

Appendix B

MEMORANDUM

To: City of West Valley City Staff: Steve Pastorik, Steve Lehman
From: Chris Zahas, David Fiske, Ellen Bini, Leland Consulting Group
CC: Callie New, Christian Snelgrove, Haley Demircan, WSP; Ryan Wallace, Emily Seang, MHTN
Date: 10/4/24
Re: Housing, Economic Development, and Demographics Memo

INTRODUCTION

WSP, in partnership with Leland Consulting Group and MHTN Architects, has provided an existing conditions memo for West Valley City. Each firm has produced a memo, which supports the larger Station Area Planning process for the Decker Lake, Redwood Junction, and River Trail TRAX station areas and their surrounding one-half mile radius areas. Each firm has focused on topics that are most relevant to their services provided:

Memo 1: Provided by WSP. Describes demographics, land use and zoning, transportation, and quality of life trends for the city and station areas.

Memo 2: Provided by Leland Consulting Group. As the land within these station areas is mostly developed, the following analysis provides an assessment of local housing, economic, and real estate market conditions as a basis for identifying sites with the greatest potential for redevelopment. In addition to helping ground the planning process in market reality, this analysis also includes broader considerations to support meeting state-required objectives regarding housing, environmental sustainability, access to opportunities, and transportation choice and connections.

Memo 3: Provided by MHTN Architects. Describes community amenities and services accessible within the station area as well as the built form.

Memo Contents

This memo is organized as follows:

- **West Valley City Market Overview:** including a review of key demand and supply drivers that shape the demand for future residential and commercial development.
- **Station Area Profiles and Market Outlook:** the analysis then delves into each station area, providing a profile of the local demographics, existing and recent development, key characteristics relevant to redevelopment potential, and the market outlook for different development types.

Key Findings

Key findings from this analysis include:

- **Continued Growth Expected in City and Region:** Despite a slight slowdown in population growth in recent years, projections from the Wasatch Front Regional Council indicate that West Valley City is expected to continue growing along with the region in the coming decades. Local demographic shifts—including rising incomes, as well as growing household sizes, counter to the region—suggest that a range of both housing types and commercial development will be needed to support future growth. While the City has seen a recent increase in the pace of residential development, it will need to continue this pace trend to accommodate expected growth through 2050.
- **Balancing Needs in Station Area Redevelopment:** The station areas considered for this plan currently serve a range of functions, encompassing both residential development and key employment areas for the city. Balancing the needs of current residents and business owners will need to be considered as redevelopment proceeds in this area.
- **Opportunity for Transit-Supportive Development:** Of the station areas, Decker Lake has seen the largest amount of commercial development—driven by the Maverik Center and surrounding entertainment district—and is in the process of adding over 500 housing units. This scale of development may help open the door for additional transit-supportive development in the station areas and city.

WEST VALLEY CITY MARKET OVERVIEW

At its core, market analysis compares existing development supply to demand in order to assess the potential for new development within a defined area.

Market Demand. Demand drivers for new development can differ by development type, but are generally influenced by the following factors:

- Anticipated population and/or economic growth
- Changing consumer preferences or a mismatch of existing supply with user needs
- Macroeconomic trends
- Government regulations and incentives

Market Supply. The amount of demand that can be accommodated by an area, or “market capture,” is shaped by:

- Regulatory factors, such as zoning and resulting development intensities
- Market factors, such as land prices and the presence of active developers
- Physical factors, such as site-specific dimensions and infrastructure access

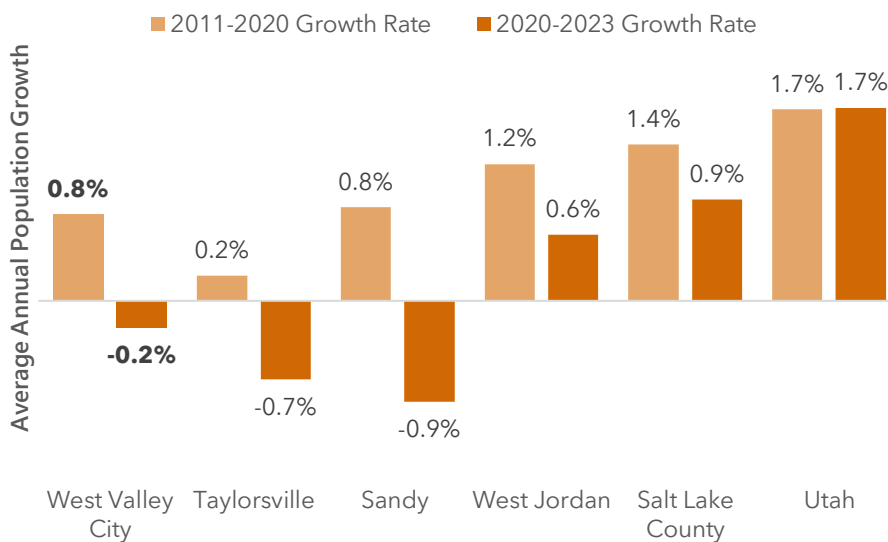
To provide a foundation for assessing the station areas’ redevelopment potential, the following section provides a high-level analysis of these key drivers—with a more detailed assessment of market dynamics, including local factors relevant to redevelopment—at the station area level in the *Station Area Profiles and Market Outlook* section.

Demographic and Economic Trends

Variability in Local Population Growth

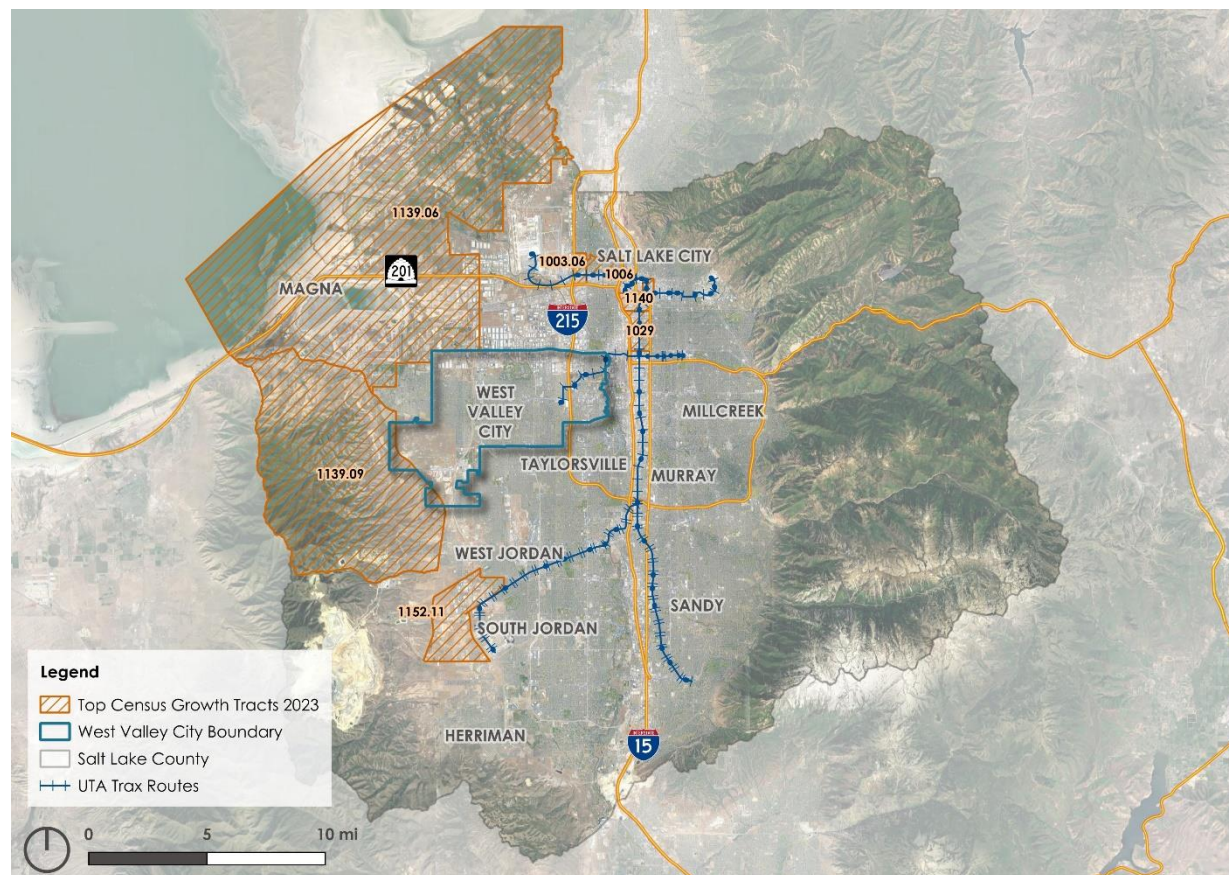
From 2011—the year of West Valley City’s connection to the TRAX Green Line—to 2020, the city saw **an annual population growth rate (0.8 percent) that was comparable to its neighbors, but slower than the county and state overall**. For the more recent **2020-2023 period, West Valley City, Sandy and Taylorsville saw modest declines in population** while the state and county continued to grow. However, analysis by the Kem C. Gardner Policy Institute demonstrates that population **growth is highly variable within the region’s cities**. The Institute’s Wasatch Front Subcounty Estimates 2020-2023 show that one of the Wasatch Front’s ten fastest-growing census tracts in 2023 (out of 531) includes a southwest portion of West Valley City (which is well outside the study area of this plan), shown in Figure 2. While this tract primarily covers Magna, it includes newer development in West Valley City, such as the Sunset Hills development. Out of seven fastest-growing tracts located in Salt Lake County shown in Figure 2, five contain a TRAX station.

Figure 1. Population Growth Rates, 2011-2020 and 2020-2023



Source: Kem C. Gardner Policy Institute Population Estimates.

Figure 2. Census Tracts with the Largest Absolute Population Increases in the Wasatch Front, 2023, Salt Lake County (Leading Tracts in Utah and Davis Counties Not Shown)



Source: Kem C. Gardner Policy Institute Wasatch Front Subcounty Estimates 2020–2023, LCG.

Long-range Growth Projections Suggest Continued Housing Demand

Salt Lake County's population is projected to grow by an estimated 40.7 percent from 2020–2060.¹ During this period, much more significant growth—at 73.6 percent—is expected for county households, due to declining household sizes. Household growth projections for the city level can be estimated using models published by the Wasatch Front Regional Council (WFRC). Because WFRC's models are developed to support long-range transportation planning, city projections are based on estimates for smaller traffic analysis zones (TAZ)—which align closely—but not perfectly—with city boundaries. WFRC projects 40 percent growth in households for the West Valley City area from 2020 to 2050 (the furthest projection year for WFRC's model)—slower growth than the county's projected 55 percent. **WFRC's projected growth for West Valley City translates to an estimated 553 new households per year over the next 30-year period, which would continue driving demand for housing and other services within West Valley City and the region.** Note that as a projection from a regional government body, this estimated pace of growth may be more aggressive than

¹ Utah Long-Term Planning Projections, Kem C. Gardner Institute, 2022.

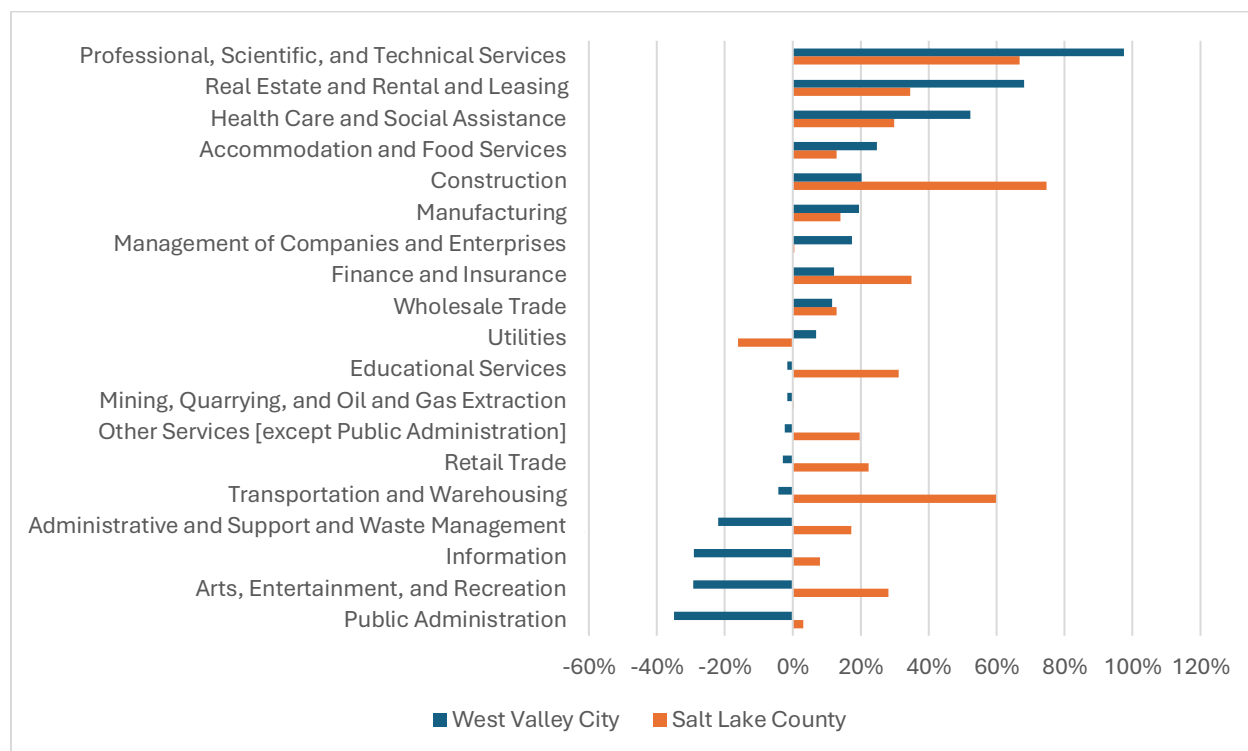
current City policy or development regulations could sustain over the coming decades, though it is an indication that demand for housing is likely to remain strong.

Employment Growth Suggests Opportunity in Key Sectors

Employment is expected to grow at a faster rate (57.7 percent) than population for Salt Lake County over the 2020-2060 period, from 945,896 jobs in 2020 to 1,491,496 jobs in 2060. Leading growth sectors include construction, professional, scientific and technical services, and health care and social services—which collectively account for 45 percent of the employment growth forecast for the 40-year period.

According to the US Census Longitudinal Employer-Household Dynamics (LEHD) dataset, employment in West Valley City grew at a much slower rate from 2011-2021 than the whole of Salt Lake County, at 8 percent and 28 percent, respectively. However, while the county outpaced West Valley City in growth rate across most employment categories, West Valley City grew faster than the county in several key industries. The city's fastest-growing industries of professional services, real estate, and health care expanded faster than those same industries across the county. Figure 3 below shows the ten-year industry change between West Valley City and Salt Lake County.

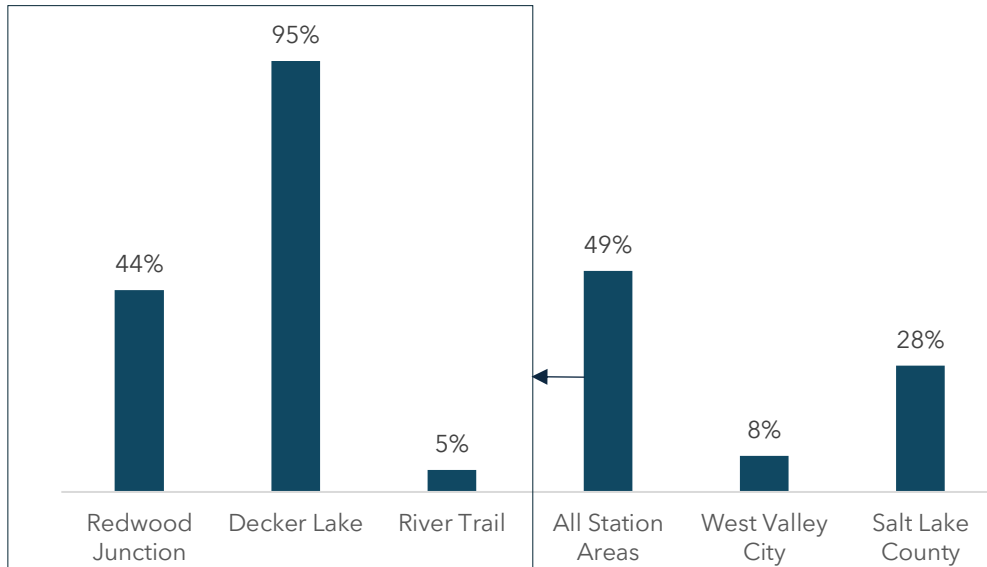
Figure 3. West Valley City and Salt Lake County, 10-year Employment Change, 2011-2021



Source: US Census Longitudinal Employer-Household Dynamics (LEHD) 2011-2021 (Agriculture job sample size too small in West Valley City for meaningful comparison)

While West Valley City saw modest employment growth, as a whole, the three station areas of this study grew at a much faster rate, seeing total employment increase by about 49 percent. Figure 4 below compares the employment growth between the three geographies, the city, and the county.

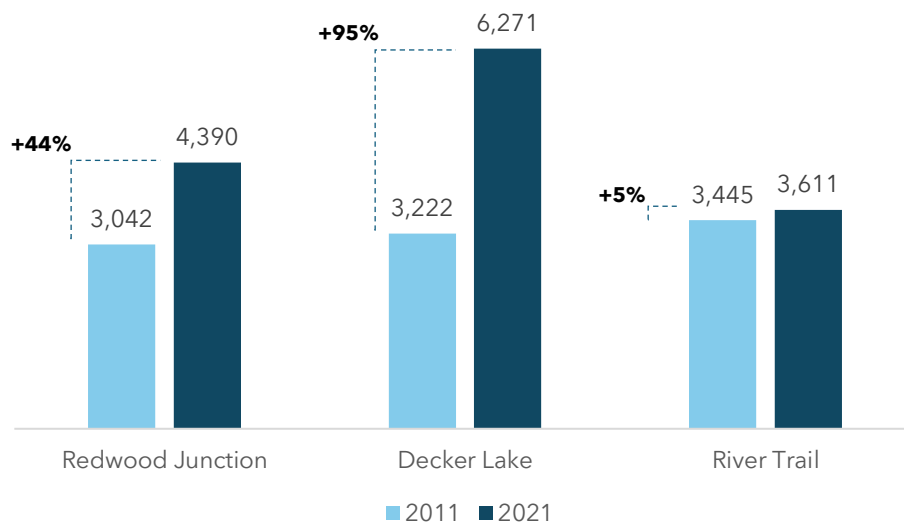
Figure 4. Total Employment Change, 2011-2021



Source: US Census Longitudinal Employer-Household Dynamics (LEHD) 2011-2021

Among the three station areas, Decker Lake saw the most significant growth, at 95 percent, followed by 44 percent in Redwood Junction, and 5 percent in River Trail.

Figure 5. West Valley City Stations, Total Employment Change, 2011-2021



Source: US Census Longitudinal Employer-Household Dynamics (LEHD) 2011-2021. *Note: Some jobs are counted twice across Decker Lake and Redwood Junction because of overlapping geographies.*

This growth accounted for over 80 percent of West Valley City's overall employment growth from 2011-2021, as healthcare jobs in the three station areas increased from 728 to over 2,800 in the ten-year span, and professional services jobs increased from about 900 to 2,600. Additionally, nearly 2,000 finance and insurance jobs were added, and the construction industry grew by 60 percent in ten years. These growth trends indicate that both housing and employment are in demand within these study areas.

Figure 6. Employment Distribution by Industry, 2021

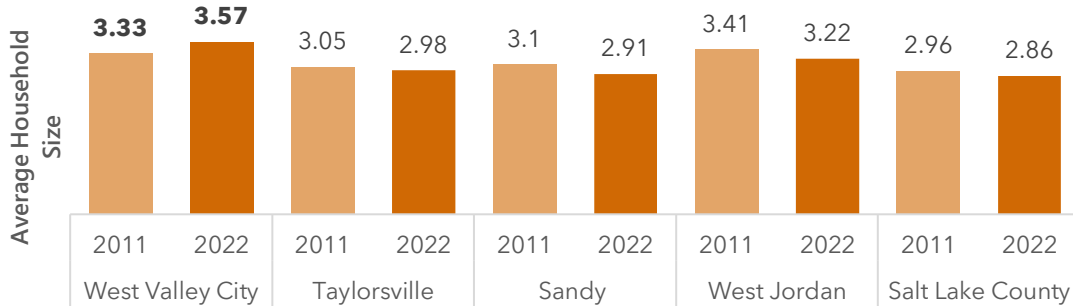
	Redwood Junction	Decker Lake	River Trail	West Valley City	Salt Lake County
Agriculture, Forestry, Fishing and Hunting	0%	0%	0%	0%	0%
Mining, Quarrying, and Oil and Gas Extraction	0%	0%	0%	0%	0%
Utilities	0%	0%	0%	0%	0%
Transportation and Warehousing	0%	0%	0%	12%	6%
Management of Companies and Enterprises	1%	0%	0%	3%	2%
Public Administration	0%	1%	0%	2%	4%
Real Estate and Rental and Leasing	0%	1%	5%	1%	2%
Information	4%	3%	2%	2%	3%
Arts, Entertainment, and Recreation	0%	4%	0%	1%	1%
Retail Trade	4%	2%	1%	9%	11%
Manufacturing	4%	2%	4%	12%	8%
Wholesale Trade	6%	1%	2%	6%	5%
Educational Services	7%	0%	1%	5%	9%
Accommodation and Food Services	2%	8%	1%	6%	6%
Construction	13%	1%	6%	6%	7%
Administrative and Support and Waste Management and Remediation Services	8%	7%	10%	7%	7%
Other Services (except Public Administration)	0%	0%	0%	2%	2%
Professional, Scientific, and Technical Services	9%	28%	13%	6%	9%
Health Care and Social Assistance	13%	13%	40%	7%	12%
Finance and Insurance	29%	31%	16%	13%	7%

Source: US Census Longitudinal Employer-Household Dynamics (LEHD) 2011-2021

Demographic Shifts and Implications for Future Growth

Over the past decade, **average household sizes in West Valley City have grown in contrast to neighboring communities and the county**, which are all seeing declining household sizes. Household sizes can be helpful for understanding local housing and commercial development needs, with larger household sizes potentially indicative of lower disposable incomes and a need for larger housing units.

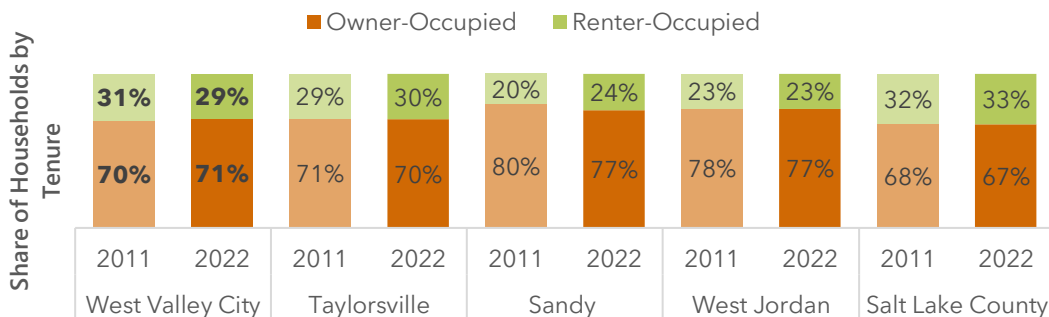
Figure 37. Average Household Size, 2011-2022



Source: US Census Bureau 5-Year ACS, Table S2501.

Even with a recent increase in construction of rental properties in West Valley City (detailed further in the *Development Conditions and Trends* section below), **since 2011, the city saw a slight increase in the share of its units that were owned**, rather than rented. While all areas saw slight shifts in their tenure type over this period, most housing units remained occupied by homeowners rather than renters for all comparison areas. Tenure trends can inform an understanding of what housing types may be in demand and other aspects of housing need.

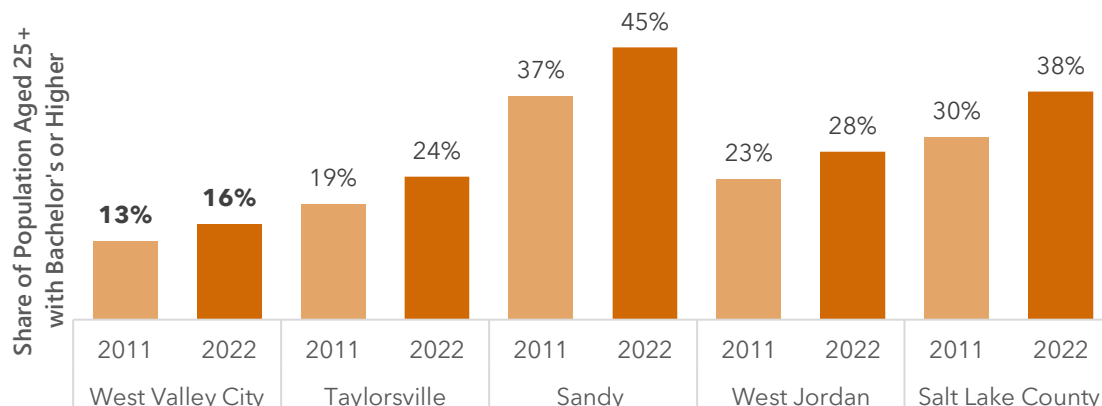
Figure 8. Households by Tenure, 2011-2022



Source: US Census Bureau 5-Year ACS, Table DP04.

Compared to neighboring areas, West Valley City **has lower rates of college degree attainment**—though the city's share of adults with a Bachelor's degree is growing, from 13 percent in 2011 to 16 percent in 2022. Rates of formal educational attainment can not only provide insights into a community's income and wealth potential, but development outlook—as a key metric considered by retail businesses and housing developers.

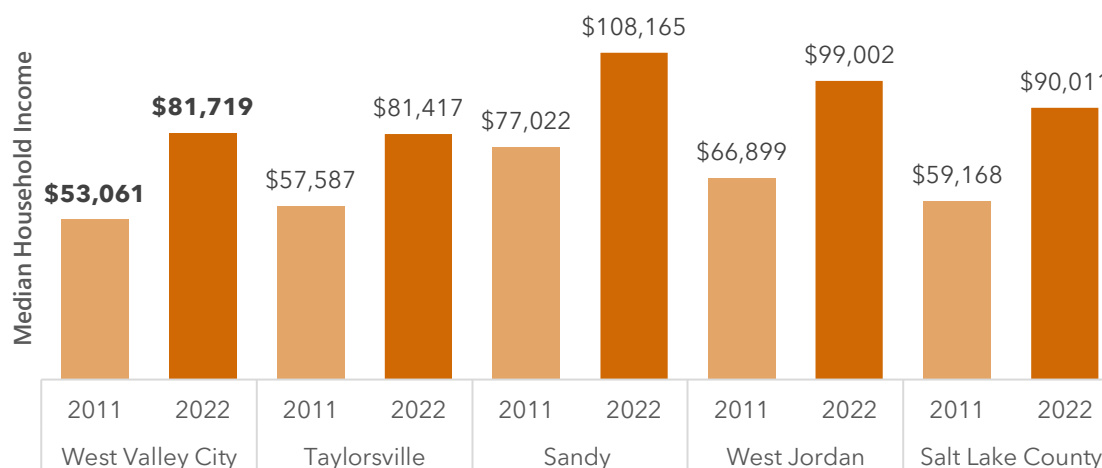
Figure 9. Percent of Residents Age 25+ with Bachelor's Degree or Higher, 2011-2022



Source: US Census Bureau 5-Year ACS, Table S1501.

West Valley City has lower median household incomes than some of its neighbors and the county overall, though it **saw the most significant growth, at 54 percent, in incomes over the past decade**, from \$53,061 in 2011 to \$81,719 in 2022 (not adjusted for inflation).

Figure 10. Median Household Income, 2011-2022



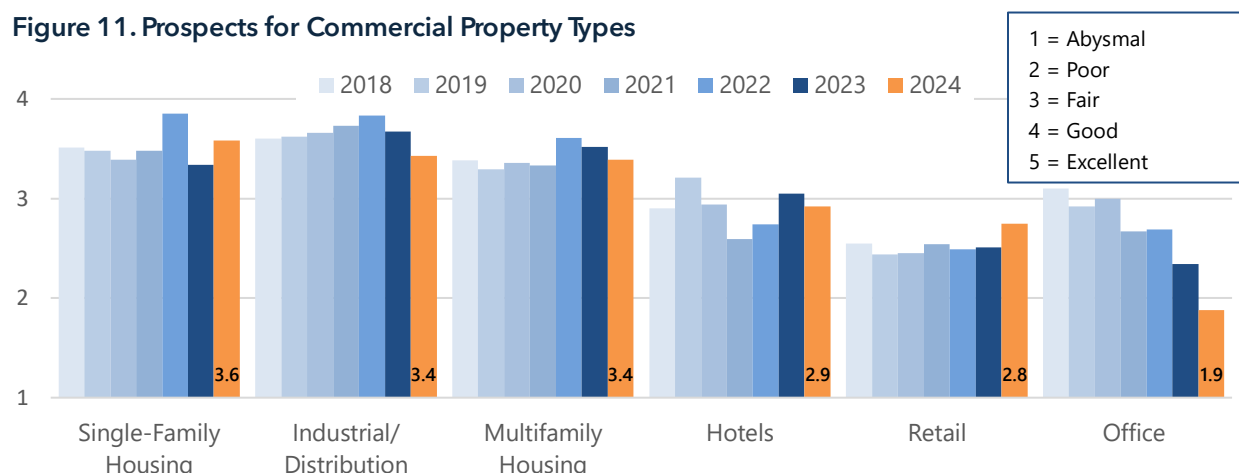
Source: US Census Bureau 5-Year ACS, Table DP03.

Shifting Consumer Preferences

National Trends in Residential and Commercial Development

Figure 11 below shows how real estate developers and other industry professionals associated with the Urban Land Institute, the leading national professional association for the real estate industry, evaluate the desirability of different development types nationwide. The survey shows that as of 2024, developers are most interested in building housing—with a slight edge for single-family, after a dip in 2023 due to high mortgage rates—and industrial. As of 2023, office displaced retail as the least desirable.

Figure 11. Prospects for Commercial Property Types



Source: Urban Land Institute, 2024 Emerging Trends in Real Estate for the United States and Canada.

Macroeconomic and other large-scale factors affecting demand for property types are summarized below.

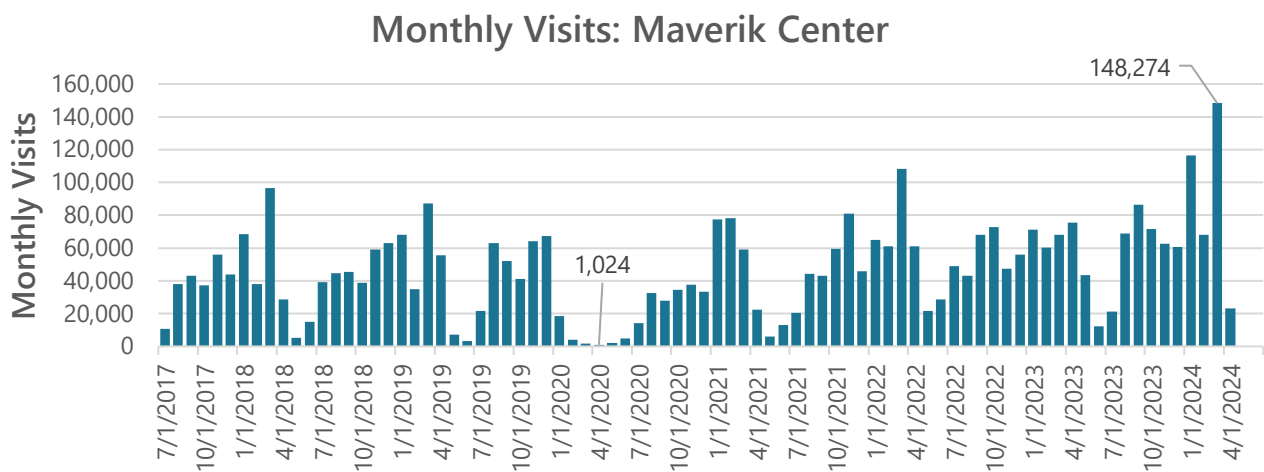
Table 1. National Development Trends

	Trend Summary
All Types	Interest rates, which have leveled off since mid-2023, but remain at a 20-year high of 5.3% as of August 2024. Construction costs—brokerage firm CBRE's Construction Cost Index concluded 2023 at 4.9%—down from 2022, but higher than the pre-COVID industry standard of 2-5% per year.
Residential	Pent-up demand due to regional and national shortages. Walkability is currently the #1 factor in deciding where to live, according to a 2023 survey by the National Association of Realtors.
Retail	E-commerce's rising market share, at 16% of national retail sales as of the second quarter of 2024 (U.S. Census Bureau). - Demand for experience-based retail and online pickup.
Office	Remote/hybrid work, estimated at 20% of workers (New York Times).
Hospitality	Continued recovery of leisure travel (business to a lesser extent).
Industrial	Slowing demand after record-setting construction beginning in 2020, when annual deliveries tripled the previous decade (Cushman & Wakefield).

Post-Pandemic Site Visitation

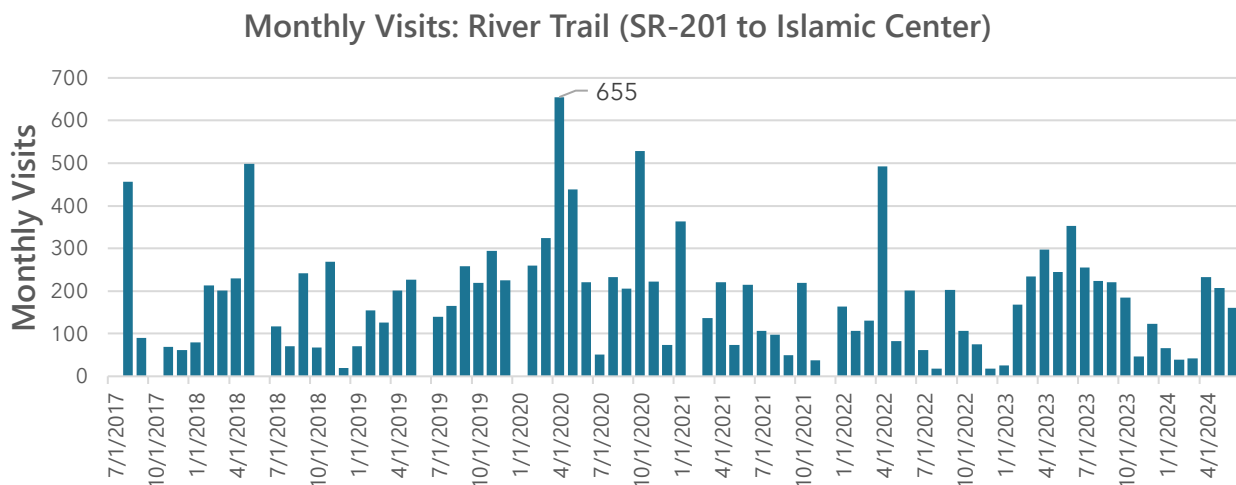
Figure 12 and 9 below show foot traffic levels for community assets in the Decker Lake and River Trail station areas. These figures are based on anonymized cell phone location data from Placer.ai. The lowest single month for visitation at the Maverik Center—April 2020—was coincidentally the highest for the Jordan River Trail, due to the shutdowns and demand for public open spaces seen during the early months of the COVID-19 pandemic. **The Maverik Center has begun to reach higher peaks** of visitation during winter months in the years since, while **the River Trail began to see lower levels of visitation** during its peak summer months starting in 2023.

Figure 12. Monthly Visits, Maverik Center, July 2017-June 2024



Source: Placer.ai, LCG.

Figure 13. Monthly Visits, Jordan River Trail (SR-201 to Islamic Center), July 2017-June 2024



Source: Placer.ai, LCG.

Policy Context

Takeaways from local past planning efforts, as well as broader policy efforts that are relevant to this plan are summarized below.

General Plan Update Redevelopment Study (2023)

In 2022-2023, Leland Consulting Group was retained by the City to identify likely development and redevelopment options for five key areas, including the Redwood Road and 3500 South corridors. This analysis is being used to consider additional areas for densification, as part of the City's General Plan update, currently underway.

Overall, the study found significant opportunity for development/redevelopment in the city, including 215 acres of redevelopable land and 809 acres for greenfield development—with residential uses expected to continue driving redevelopment. At full buildout, redevelopment was expected to yield significant fiscal impacts, with an estimated \$10.6-11.6 million in additional City revenues. The report identified ways **the City can help encourage redevelopment, including allowing for increased residential density, through continued redevelopment agency involvement in land assembly and redevelopment, and by making investments in public spaces and pedestrian connectivity in key areas** (such as Fairbourne Station) to catalyze additional reinvestment.

Moderate Income Housing Plan (2022)

In Utah, all cities are required to develop moderate-income housing plans (MIHP) as part of their General Plan, and West Valley City is among the cities required to document their progress toward plan implementation on an annual basis. MIHPs address the housing needs of residents earning less than 80% of the area median income (AMI). The City's MIHP observed that, compared to most other cities in the county, **West Valley City already had a greater share of units affordable to low- and very low-income households**, or households at 50% AMI and 80% AMI respectively. Though the plan concluded that the City should not be expected to add new housing serving these income levels until other cities in the region increase their shares of affordable housing, the MIHP identified a range of strategies to address moderate income housing needs, summarized in **Table 2**, along with their implementation progress as of 2023.

Table 2. West Valley City Moderate Income Housing Plan (2022) Strategies and Progress

Moderate Income Housing Strategy	Implementation Progress (2023)
Strategy A: Rezone for densities necessary to facilitate the production of moderate-income housing.	- Development agreement approved for Villages at Rivers Edge mixed-use project allowing 47 rental units. 2,538 total units in progress (subdivision plat/site plan approval) for projects requiring rezones, with 236 building permits issued during the reporting period. - General Plan Update Redevelopment Study undertaken to consider additional density.

Strategy C: Demonstrate investment in the rehabilitation of existing uninhabitable housing stock into moderate income housing.	8 affordable units rehabilitated through the City's Single-Family Home Rehabilitation and Repair and Emergency Repair and Maintenance programs.
Strategy E: Create or allow for, and reduce regulations related to, internal or detached accessory dwelling units in residential zones.	13 permits for ADUs issued since adoption of ordinance allowing internal ADUs in 2021 (6 issued during reporting period).
Strategies F (zone or rezone) and G (amend land use regulations) for higher density or moderate-income residential development in commercial or mixed-use zones near major transit investment corridors, commercial centers, or employment centers.	- Development agreement approved for Villages at Rivers Edge project referenced above and reapproval of conditional use permit for Central Station Apartments near the West Valley Central TRAX station. - Uncapped housing density allowed in City Center zone near the Central TRAX Station.
Strategy H: Amend land use regulations to eliminate or reduce parking requirements for residential development where a resident is less likely to rely on the resident's own vehicle, such as residential development near major transit investment corridors or senior living facilities.	City Center zone parking reductions (up to 10 percent) maintained.
Strategy N: Implement a mortgage assistance program for employees of the municipality, an employer that provides contracted services to the municipality, or any other public employer that operates within the municipality.	15 police officers served through residency incentive program, which offers mortgage and rental assistance. 1 household assisted through low-income down payment assistance program via Grants Division of the West Valley City Community Preservation Department.
Strategy O: Apply for or partner with an entity that applies for state or federal funds or tax incentives or other funding to promote the construction of moderate income housing.	531 housing vouchers for low- and very low-income households administered by City's Housing Authority.
Strategy P: Demonstrate utilization of a moderate-income housing set aside from a community reinvestment agency, redevelopment agency, or community development and renewal agency to create or subsidize moderate income housing.	Housing and retention resources provided to 16 first-generation college students through housing set aside funds via the Redevelopment Agency's My Hometown Scholarship program, with \$180,000 in funds approved in 2022 and 2023.
Strategy V: Develop and adopt a station area plan in accordance with Section 10-9a-403.1.	The Fairbourne Station Vision was submitted to Wasatch Front Regional Council and the Utah Transit Authority to serve as the Station Area Plan for the Central TRAX station. Its certification is on hold, pending further development of Valley Fair Mall. This Vision and related updates encouraged the construction of 426 apartments and the approval of 330 additional apartments.

General Plan Update (2015)

The City's most recent General Plan update for 2035 acknowledges the shortage of vacant land, and that the accommodation of further growth will require infill development. The plan sought to accommodate residential growth in part by promoting density and mixed-use development in the city's opportunity areas with access to transit, based on past success with similar development, such as the Fairbourne Station/Town Center redevelopment. The plan recognized a desire to prioritize the remaining residential land for higher-value housing, given the city's substantial supply of moderate-income housing. The plan also encouraged promoting office and industrial development to support a stable employment and tax base. The plan discouraged re-zoning additional land for retail uses, recommending instead that retail needs be met through the development of existing vacant commercial land and redevelopment of the city's older commercial properties.

The plan utilized the following guiding principles to develop its proposed land use policies:

1. The City should preserve and enhance its existing single family neighborhoods.
2. The City should encourage industrial and office development to promote revenue and job growth.
3. Instead of rezoning more ground for retail, the City should encourage new retail development on existing vacant ground zoned commercial and on aging and/or underdeveloped retail areas.
4. The City should encourage transit oriented development (TOD) in strategic locations.
5. The City should promote a greater balance of housing by encouraging higher value housing on larger lots.

Broader Policy Efforts

The Kem C. Gardner Policy Institute's *State of the State's Housing Market, 2022-2024* estimates that the state housing deficit is likely to surpass 37,000 units in 2024. To help stimulate housing development, the state legislature has passed several bills over recent years—including the legislation requiring Station Area Plans. In general, the state has focused on creating **financing tools** (such as new opportunities for leveraging tax increment financing, or TIF) rather than legislating zoning reform, including:

- HB572 Utah Homes Investment Program: a \$300 million low-interest loan program for "attainable" owner-occupied home development
- SB268 First Home Investment Zones (FHIZ): mixed-use project areas that can use TIF to finance infrastructure or lower land costs to develop affordable ownership housing
- SB168 Affordable Building Amendments: authorizes jurisdictions to create Homeownership Promotion Zones (HOPZ) of up to ten acres
- SB217 High-Capacity Transit and Reinvestment Zones: zones near transit stations meeting density requirements where TIF can be used to support the costs of development

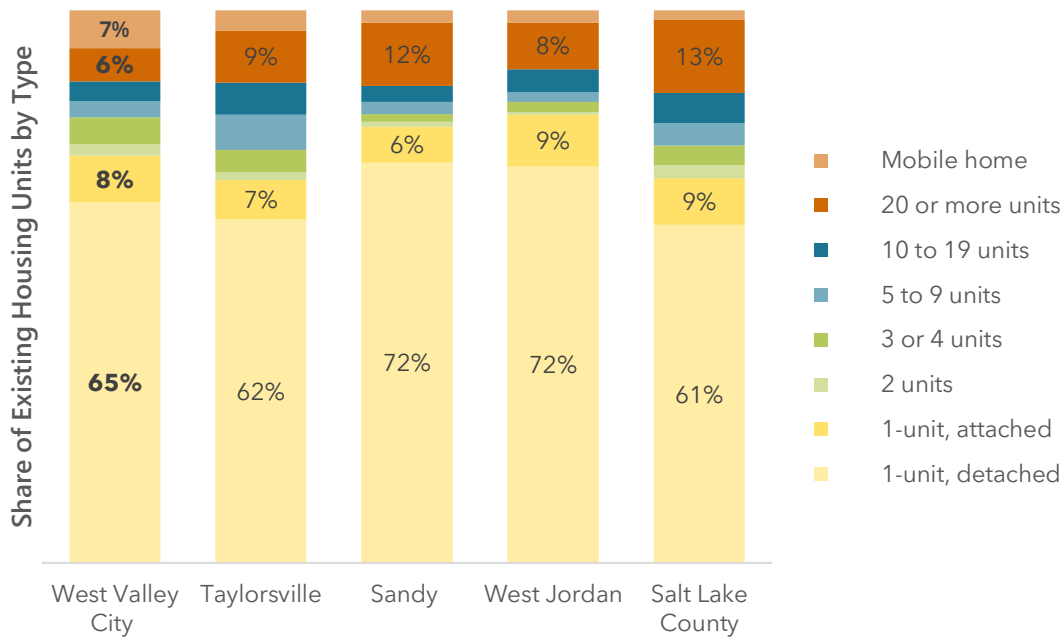
Additionally, most of this plan's station area is an Opportunity Zone-designated tract, or an economically distressed area where certain types of investments, including commercial development, may receive preferential tax treatment.

Local Development Conditions and Trends

Residential Supply Conditions

The **majority** (65 percent) of housing units in West Valley City are **single-family detached**, followed by single-family attached (8 percent), similar to the housing mix of Taylorsville and the county, but with fewer detached units than Sandy and West Jordan. West Valley City has a notably larger share of its units in mobile home developments (7 percent) compared to comparison areas, and a higher share (7 percent) of its housing in 2-4 unit structures.

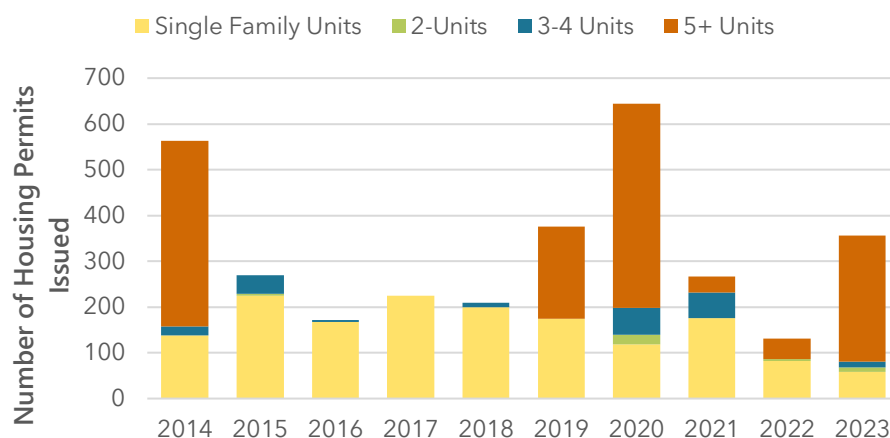
Figure 14. Housing Unit Types for West Valley City and Comparison Areas, 2022



Source: US Census Bureau 5-Year ACS, Table DP04, LCG.

Over the past ten years, 3,209 housing units have been permitted in West Valley City, at an average of 321 per year. Of these, 49 percent were for single-family structures, 44 percent for developments with 5+ units, and 7 percent for 2-4 unit structures. In the past five years, the annual **permit average** has increased to 355 permits per year, but is still **well below what would be needed to accommodate the 553 new households per year anticipated for the next 30 years**. As a fairly built-out community, focusing on **multi-unit dwellings** will be important to achieving that goal.

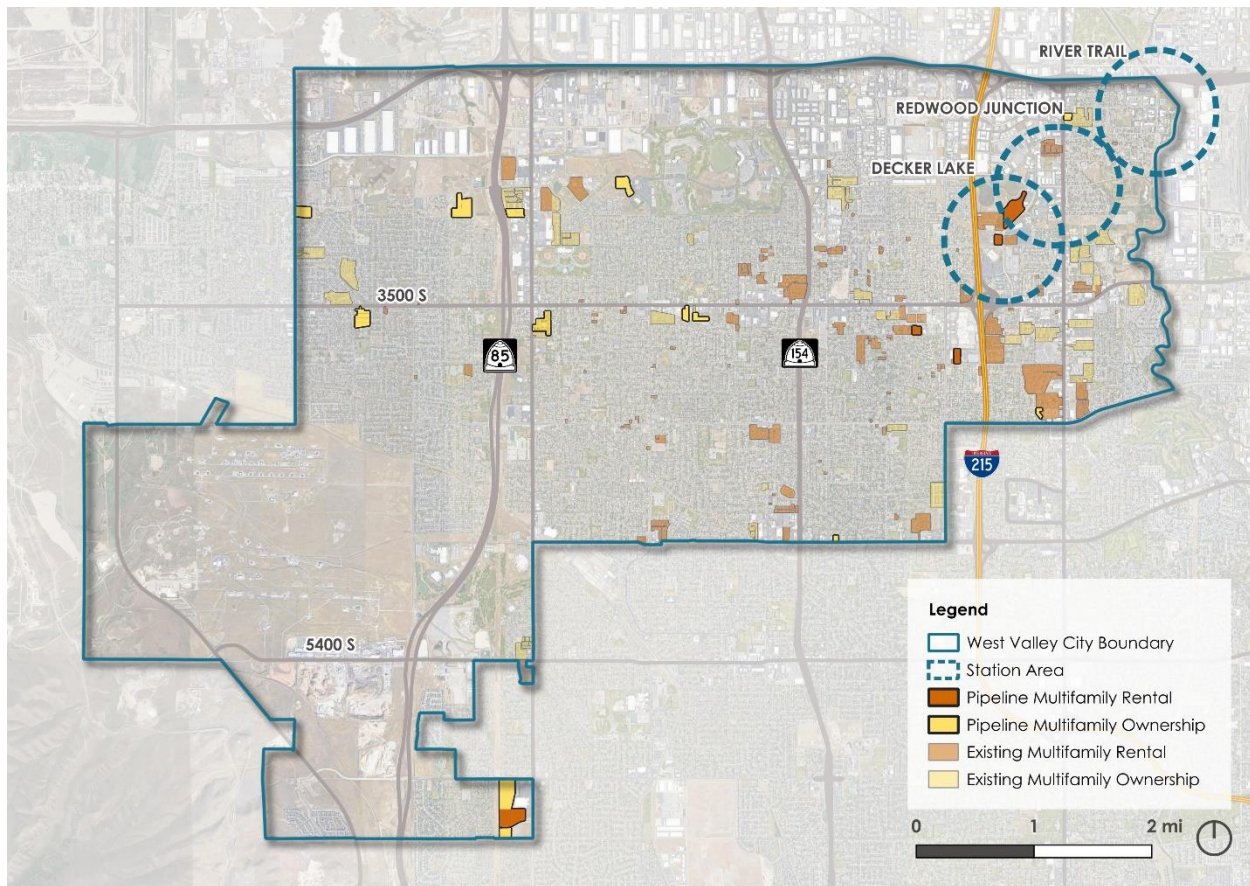
Figure 15. Housing Units Permitted in West Valley City, 2014-2023



Source: US Census Building Permits Survey, LCG.

As shown below in **Figure 16**, a significant portion of the city's existing and pipeline multifamily development is located east of I-215, but few apartment projects exist within or are planned for the station areas covered by this plan. Note that in **Figure 16**, "multifamily" includes both rental apartments and ownership townhomes or condominiums, while the permit data displayed in **Figure 15** classifies ownership townhomes as Single-Family Units.

Figure 16. Existing and Pipeline Multifamily Development, West Valley City



Source: West Valley City, LCG.

According to data from the West Valley City Planning Department, as of June 2024, 2,585 multifamily residential units were in the pipeline (either under construction or in the development review process). Of these, about two thirds, or 1,659 units were apartments, and the remaining 926 units were in townhome or condominium projects. Example projects for different development types are included below.

West Valley City Station Area Plans

Housing, Economic Development, and Demographics Memo

Figure 17. Pipeline Townhome Developments, West Valley City

Erin Hills Estates Townhomes



Address: 3567 S 5600 W
Station Areas Within: N/A
Units: 130
Units/Acre: 10.9
Construction: wood frame
Parking: 2-car garage + driveway
Status: Under Construction
Price: \$449,000-\$489,000

H2O Townhomes



Address: 2864 S Decker Lake Dr
Station Areas Within: Decker Lake
Units: 286
Units/Acre: 17.8
Construction: wood frame
Parking: Attached garage or assigned parking
Status: Under Construction
Asking Rent: \$1,433 (1BR) - \$2,700 (3BR)

Figure 18. Pipeline Multifamily Residential Developments, West Valley City

Decker Lake Station Apartments



Address: 3078 Decker Lake Dr
Station Areas Within: Decker Lake
Units: 219
Units/Acre: 78.5
Construction: 5 over 2 (concrete podium)
Parking: Structured
Status: Built 2024
Asking Rent: TBD

Sage Valley Apartments

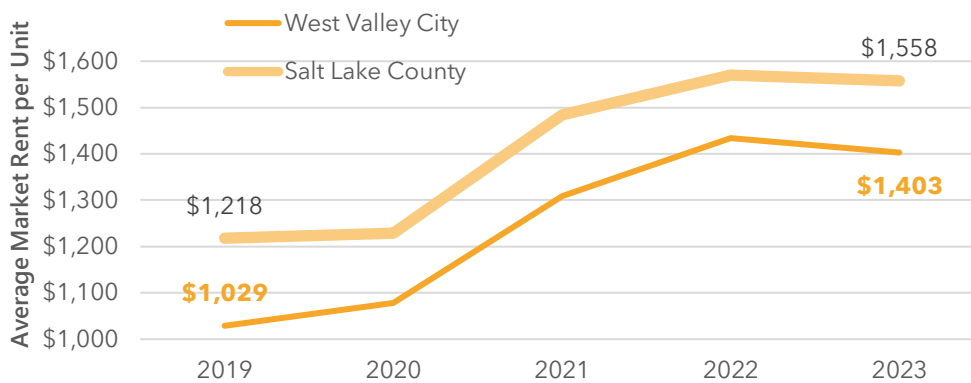


Address: 1770 W 4100 S
Station Areas Within: N/A
Units: 430 (+ 18 townhome units)
Units/Acre: 42.3
Construction: 4 over 1 (concrete podium)
Parking: Structured
Status: Built 2022
Asking Rent: \$1,457 (1BR) - \$2,091 (3BR)

Source: CoStar.

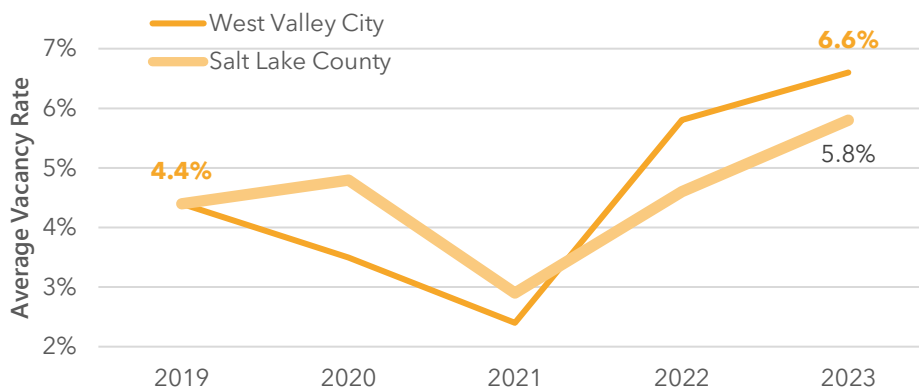
Over the past decade, **average effective rents in West Valley City have risen along with rents for the larger Salt Lake County market area over the past five years and are currently about 10% lower than average rents countywide.** Similarly, **vacancy rates in West Valley City have generally matched the larger market-wide pattern**, with current rates for both the city and market above the typical equilibrium industry rate of 5 percent. Rising vacancy rates over the past few years have helped keep rents from increasing significantly—and, with the significant amount of multifamily pipeline development underway, may continue preventing significant rent growth, despite recent inflationary pressures (which tend to keep rents higher). Note: this section compares West Valley City to Salt Lake County, and the commercial section below compares West Valley City to the even larger Salt Lake City metro in order to assess performance against geographic areas that West Valley City competes with for housing and commercial development.

Figure 19. Multifamily Average Market Rent per Unit



Source: CBRE Greater Salt Lake Area Multifamily Market Reports 2022, 2023, and 2024, LCG.

Figure 20. Multifamily Vacancy Rate



Source: CBRE Greater Salt Lake Area Multifamily Market Reports 2022, 2023, and 2024, LCG.

Commercial Supply Conditions

Most of West Valley City's existing commercial development is industrial (24.9 million square feet), and primarily located in the north of the city, with newer development clustered near the newly expanded Mountain View Corridor/UT-85, with proximity to the Salt Lake City airport. Retail is the next-biggest category, at 7.4 million square feet, followed by office at 5.3 million square feet. Newer retail and office is clustered near 5600 West and the Fairbourne station area. The city's older commercial corridor, Redwood Road, runs north-south through the Redwood Junction Station Area.

Figure 21. Existing Commercial Development, West Valley City

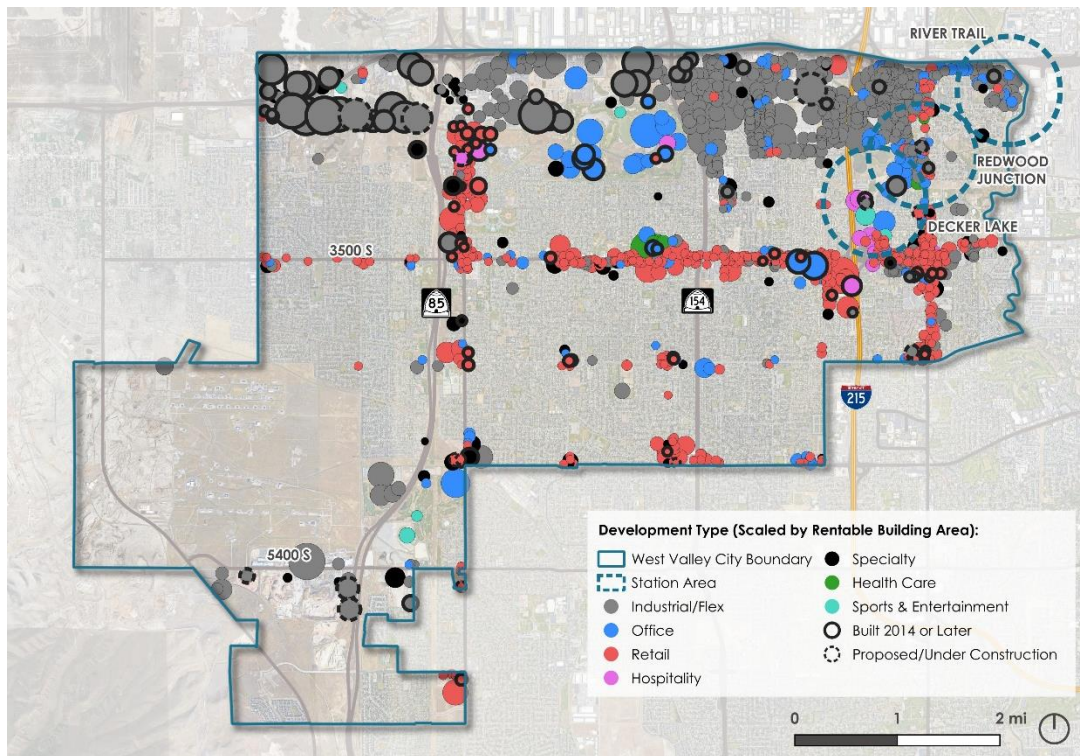
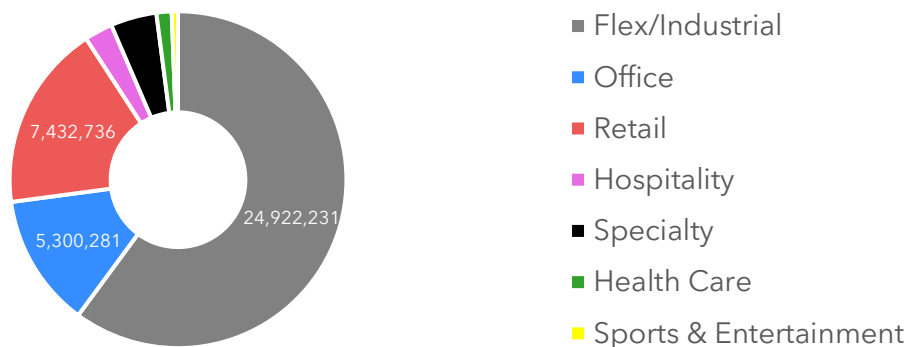


Figure 22. Share of Existing Commercial Square Footage by Type, West Valley City



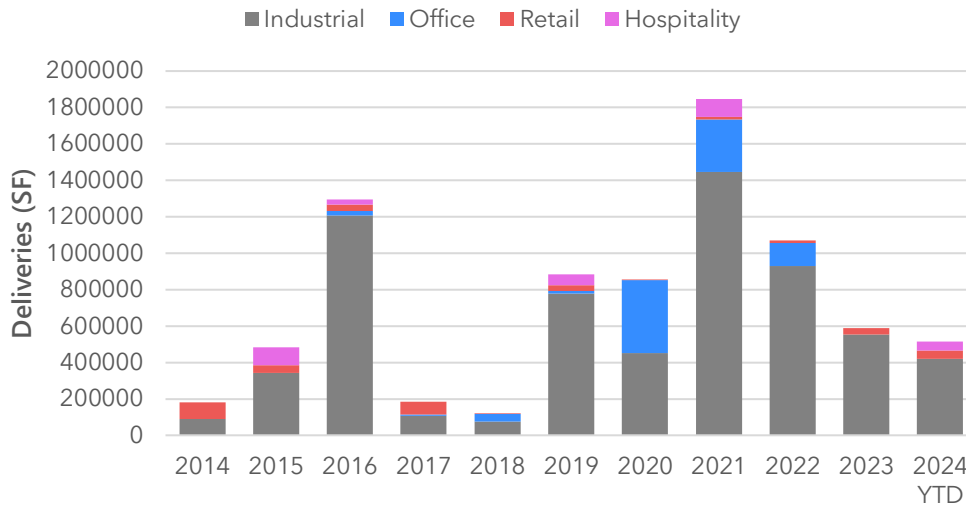
Source (Both): CoStar, LCG.

West Valley City Station Area Plans

Housing, Economic Development, and Demographics Memo

According to data from CoStar, a resource for commercial real estate data, industrial uses have led recent commercial development—adding about a quarter of the existing inventory for that type, 6.4 million square feet—in the past decade. Office was a distant second in terms of square footage added over the period, followed by retail and hospitality.

Figure 23. West Valley City Commercial Development by Type, 2014-2024



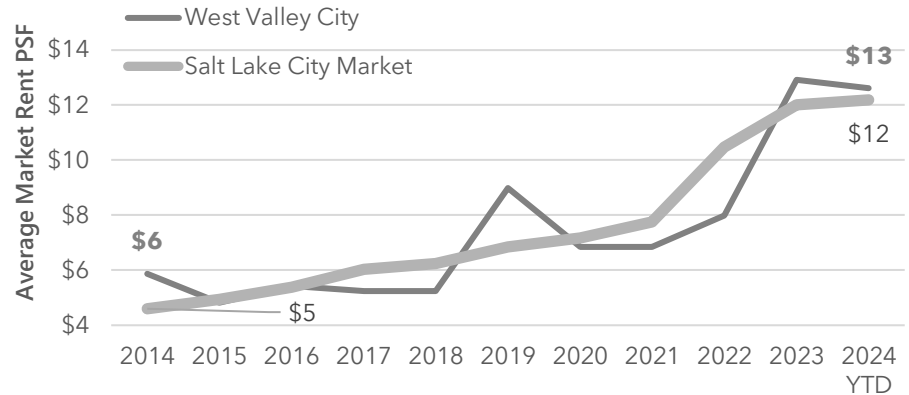
Source: CoStar, LCG.

A review of key performance indicators available through CoStar and recent, representative prototypes for each commercial development type are detailed below.

Industrial

Industrial, which accounts for most existing and new development in West Valley City, continues to see increasing rents, even with recent significant construction. Vacancy rates have increased from the lows seen in 2020 and are currently above the industry average of 5-7 percent.

Figure 24. Industrial Average Market Rent PSF (annual), 2014-2024



Recent development includes both smaller infill in the Decker Lake area, with leasable areas as low as 5,000 SF—and much larger developments by the airport, including Mountain View Park.

Figure 25. Industrial Vacancy Rate, 2014-2024

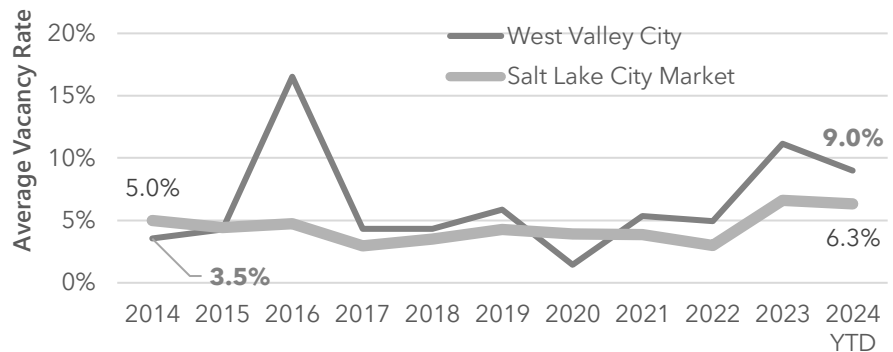


Figure 26. Recent Industrial Development, West Valley City

3076 Decker Lake Dr Warehouse



Address: 3076 S Decker Lake Dr
Station Areas Within: Decker Lake
Size: 0.95-acre lot; 19,600 SF Bldg
Status: Under Construction
Asking Rent: \$12.00/NNN (CoStar)

201 Mountain View Park - Building 4



Address: 6162 W Beagley Rd - Building 4
Station Areas Within: N/A
Size: 22.16-acre lot; 375,025 SF Bldg
Status: Built 2021
Asking Rent: \$5-6/NNN (CoStar)

Office

Nationwide, office developments have experienced significantly reduced demand in recent years due to the rise of remote work. In West Valley City, rents have seen more decline during this period than the larger Salt Lake City market, with a current vacancy rate (20 percent) nearly double that of the region.

Newer construction includes mixed-use development at Fairbourne Station and large speculative, not fully tenanted projects, such as the Soleil Technology Park in the city's northwest, near Bangerter Highway/UT-154.

Figure 27. Office Average Market Rent PSF (annual), 2014-2024

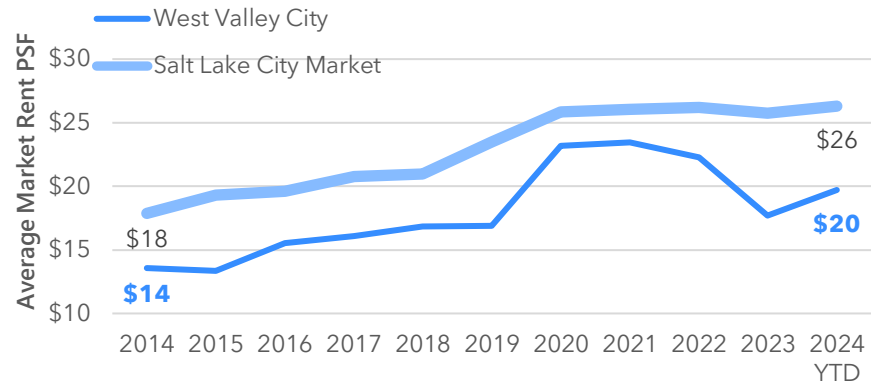


Figure 28. Office Vacancy Rate, 2014-2024

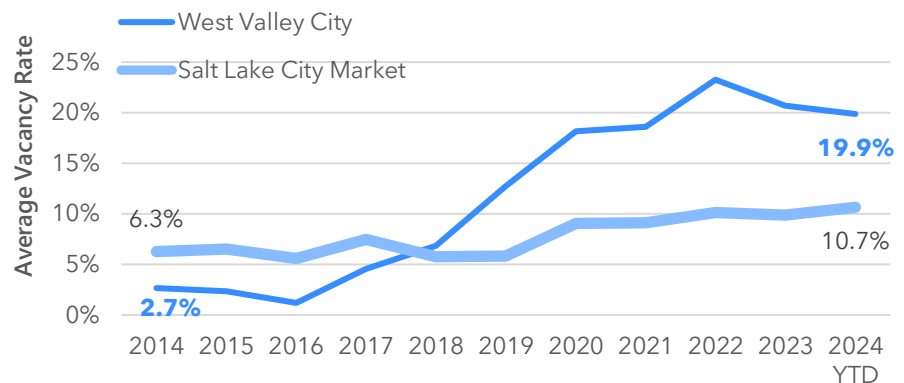


Figure 29. Recent Office Development, West Valley City

Fairbourne Station Office



Address: 3535 S Market St
Station Areas Within: N/A
Size: 8.0-acre lot; 233,511 SF Bldg
Status: Built 2020
Tenants: Medical Offices
Asking Rent: \$18-22 (CoStar estimate)

Soleil Technology Park - Stonebridge Site



Address: 4669 Lake Park Blvd
Station Areas Within: N/A
Size: 6.53-acre lot; 124,410 SF Bldg
Status: Built 2021
Tenants: Motorola Solutions
Asking Rent: \$20.50/NNN (Colliers)

Retail

In the local and regional market, consistent rent growth for retail counters the headwinds this development type typically faces due to e-commerce and other factors. Indeed, the city's current vacancy rate of 2.1 percent is well below the norm for the market (5-10 percent), suggesting demand for additional space.

Sustained demand is partly due to limited recent development, which consists primarily of pad sites near Valley Fair Mall and key corridors, as well as newer strip development near 5600 West in the Hunter Town Center area.

Figure 30. Retail Average Market Rent PSF (annual), 2014-2024

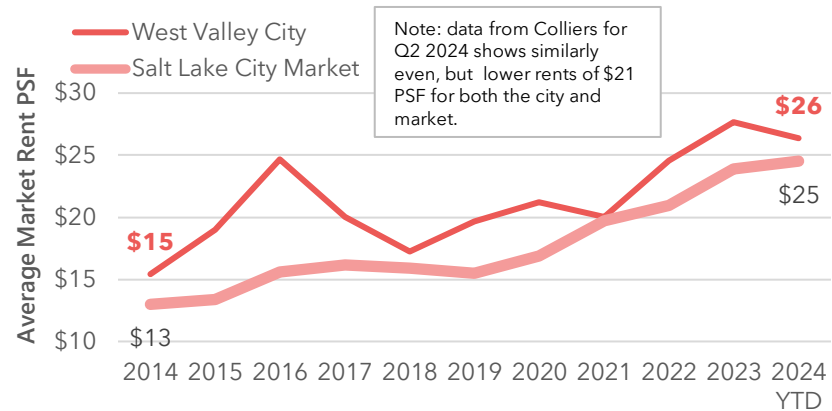


Figure 31. Retail Vacancy Rate, 2014-2024

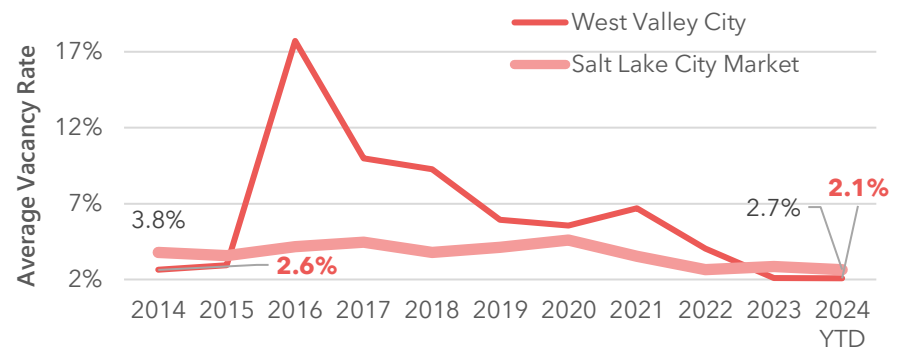


Figure 32. Recent Retail Development, West Valley City

Panda Express



Address: 3717 S Constitution Blvd W
Station Areas Within: N/A
Size: 0.38-acre lot; 5,000 SF Bldg
Status: Built 2022

Burlington Coat Factory



Address: 2933 S 5600 W
Station Areas Within: N/A
Size: 3.39-acre lot; 50,008 SF Bldg
Status: Built 2017

Hospitality

Average Daily Rates (ADR), or average rental revenue for occupied rooms, have recovered locally and regionally after sharp declines during the height of the COVID-19 pandemic in 2020–2021. Occupancy rates for hotels in the city—which includes fewer than ten properties—closely mirror the Salt Lake City market area.

Over the past five years, the city has seen more mid- and upper-scale development in the city's northwest (near the airport) and at Valley Fair Mall.

Figure 33. Hospitality Average Daily Rates, 2014–2024

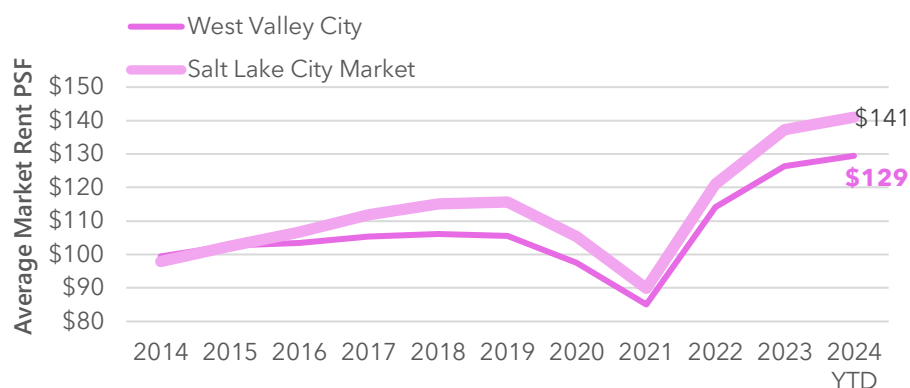


Figure 34. Hospitality Occupancy Rate, 2014–2024

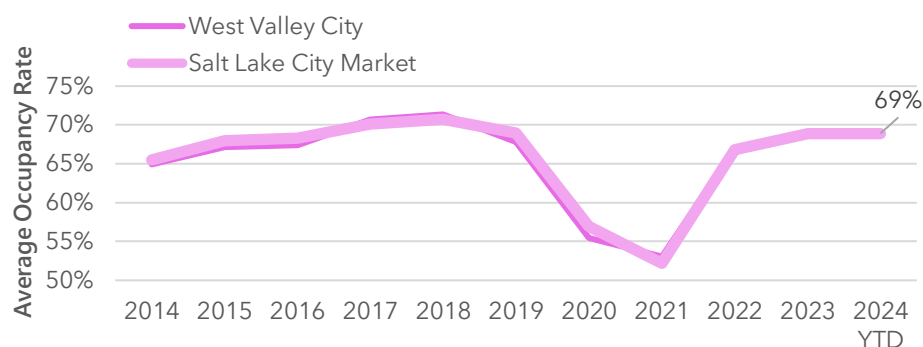


Figure 35. Recent Hospitality Development, West Valley City

Hampton Inn



Address: 2659 S High Commons Way
Station Areas Within: N/A
Size: 1.85 acre lot; 100 rooms
Class: Upper Midscale
Status: Built 2019

SpringHill Suites



Address: 3662 S 2400 W
Station Areas Within: N/A
Size: 1.27 acre lot; 133 rooms
Class: Upscale
Status: Built 2021

STATION AREA PROFILES AND MARKET OUTLOOK

Station Area Profiles

Demographic Summary

Table 3 summarizes key demographic characteristics that can be used to estimate demand for different development types in the station areas. At an estimated population of 4,531 in 2024, the Decker Lake Station (and surrounding half-mile area) is the most populated of the station areas, representing 3.2 percent of the city's total population. Redwood Junction and River Trail Station have much fewer residents, representing approximately 1.9 and 0.6 percent of citywide population, respectively. Likewise, Decker Lake Station has more housing units, at 1,467, compared to 934 in Redwood Junction and 242 in River Trail Station. Only Decker Lake Station is projected to grow in population over the next five years, at 2.2 percent annually, according to cartographic and data company ESRI.

Decker Lake and Redwood Junction stations have smaller average household sizes than the city overall, with an average of 3.17 and 3.04 persons per household, while River Trail station has slightly larger household sizes (3.57). Only Decker Lake Station is projected to add households over the next five years (196), according to ESRI. All station areas are significantly lower-income, with less disposable income, and lower proportions of college-educated population than the city overall. Altogether, these metrics fall below the characteristics that developers and businesses typically look for within their trade areas. Yet, due to the relatively small sample sizes for the station areas, such metrics are only one factor to consider in estimating the station areas' future market outlook.

Table 3. Select Demographic Characteristics, West Valley City Station Areas

	Decker Lake Station Area	Redwood Junction Station Area	River Trail Station Area	West Valley City	Salt Lake County
POPULATION					
2011 Population	3,986	2,735	780	131,393	1,046,341
2024 Population	4,531	2,735	850	140,347	1,229,123
11-'24 Pop. Growth	13.7%	0.0%	9.0%	6.8%	17.5%
11-'24 Annual Pop. Growth	1.0%	0.0%	0.7%	0.5%	1.2%
2024 Share of City Population	3.2%	1.9%	0.6%	--	--
2029 Projected Population	5,043	2,657	829	141,055	1,264,319
24-'29 Annual Pop. Growth	2.2%	-0.6%	-0.5%	0.1%	0.6%
HOUSEHOLDS					
2024 Households	1,410	875	238	41,830	428,378
2024 Share of City Households	3.4%	2.1%	0.6%	--	--
2024 Avg. Household Size	3.17	3.04	3.57	3.35	2.83
2029 Proj. Additional Households	196	-7	-1	1,329	24,192
2024 Housing Units	1,467	934	242	43,136	454,471
ECONOMIC CHARACTERISTICS					
2024 Median Household Income	\$59,850	\$49,096	\$55,628	\$87,535	\$100,782
2024 Percent 25+ with Bachelor's+	10.5%	6.8%	8.1%	17.8%	40.7%
JOBS					
2011 Employment Total	3,222	3,042	3,445	63,212	570,201
2021 Employment Total	6,271	4,390	3,611	68,191	728,420
11-'21 10-Year Employment Growth	95.0%	44.0%	5.0%	7.9%	27.7%

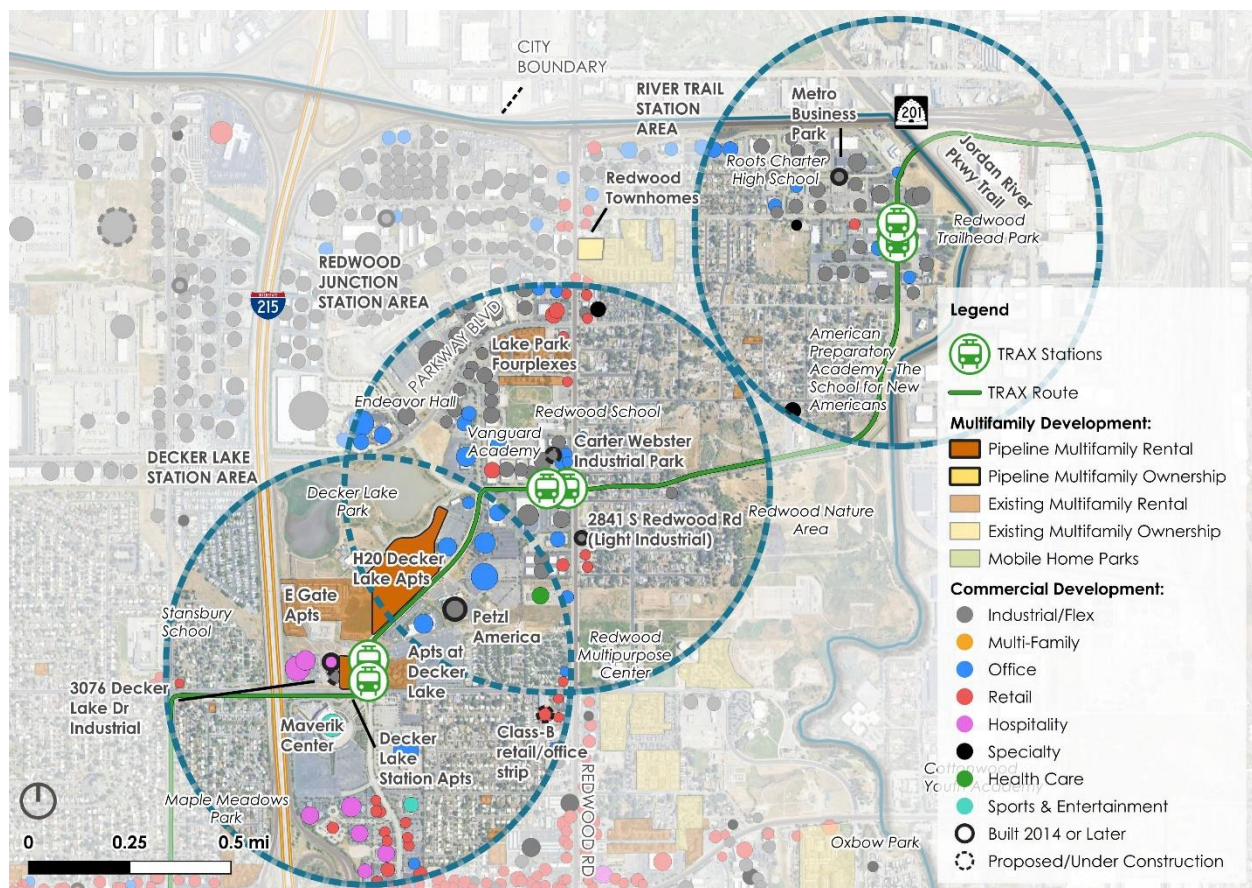
Source: ESRI, LEHD, LCG. Note: Some jobs are counted twice across Decker Lake and Redwood Junction because of overlapping geographies.

Existing and Recent Development

Of the station areas, Decker Lake has the most pipeline development, including the new H20 Townhomes and Decker Lake Station Apartments (outlined above, under *Residential Supply Conditions*), which collectively account for 505 units, or 20 percent of pipeline multifamily development in the city. Other development over the past decade includes the LEED-certified North American headquarters for outdoor manufacturing company Petzl, a My Place Hotel, and smaller light industrial projects—including the 3076 Decker Lake Drive Industrial detailed above and developments in the River Trail Station area. A new 24-unit “Redwood Road Townhomes” project is being developed just to the north of the Redwood Junction Station Area.

In terms of existing development, the Decker Lake Station Area includes the Maverik Center, which hosts concerts and games for Utah’s AA hockey team—as well as hotels and retail, particularly closer to the 3500 South corridor. The other station areas include significant amounts of single-family residential alongside meaningful employment areas for the city, in offices near Redwood Junction and light industrial warehouses near the River Trail station.

Figure 36. New and Existing Commercial Development, Station Areas

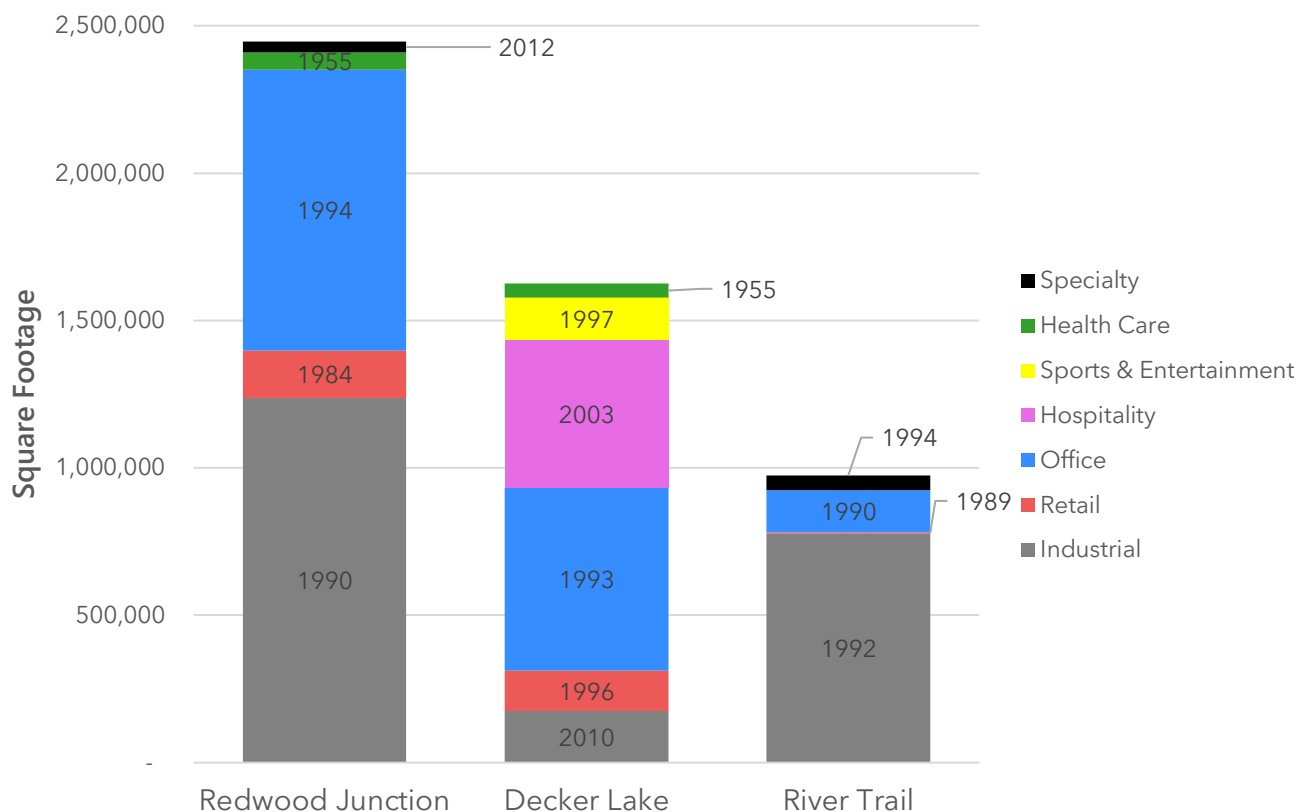


Source: CoStar, LCG.

Development Inventory and Age by Station Area

As shown in **Figure 37**, the existing commercial development mix for the station areas largely mirrors the city overall, with industrial comprising the largest share of existing square footage for the Redwood Junction and River Trail Station Areas. In contrast to the city overall, office represents the development type with the second-most square footage, based on 25 buildings, primarily built in the 1990s. Though it has seen less recent development than Decker Lake, Redwood Junction has the most total existing commercial square footage of the station areas (note—properties that overlap Redwood Junction and Decker Lake are reported for both, such as the Tradition Assisted Living, which represents the sole health care facility in the station areas). As such, the Redwood Junction Station Area's retail and industrial properties are a decade or two older than Decker Lake's, on average. For Decker Lake, the sports development consists of the Maverik Center, and its hospitality properties include eight midscale hotels, beginning with a Sleep Inn built in 1995 and a My Place Hotel built in 2016. "Specialty" development includes a storage facility in the Redwood Junction Station Area and the American Preparatory School in the River Trail Station Area.

Figure 37. Square Footage and Average Age of Existing Commercial by Type

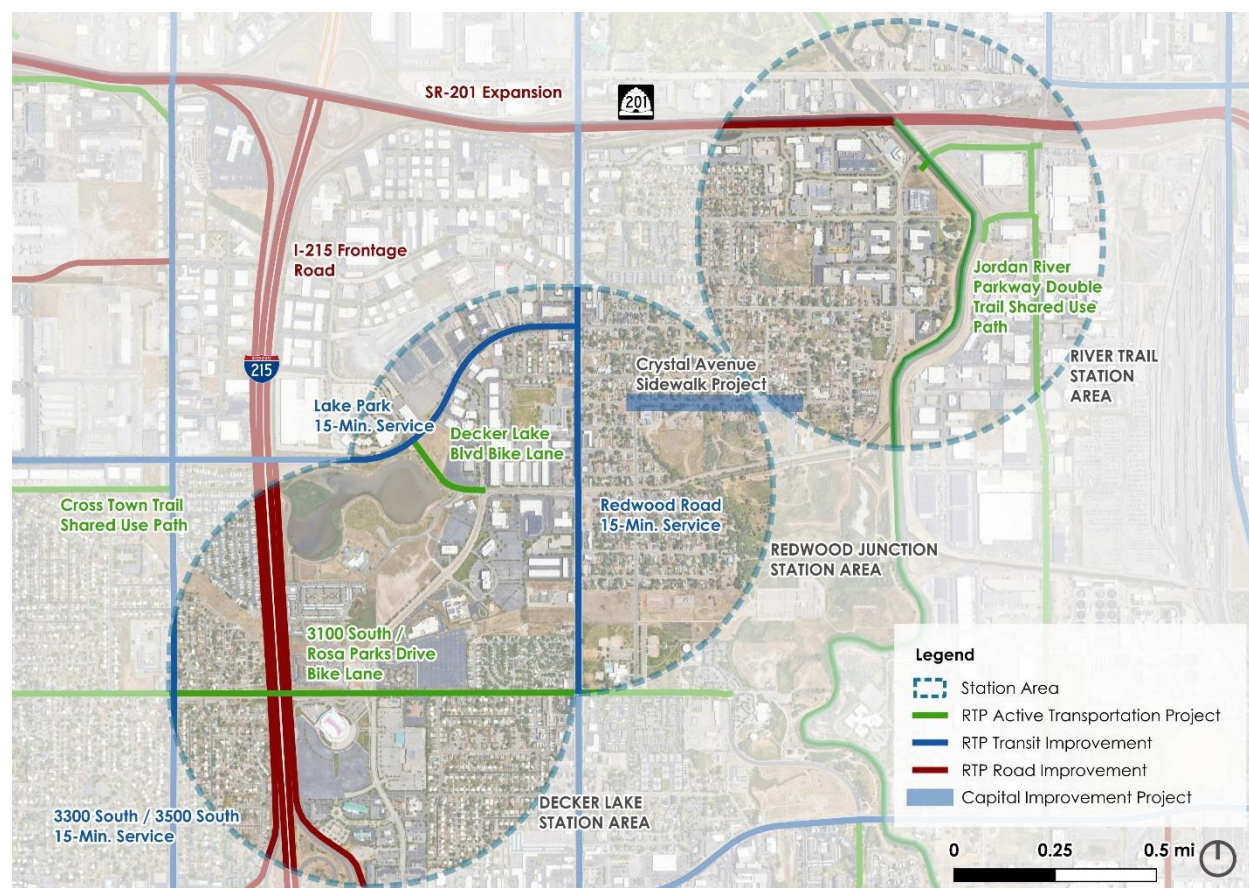


Source: CoStar, LCG.

Planned Infrastructure Investments

WFRC's 2023-2050 Regional Transportation Plan identifies several transportation projects in the station areas. Notable road projects for the area include the SR-201 expansion—an important east-west connection for the region. Frequent bus service is projected for the Redwood Road and 3500 South corridors—as well as the Lake Park Core Route, which connects 5600 West to South Salt Lake's Central Pointe TRAX station. Active transportation projects include new bike lanes and improvements to the Jordan River Parkway, a north-south system of trails that parallel the Jordan River and the city's eastern border.

Figure 38. Station Area Planned Transportation and Capital Improvements



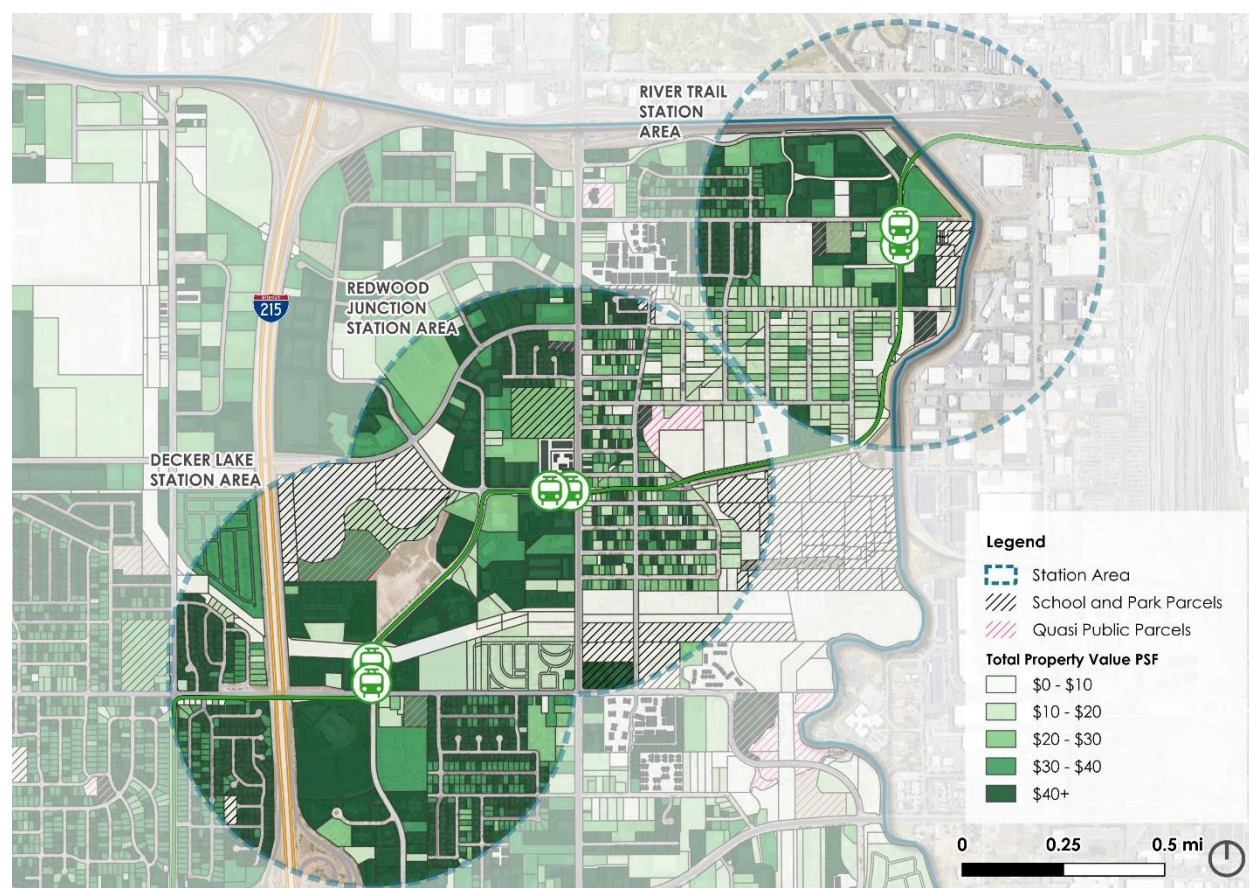
Source: West Valley City, LCG.

Station Area Redevelopment Assessment

Property Values

Figure 39 shows total assessed property values for parcels in the station areas, based on Salt Lake County Assessor data. Vacant or lower-valued properties are generally considered more likely to redevelop, assuming other site characteristics (such as zoning and surrounding land use, transportation access, and owner willingness to sell) are supportive of development. As shown, relatively little property in the station areas is valued under \$20 per square foot, the tipping point land cost for redevelopment used in the *General Plan Update Redevelopment Study* (when excluding properties that are currently in a school, park, or “quasi-public” land use, such as faith institutions and labor organizations). The Decker Lake and Redwood Junction station areas include a swath of low-valued, utility-owned land that may not be available for redevelopment. In the Redwood Junction station area, larger low-valued parcels near the TRAX line include those owned by a radio tower company and the Church of Jesus Christ of Latter-Day Saints. The River Trail Station Area includes a vacant 13.9-acre parcel that is currently managed as a farm for the Roots Charter High School. Most lower-valued properties in the Redwood Junction and River Trail station areas are single-family homes.

Figure 39. Station Area Land Values



Source: Salt Lake County Assessor, LCG.

Land Utilization

Figure 41 shows the approximate floor-area ratio (FAR) of properties in the station areas. For this analysis, parcels with a single-family, mobile home, or parks use were excluded. FAR is a helpful way to summarize building volume on a site, and can be used to identify properties that may be underutilized.

The median FAR for station area properties is 0.22, roughly the built intensity of a drive-through fast food restaurant. This analysis supports the sense that much of the study area is underbuilt and could be utilized at a higher rate.

Figure 40. FAR Illustration (Julie Campoli, Visualizing Density)

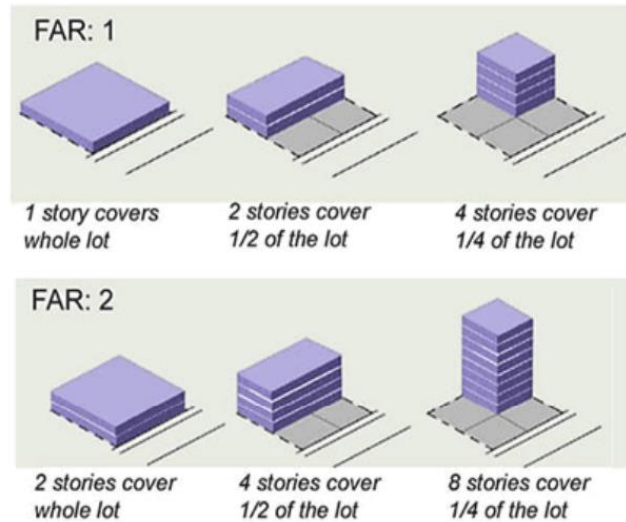
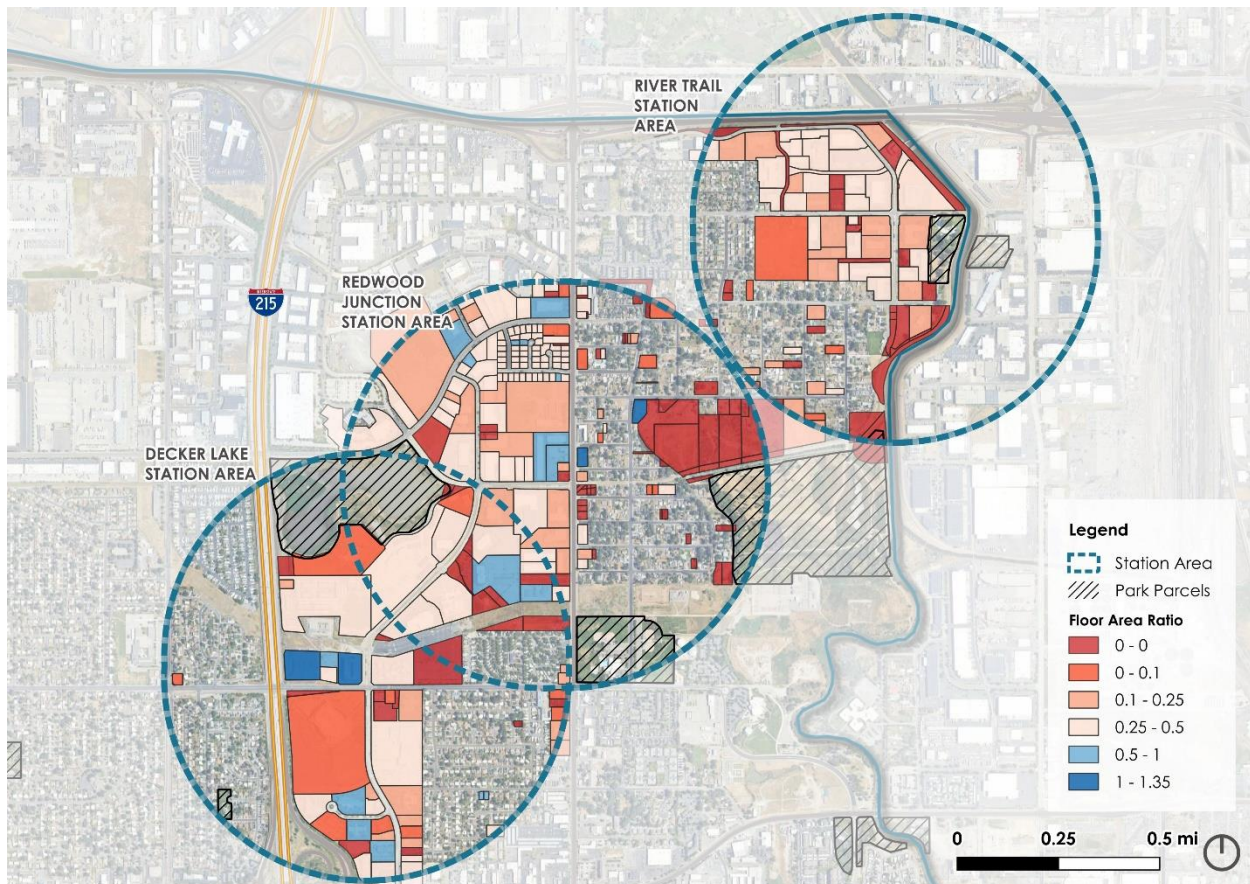


Figure 41. Floor Area Ratio, Commercial Properties

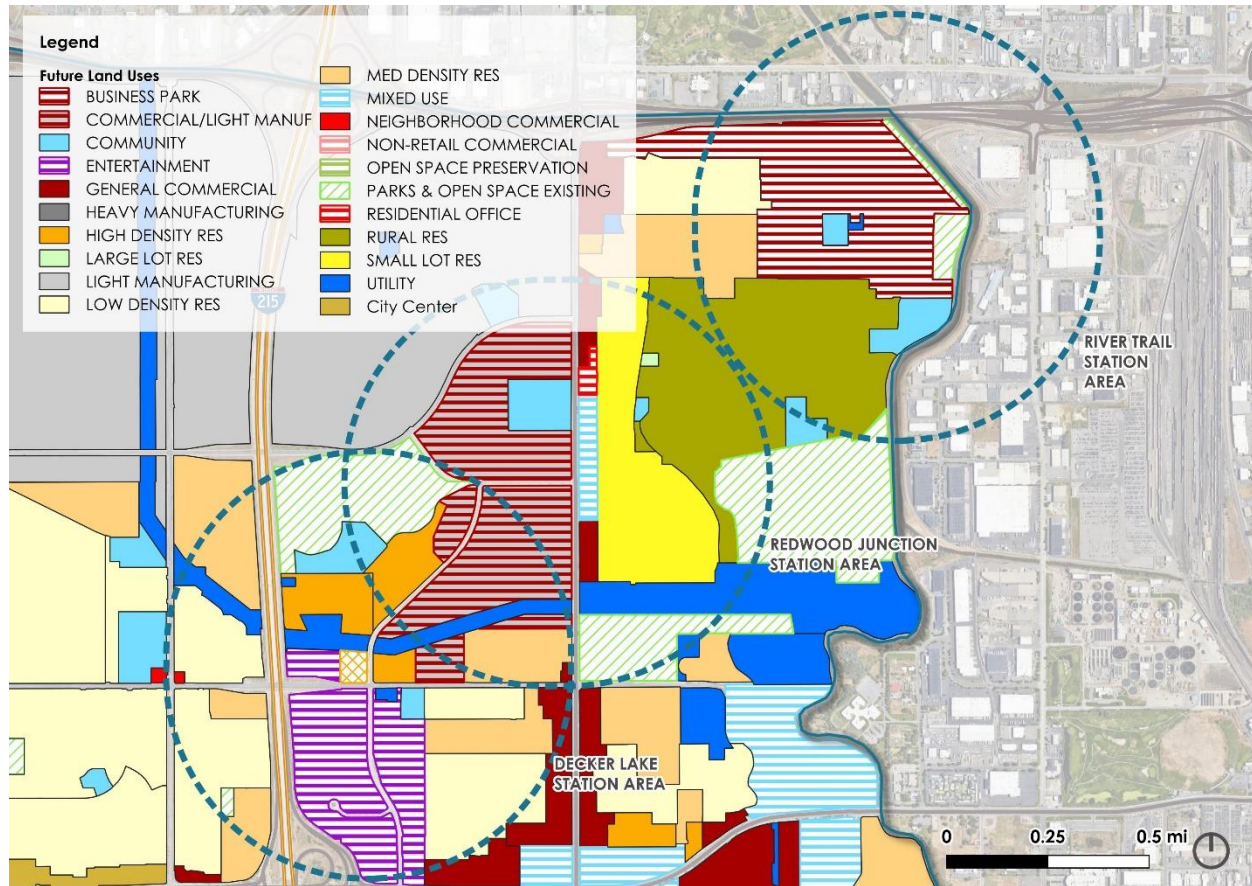


Source: Salt Lake County Assessor, CoStar, LCG.

Future Land Uses

In line with the existing and new development reviewed above, the Future Land Use map developed for the City's 2015 General Plan envisioned a mix of residential types (from low density "rural" in the River Trail Station Area, to high density residential in the Decker Lake Station Area) as well as commercial uses—including an "entertainment district" in Decker Lake, centered around the Maverik Center; commercial/light manufacturing near Redwood Junction, and Business Park uses in the River Trail station area.

Figure 42. Station Area Future Land Use



Source: West Valley City 2015 Comprehensive Plan, LCG.

Market Outlooks

Following is an evaluation of market support for new, transit-supportive development types in the station areas, based on key findings from analysis shared above, as well as key findings from stakeholder interviews, shared below.

Demand Driver Summary

A brief summary of both local and larger-scale demand drivers impacting development in the station areas follows.

- **Population and economic growth** is expected to continue driving residential and commercial demand in the city, and part of this growth is expected to continue including higher-income households. The city will need to continue its heightened pace of development in order to capture a proportional share of forecast growth.
- **Residential and retail** are the development types with a more favorable outlook for development in 2024 compared to 2020, with local demand for multifamily and denser ownership types (such as townhomes) demonstrated by recent development in the city. Local retail preferences continue to favor formats easily accessible by car, which do not align well with the transit-supportive development sought by this plan. Increased demand for hospitality is expected with the Maverik Center's growth.
- **Support for increased residential and commercial development** exists in the form of new incentives and government policies, though development continues to face macro-level headwinds, such as elevated interest rates and construction costs.

Redevelopment Assessment Summary

As shown above, while there is **little low-hanging fruit for redevelopment** within the station areas from a land value perspective, land utilization analysis suggests the area's many **underutilized commercial and industrial properties** may have opportunity to develop into higher and better uses. Other relevant factors affecting redevelopment in the station areas shared throughout this larger existing conditions memo include:

- **Zoning:** while the station areas include transit-supportive zones such as the Decker Lake Station Overlay Zone, much of the areas are zoned for low-density commercial and industrial uses that are experiencing reduced demand locally.
- **Urban form:** most blocks throughout the station areas are at least double the 400-700 foot lengths that provide a comfortable walking experience, and barriers of both natural and built infrastructure make it difficult to navigate the station areas across transportation modes.
- **Site-specific:** particularly in the Redwood Junction and River Trail station areas, the high level of parcelization, or smaller-scale properties under different ownership, presents challenges to redevelopment.

Stakeholder Interview Key Findings

To better understand on-the-ground market dynamics and potential redevelopment opportunities, the project team interviewed a set of stakeholders operating in the station areas, including developers, property owners, and local economic development practitioners. Overall, the interviews revealed a clear **passion for the future of West Valley City, and a sense of optimism regarding the redevelopment potential** for underutilized commercial land and other infill opportunities in the area. Unlocking the full potential for additional private investment in the station areas will require **public sector involvement**—ranging from changes to land use regulations to direct public investment into the area’s infrastructure.

Opportunities

- The City has ambitions for building on the **entertainment assets in the Decker Lake Station Area**. This is driven by planned City and state investments ahead of the 2034 Winter Olympics—but also by nearer-term growth in concert programming at the Maverik Center, which is likely to drive additional hospitality needs in the immediate area.
- Even with over 500 units of multifamily housing in the pipeline, multiple developers shared the view that there is a strong demand for additional **transit-supportive housing development**, both in the form of multifamily and middle housing. These developers pointed to the achieved rents or sales prices on recently completed projects as an indication of the strong position of West Valley City within the residential market due to regional housing demand, as well as its location within the Salt Lake metro. The construction type is likely to consist of wood-frame buildings, rather than podium development with structured parking—which is seen as unfeasible currently due to high construction costs, without significant subsidy. Multiple interviewees also noted the need to **lead with residential development** in order to draw the “rooftops” needed for desired commercial development in the area.
- Additional development types with potential demand in the station areas include **neighborhood retail**, such as a grocery store, which would be most competitive on Redwood Road (car-accessible formats were described by one commercial developer as highly outperforming others locally and in the region). **In the near to mid-term, this development is seen as unlikely to take the form of vertical mixed-use**, which has not performed well in the region outside of downtown Salt Lake City.
- Local **community assets** include a diversity of ethnic-owned businesses and restaurants and Decker Lake Park—which multiple interviewees highlighted has the potential to become a central attraction or amenity through investments.

Challenges

- **Increased traffic during events** at the Maverik Center, and the need for better management of visitor ingress/egress, has been raised as an issue by businesses in the Decker Lake Station Area and to the south. Boosting the use of TRAX—which is experiencing low boarding rates at the stations covered by this plan—through first- and last-mile connection improvements and other travel demand management and land use strategies (e.g., including a free TRAX ticket with Maverik Center tickets,

supporting economic development strategies that bring food and beverage options to the area to help space out travel times, and working with the Maverik Center to charge for parking) will help address this issue.

- While the **current parking facilities** are meeting the needs of eventgoers and business owners, they include surrounding privately-owned parking space, which multiple interviewees noted could be **redeveloped into higher and better uses**.
- **Much of the land in the station areas is not zoned to allow multifamily development**, which presents a barrier to the redevelopment of underutilized commercial property. One local developer shared the insight that land prices are accessible enough that if underutilized commercial properties are rezoned to allow multifamily development, the developers will come.
- **Parking requirements were cited as a barrier to development**, particularly for housing—which currently range from 1.3-3 spaces per multifamily unit, based on the number of bedrooms, and 4.75 spaces per townhome. Lower parking requirements can help promote housing development that is both unsubsidized and affordable for owners and renters, since a single parking space alone can add \$500-750 per month in costs per unit (according to one interviewee’s estimation for a project they are developing in the region).
- In addition to the regulatory reforms detailed above, additional ways of supporting redevelopment that were mentioned include **tax incentives** and increased **flexibility in design and development requirements**, such as contracting with an architecture firm for design approval or switching to a form-based code that allows for “developing for the site, rather the zone.”

Station Area Market Outlooks

River Trail Station Area

Of the station areas, River Trail has the most uncertain potential. As the least populated station area, with the lowest boardings of the TRAX stations covered in this plan (pre and post-pandemic), the current land uses of light industrial and single-family residential are likely to continue into the foreseeable future, without public interventions through re-zoning or other actions. Yet, properties in this area are relatively inexpensive compared to the other areas and could present an opportunity for larger scale redevelopment in the longer term, potentially through pioneering product such as vertical mixed-use. However, trying to attract such development would require the City to make a large “bet” by making necessary infrastructure investments (such as road expansions) to prime the area for such development. More iterative approaches to leveraging this area to serve regional goals might include programming the Jordan River Trail—the popularity of which skyrocketed during the pandemic—and supporting trail-adjacent recreational uses/businesses.

Redwood Junction Station Area

The Redwood Junction Station Area offers medium-term opportunities for incremental redevelopment, primarily through the redevelopment of underutilized office buildings and their parking lots—but this process faces challenges ranging from zoning and parking requirements that are prohibitive or discouraging of multifamily development, as well as an

urban form that is at odds with transit-supportive development (such as large blocks and lacking connectivity). While this station area is the strongest candidate for retail development, opportunities for infill development on Redwood Road are limited. Over time, there may be opportunity for redevelopment of existing single-family residential on the east side of Redwood Road—but this is likely to be a slow-going process, contingent on owners' interest in selling.

Decker Lake Station Area

The Decker Lake Station Area offers the most opportunity for nearer-term development—primarily through larger-scale infill development on underutilized office properties and their parking lots, as in the case of Redwood Junction Station Area. If guided by a long-term vision, the redevelopment of this area could be transformative for the city. This area presents a high-impact opportunity for the City's infrastructure investments and public realm improvements—and the local development community feels that there is private sector interest in further multifamily and hospitality development, given the regionally competitive rents commanded by the area's recent multifamily projects, and the increased demand for retail and hospitality that is anticipated with increased programming of the Maverik Center. In addition to public improvements, the City has a role to play in encouraging transit-supportive development in this area, through zoning changes and pursuit of public-private partnerships. More incremental approaches in this area could include creative leveraging and investments in existing assets—such as programming Decker Lake Park with food carts to serve eventgoers and the growing local resident population, while building additional pathways for local business ownership.