ECONOMIC REPORT to the GOVERNOR

Utah Economic Council
Kem C. Gardner Policy Institute
Governor’s Office of Management and Budget
Utah Office of Tourism
Governor’s Office of Economic Development
Department of Natural Resources
Southern Utah University
University of Utah
Department of Workforce Services

Economic Development Corporation of Utah
Office of the Utah State Auditor
Silicon Slopes
Utah Defense Alliance
Utah Department of Agriculture and Food
Utah Foundation
Utah Office of the Legislative Fiscal Analyst Utah
Nonprofits Association
Utah State Board of Education

Utah State Tax Commission
Utah State University
Ivory Homes
CBRE
EconWest
Salt Lake Chamber
Utah System of Higher Education
World Trade Center Utah
Zions Bank

Max Backlund
Mallory Bateman
Andrea Brandley
Miranda Jones Cox
Eric Cropper
Jill Curry
Phil Dean
John Downen
Trisha Duovic
Dejan Eskic
Dale Frost
John Gilbert
Caroline Hargraves

Thomas Holst
Michael Hogue
Jace Jones
Leslee Katayama
Mark Knold
Jacoba Larsen
Patrick Lee
Jennifer Leaver
Drew Maggelet
Thomas Martineau
Carrie Mayne
Kirin McInnis
Darin Mellott

Stephanie Mills
Collin Mosquito
Amanda Ortega
Levi Pace
Michael Parker
Pamela S. Perlich
Peter Reichard
Jennifer Robinson
Kate Rubalcava
Andrew Rupke
Shannon
Simonsen
Robert Spendlove

Joshua Spolsdf
Kevin Sullivan
Laura Summers
Jared Staheli
Brandy Strand
David Stringfellow
Nate Talley
Shawn Teigen
Juliette Tennert
Michael Vanden Berg
Andrew Wilko
James Wood

Kem C. Gardner Policy Institute
DAVID ECCLES SCHOOL OF BUSINESS
UNIVERSITY OF UTAH
Historically challenging year...

Global Business Cycle, December 2020

Source: Moody's Analytics
Poised for a rebound...

- Utah fared the pandemic recession better than other states
- Vaccines in arms
- Pent up demand
- Excess savings
- Inventory rebuilding
- **Federal stimulus**

---

**Graph:**

- **Personal Income:**
  - 2020: 1.6%
  - 2021: 8.8%
- **Jobs:**
  - 2020: -1.4%
  - 2021: 3.8%
- **Unemployment:**
  - 2020: 4.0%
  - 2021: 4.9%
- **Total Wages:**
  - 2020: 6.0%
  - 2021: 7.9%
- **Taxable Sales:**
  - 2020: 5.8%
  - 2021: 6.3%

**Source:** Utah Economic Council
Utah Employment Change by Industry

2019-2020

Mining: -7.2%
Construction: -1.0%
Manufacturing: -3.4%
Trade, Trans, Utilities: -1.0%
Information: -3.0%
Financial Activity: 3.6%
Prof, & Business Services: 0.3%
Education & Health Services: -12.3%
Leisure & Hospitality: -0.5%
Other Services: -3.4%
Government: -1.7%

Source: Utah Department of Workforce Services, Workforce Research and Analysis
Utah Components of Population Change

Source: Kem C. Gardner Policy Institute
Utah’s Top Ten Exports
Percent of total value excluding gold

Note: Data through October 2020. Gold accounted for 50% of Utah’s exports through October of 2020
Source: USA Trade Online
Utah Value of New Construction

Millions of Dollars

Source: Ivory-Boyer Construction Database, Kem C. Gardner Policy Institute
Housing Affordability Concerns
Top 25 metro areas ranked by median sales price of single-family homes, Q1 2020

<table>
<thead>
<tr>
<th>Area</th>
<th>Price</th>
<th>Year-over % Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salem, OR</td>
<td>$331,400</td>
<td>13.4%</td>
</tr>
<tr>
<td>Colorado Springs, CO</td>
<td>$339,100</td>
<td>14.4%</td>
</tr>
<tr>
<td>Austin-Round Rock, TX</td>
<td>$341,500</td>
<td>12.6%</td>
</tr>
<tr>
<td>Salt Lake City, UT</td>
<td>$372,100</td>
<td>12.3%</td>
</tr>
<tr>
<td>Miami-Fort Lauderdale-West Palm Beach, FL</td>
<td>$375,000</td>
<td>7.1%</td>
</tr>
<tr>
<td>Newark, NJ-PA</td>
<td>$388,000</td>
<td>7.9%</td>
</tr>
<tr>
<td>Sacramento-Roseville-Arden Arcade, CA</td>
<td>$392,300</td>
<td>9.0%</td>
</tr>
<tr>
<td>Riverside-San Bernardino-Ontario, CA</td>
<td>$393,000</td>
<td>7.7%</td>
</tr>
<tr>
<td>Reno, NV</td>
<td>$407,600</td>
<td>7.7%</td>
</tr>
<tr>
<td>Portland-Vancouver-Hillsboro, OR-WA</td>
<td>$416,100</td>
<td>6.5%</td>
</tr>
<tr>
<td>New York-Newark-Jersey City, NY-NJ</td>
<td>$420,300</td>
<td>6.0%</td>
</tr>
<tr>
<td>Barnstable Town, MA</td>
<td>$426,600</td>
<td>4.7%</td>
</tr>
<tr>
<td>Bridgeport-Stamford-Norwalk, CT</td>
<td>$432,100</td>
<td>7.7%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Area</th>
<th>Price</th>
<th>Year-over % Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Washington-Arlington-Alexandria, DC-VA-MD-WV</td>
<td>$438,900</td>
<td>4.5%</td>
</tr>
<tr>
<td>Denver-Aurora, CO</td>
<td>$473,800</td>
<td>6.1%</td>
</tr>
<tr>
<td>Naples-Immokalee-Marco Island, FL</td>
<td>$480,000</td>
<td>11.9%</td>
</tr>
<tr>
<td>Nassau County-Suffolk County, NY</td>
<td>$487,700</td>
<td>2.8%</td>
</tr>
<tr>
<td>Boston-Cambridge-Newton, MA</td>
<td>$494,400</td>
<td>7.2%</td>
</tr>
<tr>
<td>Seattle-Tacoma-Bellevue, WA</td>
<td>$554,500</td>
<td>11.5%</td>
</tr>
<tr>
<td>Los Angeles-Long Beach-Glendale, CA</td>
<td>$592,800</td>
<td>8.1%</td>
</tr>
<tr>
<td>San Diego-Carlsbad, CA</td>
<td>$670,000</td>
<td>8.1%</td>
</tr>
<tr>
<td>Honolulu, HI</td>
<td>$788,800</td>
<td>-0.7%</td>
</tr>
<tr>
<td>Anaheim-Santa Anna-Irvine, CA</td>
<td>$875,000</td>
<td>9.4%</td>
</tr>
<tr>
<td>San Francisco-Oakland-Hayward, CA</td>
<td>$985,000</td>
<td>5.9%</td>
</tr>
<tr>
<td>San Jose-Sunnyvale-Santa Clara, CA</td>
<td>$1,350,000</td>
<td>10.7%</td>
</tr>
</tbody>
</table>

Source: National Association of Realtors
Utah National Park and Skier Visits (millions)

* 2020 national park visits are estimated. 2020 skier days will be released in June 2021. Skier days include the season that begins with the year shown (e.g., 2019 = 2019–2020 ski season).

Source: U.S. National Park Service and Ski Utah
K-Shaped Recovery Illustration

**Prior to COVID-19**
- Economic Activity

**Economic Recession**
- Economic Activity

**Recovery**
- Economic Activity

**Thrives/returns to Pre-COVID level**
- Professional and technical occupations
- Tech industries
- Construction
- Higher income households

**Struggles/needs assistance**
- Arts, entertainment, and recreation
- Accommodation and food
- Multi-cultural communities
- Rural
- Pink collar/women
- Lower income households

Source: Kem C. Gardner Policy Institute
Utah COVID-19 Hospitalizations Per 1,000 Cases

As of December 1, 2020

<table>
<thead>
<tr>
<th>Race/Ethnicity</th>
<th>Hospitalizations Per 1,000 Cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>Native Hawaiian/Pacific Islander</td>
<td>94.9</td>
</tr>
<tr>
<td>American Indian/Alaskan Native</td>
<td>91.8</td>
</tr>
<tr>
<td>Black/African American</td>
<td>51.9</td>
</tr>
<tr>
<td>Asian</td>
<td>50.4</td>
</tr>
<tr>
<td>Hispanic or Latino</td>
<td>43.7</td>
</tr>
<tr>
<td>White alone</td>
<td>41.3</td>
</tr>
<tr>
<td>Other Race</td>
<td>42.3</td>
</tr>
<tr>
<td>Unknown</td>
<td>9.3</td>
</tr>
</tbody>
</table>

Source: Utah Department of Health COVID-19 Surveillance
Pandemics Do End

For the first time since the pandemic hit, there appears a clear path to a full economic recovery. It won’t be an easy path, given the longer-term economic fallout from the pandemic, but we are finally on our way.

Mark Zandi, Moody’s Analytics
A New World …

“Historically, pandemics have forced humans to break with the past and imagine their world anew. This one is no different. It is a portal, a gateway between one world and the next.”

- Arundhati Roy, author
## Recommended Investments in the Utah Economy

*Through federal stimulus, cash-on-hand, or bonding*

<table>
<thead>
<tr>
<th>Investment</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Targeted grant programs</td>
<td>$60 million</td>
</tr>
<tr>
<td>Rental and mortgage assistance</td>
<td>$30 million</td>
</tr>
<tr>
<td>Job signing assistance and bonus program</td>
<td>$10 million</td>
</tr>
<tr>
<td>Broadband infrastructure and digital equity</td>
<td>$50-$100 million</td>
</tr>
<tr>
<td>Workforce training</td>
<td>$25-$50 million</td>
</tr>
<tr>
<td>Air quality solutions</td>
<td>$400 million</td>
</tr>
<tr>
<td>Rural Utah supply chain and economic diversity</td>
<td>$10 Million</td>
</tr>
<tr>
<td>Utah’s unique and beautiful outdoor assets</td>
<td>$90 million</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$675-$750 million</strong></td>
</tr>
</tbody>
</table>

Source: COVID-19 Economic Work Group