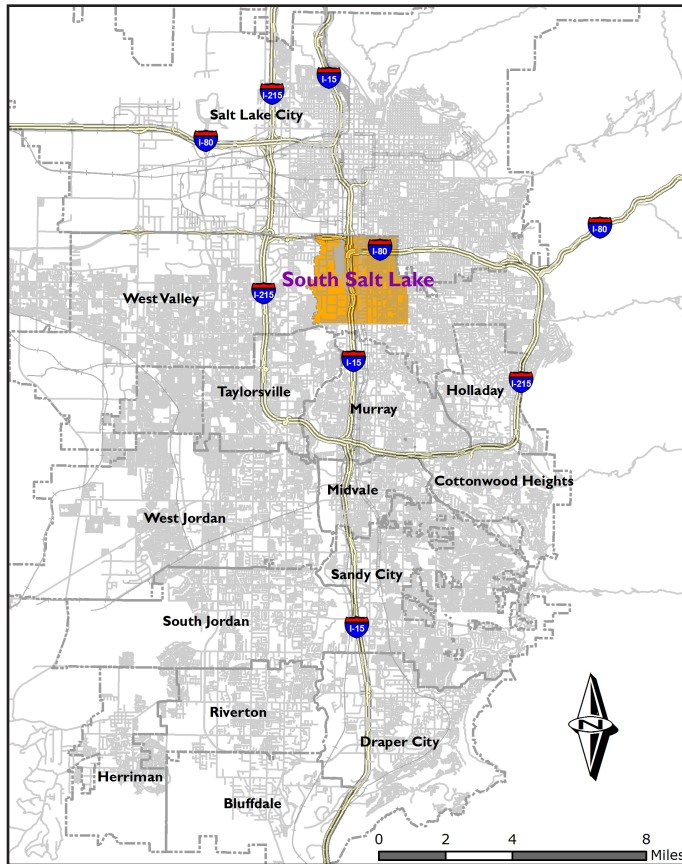
South Salt Lake is nicknamed the Center of Industry and, according to some versions, its founding in 1938 was promoted by the newly formed South Salt Lake Businessmen's Association in order to provide a sewer system for residents. More recently, with the opening of Elite Model Management in the city, it was given the rather more fashionable moniker of "SoSaLa." From warehouses and manufacturing to upscale home furnishings—and now an international modeling agency—economic activity in South Salt Lake indeed runs the gamut from industrial to urbane.

South Salt Lake has long been known as a blue-collar city. However, recent developments may begin to change this image. The mixed-use Central Pointe condominiums and retail space opened in 2005 on Main Street near 2100 South, and Poor Yorick Studios moved from Salt Lake City to a warehouse on Crystal Avenue in 2006 and is home to more than 40 artists. Two projects, which have been put on hold due to the credit crunch and economic downturn, are in a similar vein: The 18-acre Market Station "urban village" between State and Main streets and 2100 South and about 2400 South is planned to feature a mix of condos, offices, and small-scale retail; and a 5.7-acre "Chinatown" development on State Street near 3400 South will bring dozens of Asian shops, an Asian grocery store, a high-end dim sum restaurant, office space, and eventually condos. South Salt Lake is working to broaden its appeal and become a more cosmopolitan city.

### South Salt Lake Today

South Salt Lake is largely a commercial city with a relatively small residential base. The west side is mostly warehouses and light industrial, transitioning to retail along West Temple, Main, and State Streets. East of State Street is mostly residential.

**Figure 1**  
Location of South Salt Lake in Salt Lake County



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

Construction and manufacturing provide about one-quarter of the jobs in South Salt Lake, and in fact the city is fairly specialized in these two sectors relative to the county. Trade, transportation, and utilities (mostly trade) add another quarter of the total employment, while government and professional and business services together account for one-third (Table 1).

The city had \$724.1 million in retail sales in 2007. This works out to \$30,810 per capita, a remarkably high number indicating that South Salt Lake is a retail center that draws shoppers from elsewhere in the valley. Shoppers come to buy autos (accounting for 31 percent of retail sales), building and garden supplies (23 percent of sales), and furniture and home furnishings (21 percent of sales). The latter two categories complement the city's construction industry, as well as making South Salt Lake something of a home improvement and design center.

Single-family homes make up about 40 percent of the current total housing stock in the city, and about 40 percent of all dwelling units are owner-occupied. The city appears to be trying to increase homeownership. The last market-rate apartment units to be constructed were approved in 1993, while 40 percent of the 430 dwelling units permitted since 2000 are condominiums and townhomes and 35 percent are single-family homes. However, the city council recently granted initial approval for a 114-unit market-rate apartment building on 3300 South. In fact, South Salt Lake provides affordable housing close to downtown Salt Lake City, with easy access to I-15, I-80, and TRAX light rail. The median

**Table 1**  
Current Demographic and Economic Baseline  
of South Salt Lake

<b>Population</b>	
Residential Population* (2008)	24,161
Median Age (2000)	28.9
Households (2008)	8,987
Average Household Income (2007)	\$56,661
<b>Employment</b>	
Employer Firms (2006)	2,110
Average Employment (2006)	31,271
Average Annual Wage (2006)	\$37,255
Major Employment Sectors (2006)	<b>Number Share</b>
Trade, Transportation, and Utilities	8,097 25.9%
Government	5,622 18.0%
Professional and Business Services	5,143 16.4%
<b>Retail Sales</b>	
Taxable 2007 Retail Sales (millions)	\$724.1
Major Retail Categories (millions)	<b>Amount Share</b>
Motor Vehicles	\$223.9 30.9%
Building & Garden	\$167.7 23.2%
Furniture	\$155.4 21.5%
Per Capita Retail Sales (2007)	\$30,810
Retail Expenditures by Households (2007, millions)	\$408.1
<b>Housing, New Construction, and Real Estate</b>	
Value of New Residential Construction, 1990–2008 (millions <sup>†</sup> )	\$63.8
Sales of Existing Residential Real Estate, 1997–2008 (millions <sup>†</sup> )	\$54.0
Median Asking Price of Current Listings (January 2, 2009)	\$199,900
Average Days on Market	151
Number of Listings	27
Median Sales Price of Homes Sold (2008)	\$170,000
Average Days on Market	102
Number Sold	42
Occupied Dwelling Units (2007)	<b>Number Share</b>
Owner-Occupied	3,342 38.0%
Renter-Occupied	5,449 62.0%
Total Occupied	8,792 100%
<b>Nonresidential Construction</b>	
Value of New Nonresidential Construction, 1995–2008 (million <sup>†</sup> )	\$157.1
Value of Nonresidential Additions and Alterations, 1995–2008 (million <sup>†</sup> )	\$83.2
Total Nonresidential Construction Value, 1995–2008 (million <sup>†</sup> )	\$240.3
Major Commercial Space Added Since 1970 (millions of square feet)	
Industrial Space	8.7
Retail Space	1.7
Office Space	1.1
<b>Tax Revenue and Expenditures</b>	
Total Revenue (2007, millions)	\$25.5
Property Tax Receipts	\$6.2
Sales Tax Receipts	\$13.3
Total Expenditures	\$20.8

\*Excludes inmate population of approximately 2,000 at the Adult Detention Complex.

<sup>†</sup>In constant 2008 dollars.

Source: Bureau of Economic and Business Research, University of Utah; U.S. Census Bureau; Utah Department of Workforce Services; Utah State Tax Commission; U.S. Bureau of Labor Statistics, Consumer Expenditure Survey; Construction Monitor; Wasatch Front Regional Multiple Listing Service; Commerce CRG; Landiscor; South Salt Lake City Planner; Utah State Auditor.

price of homes sold in 2008 was \$170,000, while the median asking price of homes currently on the market is \$199,900.

Commercial space has expanded considerably in South Salt Lake since 1970. Reflecting the industrial character of much of the city's west side, industrial space has grown by about 9 million square feet, while about 2 million square feet of major retail space have been added and about 1 million square feet of office space.

The city currently takes in twice as much in sales tax revenues as in property taxes, \$13.3 million versus \$6.2 million in 2007. Although the city has a strong retail sector, its sales tax receipts were reduced recently when the Legislature changed the disbursement formula to give more weight to a jurisdiction's population and less to the point of sale. This led to a sharp increase in property taxes and is part of the city's motivation in proposing annexation of the largely residential Millcreek Township.

## Demographic and Socioeconomic Changes

### Population Change

South Salt Lake was incorporated in 1938. The 1940 census reported the city's population as 5,701 (Table 2). By 1980 it had grown to 10,561, through annexation as well as natural increase and migration. South Salt Lake's population declined slightly during the 1980s, then almost doubled during the 1990s, due largely to annexation. In 1998, the city extended its southern border from 3300 South to 3900 South, increasing its population by an estimated 8,000 persons. In addition to residential neighborhoods, the annexation also captured industrial areas and the land on which the new county jail was being built. The new Salt Lake County Jail opened in January 2000, with 1,978 beds; the 2000 Census recorded the inmate population as 1,940. As of 2007, South Salt Lake's estimated residential population, exclusive of the jail, was 23,501; jail inmates numbered 1,998.

Year	Total	Jail	Residential
1940	5,701		5,701
1980	10,561		10,561
1990	10,129		10,129
2000	22,038	1,940	20,098
2007	25,499	1,998	23,501

Note: Decadal figures are as of April 1; 2007 figures are end of year. "Residential" includes those living in group quarters other than the jail, e.g., nursing homes.  
Source: U.S. Census Bureau, Bureau of Economic and Business Research, Salt Lake County Metropolitan Jail.

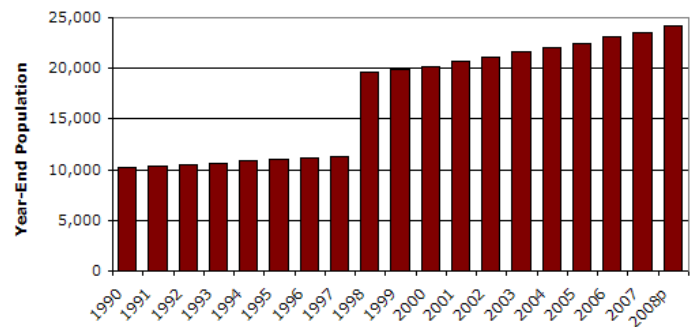
From 1940 to 1980, the city's population grew at an average annual rate of 1.6 percent, adding 4,860 residents. From 1980 to 1990, the population declined 0.4 percent annually, for a loss of 432 people. In the following decade, South Salt Lake's residential population grew by 98.4 percent, with almost 10,000 additional residents (Table 2); in 2000, approximately 8,400 of them lived in the area annexed in 1998. The annexation accounted for about 80 percent of the population growth during the 1990s. Most recently, between 2000 and 2007, the city added an estimated 3,400 residents at an average annual growth rate of 2.3 percent. The average rate over most of the life of the city, from 1940 to 2007, is 2.1 percent, with a total increase of 312.2 percent and 17,800 residents.

The Bureau of Economic and Business Research developed annual population and household estimates for South Salt Lake

based on new residential construction. These year-end estimates exclude the jail population, but the total population figures do include others living in group quarters (e.g., nursing homes).

South Salt Lake is characterized by slow population growth from 1990 to 2008, augmented by annexation (Figure 2). Total population is estimated to have increased from 10,179 at the end of 1990 to 23,501 in 2007. Annual rates of change range from 1.3 to 2.7 percent, with a 72.9 percent jump in 1998 due primarily to the city's extension of its southern border from 3300 South to 3900 South. This added approximately 8,000 new residents, 40 percent of the city's year-end population. BEBR forecasts South Salt Lake's 2008 year-end population to be 24,161, a 2.8 percent gain over 2007.

**Figure 2  
Population in South Salt Lake, 1990–2008**



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

### Households: Size and Number

The number of households in South Salt Lake grew more than 80 percent between 1990 and 2000, from 4,421 to 8,022.<sup>1</sup> The city's 1998 annexation added about 3,270 households and accounted for almost 95 percent of the household growth over the decade. The annexed area also represented more than 40 percent of the city's total households in 2000.

Looking at types of households, Census data show that family households represent a larger share of total households than nonfamily households, 57.2 percent in 2000 vs. 42.8 percent. About two-thirds of family households are married couples, and they accounted for 37.7 percent of total households in 2000. About 20 percent of all households in the city were single-parent families, with twice as many single mothers as single fathers. Just over half of family households, 53.4 percent, included children under 18. Among nonfamily households, the share of people 65 years and older living alone declined from 11.0 percent in 1990 to 7.1 percent in 2000.

Contrary to national and statewide trends, average household size in South Salt Lake increased slightly during the 1990s, from 2.26 to 2.47. This may be due to the large increase in minorities in the city, whose share of the population doubled from 16.7 percent in 1990 to 33.5 percent in 2000,<sup>2</sup> and who tend to have larger families than whites.

<sup>1</sup>These are Census estimates as of April 1 of each year.

<sup>2</sup>This excludes the jail population, which was 42.3 percent minorities in 2000.



Using construction data, BEBR made year-end estimates of the number of households in South Salt Lake for 1990 through 2008 (Table 3). Total households are estimated to have doubled from 4,439 in 1990 to 8,987 by the end of 2008. Annual increases are on the order of 0.4 to 1.9 percent, except for 1998 of course, when the number of households grew 71.4 percent due to the annexation. In fact, the annexation represents about 72 percent of total household growth from 1990 to 2008.

### Age, Sex, Race, and Ethnicity

From 1990 to 2000, South Salt Lake saw its working-age population (18 to 64 years old) increase its share of the total population, while the younger end of the age distribution remained fairly stable and the older end lost share (Table 4). The population that is school aged (5 to 17 years old) and younger represents about one-quarter of South Salt Lake's total population, although its share shrank slightly between 1990 and 2000, from 26.3 percent to 24.0 percent. It contributed 22.2 percent of the city's growth. The share of those aged 65 and older declined significantly from 13.4 percent to 7.6 percent, and growth in this group contributed only 2.7 percent of total population growth. However, the working-age population (18 to 64 years old) grew from 60.4 percent to 68.4 percent, and was responsible for three-quarters of total growth. Because of these changes, particularly the large decline in the 65+ population share, the median age in South Salt Lake fell slightly between 1990 and 2000 from 29.4 to 28.9.

All of these changes were influenced by the opening of the county jail, which accounts for 16.3 percent of total population growth from 1990 to 2000 and 21.4 percent of the growth in the working-age population. Removing the prison population, the working-age population's share of the residential population still grew to 65.4 percent in 2000, and it contributed 70.6 percent of residential population growth. More detailed data on the age distribution of the jail population are not available, but

	Households	Absolute Change	Percent Change
1990	4,438		
1991	4,465	26	0.6%
1992	4,516	51	1.1%
1993	4,534	18	0.4%
1994	4,568	34	0.8%
1995	4,589	20	0.4%
1996	4,624	35	0.8%
1997	4,650	25	0.6%
1998	7,971	3,321	71.4%
1999	8,007	35	0.4%
2000	8,042	35	0.4%
2001	8,187	144	1.8%
2002	8,300	113	1.4%
2003	8,404	103	1.3%
2004	8,496	92	1.1%
2005	8,593	96	1.1%
2006	8,734	141	1.6%
2007	8,818	84	1.0%
2008p	8,987	168	1.9%

Note: The large increase in 1998 is due to the city's annexation of approximately 3,300 households.  
p: projected  
Source: Bureau of Economic and Business Research, University of Utah, based on data from Construction Monitor.

presumably a significant portion of prisoners are in the 25–44 age group, which contributed 40.2 percent of the city's population growth over the period.

Figures 3a and 3b present population pyramids for South Salt Lake in 1990 and 2000, showing more detailed population distributions by sex and five-year age group. One immediately noticeable change is the increase in the male population, particularly in the 20–24 and 25–29 age groups. The sex ratio for the entire population went from 0.98 in 1990, with 5,002 males to 5,127 females, to 1.21 in 2000 with 12,067 males to 9,971 females. Both of these changes are due to the opening of the county jail in January 2000, since the majority of prisoners are younger men. In 1990, the sex ratio was highest in the 25–29 age group, with 1.22 males per female. In 2000, the ratio peaked in the 30–34 age group with 1.60 males for every female.

Another remarkable change, shown in Tables 5a and 5b, is the doubling of the minority share of South Salt Lake's population, from 16.7 percent in 1990 to 34.3 percent in 2000.

Minority is defined as anyone who is not a non-Hispanic white, that is, the total population less those who are white alone. Note that the 2000 numbers include the jail population, which was 42.3 percent minority. Excluding prisoners, minorities still made up one-third, 33.5 percent, of South Salt Lake's 2000 population. The Census Bureau changed its racial categories from 1990 to 2000, making comparisons difficult, however the Hispanic population (an ethnic rather than racial category) grew from 9.7 percent to 22.4 percent of the total population (including prisoners) and from 58.0 percent to 65.2 percent of the city's minority population.

Other comparisons are complicated by the 1998 annexation—the 1990 and 2000 data do not describe the same geographical area. However, some general comments may be made. The basic shape of the age pyramids is that of a community with young families (the large under-5 and 25–29 age groups) who likely came to South Salt Lake for its affordable housing close to downtown.

There is also a cohort of long-time residents who have stayed and are “aging in place,” indicated by the swells in the 60 and older age groups. In 1990, most of the group quarters population, 133 of 147, were in nursing homes; in 2000, there were 114 people in nursing homes.

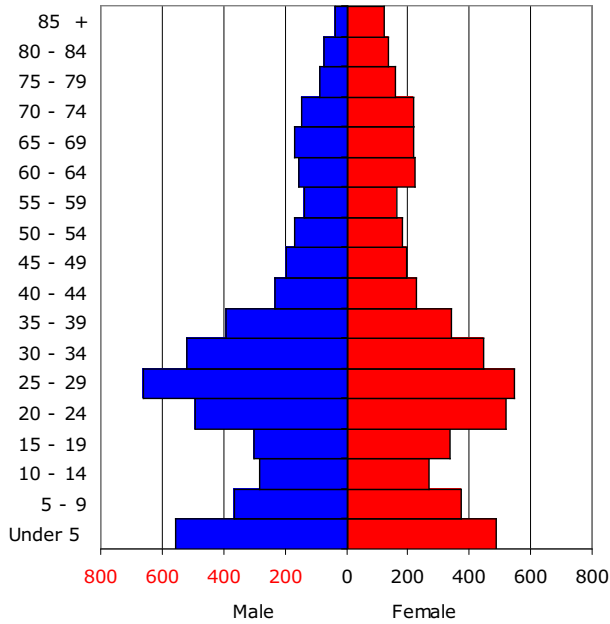
### Income and Poverty

South Salt Lake was among the bottom ten Utah cities for median household income in both 1989 and 1999. In fact, the city had the fifth lowest household income in 1989 and the sixth lowest in 1999. Over the decade, its household income increased by 18.0 percent, after adjusting for inflation, from \$25,250 to

	1990		2000		Change		Share of Growth
	Number	Share	Number	Share	Absolute	Relative	
Total Population	10,129		22,038		11,909	117.6%	100%
Population by Age							
Under 5 Years	1,044	10.3%	2,040	9.3%	996	95.4%	8.4%
5 to 17 Years	1,607	15.9%	3,247	14.7%	1,640	102.1%	13.8%
18 to 20 Years	517	5.1%	1,334	6.1%	817	158.0%	6.9%
21 to 24 Years	815	8.0%	2,309	10.5%	1,494	183.3%	12.5%
25 to 44 Years	3,361	33.2%	8,146	37.0%	4,785	142.4%	40.2%
45 to 54 Years	746	7.4%	2,142	9.7%	1,396	187.1%	11.7%
55 to 59 Years	300	3.0%	657	3.0%	357	119.0%	3.0%
60 to 64 Years	377	3.7%	484	2.2%	107	28.4%	0.9%
65 Years and Over	1,362	13.4%	1,679	7.6%	317	23.3%	2.7%
Median Age	29.4		28.9				

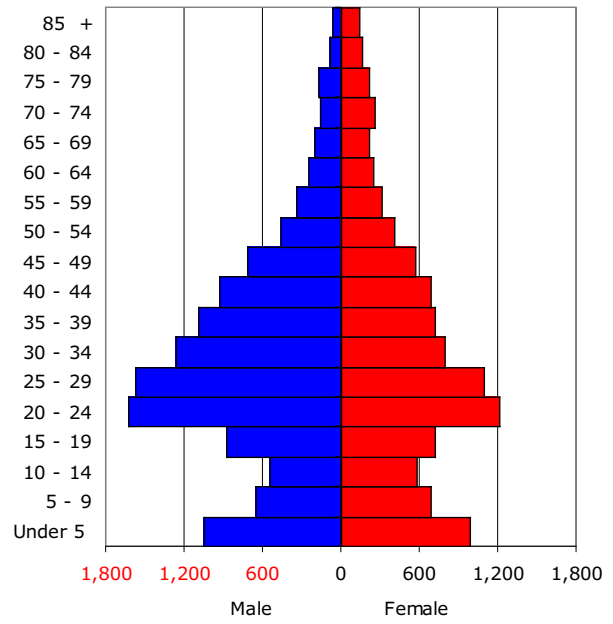
Source: U.S. Census Bureau.

**Figure 3a**  
**South Salt Lake Population by 5-Year Age Groups and Sex: 1990**



Source: U.S. Census Bureau, 1990 Census, STF 1.

**Figure 3b**  
**South Salt Lake Population by 5-Year Age Groups and Sex: 2000**



Source: U.S. Census Bureau, 2000 Census, SF 1.

**Table 5a**  
**Race and Ethnicity of the South Salt Lake Population: 1990**

	Population	Share	Share of County
<b>Total</b>	10,129	100%	1.4%
<b>Not of Hispanic Origin</b>			
White	8,438	83.3%	1.2%
Black	129	1.3%	<b>2.3%</b>
American Indian, Eskimo, or Aleut	217	2.1%	<b>3.6%</b>
Asian or Pacific Islander	343	3.4%	<b>1.7%</b>
Other race	21	0.2%	0.1%
<b>Ethnicity</b>			
Hispanic Origin	981	9.7%	<b>1.9%</b>
<b>Minority</b>	1,691	16.7%	<b>3.3%</b>

Note: If a cell is shaded yellow and has bold red type, this indicates that the city's share of the county for the given category exceeds the city's share of total population in the county (1.4%).  
 Source: U.S. Census Bureau, 1990 Census, STF 1.

**Table 5b**  
**Race and Ethnicity of the South Salt Lake Population: 2000**

	Population	Share	Share of County
<b>Total</b>	22,038	100%	2.5%
<b>Not Hispanic or Latino</b>	17,106	77.6%	2.2%
White alone	14,476	65.7%	2.0%
Black or African American alone	603	2.7%	<b>7.1%</b>
American Indian and Alaska Native alone	554	2.5%	<b>8.5%</b>
Asian alone	574	2.6%	<b>2.5%</b>
Native Hawaiian and Other Pacific Islander alone	263	1.2%	2.4%
Some other race alone	38	0.2%	<b>4.2%</b>
Two or more races	598	2.7%	<b>4.0%</b>
<b>Ethnicity</b>			
Hispanic or Latino	4,932	22.4%	<b>4.6%</b>
<b>Minority</b>	7,562	34.3%	<b>4.4%</b>

Notes: Includes the jail population. NH is Not Hispanic. If a cell is shaded yellow and has bold red type, this indicates that the city's share of the county for the given category exceeds the city's share of total population in the county (2.5%).  
 Source: U.S. Census Bureau, 2000 Census, SF1.

\$29,801 (in constant 1999 dollars). BEBR estimates South Salt Lake's median household income in 2007 was roughly \$41,800.

Given South Salt Lake's household income ranking, one might suspect the city would have relatively high poverty rates. In fact, in 1999 the share of people with incomes below the poverty level in South Salt Lake was twice that of the county as a whole: 16.3 percent vs. 8.0 percent (Table 6). This was down slightly from 1989, when 17.2 percent of South Salt Lake residents lived in poverty.

Examining poverty rates by age, 5-year-olds have by far the hardest circumstances, with more than a third—36.8 percent—living in poverty in 1999. In addition, more than one in five children under 5 years old, 6 to 11 years old, and 12 to 17 years old lived in poverty in 1999. Although females overall are more likely to be poor, young boys are hardest hit, with nearly 30

percent of 6- to 11-year-old boys living in poverty and half of 5-year-old boys in poverty. In fact, this was an improvement over 1989, when more than two-thirds of 5-year-old boys lived below the poverty level.

Although most age groups saw their fortunes improve over the decade, not all did. Poverty rates increased among 6- to 11-year-old boys from 24.5 percent to 29.3 percent, among 12- to 17-year-old girls from 24.2 percent to 25.7 percent, among men 18 years and older, and among 65- to 74-year-old women from 11.5 percent to 14.2 percent.

**Table 6**  
**Share of Persons Below the Poverty Level**

	By Age			
	1989		1999	
	So. Salt Lake	County	So. Salt Lake	County
Poverty Rate	17.2%	9.9%	16.3%	8.0%
Under 5 years	29.8%	15.0%	20.9%	10.9%
5 years	40.4%	14.2%	36.8%	10.0%
6 to 11 years	23.9%	11.6%	22.3%	9.4%
12 to 17 years	22.5%	9.4%	23.2%	8.1%
18 to 64 years	14.8%	8.8%	14.6%	7.6%
65 to 74 years	6.9%	5.9%	11.7%	5.2%
75 years and over	12.0%	10.7%	4.2%	5.8%

	By Sex and Age			
	1989		1999	
	So. Salt Lake	County	So. Salt Lake	County
Male	13.9%	8.9%	15.0%	7.5%
Under 5 years	29.1%	14.5%	17.0%	11.2%
5 years	68.3%	15.9%	49.7%	10.2%
6 to 11 years	24.5%	11.2%	29.3%	9.0%
12 to 17 years	20.9%	8.9%	20.3%	7.8%
18 to 64 years	10.2%	7.7%	12.7%	7.0%
65 to 74 years	0.0%	3.1%	8.4%	3.4%
75 years and over	0.0%	4.8%	2.3%	3.8%
Female	20.6%	10.8%	17.6%	8.5%
Under 5 years	30.6%	15.5%	25.0%	10.7%
5 years	29.0%	12.4%	28.1%	9.8%
6 to 11 years	23.2%	12.1%	13.8%	9.8%
12 to 17 years	24.2%	9.8%	25.7%	8.4%
18 to 64 years	19.7%	9.9%	16.8%	8.2%
65 to 74 years	11.5%	8.2%	14.2%	6.6%
75 years and over	17.6%	14.1%	5.8%	7.1%

Source: Bureau of Economic and Business Research calculations based on U.S. Census Bureau data.

2004. Countywide, employment peaked in 2000; fell in 2001, 2002, and 2003; then began growing again in 2004.

**Employment by Industry**

Over the study period, the system by which businesses are classified was changed. The Standard Industrial Classification (SIC) was developed in the 1930s “to classify establishments by the type of activity in which they are primarily engaged.” It was revised periodically to reflect changes in the composition and organization of the economy, with the last update in 1987. Due to significant and rapid structural changes in the U.S. economy, the SIC system was replaced by the North American Industrial Classification System (NAICS) in 1997, and the Department of Workforce Services began reporting by NAICS category in 2001. Whereas the SIC had classified business establishments into 10 major divisions with two subsequent layers of detail, NAICS uses 20 broad sectors, each with four layers of subcategories. In some cases the DWS combines sectors into larger conglomerations, e.g., finance, insurance, and real estate (FIRE), and trade, transportation, and utilities (TTU). All of this complicates comparisons of economic activity over time, but some generalizations may be made.

In 1990, trade (wholesale and retail) was by far the largest employment sector in South Salt Lake, providing more than one-third of all jobs (Figure 4a). Services, manufacturing, and government were also major employers, representing 17.9 percent, 14.8 percent, and 12.6 percent, respectively, of total employment. Together, these four broad sectors supplied 80 percent of the jobs in South Salt Lake. By 2000, their share had increased to 82 percent, mostly due to growth of government’s share to 15.5 percent. Over this period, construction employment grew from 8.0 percent of total employment in 1990 to 12.4 percent in 2000.

**Employment and Wages**

The Utah Department of Workforce Services provides data on the number of nonagricultural establishments, nonagricultural employment, total nonagricultural wages, and average monthly nonagricultural wages by community, or worksite district. DWS’ South Salt Lake worksite district does not coincide exactly with the city’s boundaries.<sup>2</sup> Therefore, employment numbers may overstate actual employment in the city prior to 1998, and likely understate employment since then. Nonetheless, we can consider DWS’s numbers to be at least a rough approximation of employment in the city. Note that there were problems with the 2001 data for South Salt Lake that could not be fixed; figures for that year have been omitted.

From 1990 through 2006, the number of establishments in South Salt Lake grew at an average annual rate of 1.9 percent, from 1,552 to 2,111. Over the same period, total employment increased 1.3 percent annually, from 25,424 to 31,272, just under half the rate of countywide employment growth (Table 7). The years 2000 and 2002 saw declines in the number of businesses, reflecting the effects of the national recession, but by 2003 they were increasing again and grew 13.0 percent in 2006 alone. Total employment peaked in 1996 at 31,613; as of 2006 it was still off that high by about 340, though it has been on the rise since

**Table 7**  
**Employment Characteristics of South Salt Lake, 1990–2006**

Year	Estab’s	Annual Change	Total Employment	Annual Change	Total County Employment	Annual Change
1990	1,552		25,424		368,698	
1991	1,597	2.9%	25,545	0.5%	379,013	2.8%
1992	1,633	2.3%	25,988	1.7%	390,679	3.1%
1993	1,648	0.9%	26,890	3.5%	412,458	5.6%
1994	1,662	0.8%	28,731	6.8%	438,085	6.2%
1995	1,766	6.3%	31,342	9.1%	463,909	5.9%
1996	1,876	6.2%	31,613	0.9%	485,985	4.8%
1997	1,937	3.3%	31,048	-1.8%	504,458	3.8%
1998	1,953	0.8%	30,651	-1.3%	519,238	2.9%
1999	1,966	0.7%	30,883	0.8%	531,329	2.3%
2000	1,818	-7.5%	27,372	-11.4%	545,153	2.6%
2002*	1,804	NA	29,356	NA	533,720	-2.0%†
2003	1,822	1.0%	27,940	-4.8%	527,955	-1.1%
2004	1,840	1.0%	27,827	-0.4%	535,409	1.4%
2005	1,869	1.6%	29,735	6.9%	555,055	3.7%
2006	2,111	13.0%	31,272	5.2%	579,780	4.5%
AARC	1.9%		1.3%		2.9%	

\*Figures for 2001 were omitted due to irreparable problems with the data for South Salt Lake.

†This is the change from 544,714 in 2001.

AARC = average annual rate of change.

Source: Utah Department of Workforce Services.

<sup>2</sup> Since at least 1990, the South Salt Lake worksite district has been bounded by the Jordan River on the west, then proceeding clockwise, the boundary follows 2100 South from the river east to I-15, south along

I-15 to I-80, east along I-80 to 700 East, south along 700 East to 3900 South, and west along 3900 South back to the Jordan River.

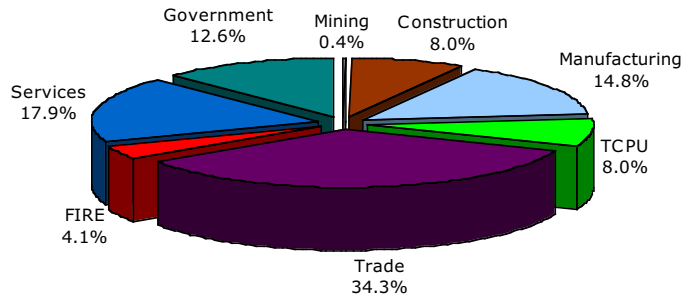
Construction was not only the fastest-growing sector from 1990 to 2000, increasing by an average of 5.2 percent annually, it was also the largest contributor to total employment growth over the period, responsible for 69.5 percent of new jobs. The next closest was government employment, growing 2.9 percent annually and contributing 53.7 percent of growth. These two contributions sum to more than 100 percent because significant losses in two sectors, mining and TCPU (transportation, communications, and public utilities), resulted in subtractions from employment growth. In fact, there were more jobs lost in TCPU from 1990 to 2000 than were gained in construction. Growth in service jobs contributed 29.2 percent of total growth, and the trade sector added 24.0 percent of total employment growth.

Due to data problems that could not be fixed, figures for 2001 were not included. From 2002 to 2006, total employment grew 1.6 percent annually to 31,272, led by job growth in professional and business services (up 6.1 percent annually to 5,143), TTU (up 2.2 percent per year to 8,098), and construction (up 3.4 percent annually to 3,708). Job growth in South Salt Lake contributed 4.2 percent of countywide growth, up considerably from its 1990–2000 contribution of 1.1 percent. Several sectors lost employment over the period, including information, which fell almost 20 percent annually to 217 jobs in 2006; leisure and hospitality, which declined from 1,008 to 876 jobs; and education and health services, which fell from 967 to 870 jobs.

In 2006, trade, transportation, and utilities was still the largest sector, with 8,098 jobs accounting for 25.9 percent of total employment (Figure 4b). TTU is an unfortunate conglomeration of sectors since wholesale and retail trade have little in common with transportation and utilities. At the city level it is not possible to disaggregate the data. However, looking at the employment figures for 2000, when trade accounted for one-third of total employment and transportation, communications, and public utilities represented only 1.9 percent, it is probably safe to say that most of the jobs in TTU are in trade.<sup>3</sup> The next largest source of jobs in 2006 was government employment with 5,623, representing 18.0 percent of jobs. Professional and business

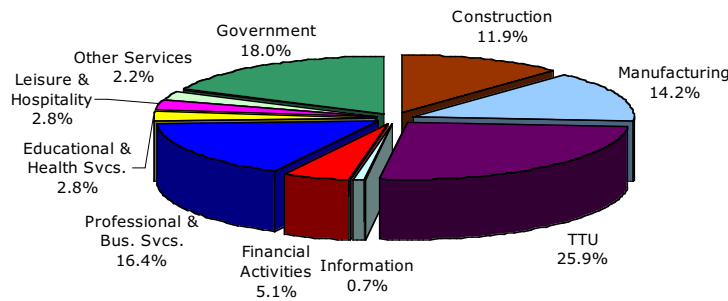
<sup>3</sup> Note that some subsectors that were classified as trade under the SIC system were reclassified as services under the NAICS system; e.g., restaurants are now considered leisure and hospitality services.

**Figure 4a**  
**Employment by Industry in South Salt Lake: 1990**



Source: Utah Department of Workforce Services.

**Figure 4b**  
**Employment by Industry in South Salt Lake: 2006**



Source: Utah Department of Workforce Services.

In 1990, South Salt Lake had a fairly strong relative concentration in construction, with nearly double the countywide share of employment in that sector. It also had a more modest concentration in trade, at 1.36 times the county share. By 2006, the city's construction specialization had declined somewhat to about three-quarters more than the county share. The city's concentration in wholesale and retail trade, reported as TTU, declined to only one-quarter more than the county. This may be due to larger shares of transportation and utilities employment in the county rather than to a greater share of trade employment, or it may be because a significant share of South Salt Lake's SIC trade employment was restaurant workers, who are classified under leisure and hospitality services in the NAICS system. From 1990 to 2006, South Salt Lake developed a concentration in manufacturing relative to the county, with 2006 employment shares more than one-and-a-half times the county share. Government employment has also become a concentration in the city, with a share about 20 percent higher than countywide.

### Wages

Total real wages (adjusted for inflation) in South Salt Lake grew 2.2 percent annually from 1990 to 2006, from \$818 million to almost \$1.2 billion (in constant 2006 dollars), a 42.4 percent total increase. The city's share of total wages in the county declined slightly over the period, from 6.7 percent to 5.2 percent. Inflation-adjusted average monthly wages increased at less than half the rate of total wages over the period, only 0.9 percent annually—15.8 percent total growth—from \$2,681 to \$3,105. In fact, real monthly wages fell slightly from 2000 to 2003, were higher but flat in 2004 and 2005, then increased in 2006. They were about 3 percent below the countywide average in both 1990 and 2006.

Looking at total wages by industry, trade was by far the dominant sector in 1990, paying 35.6 percent of all wages, \$186.2 million (in current dollars). The next largest sector was manufacturing, paying \$84.8 million or 16.2 percent. Other significant sectors



were services, at \$68.8 million and 13.2 percent of total wages; government, at \$65.5 million and 12.5 percent; and construction, at \$55.0 million and 10.5 percent. By 2000, trade, services, government, and construction had all increased their shares—to 37.4 percent, 14.0 percent, 14.2 percent, and 13.7 percent, respectively—while manufacturing’s share of total wages had declined to 14.4 percent.

In 2006, under the NAICS system, the trade, transportation, and utilities (TTU) sector paid the largest share of total wages with about 30 percent and \$356.3 million. The next largest payer was government at 16.2 percent and \$188.3 million.

Manufacturing and professional and business services both paid more than 14 percent of total wages (\$170.1 and \$166.7 million respectively), and construction paid \$147.1 million for one-eighth of total wages in 2006.

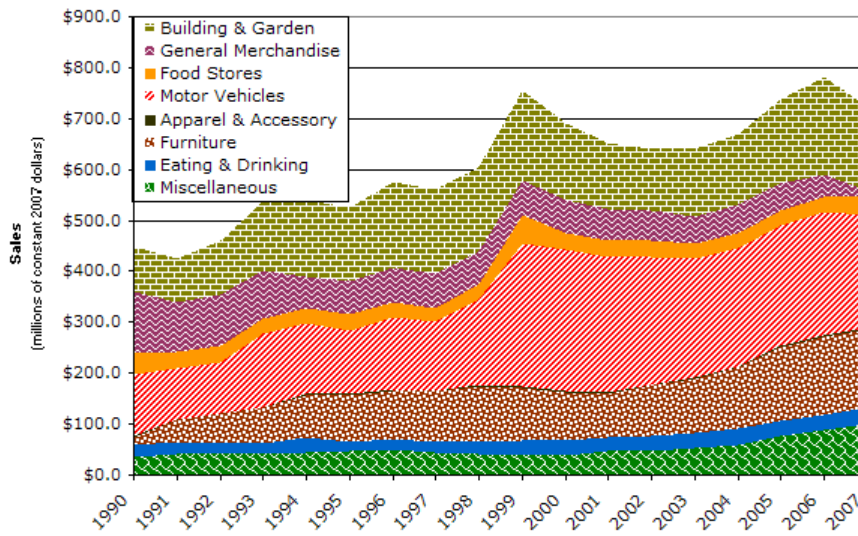
The industries paying the highest monthly wages in South Salt Lake in 1990 were mining (likely mining services), construction, and manufacturing. They paid average monthly wages (in current dollars) of \$3,366, \$2,252, and \$1,874, respectively. By 2006, under NAICS, financial activities, TTU, and construction were the highest-paying industries in South Salt Lake, with average monthly wages (in current dollars) of \$3,891, \$3,666, and \$3,305. While financial activities made up only 5.1 percent of total employment in the city, 25.9 percent of jobs were in TTU and 11.9 percent were in construction; thus, 42.9 percent of all nonagricultural jobs in South Salt Lake were in the three highest-paying sectors.

**Major Employers**

Marriott is the largest employer in South Salt Lake. It has four divisions at its Bearcat Drive location: Marriott Ownership Resorts, the time-share arm of the hospitality company, employs 500 to 999 people; Marriott Rewards employs 250 to 499; Marriott Reservations employs 100 to 249; and Marriott International Administration employs 20 to 49. The Granite School District is also a major employer, with 250 to 499 employees in its maintenance department and 100 to 249

employees each at Granite Park Junior High, Granite High School, Central High School, its food services division, and at the district level. Other firms employing 250 to 499 people in the city include Pacific Flyway (wholesale sporting goods), RC Willey, Seaboard Foods, and Westech Engineering (machinery manufacturing).

**Figure 5  
Retail Sales Activity by Category, 1990–2007**



Source: Utah State Tax Commission.

**Retail Sales**

Trade is a major source of employment in South Salt Lake and in 2007 the city had \$724.1 million in taxable retail sales. Retail sales in the city increased 2.9 percent annually, from \$447.9 million in 1990 (in constant 2007 dollars) (Figure 5). Within retail, furniture sales grew the fastest, up tenfold from

just \$15.5 million to \$155.4 million. In fact, furniture store sales almost tripled from 1990 to 1991 alone due to the opening of RC Willey on 300 West and 2300 South. Subsequent growth reflects not only the influence of RC Willey, but also the appearance of Best Buy in 2002 and the increasing number of home design stores in the city. Other retail categories that more than doubled sales over the period are building and garden and miscellaneous, the latter of which covers such diverse outlets as drug stores, office supply stores, and sporting goods stores. Motor vehicle sales more than doubled from \$123.0 million in 1990 to \$278.1 million in 1999, fell to \$232.1 million in 2004, grew again in 2005–06, but in 2007 were down to \$223.9 million.

**Table 8  
Retail Sales in South Salt Lake by Category as a Share of Total Retail Sales, 1990 and 2007**  
(millions of constant 2007 dollars)

	1990		2007	
	Sales	Share	Sales	Share
Total Retail	\$447.9	100%	\$724.1	100%
Building & Garden	\$86.9	19.4%	\$167.7	23.2%
General Merchandise	\$121.3	27.1%	\$11.5	1.6%
Food Stores	\$40.8	9.1%	\$33.0	4.6%
Motor Vehicles	\$123.0	27.5%	\$223.9	30.9%
Apparel & Accessory	\$1.9	0.4%	\$1.2	0.2%
Furniture	\$15.5	3.5%	\$155.4	21.5%
Eating & Drinking	\$24.3	5.4%	\$32.2	4.4%
Miscellaneous	\$34.2	7.6%	\$99.2	13.7%

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

Per capita retail sales are particularly high in South Salt Lake, at \$30,810 in 2007. Due to the 1998 annexation that added about 8,000 people, this is lower than they were in 1990 at \$43,999 and than a high of \$51,433 in 1996 (in constant 2007 dollars). Given that 2007 per capita sales are more than three times the statewide average and about 75 percent of median household income, it is evident that South Salt Lake draws shoppers from outside its borders, mostly to purchase autos and home furnishings and other home-improvement goods.

In 1990, motor vehicles and general merchandise were the largest categories of retail sales, each accounting for 27 percent of the \$447.9 million of total retail sales; building and garden stores claimed another 19 percent (Table 8). By 2007, motor vehicle sales



had grown to more than 30 percent of all retail sales, at \$223.9 million, while general merchandise had fallen to only 1.6 percent. Building and garden stores' \$167.7 million in sales accounted for almost one-quarter of retail sales, and furniture sales increased their share from 3.5 percent in 1990 to 21.5 percent in 2007.

## Real Estate

### Residential Inventory and New Construction

Given South Salt Lake's central urban location, it has few options for expanding its housing inventory. There is very little undeveloped land within the city's boundaries, so it can increase its housing stock only through redevelopment of existing properties, such as the mixed-use Market Station development, or through annexation of unincorporated areas of the county, which it has done in the past and recently proposed to Millcreek Township.

BEBR estimates South Salt Lake's current housing inventory to be over 9,000 dwelling units (Table 9), covering both single-family and multifamily homes. This is more than an 80 percent increase over the housing stock in 1990, representing an average annual growth rate of 3.4 percent. However, most of this gain came from the 1998 annexation, which added roughly 3,600 housing units. And in fact, the average annual growth rate was just 0.3 percent from 1990 to 1997 and 0.5 percent from 1998 to 2008. Just 4.6 percent of the current inventory was built since 2000, and although annual housing growth has been slow, it has picked up in recent years.

Since 1990, South Salt Lake has approved new residential construction valued at \$63.8 million (in constant 2008 dollars). From 1990 through 2004 annual total permit values averaged \$1.6 million and never exceeded \$3.1 million. The \$9.8 million Central Point condominium and retail development boosted 2005 values to \$11.8 million. In 2008 there were \$2.4 million in new single-family home permits and \$3.5 million in condominium and twin

home units.

Total sales of existing homes averaged around \$5.3 million per year in the late 1990s, then dropped to about \$1.8 million through 2005. They then jumped back up to \$5.6 million in 2006, to \$9.3 million in 2007, and were at \$5.5 million in 2008.

Since 1990, 270 new single-family homes have been built in South Salt Lake, 214 condominiums and townhomes, 100 apartment units, and 34 twin homes (Table 10). There have been very few new apartment buildings constructed in the city over the study period. The largest and most recent was the Salt Lake County Housing Authority's 84-unit Grace Mary Manor for the chronically

homeless, which opened in February 2008. Prior to that the Housing Authority built a 12-unit apartment complex at 19 West Gregson in 1995, and in 1993 a four-unit apartment building was built on West Temple at Sunset Ave. A new 114-unit market-rate apartment building recently received preliminary approval from the city council. Note that the Housing Authority units are not market-rate apartments, and as such are not part

of the city's owned or rented housing stock. Condos and townhomes account for almost one-third of new residential construction in the city, with most of the activity occurring in the last five years, including the 76-unit Central Pointe development at 2150 South Main built in 2005. The nascent Market Station mixed-use development is planning to add approximately 900 condominium units over the next several years, almost 10 percent of the current housing stock.

Single-family homes account for 43 percent of total new residential construction from 1990 through 2008. Construction of these peaked briefly in 1991 with 38, dropped to zero in 1993, then leveled off at about 10 new single-family homes per year from 1995 through 2001. For 2002 through 2006, there was an average of about 15 per year, which then jumped to 54 in 2007 then back to 18 in 2008. In addition, two large redevelopment projects have been granted preliminary approval by the planning department: the former site of Woodrow Wilson Elementary School, at 2800 South 200 East, will feature 52 single-family residences; and the Granite Administrative Office Property at 310 E. Penney Ave. will have 47 SFRs.

South Salt Lake has a particularly low rate of homeownership, with roughly 40 percent of housing units owner-occupied and 60 percent renter-occupied. While the concentration of new construction in single-family homes and condominiums may tilt the ratio toward increased ownership, recent troubles in the mortgage market and a rise in foreclosures could slow this process.

### Residential Real Estate Market

New home prices have seen consistent, real gains since 1995, with the exception of 2003 and 2008, when the median price declined 4.3 percent and 9.2 percent, respectively (Table 11). Until recently,

**Table 10**  
**Permit-Authorized New Dwelling Units in South Salt Lake, 1990–2008**

Year	Single-Family Homes	Duplexes and Twin Homes	Condominiums and Townhomes	Apartments (3 or more units)	Manufactured / Mobile Homes	Total
1990	10	0	0	0	0	10
1991	38	0	0	0	0	38
1992	2	0	0	0	0	2
1993	0	0	16	4	0	20
1994	1	4	0	0	0	5
1995	10	0	0	12	0	22
1996	11	0	0	0	1	12
1997	9	0	0	0	1	10
1998	13	0	0	0	0	13
1999	9	4	0	0	0	13
2000	8	8	8	0	0	24
2001	10	0	0	0	2	12
2002	17	0	0	0	3	20
2003	15	0	8	0	0	23
2004	17	0	22	0	0	39
2005	14	0	80	0	1	95
2006	14	0	30	0	0	44
2007	54	12	22	84	0	172
2008	18	6	28	0	0	52
<b>Total</b>	<b>270</b>	<b>34</b>	<b>214</b>	<b>100</b>	<b>8</b>	<b>626</b>

Source: Construction Monitor and South Salt Lake City Planner.

**Table 9**  
**Occupied and Total Dwelling Units in South Salt Lake, 1990–2008**

Year	Occupied Dwelling Units	Total Dwelling Units
1990	4,421	4,984
1991	4,447	4,994
1992	4,498	5,032
1993	4,517	5,034
1994	4,551	5,054
1995	4,571	5,059
1996	4,606	5,081
1997	4,632	5,093
1998	7,953	8,718
1999	7,989	8,731
2000	8,022	8,742
2001	8,162	8,761
2002	8,275	8,773
2003	8,379	8,793
2004	8,471	8,816
2005	8,567	8,855
2006	8,709	8,950
2007	8,793	8,994
2008f	8,961	9,166

f. forecast

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

most annual increases were less than 5 percent, adjusting for inflation, except for a 12.0 percent jump in 2001. However, from 2004 through 2007 prices grew about 9 or 10 percent each year, including 13.3 percent in 2004. Between 1995 and 2008 the median price of a new home in South Salt Lake increased by two-thirds, from \$141,683 to \$236,001.

**Table 11**  
**Median New Home Price in South Salt Lake, 1995–2008**  
(constant 2008 dollars)

Year	Median Price	Annual Change
1995	\$141,683	
1996	\$144,476	2.0%
1997	\$148,643	2.9%
1998	\$151,080	1.6%
1999	\$153,637	1.7%
2000	\$159,912	4.1%
2001	\$179,105	12.0%
2002	\$184,588	3.1%
2003	\$176,675	-4.3%
2004	\$200,143	13.3%
2005	\$219,698	9.8%
2006	\$239,146	8.9%
2007	\$259,874	8.7%
2008	\$236,001	-9.2%

Source: NewReach, Inc. and Wasatch Front Regional Multiple Listing Service.

Sales of existing homes in South Salt Lake have been fairly volatile over the past decade (Table 12). While the median sales price, in constant 2008 dollars, increased 26 percent from \$125,692 in 1996 to \$158,500 in 2008, annual price changes have fluctuated from declines of as much as 20.5 percent to gains as large as 22.2 percent. From 1999 through 2005, annual changes oscillated between gains and losses, culminating in a 22.2 percent increase in 2005 over 2004 prices. Price increases continued in 2006 and 2007 as South Salt Lake joined in Utah's real estate boom. However, the median sales price in 2008 was down 0.4 percent over the previous year's. Forty-three percent fewer homes were sold and they were on the market an average of 75 percent longer. South Salt Lake residential real estate now appears to be sharing in the nationwide real estate bust.

**Nonresidential Construction**

Nonresidential construction reflects capital investment in new buildings and structures. However, due to the size and duration of

**Table 12**  
**Existing Home Sales in South Salt Lake, 1996–2008**  
(constant 2008 dollars)

Year	Median Sales Price	Annual Change	DOM	Number Sold
1996	\$125,692		80	43
1997	\$125,460	-0.2%	82	40
1998	\$137,161	9.3%	88	42
1999	\$140,739	2.6%	106	37
2000	\$123,097	-12.5%	134	13
2001	\$130,396	5.9%	132	14
2002	\$119,631	-8.3%	179	15
2003	\$132,749	11.0%	74	16
2004	\$105,488	-20.5%	61	8
2005	\$128,917	22.2%	62	21
2006	\$140,171	8.7%	54	41
2007	\$159,215	13.6%	58	58
2008	\$158,500	-0.4%	102	33

Note: Covers single-family homes and condominiums.  
DOM = days on market.  
Source: Wasatch Front Regional Multiple Listing Service.

most commercial projects, they are vulnerable to changes in the economic climate. Projects are generally begun during economic expansions but may finish during a contraction. This leads to volatility in nonresidential construction. Since 1995, \$240.3 million in new nonresidential construction permits have been issued in South Salt Lake. Almost three-quarters of this was due to additions and alterations (\$83.2 million), industrial buildings (\$49.0 million), and public buildings and projects (\$44.3 million) (Table 13).

Since 2001, the permit value of new nonresidential construction in South Salt Lake has fluctuated between about \$9 million and about \$23 million in constant 2008 dollars. Prior to 2001, however, nonresidential construction was much more volatile, ranging from a low of \$2 million in 1996 to a high of \$53 million in 1999. The latter amount included the beginning of construction on the new county jail, a new water treatment plant (the permit was issued in December 1999), and a major remodel of what was IASIS Healthcare's hospital on State Street (permit issued in November 1999).

Other major nonresidential construction projects in the city include the Office Depot at 300 West 2100 South in 1996, with the Best Buy next door built in 2002; the Century 16 movie theater at 125 East 3300 South built in 1998; and the Center Square Medical Center Cancer Clinic at 3900 South and 700 East.

**Table 13**  
**Value of Nonresidential Construction in South Salt Lake, 1995–2008**  
(thousands of constant 2008 dollars)

Year	Hotels & Motels	Churches	Industrial, Warehouse, Manufacturing	Hospital & Institutional	Office, Bank, Professional	Retail & Restaurant	Public	Other	Additions and Alterations	Total
1995	\$0.0	\$0.0	\$3,160.5	\$0.0	\$0.0	\$927.0	\$0.0	\$0.0	\$3,032.1	\$7,119.6
1996	\$0.0	\$0.0	\$584.0	\$0.0	\$638.2	\$0.0	\$0.0	\$188.1	\$756.9	\$2,167.3
1997	\$0.0	\$0.0	\$2,638.9	\$0.0	\$0.0	\$381.8	\$0.0	\$119.2	\$5,393.5	\$8,533.4
1998	\$3,012.3	\$0.0	\$4,963.1	\$0.0	\$508.1	\$0.0	\$8,059.4	\$9,159.2	\$3,693.1	\$29,395.1
1999	\$0.0	\$2,590.5	\$5,580.0	\$0.0	\$1,674.5	\$2,216.5	\$19,938.0	\$3,404.6	\$17,536.8	\$52,941.0
2000	\$0.0	\$1,717.5	\$3,928.6	\$0.0	\$0.0	\$1,071.5	\$8,440.0	\$2,643.0	\$8,772.1	\$26,572.7
2001	\$0.0	\$2,185.8	\$3,679.5	\$0.0	\$911.0	\$1,958.1	\$1,557.8	\$1,063.1	\$7,775.7	\$19,131.0
2002	\$0.0	\$0.0	\$1,588.1	\$0.0	\$6,115.6	\$5,440.2	\$3,179.4	\$339.6	\$6,782.7	\$23,445.6
2003	\$0.0	\$0.0	\$2,458.9	\$0.0	\$670.3	\$730.6	\$0.0	\$32.4	\$10,516.6	\$14,408.8
2004	\$0.0	\$0.0	\$3,887.1	\$0.0	\$1,915.9	\$684.2	\$407.1	\$1,566.4	\$6,898.6	\$15,359.3
2005	\$0.0	\$0.0	\$2,641.3	\$0.0	\$874.2	\$542.2	\$249.2	\$169.5	\$5,048.9	\$9,525.4
2006	\$0.0	\$0.0	\$4,094.4	\$0.0	\$4,822.5	\$1,284.0	\$0.0	\$821.4	\$2,764.0	\$13,786.4
2007	\$0.0	\$0.0	\$9,784.5	\$1,141.0	\$0.0	\$83.0	\$2,489.3	\$169.1	\$4,259.9	\$17,926.7
2008	\$0.0	\$0.0	\$2,689.2	\$0.0	\$1,100.0	\$0.0	\$0.0	\$480.6	\$4,714.3	\$8,984.1
Total	\$3,012.3	\$6,493.8	\$48,989.0	\$1,141.0	\$18,130.4	\$15,319.1	\$44,320.2	\$19,675.6	\$83,231.1	\$240,312.5

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

**Table 14**  
**Municipal Revenues and Expenditures in South Salt Lake, 1990 and 2007**  
 (constant 2007 dollars)

Revenues	FY1990		FY2007		Change
	Amount	Share	Amount	Share	
Property Tax Total	\$1,091,804	10.1%	\$6,204,128	24.4%	468.2%
Sales and Use Taxes	\$6,297,609	58.4%	\$13,288,555	52.2%	111.0%
Franchise Taxes, License and Permit Fees	\$818,974	7.6%	\$1,656,019	6.5%	102.2%
Revenue from Other Sources	\$2,567,236	23.8%	\$4,328,594	17.0%	68.6%
<b>Total Revenue</b>	<b>\$10,775,623</b>	<b>100%</b>	<b>\$25,477,296</b>	<b>100%</b>	<b>136.4%</b>
Expenditures	FY1990		FY2007		Change
	Amount	Share	Amount	Share	
Government Administration	\$1,824,328	11.7%	\$4,395,400	21.2%	140.9%
Public Safety	\$4,508,438	28.9%	\$11,643,718	56.1%	158.3%
Environment and Housing	\$3,440,312	22.0%	\$1,757,267	8.5%	-48.9%
Transportation	\$1,119,414	7.2%	\$2,777,712	13.4%	148.1%
Interest on Debt	\$1,172,919	7.5%	\$192,720	0.9%	-83.6%
<b>Total Expenditures</b>	<b>\$15,622,120</b>	<b>100%</b>	<b>\$20,766,817</b>	<b>100%</b>	<b>32.9%</b>
<b>Salaries and Wages*</b>	<b>\$4,858,531</b>	<b>31.1%</b>	<b>\$9,636,269</b>	<b>46.4%</b>	<b>98.3%</b>

\*Included in preceding expenditure items.

Source: Center for Public Policy and Administration, University of Utah, Local Government Finances; Utah State Auditor, Survey of Local Governments.

### Property Taxes and Sales and Use Taxes

Figure 6 shows annual figures for property taxes and sales and use taxes from fiscal year 1990 to fiscal year 2007. All amounts are in constant 2007 dollars. Over the period, property tax revenue grew 468.2 percent, averaging 10.8 percent annually. However, this large increase was driven mainly by a 134 percent tax rate hike in 2007 in response to decreased sales tax disbursements from the state. Property tax revenue more than doubled from 2006 to 2007, from \$3.0 million to \$6.2 million. From 1990 to 2006, property taxes increased 172 percent, for an average annual increase of 6.5 percent.

### City Finances

In fiscal year 2007 the South Salt Lake municipal government received over \$25 million in revenue and spent nearly \$21 million (Table 14). Most revenue, \$13.3 million or 52.2 percent, came from sales and use taxes. Property taxes contributed \$6.2 million, or nearly one-quarter, while franchise taxes and license and permit fees brought in \$1.7 million, just 6.5 percent of the total. On the expenditure side, public safety claimed the largest share, 56.1 percent, at \$11.6 million in 2007. This includes police, fire, and protective inspection and regulation. The next largest expense category was government administration, at \$4.4 million and 21.2 percent of outlays. This covers central administration, general municipal buildings, planning and zoning, and city courts and attorneys. Over one-eighth of expenditures, \$2.8 million, went toward transportation-related items (roads and streets; sidewalks, curbs, and gutters; and street lighting) and 8.5 percent, \$1.8 million, went toward environment and housing items, including waste management, parks and recreation, and redevelopment agencies. Salaries and wages within these categories accounted for 46.4 percent of total expenditures.

Total city revenue increased 136.4 percent, adjusted for inflation, over its fiscal year 1990 level of \$10.8 million (in constant 2007 dollars). Property taxes saw the largest relative increase over the period, 468.2 percent, and their share of total revenue more than doubled. Expenditures also grew, though not nearly as fast; they were one-third higher in 2007 than the \$15.6 million spent in 1990. In 1990, sales and use taxes made up 58.4 percent of total revenue, property taxes contributed 10.1 percent, and franchise taxes and license and permit fees accounted for 7.6 percent. "Other sources" contributed 23.8 percent of revenue, including \$200,000 (in constant 2007 dollars) in federal block grants, \$389,000 in state road funds, and almost \$1.9 million in "miscellaneous" revenues. Among outlays in 1990, the three largest were public safety, with 28.9 percent of total expenditures, environment and housing at 22.0 percent, and government administration at 11.7 percent. Salaries and wages claimed 31.1 percent of total expenditures.

Sales and use taxes grew a more modest 111 percent from 1990 to 2007, an average annual increase of 4.5 percent. Revenues rose more or less steadily from 1990 to 2001, then fell in 2002 and 2003 as the recession cut spending. They peaked again in 2006 at \$14.9 million (in constant 2007 dollars), but were down to \$13.3 million in 2007, due at least in part to a change in the state's distribution formula. The city has proposed annexing Millcreek Township in part to increase its residential population, which would improve its sales tax distributions.

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**Figure 6**  
**Property and Sales Tax Revenues in South Salt Lake, FY1990-FY2007**  
 (millions of constant 2007 dollars)



Note: Property tax data for 1996 were not available.  
 Source: Local Government Finances, Center for Public Policy and Administration, University of Utah; Utah State Auditor, Survey of Local Governments; and Utah State Tax Commission.



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