

# Herriman: Fair Housing Equity Assessment

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**[DRAFT]**

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# SUMMARY OF FAIR HOUSING EQUITY ASSESSMENT

## Background

- Following its incorporation as a city in 1999, Herriman experienced a population boom, increasing more than 14 fold from under 1,600 in 2000 to over 21,000 in 2010.
- While the minority population numbered fewer than 100 in 2000, constituting less than 6 percent of Herriman's population, the minority share of the city population grew to more than 10 percent in 2010.

## Segregation

- While minorities accounted for only 8 percent of the increase in total households from 1990 to 2000, they represented over 15 percent of the increase in rental households in the following decade.
- Over half of the minority households are located in Herriman's northern census tract, which has better access to public transportation than the rest of the city and contains nearly 57 percent of the city's affordable single-family homes at or above the 80 percent AMI level.

## RCAP/ECAP

- The overall poverty rate in Herriman in 2010 was about 2 percent, one of the lowest rates for any city in the county.
- Though non-Hispanic whites outnumbered minorities about 10 to 1, the poverty rate among non-Hispanic whites was less than a percent higher than minorities.
- The city has no racially or ethnically concentrated areas of poverty, nor are there any concentrations of minorities or Hispanics more than 10 percentage points above the county average.

## Disparities in Opportunity

- HUD provided an opportunity index that aggregated a variety of factors such as school proficiency, job access, poverty, and housing stability. Overall, Herriman received a score of 6 out of 10, which is 1.1 points above the county average.
- Of the five public schools with complete data on opportunity indicators such as science proficiency and Title I status, all rank highly among the county. The lowest opportunity school, Herriman High, received an opportunity score of 6, and Herriman School scored the highest possible score of 10.
- The assessed detached, single-family home values in the city range from under \$200,000 to over \$400,000. Generally, the further east the home is located, the lower the assessed value. A large majority of the highest valued homes lies just outside the city, in the mountains along the border.

## FAIR HOUSING EQUITY ASSESSMENT ANALYSIS

Since 2000, Herriman has experienced a 14-fold population increase from under 1,600 residents in 2000 to over 21,000 residents in 2010. The minority population has grown at a faster pace than non-Hispanic whites, with the minority population totaling more than 10 percent of the total population in 2010. An even more disproportionate amount of this growth was in the minority renter population, representing about 15 percent of the net growth in rental households, compared to only 8 percent of the growth of total households in Herriman in the past decade. As the minority population continues to grow in Herriman, the reduction in the disparity of economic opportunity between minorities and non-minorities will need a focus on fair and equitable housing practices.

Over half of minority households are concentrated in the northern part of Herriman, which has better access to bus routes that connect to a TRAX station just outside of the city's northern boundaries. On the other hand, the relatively small percentage of poor households are spread out across the city, often in the southern and western portions of the city far from any public transit options. As a result, the development of public transportation options in the southern part of the city could increase housing opportunity for prospective low-income homebuyers and renters more than for people of other demographics. However, it could also be argued that a majority of minority households live in the northern part of the city because this area is more affordable with smaller, lower valued homes. On average, minority homebuyers have lower mortgage approval rates and a disproportionately large share of high interest loans in the county. As a result, they are forced to purchase smaller, homes in lower-valued neighborhoods as that is all they are able to afford.

Another possible route to increase job and economic opportunities in the southwestern portion of Herriman is to include mixed-use zoning in small, but major neighborhood intersections. Through mixed-use zoning, micro-urban centers can be created with commercial activity, groceries stores, and family-friendly centers. This will stimulate economic activity on the smaller neighborhood level, encouraging the affluent families who traditionally travel to other cities for their goods and services to instead spend their money in their community. Similarly, it will create a small number of low-wage and low-skilled jobs for the residents in the area, effectively helping to reduce the need for increased public transit options to the urban employment hubs in other areas of the city and county.

An increase in public transportation options into the southern and western portions of the city would certainly increase the mobility of low-income and minority residents in the area. This includes bus routes, bike paths and lanes, and sidewalks. However, the ability to find adequately sized and affordable homes in these areas could still be a major housing impediment for members of the protected classes. With the relatively high opportunity both in the city and Herriman's public schools, low-income and minority families could benefit from the amenities and educational opportunities in the city. However, these opportunities remain intangible so long as the home values and lack of affordable housing throughout the city greatly limits the housing choices available to them. As a result, the demographic and economic disparities in the city will remain divided until there is citywide access to adequate, affordable housing for all income levels and family sizes.

## BACKGROUND

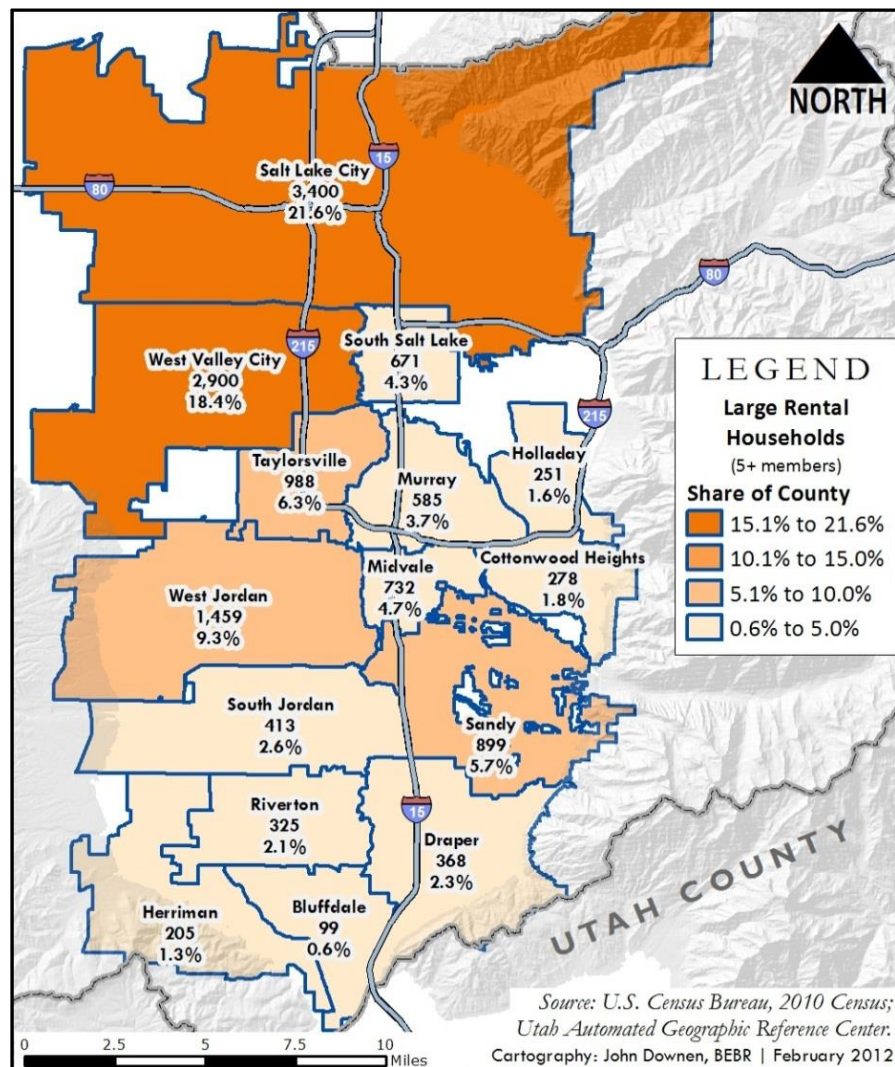
Since its incorporation as a city in 1999, Herriman experienced a population increase of more than 14 fold from 1,523 in 2000 to over 21,000 in 2010. The dramatic population increase in the past decade is partly due to significant land annexations in recent years. Table 1 shows selected demographic trends in Herriman from 1990 to 2010 for selected protected classes. While the minority population, numbering fewer than 100, accounted for less than 6 percent of the Herriman population in 2000, minorities constituted more than 10 percent of the population in 2010.

The share of households with children under 18 increased from 58 percent in 2000 to over 70 percent in 2010. The share of single-parent households rose from 3.9 percent in 2000 to 7.1 percent in 2010. While a quarter of households in Herriman were large families with five or more persons in 2000, this share increased to over 35 percent in 2010.

Figure 1 shows each city's share of Salt Lake County's large rental households, which are defined as having five or more persons. Over a fifth of the county's large rental households reside in Salt Lake City. The six entitlement cities—Salt Lake City, West Valley City, Taylorsville, West Jordan, Sandy and South Jordan—constitute nearly 64 percent of the county's large rental households. The non-entitlement cities in the southern and

eastern regions of the county each have very minimal county shares. Only 1.3 percent of the large rental households reside in Herriman. Although not pictured in Figure 1, the unincorporated areas are home to nearly 14 percent of the county's large rental households.

**Figure 1**  
**Large Renter Households by City and Share of Salt Lake County Large Renter Households, 2010**



**Table 1  
Demographic Trends for Protected Classes  
Herriman, 1990–2010**

	1990 <sup>1</sup>		2000		2010	
	Count	Share	Count	Share	Share	Count
Total Population	—	—	1,523		21,785	
White (not Hispanic)	—	—	1,433	94.1%	19,519	89.6%
Black (not Hispanic)	—	—	0	0.0%	99	0.5%
Asian (not Hispanic)	—	—	4	0.3%	274	1.3%
Hispanic/Latino	—	—	42	2.8%	1,358	6.2%
Minority (all except non-Hispanic white)	—	—	90	5.9%	2,266	10.4%
Persons with disabilities <sup>2</sup>	—	—	127 ± 55	8.6% ± 3.8%	914 ± 409	4.8% ± 2.2%
Total Households	—	—	437		5,542	
Households with Children under 18 years	—	—	254	58.1%	3,889	70.2%
Households with Persons 65 years or over	—	—	38	8.7%	393	7.1%
Single Parent with Children under 18 years	—	—	17	3.9%	367	6.6%
Large Families (5 or more persons)	—	—	112	25.6%	1,954	35.3%
Owner-occupied Housing Units	—	—	410	93.8%	4,890	88.2%
Renter-occupied Housing Units	—	—	27	6.2%	652	11.8%

Source: U.S. Census Bureau

<sup>1</sup> Herriman was not included as a place in the 1990 Census.

<sup>2</sup> The disability data account for only the population ages 5 and older, since Census 2000 did not gather disability data on the population under 5. The 2010 data was derived from the 2009-2011 American Community Survey 3-year estimates by aggregating only the age groups older than 5. The margins of error for the disability data are associated with 90% confidence intervals. The margin of error for the 2010 data was recalculated to account for only the population ages 5 and older. The margin of error for the 2000 data was calculated using the methodology described in the Census 2000 Summary File 3 Technical Documentation. Despite these adjustments to make the 2000 and 2010 data encompass the same age groups, these two data points are not comparable given changes in survey design and revisions in the definition of disability.

**Table 2  
Demographic Trends for Protected Classes  
(Absolute Change), 1990–2010**

	1990– 2000	2000– 2010
Total Population	—	20,262
White (not Hispanic)	—	18,086
Black (not Hispanic)	—	99
Asian (not Hispanic)	—	270
Hispanic/Latino	—	1,316
Minority	—	2,176
Total Households	—	5,105
Households with Children <18	—	3,635
Households with Persons 65+	—	355
Single Parent with Children < 18	—	350
Large Families (5+ persons)	—	1,842
Owner-occupied Housing Units	—	4,480
Renter-occupied Housing Units	—	625

Source: U.S. Census Bureau

**Table 3  
Demographic Trends for Protected Classes  
(Percent Change) , 1990–2010**

	1990– 2000	2000– 2010
Total Population	—	1330.4%
White (not Hispanic)	—	1262.1%
Black (not Hispanic)	—	—
Asian (not Hispanic)	—	6750.0%
Hispanic/Latino	—	3133.3%
Minority	—	2417.8%
Total Households	—	1168.2%
Households with Children <18	—	1431.1%
Households with Persons 65+	—	934.2%
Single Parent with Children < 18	—	2058.8%
Large Families (5+ persons)	—	1644.6%
Owner-occupied Housing Units	—	1092.7%
Renter-occupied Housing Units	—	2314.8%

Source: U.S. Census Bureau



Table 4 lists the average household sizes in Herriman by race and ethnicity. The citywide average household size increased from 3.49 in 2000 to 3.93 in 2010—one of the only cities to see an aggregate increase in family size between 2000 and 2010.

Asians and those with multiple races are the only minority groups with average household sizes below that of non-Hispanic whites in 2010. On the other hand, Hispanic/Latino households had an average size of 4.31 in 2010. While Pacific Islanders had an average household size of 6.12, they constituted only 0.3 percent of the total households in 2010.

The large average household sizes among minority groups could pose difficulties in finding affordable and suitable rental locations as well as higher rent burdens. Thus, limited selection and affordability of rental units with three or more bedrooms could disproportionately affect minority groups, especially Hispanic/Latino and Pacific Islander residents.

**Table 4**  
**Average Household Size by Race/Ethnicity in Herriman, 1990–2010**

<b>Race/Ethnicity</b>	<b>1990<sup>1</sup></b>	<b>2000</b>	<b>2010</b>
White (not Hispanic)	—	3.45	3.91
Hispanic/Latino	—	— <sup>3</sup>	4.31
Asian/Pacific Islander (not Hispanic)	—	— <sup>3</sup>	4.00
Asian <sup>2</sup>	—	— <sup>3</sup>	3.47
Pacific Islander <sup>2</sup>	—	— <sup>3</sup>	6.12 <sup>4</sup>
Two or More Races (not Hispanic)	—	— <sup>3</sup>	3.50
<b>Total Population</b>	—	<b>3.49</b>	<b>3.93</b>

*Source: U.S. Census Bureau*

<sup>1</sup> Herriman was not included as a place in the 1990 Census.

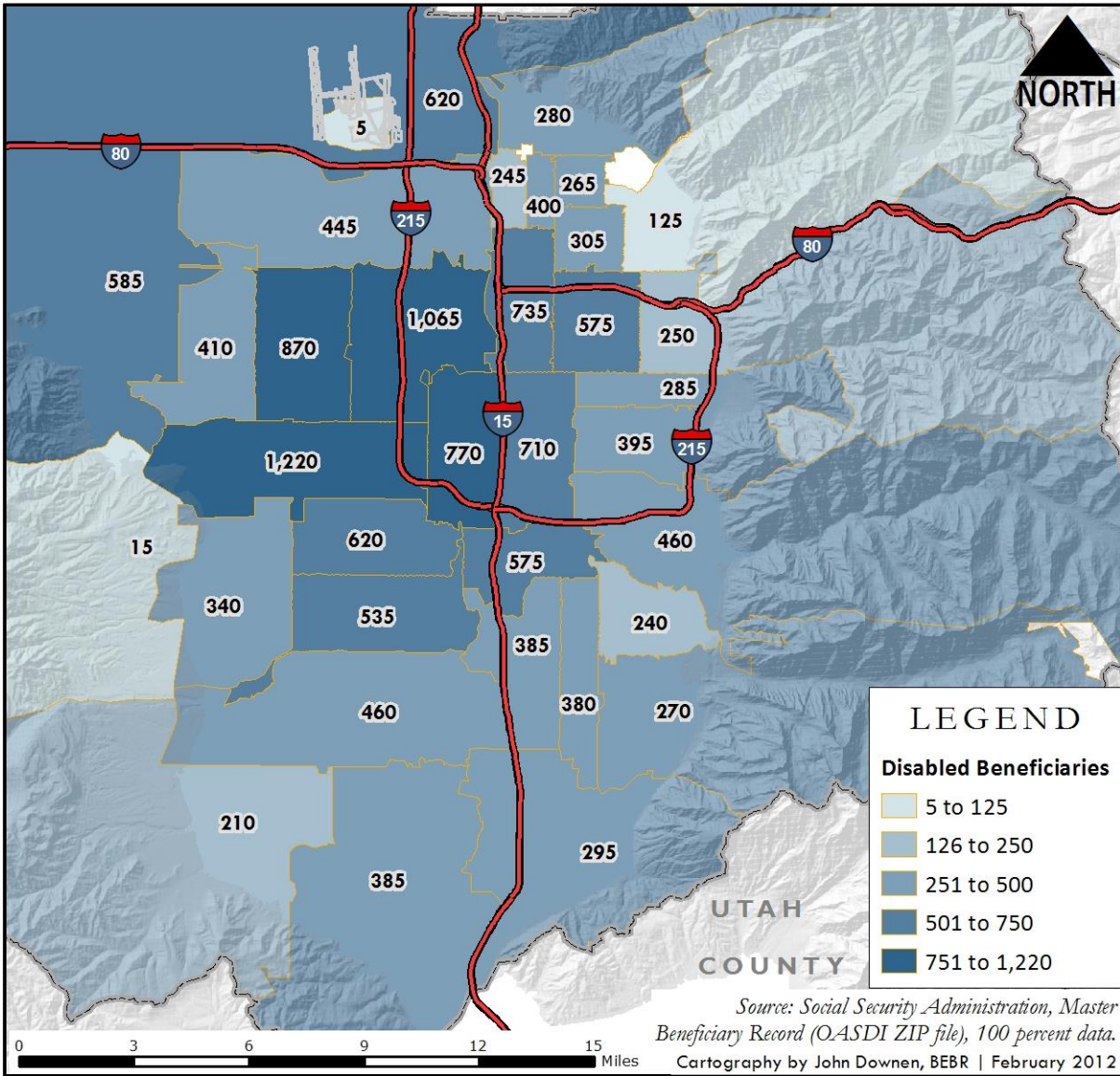
<sup>2</sup> The 1990 Census Summary Tape File 2B does not further disaggregate Asian and Pacific Islander populations by Hispanic origin. However, this lack of detailed disaggregation in the census raw data only overcounts the total number of households in Salt Lake County by 91, given the relatively few Hispanic Asians and Hispanic Pacific Islanders in the total population. Note that the Asian and Pacific Islander categories for 2000 and 2010 are non-Hispanic given the availability of disaggregation by Hispanic origin for these two races in the last two censuses to avoid overlap with the Hispanic/Latino population.

<sup>3</sup> The 2000 and 2010 Census did not provide average household sizes for these groups due to low numbers of households.

<sup>4</sup> These groups have fewer than 30 households. Please refer to the exact number of households for these groups in Table 7.

Note: The 2000 and 2010 Census did not provide average household sizes for a few racial and ethnic groups that had very few households in both censuses. In these cases, the racial and ethnic groups are not presented in the table above.

**Figure 2**  
**Beneficiaries of Social Security Disability**  
**by Zip Code in Salt Lake County, 2010**



The number of disabled social security disability beneficiaries in Salt Lake County is shown in Figure 2 at the zip code level. The beneficiaries are heavily concentrated in West Valley City, Taylorsville, and Kearns as well as parts of South Salt Lake and Murray. The zip code that includes Herriman has one of the lowest numbers of beneficiaries in the county.

## SEGREGATION

Homeownership rates in Herriman have declined with the tremendous population boom in the last 10 years (Table 5). The non-Hispanic white homeownership rate decreased from 95 percent in 2000 to 89 percent 2010. Even though the number of minority households in 2010 was 20 times larger than the number in 2000, the minority homeownership rate has remained steady at around 78 percent. Overall, the rental tenure rate in Herriman increased from 6 percent to roughly 11 percent. The Hispanic rental rate remained fairly constant at about 22 percent (Table 6). However, the non-Hispanic white rental rate jumped from 5 percent to 11 percent.

**Table 5**  
**Homeownership Rate by Race/Ethnicity**  
**Herriman, 1990–2010**

Race and Ethnicity	1990	2000	2010
White (not Hispanic)	— <sup>1</sup>	94.7%	89.1%
Minority	— <sup>1</sup>	78.3% <sup>2</sup>	78.6%
Hispanic/Latino	— <sup>1</sup>	60.0% <sup>2</sup>	75.5%
Non-Hispanic Minority	— <sup>1</sup>	92.3% <sup>2</sup>	83.9%
Total	— <sup>1</sup>	93.8%	88.2%

Source: U.S. Census Bureau

**Table 6**  
**Rental Tenure Rate by Race/Ethnicity**  
**Herriman, 1990–2010**

Race and Ethnicity	1990	2000	2010
White (not Hispanic)	— <sup>1</sup>	5.3%	10.9%
Minority	— <sup>1</sup>	21.7% <sup>2</sup>	21.4%
Hispanic/Latino	— <sup>1</sup>	40.0% <sup>2</sup>	24.5%
Non-Hispanic Minority	— <sup>1</sup>	5.3% <sup>2</sup>	10.9%
Total	— <sup>1</sup>	6.2%	11.8%

Source: U.S. Census Bureau

<sup>1</sup> Herriman was not included as a place in the 1990 Census data.

<sup>2</sup> There were fewer than 30 minority households in Herriman in 2000. Homeownership and rental tenure rates are not listed for non-Hispanic minority groups, which all had fewer than 100 households in 2000 and 2010.

Table 7 and Table 8 include the composition of total households and rental households, respectively, by race and ethnicity. The number of total occupied units in 2010 was nearly 13 times greater than in 2000. Despite this tremendous growth in housing units, the non-Hispanic white share of total households only slightly decreased from 95 percent in 2000 to 92 percent in 2010. On the other hand, the non-Hispanic white share of rental households in fact increased from 82 percent in 2000 to 85 percent in 2010. The reason for the increasing non-Hispanic white rental share partly stems from the increasing homeownership among Hispanic/Latino households. Note that the nearly negligible size of minority households in 2000 led to percentages that deviate from the corresponding 2010 figures.

**Table 7  
Total Households by Race and Ethnicity  
Herriman, 1990–2010**

Race and Ethnicity	1990		2000		2010	
	Number of Households	% Share	Number of Households	% Share	Number of Households	% Share
White (not Hispanic)	—	—	414	94.7%	5,080	91.7%
Minority	—	—	23	5.3%	462	8.3%
Hispanic/Latino	—	—	10	2.3%	294	5.3%
Non-Hispanic Minority	—	—	13	3.0%	168	3.0%
American Indian	—	—	—	—	18	0.3%
Asian or Pacific Islander	—	—	—	—	85	1.5%
Asian	—	—	—	—	68	1.2%
Pacific Islander	—	—	—	—	17	0.3%
Black	—	—	—	—	23	0.4%
Other Race	—	—	—	—	6	0.1%
Two or More Races	—	—	—	—	36	0.6%
Total	—	—	437	100.0%	5,542	100.0%

*Source: U.S. Census Bureau*

Note: Herriman was not included as a place in the 1990 Census data. The number of households is not disaggregated in the 2000 data for racial and ethnic groups with low population size.

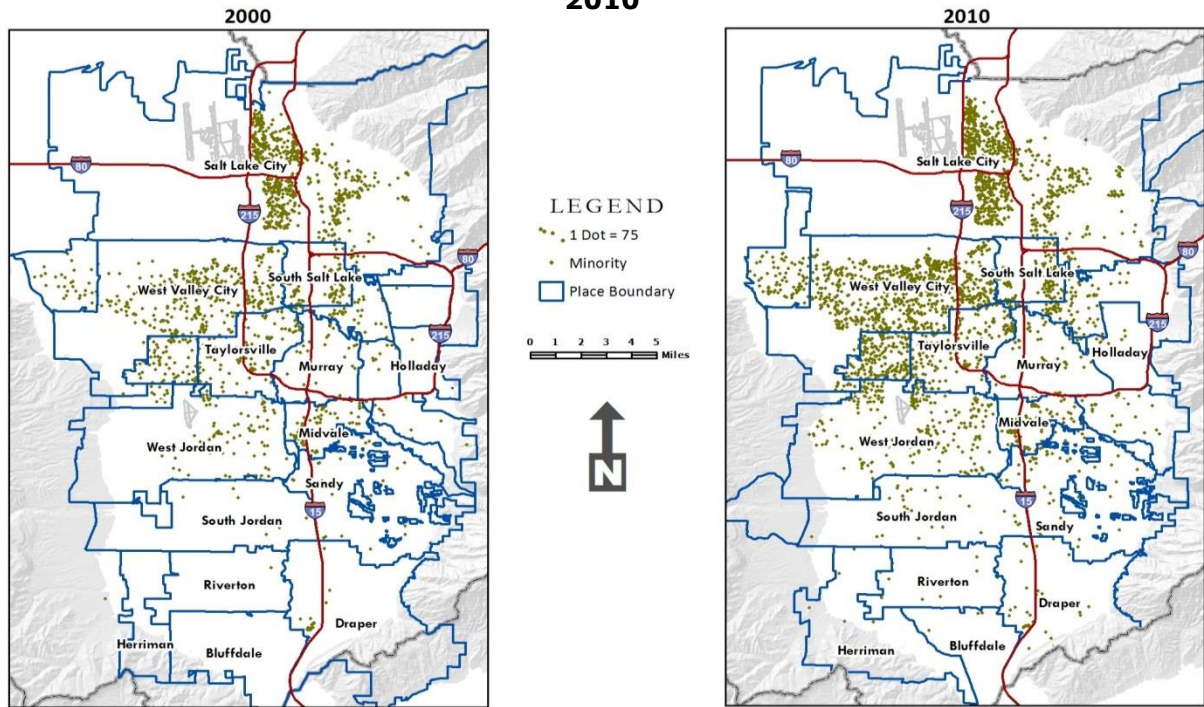
**Table 8  
Rental Households by Race and Ethnicity  
Herriman, 1990–2010**

Race and Ethnicity	1990		2000		2010	
	Number of Households	% Share	Number of Households	% Share	Number of Households	% Share
White (not Hispanic)	—	—	22	81.5%	553	84.8%
Minority	—	—	5	18.5%	99	15.2%
Hispanic/Latino	—	—	4	14.8%	72	11.0%
Non-Hispanic Minority	—	—	1	3.7%	27	4.1%
American Indian	—	—	—	—	4	0.6%
Asian or Pacific Islander	—	—	—	—	16	2.5%
Asian	—	—	—	—	8	1.2%
Pacific Islander	—	—	—	—	8	1.2%
Black	—	—	—	—	2	0.3%
Other Race	—	—	—	—	1	0.2%
Two or More Races	—	—	—	—	4	0.6%
Total	—	—	27	100.0%	652	100.0%

*Source: U.S. Census Bureau*

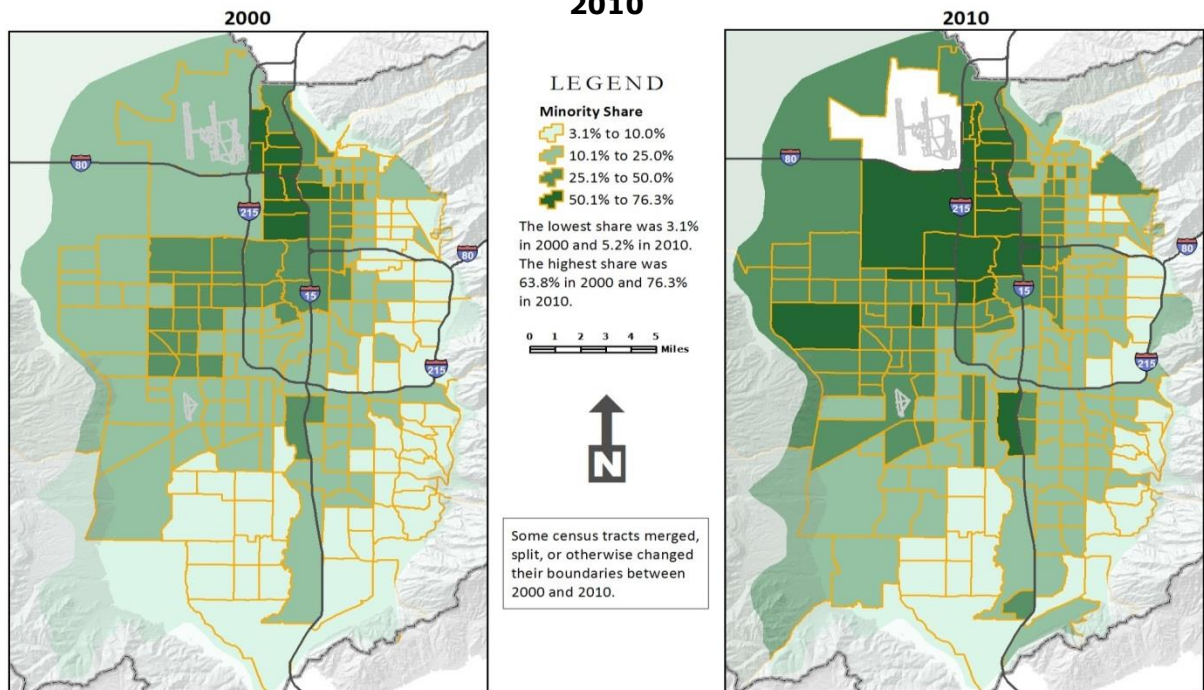
Note: Herriman was not included as a place in the 1990 Census data. The number of households is not disaggregated in the 2000 data for racial and ethnic groups with low population size.

**Figure 3**  
**Dot Density of Salt Lake County Minority Population by Census Block, 2000 and 2010**



Source: U.S. Census Bureau, 2000 and 2010 Census; Utah Automated Geographic Reference Center.  
 Cartography: John Downen, BEBR | June 2012

**Figure 2**  
**Minority Share of the Salt Lake County Population by Census Tract, 2000 and 2010**



Source: U.S. Census Bureau, 2000 and 2010 Census; Utah Automated Geographic Reference Center.  
 Cartography: John Downen, BEBR | June 2012

Figure 3 shows the dot density of the Salt Lake County minority population by census block for 2000 and 2010. In 2000, the highest concentrations of minorities are in Salt Lake City’s River District, West Valley City, and Kearns (unincorporated area west of Taylorsville). In addition to these areas, which had even higher minorities concentrations in 2010, Cottonwood Heights, South Salt Lake, Taylorsville, and West Jordan have experienced a larger influx of minorities in the past decade. The cities in the southern end of the county, including Herriman, have very few areas of minority populations.

Figure 2 shows the minority shares of census tract populations in Salt Lake County for 2000 and 2010. In 2000, nearly all the minority-majority census tracts (colored coded in dark green in Figure 2) are in the Salt Lake City’s River District. However, in 2010, several minority-majority census tracts have emerged in West Valley City and South Salt Lake. As of 2010 there are no tracts of significantly high minority populations in Herriman.

**Figure 5**  
**Minority Owner-Occupied Units in Herriman, 2010**

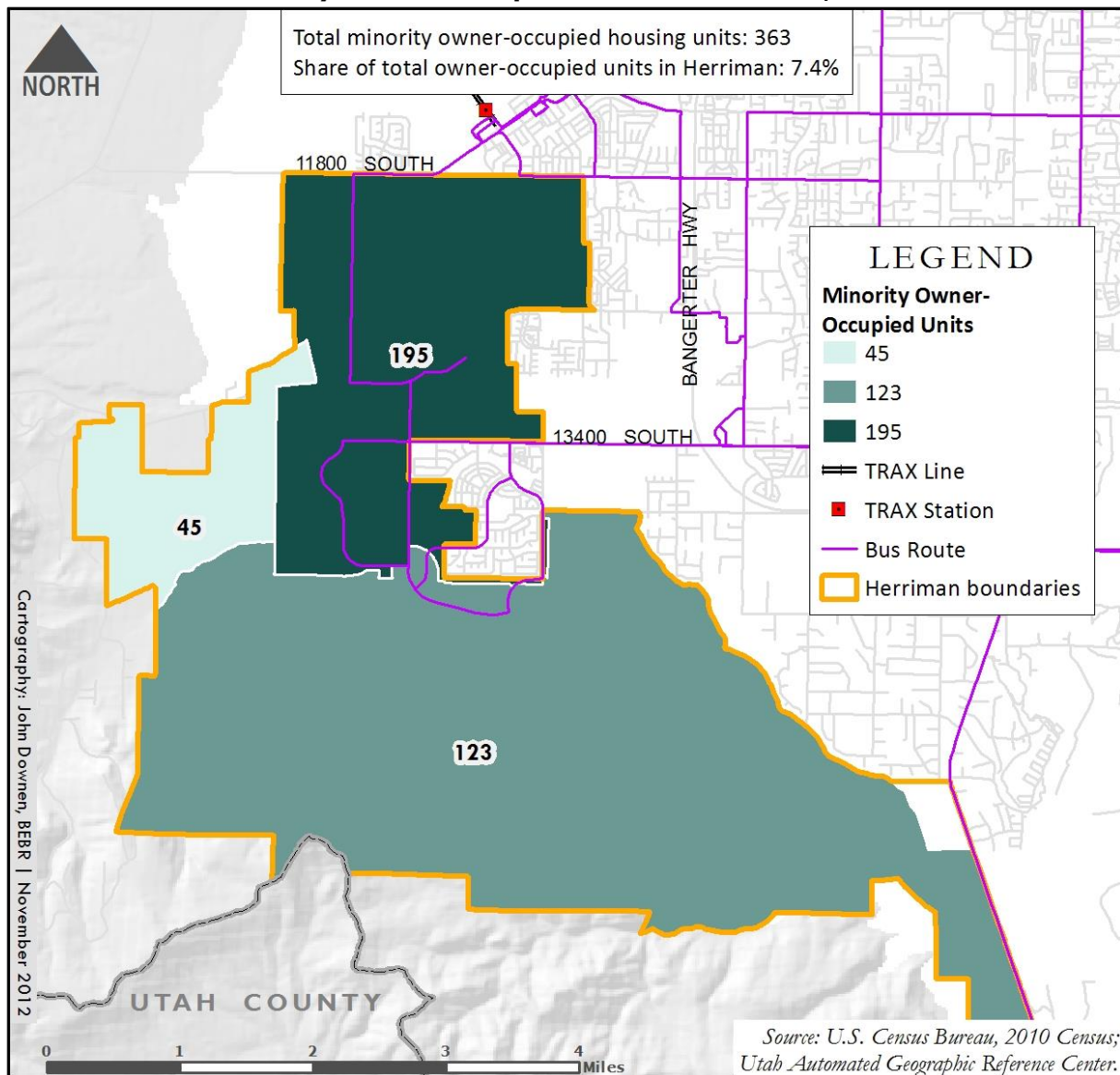
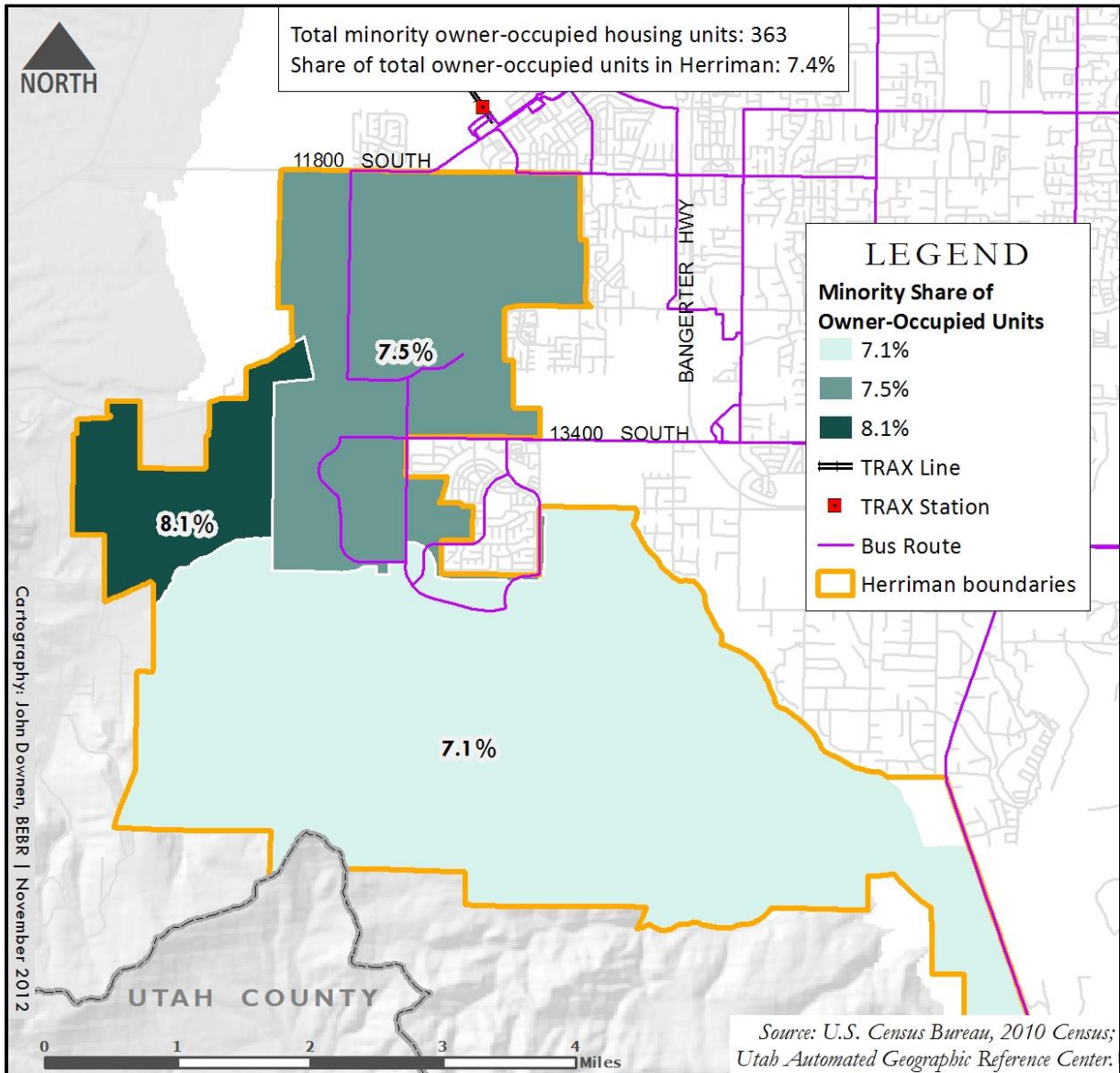


Figure 5 shows the number of minority owner-occupied units by census tracts in Herriman. Figure 6 provides the percent of owner-occupied units that are minority households. While the northern part of the city has the highest number of minority owner-occupied units (Figure 5), the smaller northwestern census tract has the highest minority share of owner-occupied units (Figure 6). As shown in Figure 6, the minority share of owner-occupied units in Herriman range from 7.1 percent to 8.1 percent, while the overall minority share of total households is slightly higher at 8.3 percent (Table 7).

**Figure 6**  
**Share of Owner-Occupied Units in Herriman**  
**Occupied by Minority Household, 2010**



**Figure 7**  
**Minority Owner-Occupied Units and Proximity to Low-Wage Jobs in Herriman, 2010**

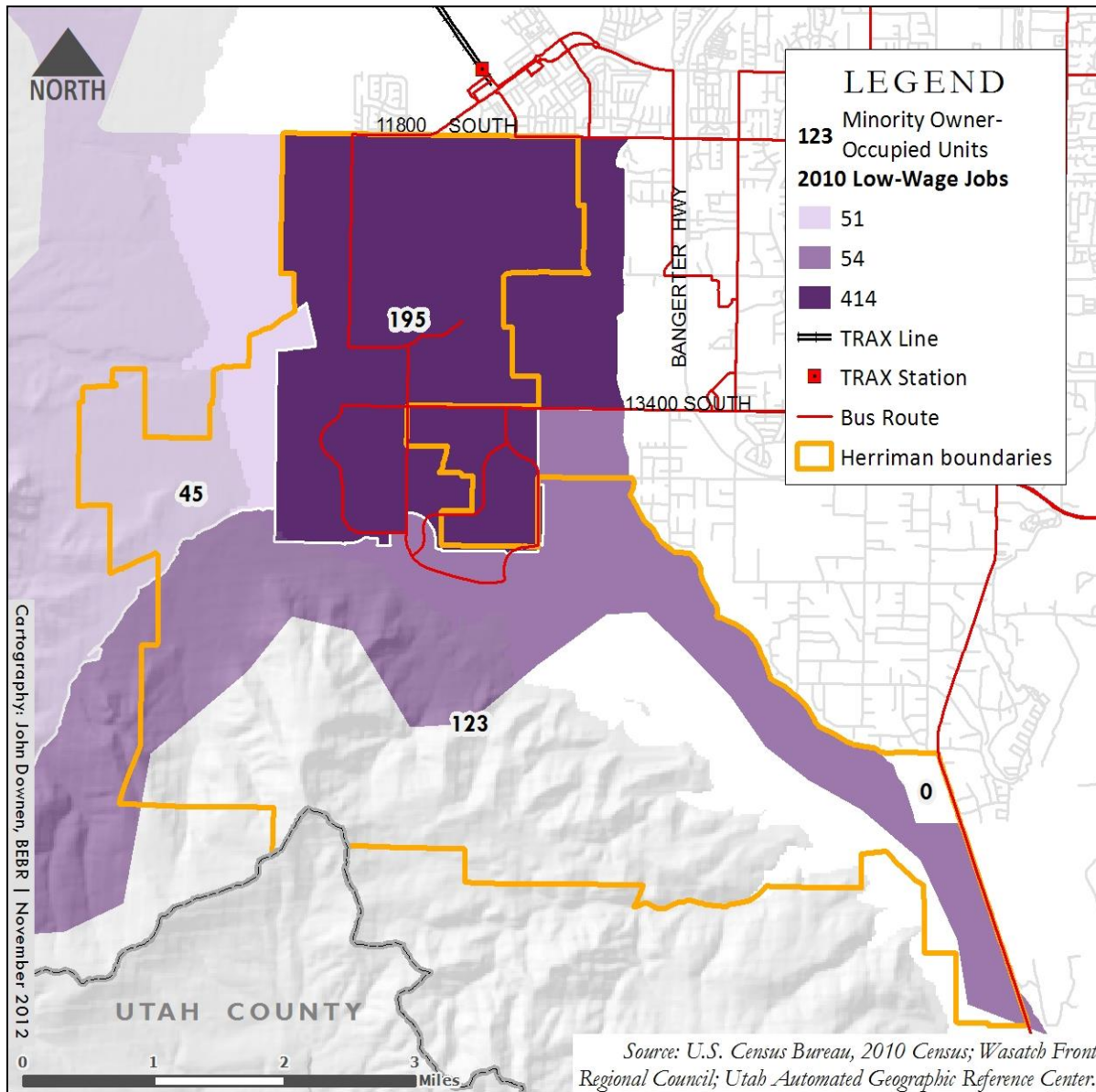


Figure 7 overlays the density of low-wage jobs (in shades of purple) with the number of minority owner-occupied units. Most of the low-wage jobs are located in the northern census tract, which includes a few commercial areas scattered throughout the area. The red lines in Figure 7 represent the bus routes in the city. These bus routes serve mostly neighborhoods in the northern census tract and reaches the nearest TRAX station that stops just short of Herriman’s city boundary.



**Figure 8**  
**Minority Renter-Occupied Units by Tract in Herriman, 2010**

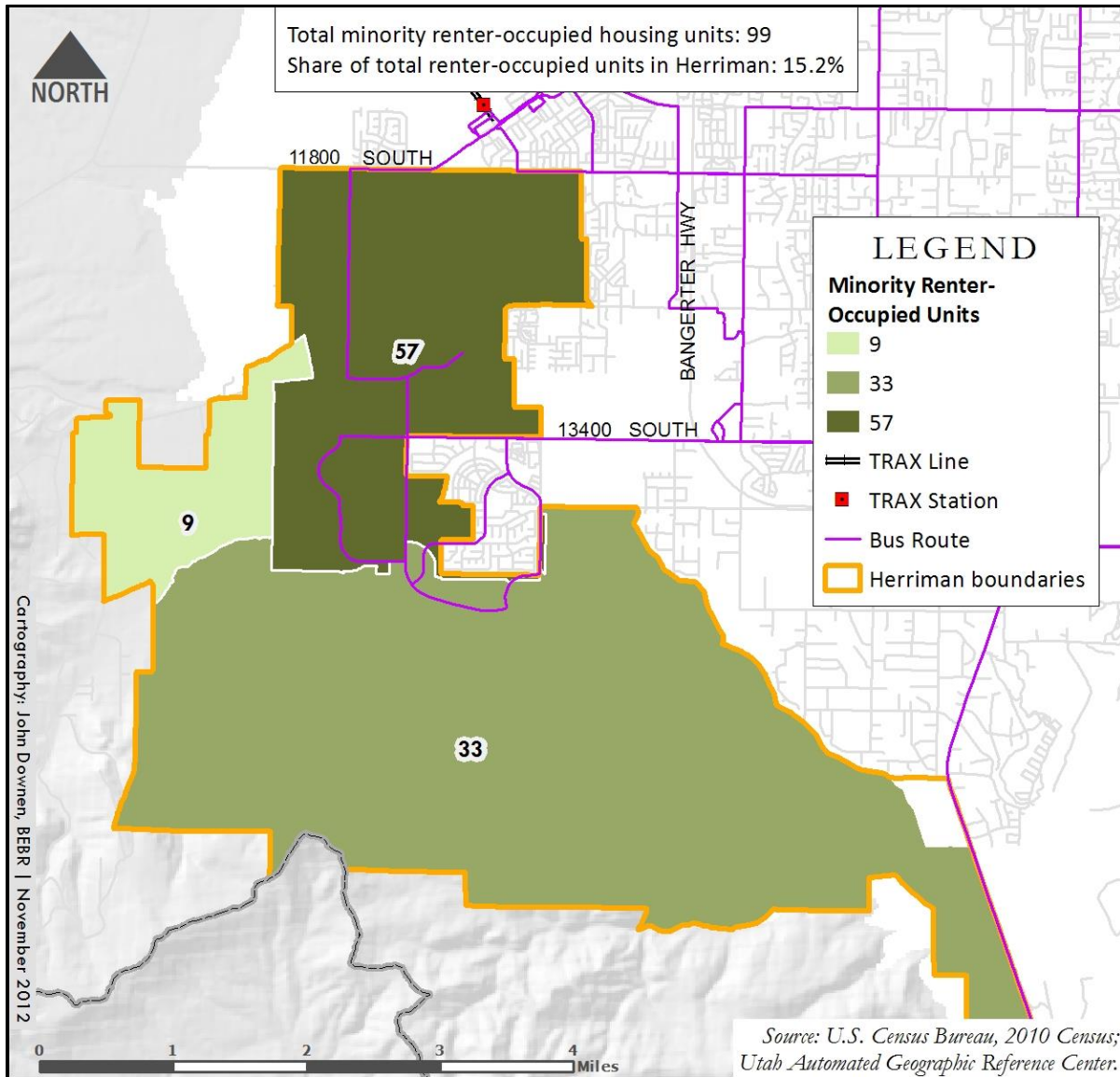


Figure 8 shows the number of minority renter-occupied units in Herriman. Over half of the 99 minority rental units are located in the city’s northern region, which has better access to public transportation than the rest of the city.

**Figure 9**  
**Minority Share of Renter-Occupied Units by Tract in Herriman, 2010**

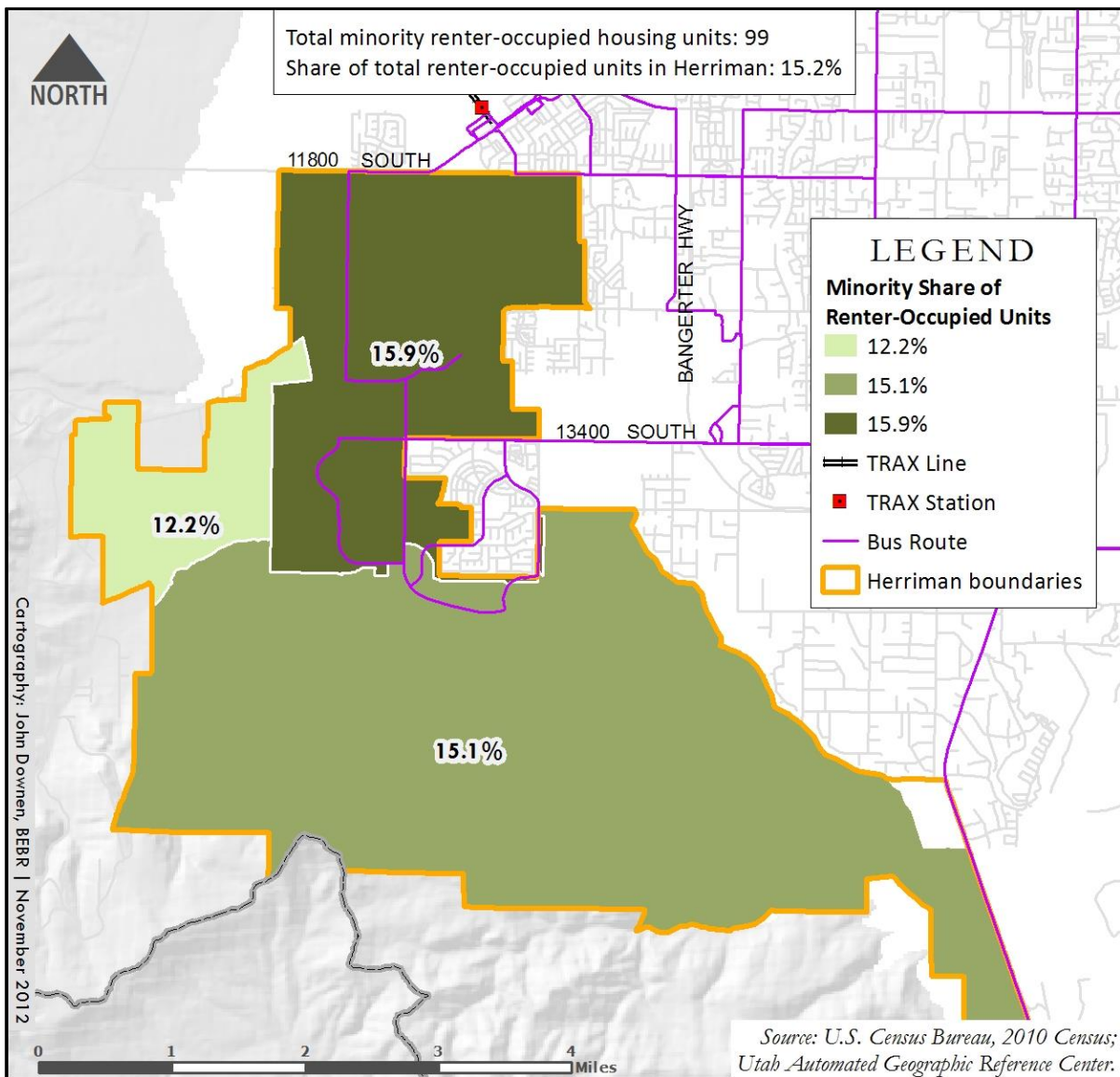


Figure 9 shows the minority share of renter-occupied units in Herriman. Over 15 percent of rental units in Herriman are headed by minorities. This share is fairly commensurate with the minority shares in the three census tract regions in the city, ranging from 12.2 percent to 15.9 percent.

**Figure 10**  
**Minority Renter-Occupied Units and Proximity to Low-Wage Jobs in**  
**Herriman, 2010**

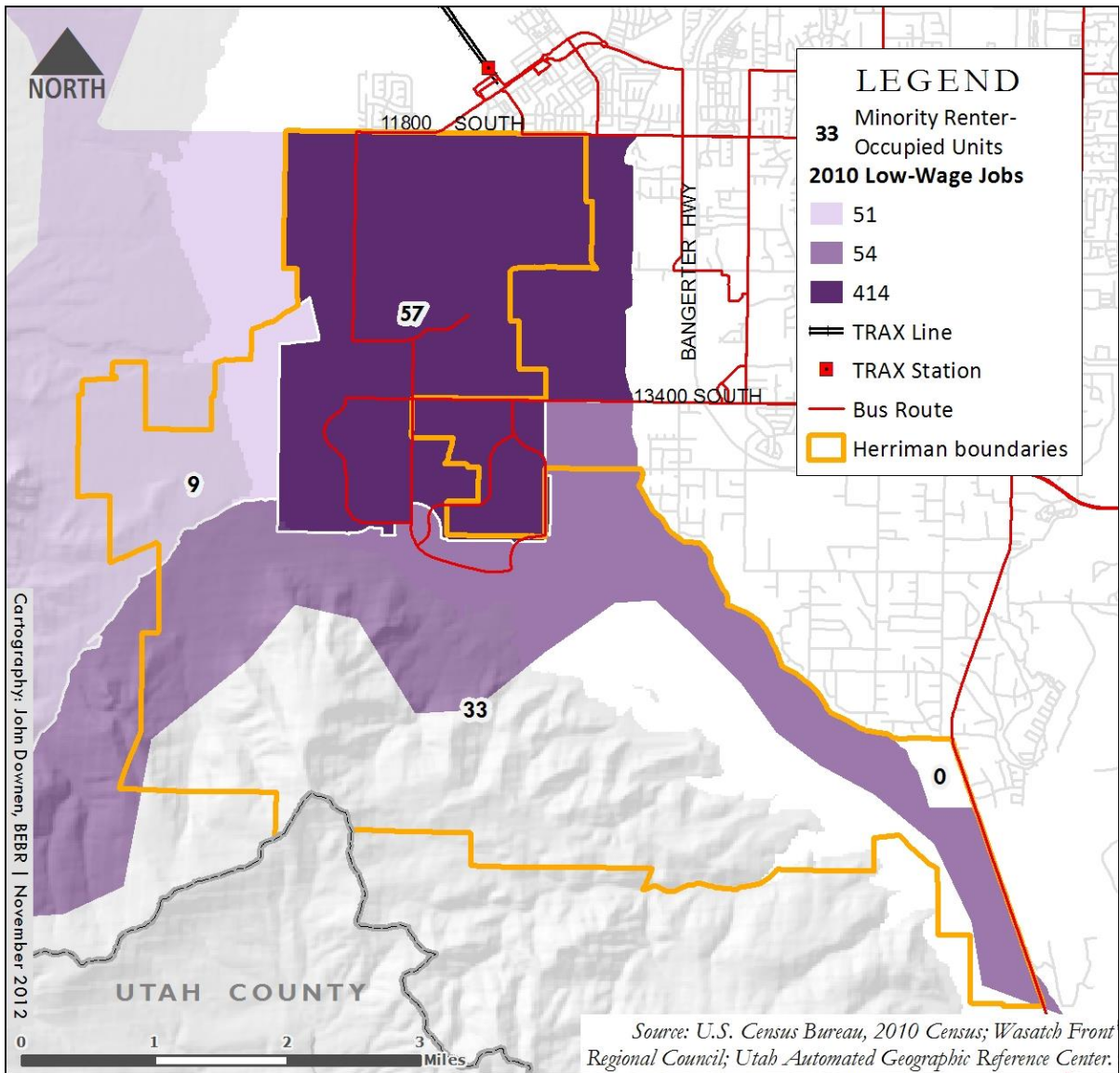


Figure 10 overlays the density of low-wage jobs (shades of purple) with the number of minority renter-occupied units. The northern region of the city has the highest number of minority rental units and low-wage jobs. This area also has more access to public transportation than other regions of the city.

**Table 9  
Predicted Racial/Ethnic  
Composition Ratio  
Herriman**

	Percent of Households		Actual/ Predicted Ratio
	Actual	Predicted	
Minority	8.0%	12.4%	0.65
Asian	1.0%	2.1%	0.48
Black	0.1%	0.8%	0.17
Hispanic/Latino	6.9%	7.8%	0.88

*Source: HUD Spreadsheet for Sustainable Communities Grantees*

**Actual/Predicted Ratio Scale**

Value Ranges	Interpretation of Actual Share
0-0.5	Severely Below Predicted
0.5-0.7	Moderately Below Predicted
0.7-0.9	Mildly Below Predicted
0.9-1.1	Approximates Predicted
> 1.1	Above Predicted

Table 9 shows the ratio between predicted and actual racial/ethnic composition in Herriman. The predicted percent of minority households is the expected composition based on the income distribution in the metropolitan area by race and ethnicity. The actual composition is based on the 2005-2009 American Community Survey 5-year estimates. Overall, minorities are considered moderately below predicted based on this methodology. The Asian and black share of the total households in Herriman only represent 48 percent and 17 percent of the expected shares, respectively.

Table 10 compares the affordability of rental housing units in Herriman with the metro area for rental prices based on AMI. Affordability is based on the threshold that rent would not amount to more than 30 percent of total income.

**Table 10  
Fair Share Affordable Housing Index  
Herriman**

	A	B	C	D	E	F
Income Level	Total Housing Units	Number of Affordable Rental Units	% of Affordable Rental Units in City (B/A)	% of Affordable Rental Units in Metro Area	Fair Share Need (D x A)	% of Fair Share Need (C/D)
<30% AMI	4,644	15	0.3%	6%	284	5%
30%-50% AMI	4,644	15	0.3%	12%	537	3%
50%-80% AMI	4,644	104	2%	19%	877	12%

*Source: HUD Spreadsheet for Sustainable Communities Grantees*

Note: The affordability for each income level is based on the threshold that gross rent will not amount to more than 30% of total income.

Only 0.3 percent of West Valley’s total housing units are deemed affordable below the 50 percent AMI level. The percent of fair share need below the 30% AMI level is 5 percent, meaning that the city’s share of affordable rental units at this income level is only 5 percent of the metro area’s share. According to HUD’s scale for the fair share affordable housing index, this means that Herriman’s housing stock is extremely unaffordable for those with incomes be-

**Percent of Fair Share Need Scale**

Value Ranges	Interpretation of Actual Share
0-50%	Extremely Unaffordable
50-70%	Moderately Unaffordable
70%-90%	Mildly Unaffordable
90%-110%	Balanced Affordability
> 110%	Above Fair Share, Affordable

low the 30 percent AMI threshold. Similarly, the city's household stock is also extremely unaffordable for those earning 50-80 percent AMI.

**Figure 11**  
**Single-Family Homes Affordable at 80% AMI in**  
**Herriman, 2011**

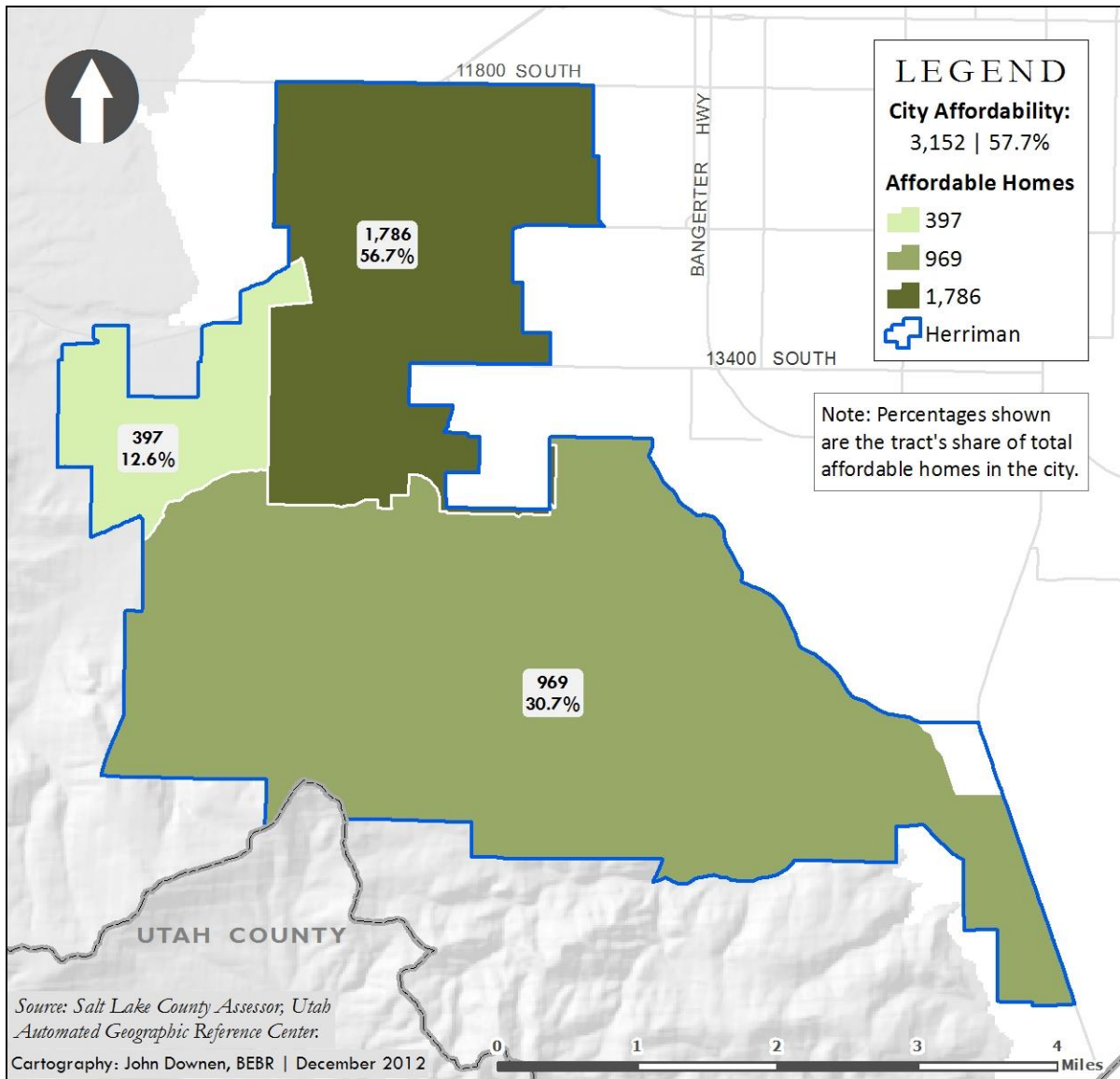


Figure 11 shows the number and share of single-family homes in Herriman census tracts that are affordable at 80 percent AMI in 2011. The percentages shown in Figure 11 are each census tract's share of the total affordable homes in the city. Affordability calculations are based on 30 percent of annual income, accounting for taxes, home insurance, and mortgage insurance. The maximum affordable single-family home price at 80 percent AMI is \$255,897. Nearly 57 percent of all affordable single-family homes in Herriman are located in the northern census tract (Figure 11), which has 54 percent of minority owner-occupied units (Figure 5) and 58 percent of minority rental units in the city (Figure 8).

**Table 11  
Dissimilarity Index**

Group	Dissimilarity Index		Dissimilarity Index Scale	
	Herriman	Salt Lake County	Value Ranges	Interpretation
Minority	0.28	0.43	≤ 0.40	Low Segregation
Hispanic/Latino	0.36	0.50	0.41-0.54	Moderate Segregation
Non-Hispanic Minority	0.43	0.41	≥ 0.55	High Segregation

Source: BEBR computations from 2010 Census

The dissimilarity index calculates the share of the minority group that would have to move to different census blocks in order to match the non-Hispanic white distribution in the respective geographic area. The Salt Lake County dissimilarity index was calculated using data from all incorporated cities and unincorporated areas.

The dissimilarity index is calculated as follows:

$$Dissimilarity (W, M)_j = \frac{1}{2} \sum_{i=1}^N \left| \frac{M_i}{M_j} - \frac{W_i}{W_j} \right|$$

where

$W$  = non-Hispanic population

$M$  = minority population

$i$  =  $i^{\text{th}}$  census block group

$j$  = geographic area (city or county)

$N$  = number of census blocks in geographic area  $j$

Another measure of segregation is the dissimilarity index shown in Table 11. The dissimilarity indices for Herriman are below the county levels with the exception of non-Hispanic minorities, whose dissimilarity index is slightly higher than the county level. In order for the minority and non-Hispanic white geographic distributions in Herriman to match, 28 percent of minorities would have to move to other census blocks in the city. While the dissimilarity index itself does not provide any geospatial information about segregation, Figure 12 shows the difference between each census block's share of the minority and non-Hispanic white populations in order to depict the areas contributing to high dissimilarity indices.

**Figure 12**  
**Dissimilarity Index for Minorities in Salt Lake County, 2010**

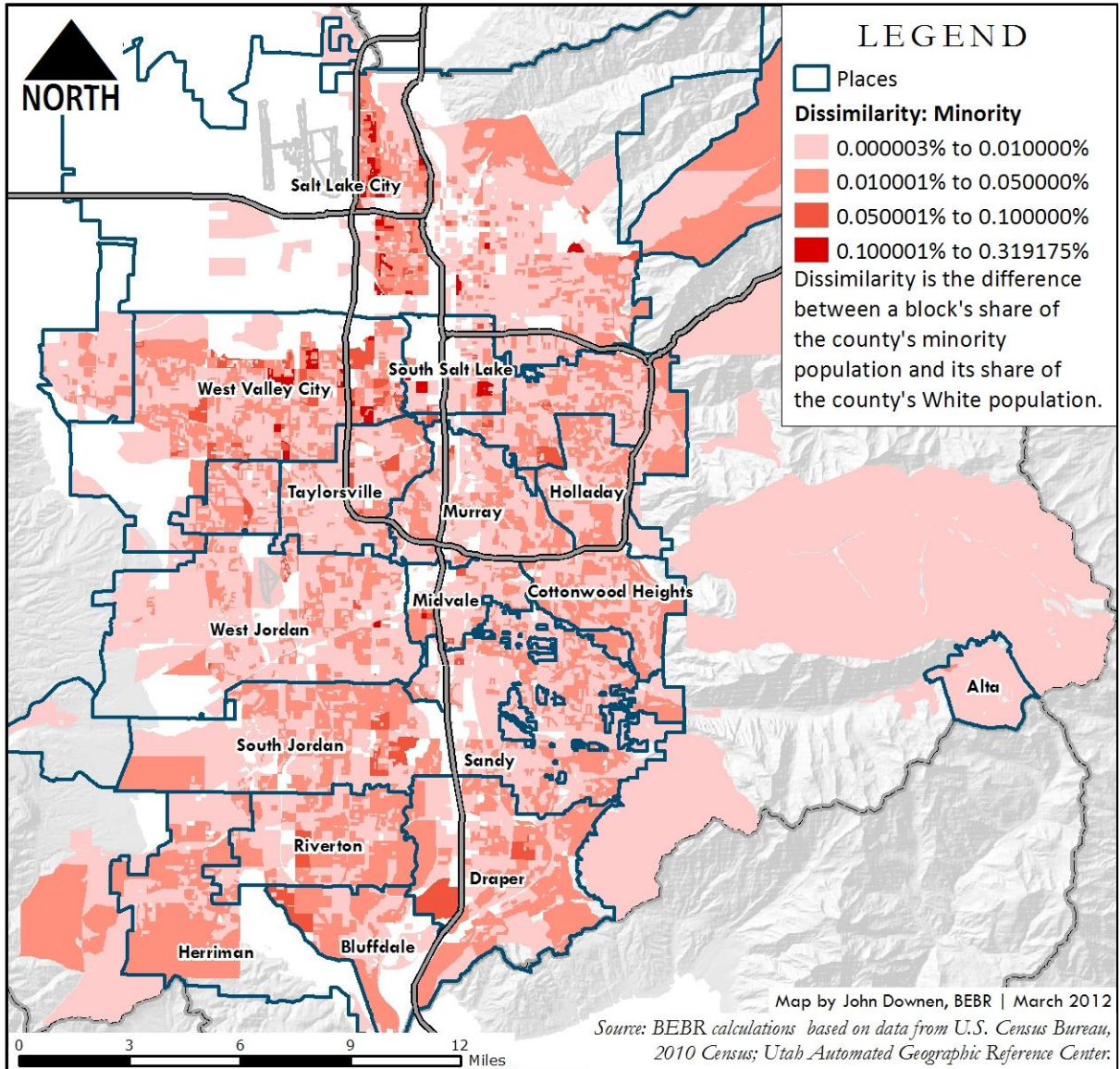


Figure 12 shows the absolute difference between each census block's county share of the minority and non-Hispanic white population. These absolute differences are used to calculate the dissimilarity index in Table 11 for the county. Noticeably large dissimilarities between the minority and non-Hispanic white county shares at the block level are concentrated on the west side of Salt Lake City in the River District neighborhoods. Some census blocks in West Valley City and South Salt Lake also have dissimilarities greater than 0.1 percent.

## RCAP

In 2010, 1.7 percent of the people living in Herriman were considered poor (Table 12). In the city, the poverty rate was the same among Hispanics as non-Hispanic whites at 1.7 percent. However, it was only at 1.4 percent in all minority populations. This is due to the low number of minorities, other than Hispanics, actually living in the city, of which none were poor. However, due to the population difference between whites and Hispanics in the city, about 91 percent of the poor population in Herriman in 2010 was identified as non-Hispanic white (Table 13). Hispanics made up 100 percent of the poor minority population, at a total of 25 poor Hispanics living in Herriman. Despite its relatively low population for the county, the poverty rate in Herriman is one of the lowest, even compared to the other southern cities.

**Table 12**  
**Number and Share of Poor Persons by Race and Ethnicity in Herriman, 2010**

		Poor	Total	% Poor
Herriman	Black	0	6	0.0%
	Native Am.	0	0	0.0%
	Asian	0	196	0.0%
	Pacific Island	0	78	0.0%
	Hispanic	25	1449	1.7%
	Total Minority	25	1729	1.4%
	White	244	14317	1.7%
	Total	269	16046	1.7%

Source: HUD Spreadsheet for Sustainable Communities Grantees

**Table 13**  
**Poor in Herriman by Race and Ethnicity, 2010**

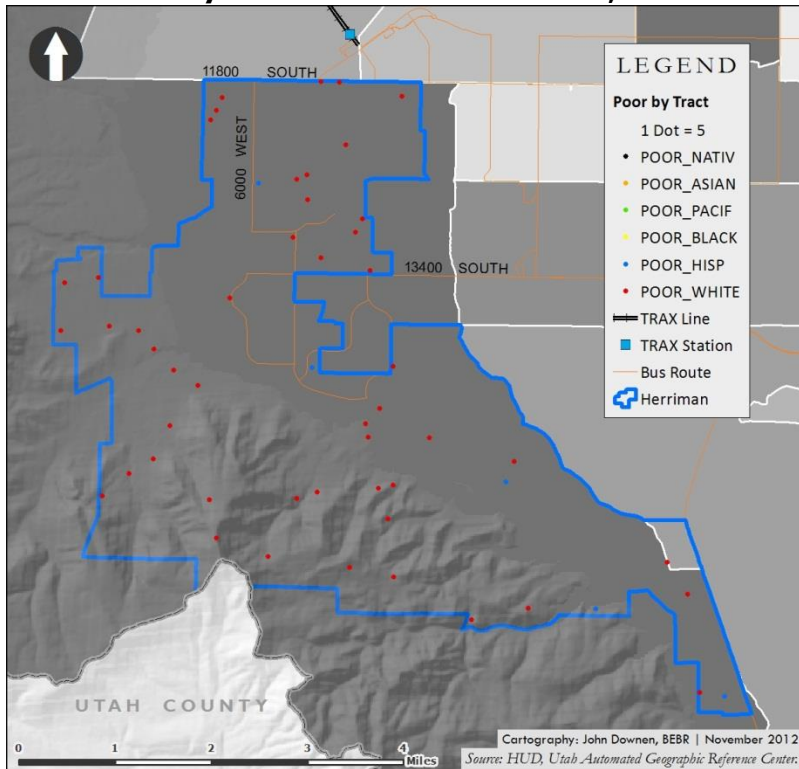
	Race/ Ethnicity	Persons	Share
Herriman	Black	0	0.0%
	Native Am.	0	0.0%
	Asian	0	0.0%
	Pacific Island	0	0.0%
	Hispanic	25	9.3%
	Total Minority	25	9.3%
	White	244	90.7%
	Total Poor	269	100.0%

Source: HUD Spreadsheet for Sustainable Communities Grantees

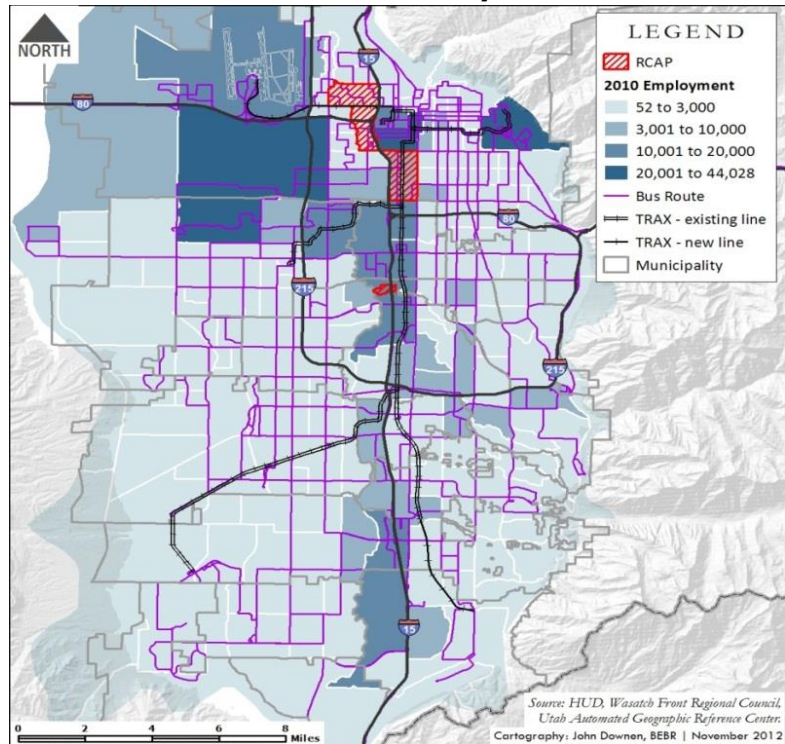
Figure 13 maps the geographical location of concentrations of poor individuals living in Herriman. As there are low numbers of poor individuals in the city overall, there are not any high concentrations of poor residents anywhere in the city. Surprising however, is the number of poor residents that are living in the southwestern half of the city in and along the foothills. This end of the city is away from any major roads, bus routes, shopping or employment centers. All of the public transit options are located in the northern portion of the city, with a TRAX stop not too far from the city edge above 11800 South in Daybreak. Herriman is also relatively close to the Kennecott mines, a major employer of all skill and wage levels for the surrounding communities. As can be expected, there are no racially or ethnically concentrated areas of poverty, as defined by HUD, in Herriman (Figure 14).



**Figure 13**  
**Poor by Census Tract in Herriman, 2010**



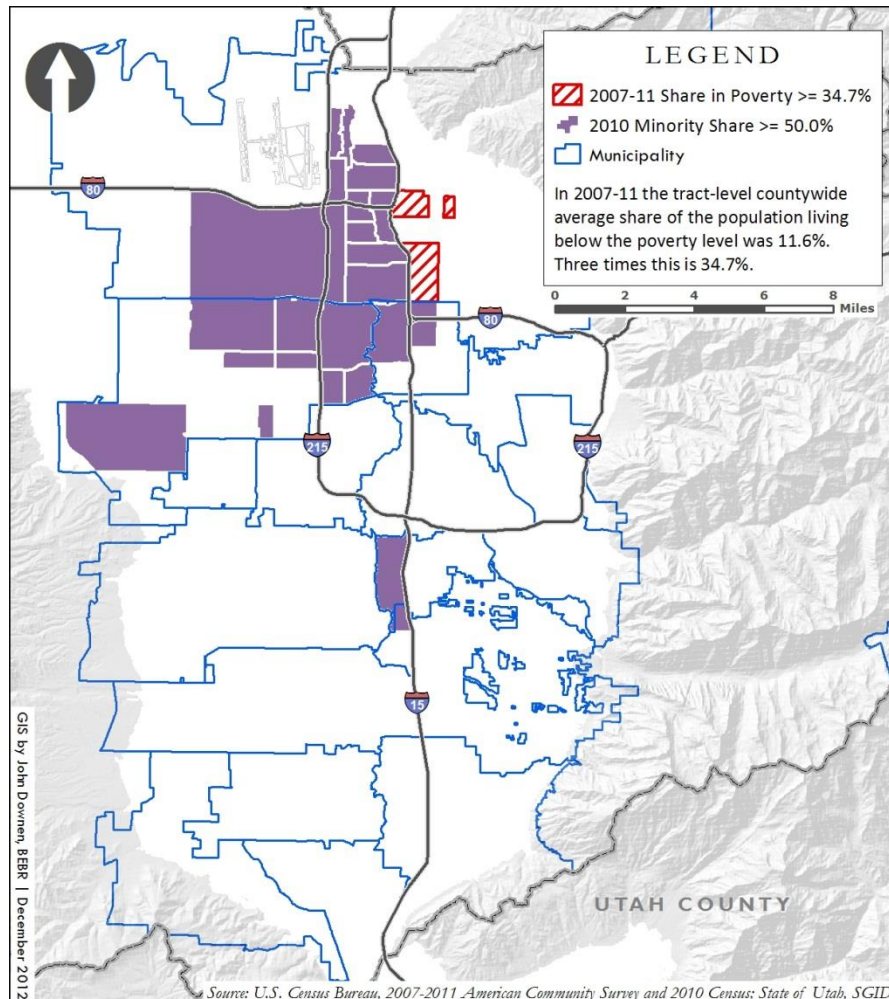
**Figure 14**  
**Racially/Ethnically Concentrated Areas of Poverty in Salt Lake County**



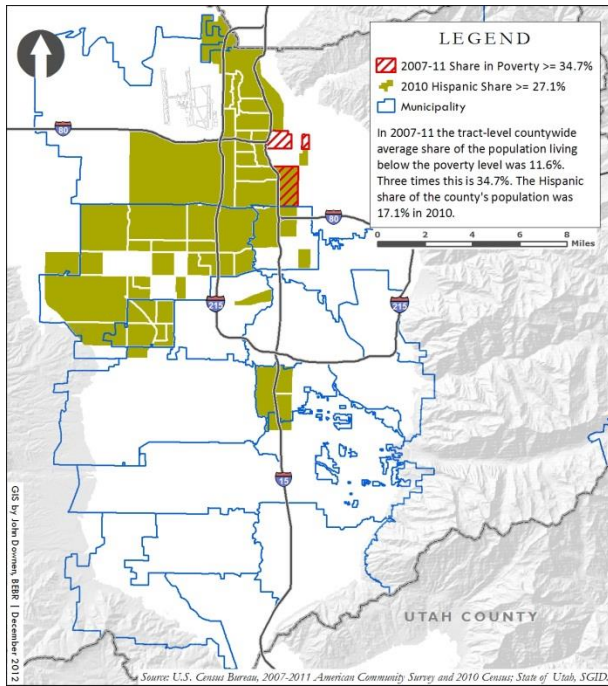
HUD defines a racially/ethnically concentrated area of poverty as a census tract with a family poverty rate greater than or equal to 40%, or a family poverty rate greater than or equal to 300% of the metro tract average, and a majority non-white population, measured at greater than 50%.

The following three figures (Figure 15, Figure 16, and Figure 17) show concentrations of poverty in Salt Lake County, estimated from the 2007-2011 American Community Survey. Here, an area of poverty is considered concentrated when it has three times the countywide average share of the population living below the countywide poverty line. The countywide average is approximately 11.6 percent, so an area is considered highly concentrated when it has 34.7 percent or more of the population living in poverty. Figure 15 overlays these areas of poverty with census tracts that have minority-majority populations, which are defined as having a minority share greater than 50 percent of the census tract population. Figure 16 overlays the concentrations of poverty with tracts that have a Hispanic population of 10 percentage points or more above the county’s population of 17.1 percent. Figure 17, on the other hand, overlays the concentrated areas of poverty with a county map showing the census tracts where the minority population is 10 percentage points above the county average of 26 percent. In all cases, the concentrated areas of poverty are along Interstate 15 in Salt Lake City. Not surprising, none of the concentrations are in the city of Herriman, nor are there any census tracts with a Hispanic or minority population 10 percentage points higher than the county average, let alone a minority-majority share. If anything, the racial composition of Herriman is one of the least diverse in the county.

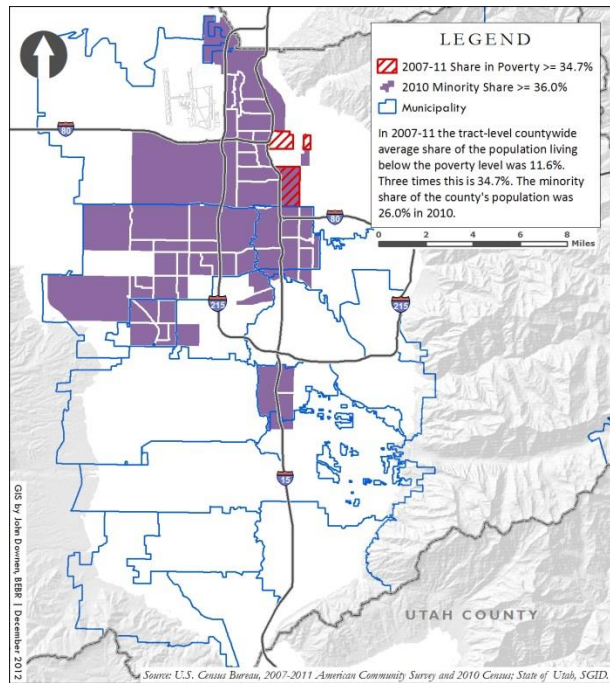
**Figure 15**  
**Concentrations of Poverty and Minority Majority by**  
**Tract in Salt Lake County, 2007–2011**



**Figure 16**  
**Concentrations of Poverty and**  
**Hispanics by Tract in Salt Lake**  
**County, 2007–2011**



**Figure 17**  
**Concentrations of Poverty and**  
**Minorities by Tract in Salt Lake**  
**County, 2007–2011**



**Figure 18**  
**Subsidized Apartment Projects in Salt Lake County, 2011**

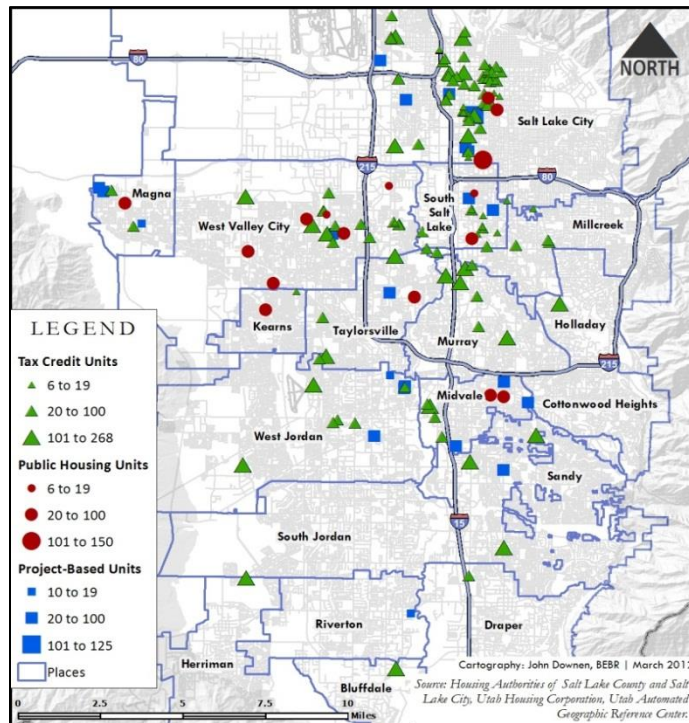


Figure 18 maps all the subsidized apartment projects in Salt Lake County. A majority of the projects, especially project-based units are located in the central and northern ends of the county. As a result, only one tax credit-based project exists in the city of Herriman. This one project is located right on the border of South Jordan. This area is relatively well covered by public transportation, including bus routes with proximity to the Daybreak TRAX line. Similarly, there are not any other subsidized apartment projects close to the Herriman border in the surrounding cities. The closest is one small tax credit unit in northeastern Bluffdale. The lack of subsidized apartment projects in Herriman and the surrounding area is most likely due to a lack of need in Herriman for these types of housing currently given the low number of poor residents (Table 13).

As seen in Figure 19, there were relatively few Section 8 vouchers used in Herriman. However, the vouchers that were used are all in the northern half of the city along the borders of South Jordan and Riverton. There are also some vouchers used in these two cities along the Herriman border. In any case, the vouchers were used in areas directly along bus lines that run into and out of the city. The northernmost concentration of vouchers is north along 11800 South and is also relatively close to the end of the Daybreak TRAX line in South Jordan that can be used to connect to other more urban centers throughout the county. This is also the area with the only subsidized apartment complex in the city (Figure 18), showing the potential need for more housing options for low-income Section 8 voucher users to be able to move into the city. In short, a majority of those using Section 8 Vouchers in the city are reliant on public transportation, and the patterns of affordable housing in Herriman should to reflect this need.

**Figure 19**  
**Section 8 Vouchers in Herriman, 2011**

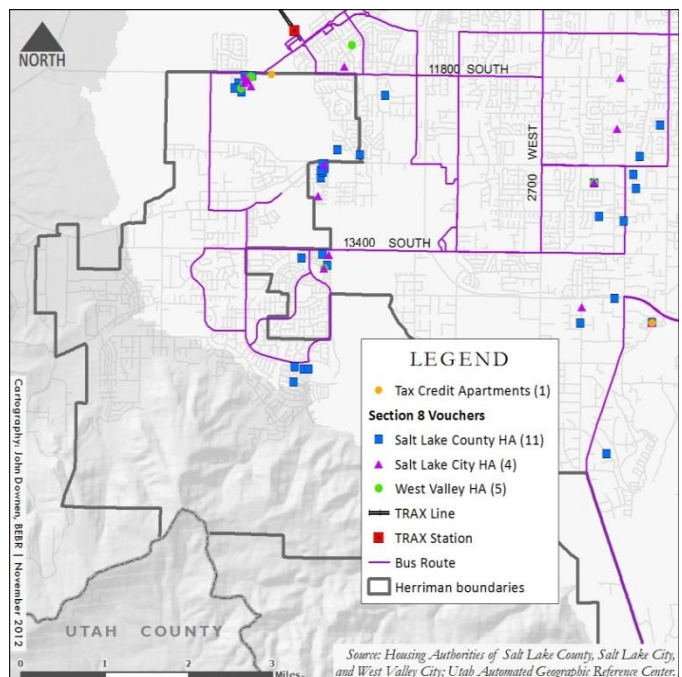


Table 14 displays the number of individuals receiving public assistance in Herriman disaggregated by city and zip code. Each count in 2007 and 2012 is a distinct individual living in that zip code receiving assistance from a state program such as food stamps, Temporary Assistance for Needy Families (TANF) or any other financial, medical or child care services from the Department of Workforce Services (DWS). DWS estimates its services capture at least 70 percent of all poor living in these areas; the other 30 percent may be living in poverty, but are not using any form of public assistance. The number of individuals receiving public assistance in 2012 is mapped in Figure 20 by zip code. Each zip code with fewer than ten recipients was suppressed in the data set, and each zip code without any residences or missing data were also removed. It should be noted that the zip codes used in the map are based on the total population from the U.S. Census Bureau’s “zip code tabulation areas” (ZCTAs) which do not exactly correspond to the zip code boundaries used by DWS. When comparing 2007 to 2012, it is important to note, any zip code marked with an asterisk was reshaped, or is a new zip code between 2007 and 2012.

**Table 14**  
**Distinct Individuals on Public Assistance, 2007–2012**

<b>City</b>	<b>Zip Code</b>	<b>2007 Individuals</b>	<b>2012 Individuals</b>	<b>Absolute Change</b>	<b>Percentage Change</b>
Herriman	84096	1,081	4,077	2,996	277.2%
Salt Lake County		146,699	215,426	68,727	46.8%

*Source: BEBR Calculations from Utah DWS Data*

**Figure 20**  
**Individuals Receiving Public Assistance by Zip Code, 2012**

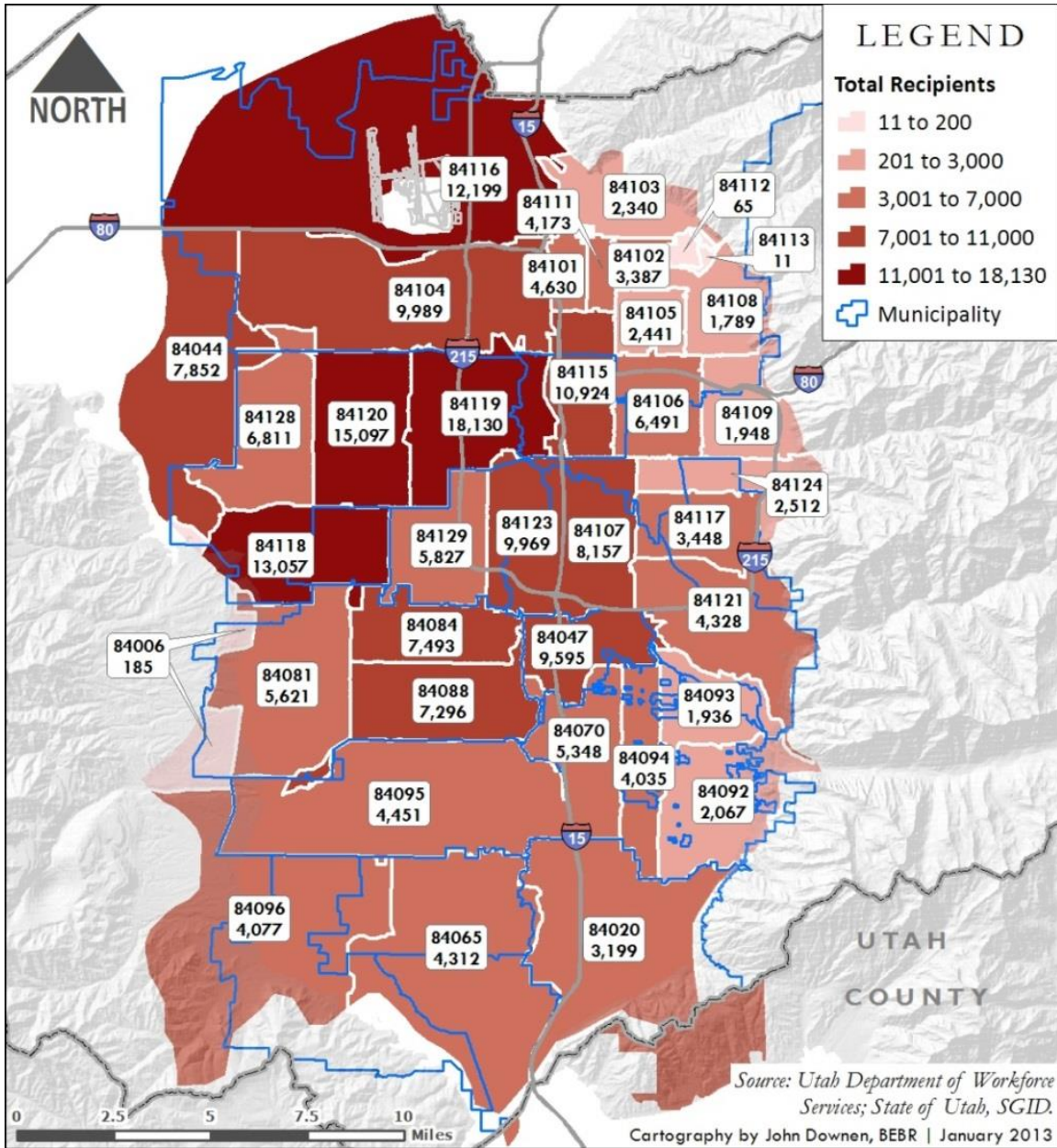


Table 15 uses the same DWS data on public assistance to calculate the number of large family households in 2007 and 2012 on public assistance. A larger family size is classified as a household of five or more individuals living together. Countywide, the number of large families receiving public assistance increased, by about 61 percent over the past five years. Herriman on the other hand increase three-fold, from only 363 large families on public assistance to almost 1,500. This is the largest percentage increase in the county. Yet, as Figure 21 displays the concentrations of these large families by zip code in Salt Lake County, Herriman is still low in overall numbers of large families receiving public assistance.

**Table 15**  
**Large Family Households on Public Assistance, 2007-2012**

City	Zip Code	2007 Family Size ≥5	2012 Family Size ≥5	Absolute Change	Percentage Change
Herriman	84096	363	1,489	1,126	310.2%
Salt Lake County		30,473	49,019	18,546	60.9%

Source: BEBR Calculations from Utah DWS Data

**Figure 21**  
**Number of Large Families by Zip Code Receiving Public Assistance, 2012**

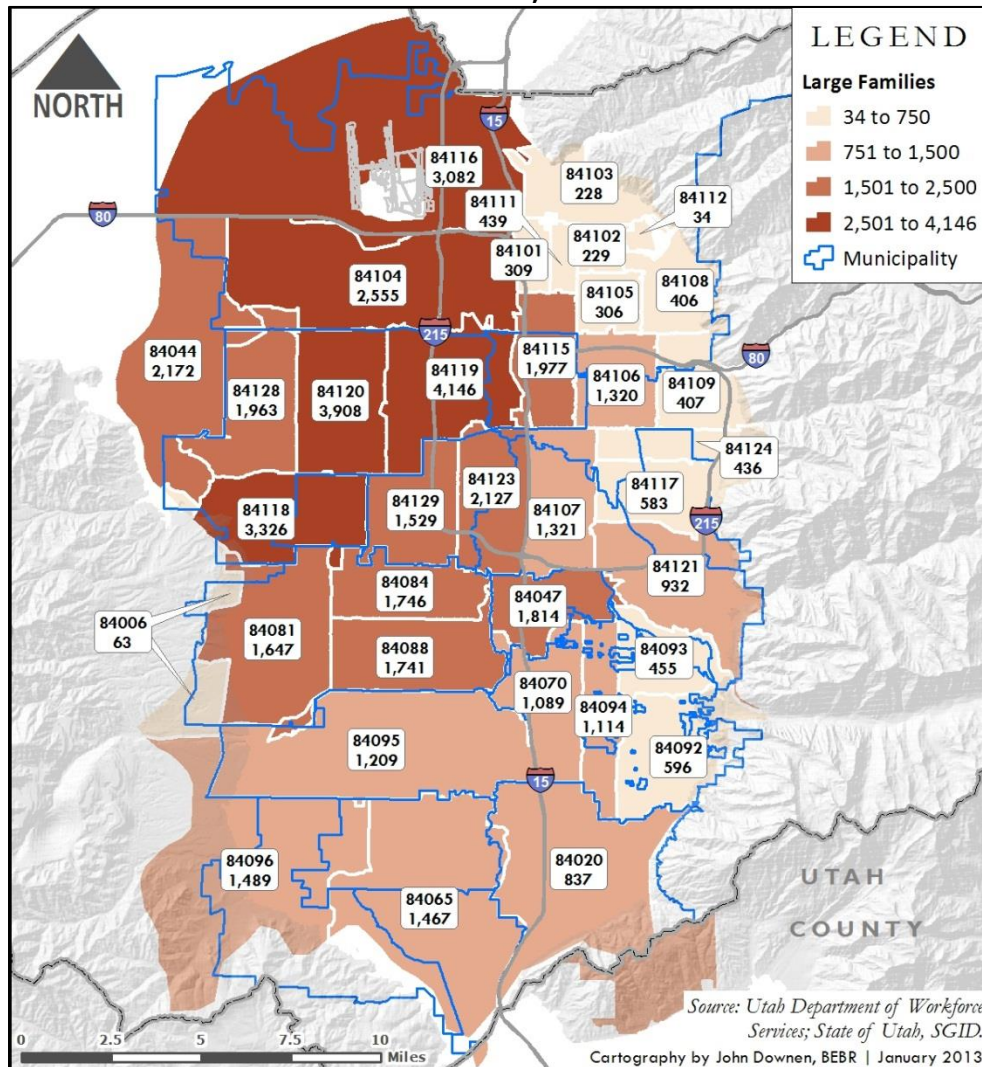


Table 16 shows the number of disabled individuals receiving public assistance in 2007 and 2012. To be considered disabled and on public assistance by DWS standards, each individual must be receiving financial assistance and have a verified condition by the Medical Review Board. Not surprisingly, the number of disabled individuals on public assistance increased between 2007 and 2012, by about 21 percent. Herriman, much like the total number of disabled recipients on public assistance more than tripled. Yet, in absolute terms, only 166 more individuals in the city were on public assistance. Herriman remains one of the lowest in absolute number of disabled recipients in the county. Figure 22 maps the number of disabled individuals on public assistance in 2012 by zip code in Salt Lake County.

**Table 16**  
**Disabled Individuals on Public Assistance, 2007–2012**

City	Zip Code	2007 Disabled	2012 Disabled	Absolute Change	Percentage Change
Herriman	84096	75	241	166	221.3%
Salt Lake County		21,460	25,942	4,482	20.9%

Source: BEBR Calculations from Utah DWS Data

**Figure 22**  
**Disabled Recipients Receiving Public Assistance by Zip Code, 2012**

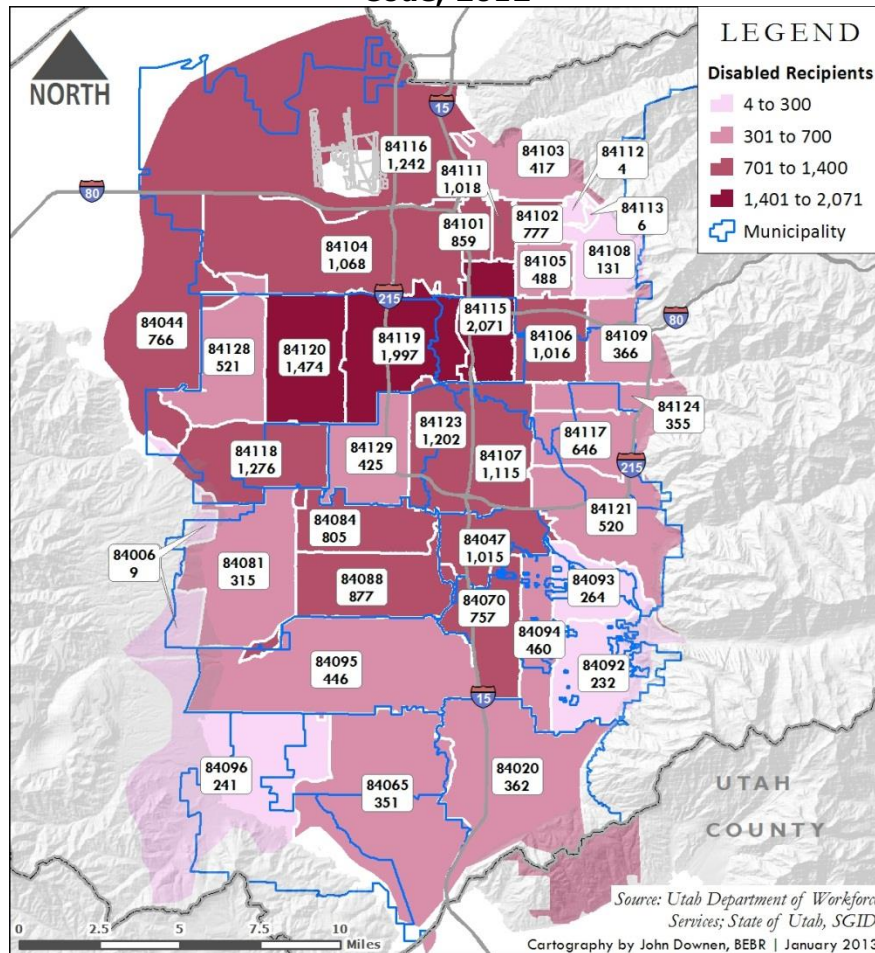




Table 17 uses the DWS data for the number of Hispanic individuals who received public assistance from the state in 2007 and 2012. Figure 23 maps the number of Hispanic recipients in 2012 by zip code in Salt Lake County. The highest number of individuals is in the northern and western cities of Salt Lake City, West Valley City and South Salt Lake. However, some of the largest percentage increases were in the southern and eastern zip codes, including in Herriman. Overall, over 8,000 more Hispanics individuals received public assistance in 2007 than 2012, with 199 additional recipients in living in Herriman.

**Table 17**  
**Hispanic Individuals on Public Assistance, 2007–2012**

City	Zip Code	2007 Hispanic	2012 Hispanic	Absolute Change	Percentage Change
Herriman	84096	139	338	199	143.2%
Salt Lake County		37,911	46,019	8,108	21.4%

Source: BEBR Calculations from Utah DWS Data

**Figure 23**  
**Hispanic Recipients of Public Assistance by Zip Code, 2012**

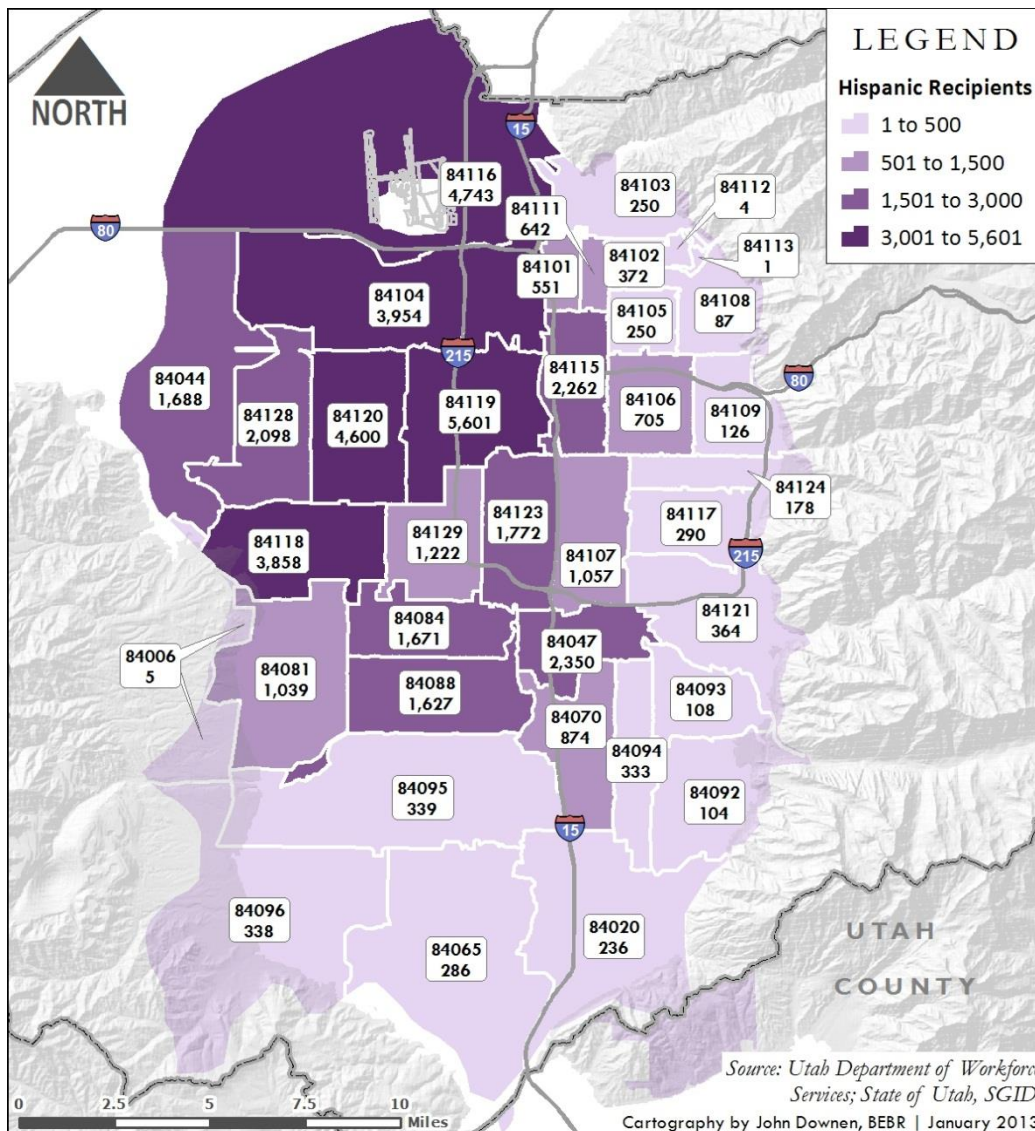
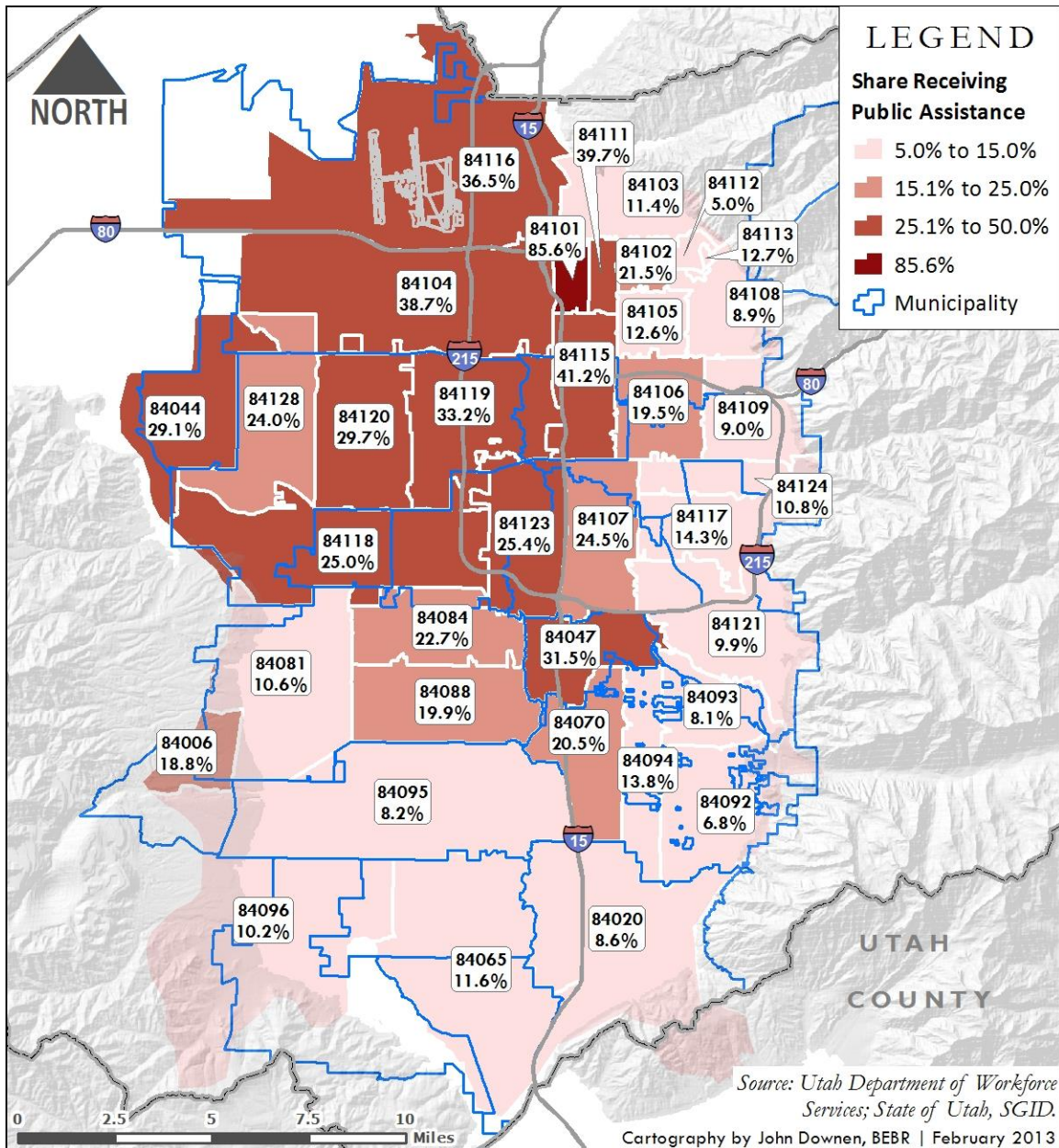


Figure 24 maps the percentage of individuals receiving public assistance in each zip code in Salt Lake County. Though the ZCTAs do not exactly correspond to the zip code boundaries used by DWS, the general trends of public assistance recipients as a share of a regions population can be seen. Again, there is a clear difference between the northern and southern cities in terms of concentrations of residents living on public assistance. Herriman remains quite low for the county overall, and around the median for the southern cities in the county.

**Figure 24**  
**Percent of Individuals Residing in a Zip Code Receiving Public Assistance, 2010**



## DISPARITIES IN OPPORTUNITY

HUD provided six measurements of opportunity for each census tract with which to quantify the number of important “stressors” and “assets” that influence the ability of an individual or family to access and capitalize on opportunity. These six measures were aggregated to the city level using the population of each census tract within the city boundaries of Herriman. The city received an opportunity score of 6 out of 10, just barely more than a full point above the county average (Table 18). For every composite index, except job access, Herriman scored above the county average. However, job access scored the lowest possible, receiving a 1, compared to the county’s average of 5.4. On the other hand, the housing stability index and labor market engagement both scored an 8, and poverty scored 7, each about 3 points above the county. Overall, the index affecting access to opportunity in Herriman the most is by far the access to jobs. This is most likely due to the suburban nature of the city and lack of proximity to major employment centers. With the exception of the newest TRAX line to Provo, which is too new to see much effect, a major public transit source does not reach the city. As a result, most Herriman residents live along the northern border closer to a TRAX stop in West Jordan. However, the labor market engagement index is quite high, indicating that many of those who do live in Herriman are gainfully employed and use their own means of transit for work. This need for reliable personal transit deters lower income residents from moving in, therefore keeping the rental and poverty rates low and housing stability high.

**Table 18**  
**Weighted, Standardized Opportunity Index**

	<b>School Proficiency</b>	<b>Job Access</b>	<b>Labor Market Engagement</b>	<b>Poverty</b>	<b>Housing Stability</b>	<b>Opportunity</b>
Herriman	5.0	1.0	8.0	7.0	8.0	6.0
Salt Lake County	4.3	5.4	5.0	4.9	5.3	4.9

*Source: HUD Spreadsheet for Sustainable Communities Grantees*

**Figure 25**  
**Opportunity Index by Census Tract in Herriman**

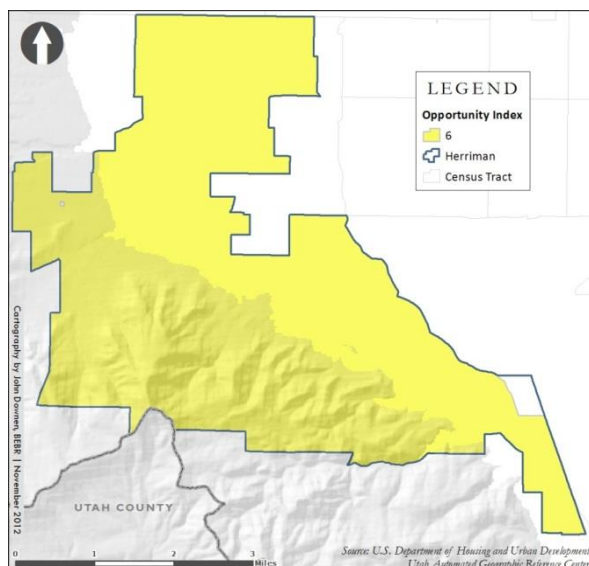
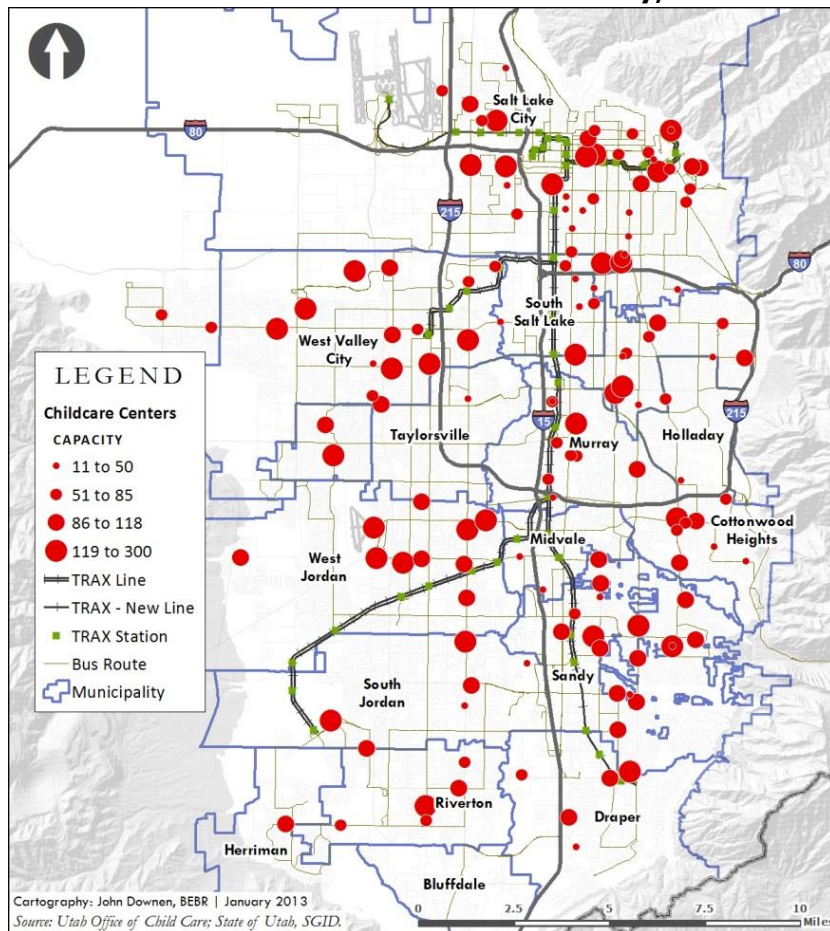


Figure 25 depicts the HUD opportunity index score for each census tract in the city, which in Herriman’s case there is only one. As a result, the city average and the census tract has the same score of 6. Therefore, based on the census tract level, there is no area of the city that is necessarily better than any other area in terms of access to opportunity. This could be argued otherwise at a smaller level, due to better access to public transit in the northern portion of Herriman close to bus routes and TRAX in South Jordan compared to the southern part along the foothills. However, due to Herriman’s low population and HUD index measurements, only one opportunity index score is used for the city.

Figure 13 maps the active childcare centers in Salt Lake County by capacity, with licensed families and residential certificates excluded. The larger the dot is on the map, the higher the maximum capacity of the center. Access to daycare can be considered an advantage in terms of fair and equitable housing as well as access to opportunity for many reasons. For one, if a household relies on low-wage jobs for stability, it is valuable to have affordable childcare so that adults are able to earn income for their families. Similarly, without access to childcare, more parents will be forced to stay at home with their children, thereby forgoing potential earned wages. Likewise, the further the distance to childcare, the higher the time commitment and less time available to work and earn income. This is especially important for Hispanics, who on average have larger household sizes than their non-Hispanic white counterparts (Table 4). As a result, a lack of adequate childcare can restrict a family’s mobility and time they can invest in opportunities outside the home. This can present an impediment to housing choice for minorities, larger families, and low-income households. As it can be seen in Figure 13, Herriman has only one childcare facility, which is along the eastern border with Riverton. This location is along bus routes through the northern portion of the city, where over half of the city’s minority households reside (Figure 5 and Figure 8). This section of the city is zoned for commercial activity and is within a close proximity to the Herriman Towne Center. As a result, the city’s only childcare facility is located in an area with low-wage job opportunities and public transit routes, but is far from many of the residential neighborhoods in the city. This could result in easier access for those families working and able to commute to this area along 13400 South, but not for the households more restricted and unable to easily travel out of their residential areas.

**Figure 26**  
**Childcare Centers in Salt Lake County, 2010**



Each dot represents childcare centers only and does not include any licensed family or residential certificate providers. Those providers are protected under GRAMA and their location is not public information. However, each licensed provider in a private residence may have up to 8 children in their care.

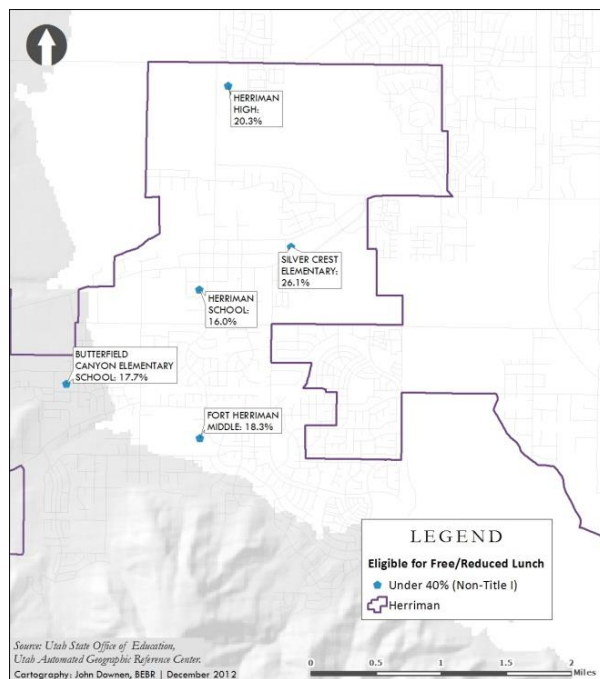
As a further assessment of opportunity in Herriman, an index is created as a representation of opportunity with K-12 public schools in Salt Lake County. This is done by summing two normalized, positive indicators, percent proficiency in language arts and science for elementary, middle and high schools. Subtracted from this indicator is the summation of four negative proxies for home environment and educational quality: free and reduced lunch percentage, percentage of minority students, percentage of students with limited English proficiency parents/guardians and average classroom size. Each school containing data on all of these indicators is then ranked based on their normalized index score by the county. From there, the ranking is split into decile ranks across the county, with a score of 10 representing the highest opportunity score. Overall, there are 204 schools with complete data on all the indicators, five of which are in Herriman (Table 19). The school opportunity scales for the city range from the lowest of 6 at Herriman High, to as high as 10 at Herriman School. Overall, the city's schools rank fairly high for opportunity, with four of the five schools ranked in the upper quartile. This is not surprising considering Herriman's relative affluence and low levels of poverty (Table 12).

**Table 19**  
**Herriman School Opportunity**

District	School	County Ranking	Opportunity Index
Jordan	Herriman High	103	6
Jordan	Fort Herriman Middle	43	8
Jordan	Butterfield Canyon School	34	9
Jordan	Silver Crest School	32	9
Jordan	Herriman School	21	10

Source: BEBR computations from Utah State Office of Education data

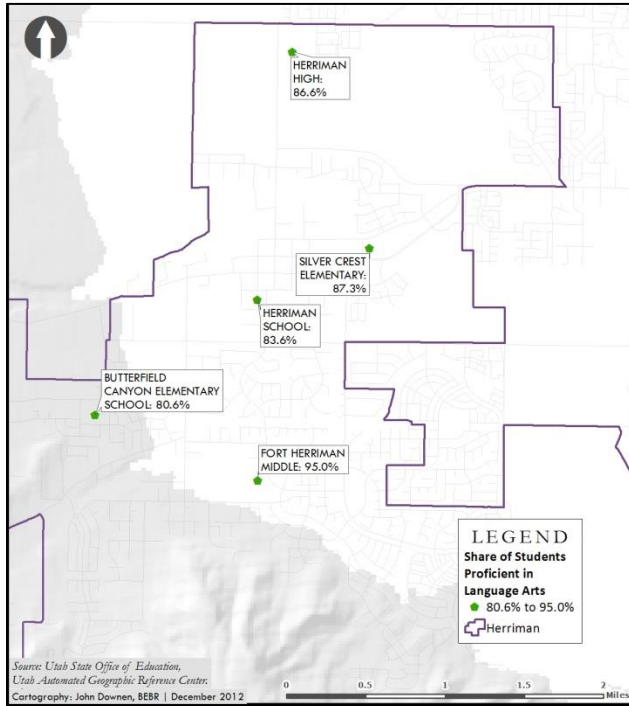
**Figure 27**  
**Free/Reduced Lunch Eligibility in Herriman, 2011**



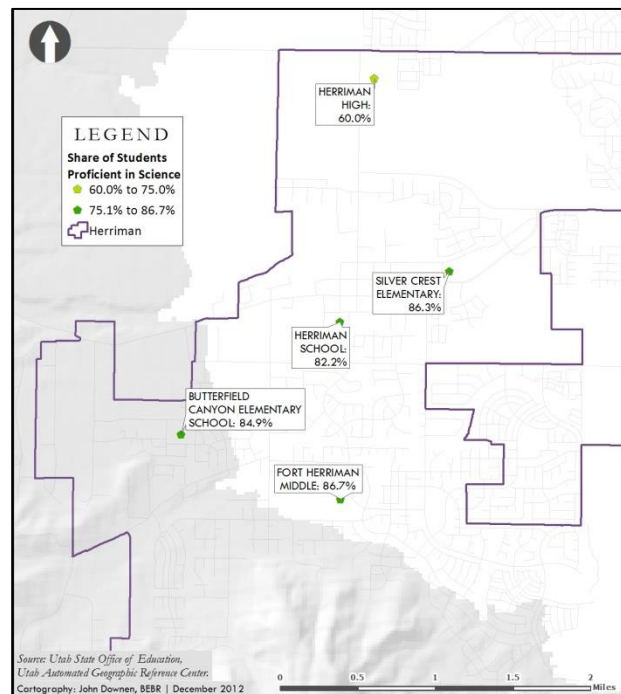
The following five figures (Figure 27, Figure 28, Figure 29, Figure 30 and Figure 31) each depict most the elements of the school opportunity index, the exception being the exclusion of class size due to the minute changes between schools. Looking at the maps, it is not surprising the public schools in Herriman are ranked well in terms of access to opportunity for individuals. None of the schools in the city are Title I, the minority share of the student population is under 20 percent at all the schools and the percentage of students with limited English proficiency is under 3 percent. Every school reporting test scores had a percent proficiency in language arts over 80 percent of the student body, and only one school had less than a 75 percent proficiency in science. All of these indicator are factors into the above average scoring of Herriman public schools in terms of access to opportunity for students. However, due to Herriman's barriers to entry for low-income families and minorities, few children of the protected classes are able to attend these

schools and take advantage of these opportunities.

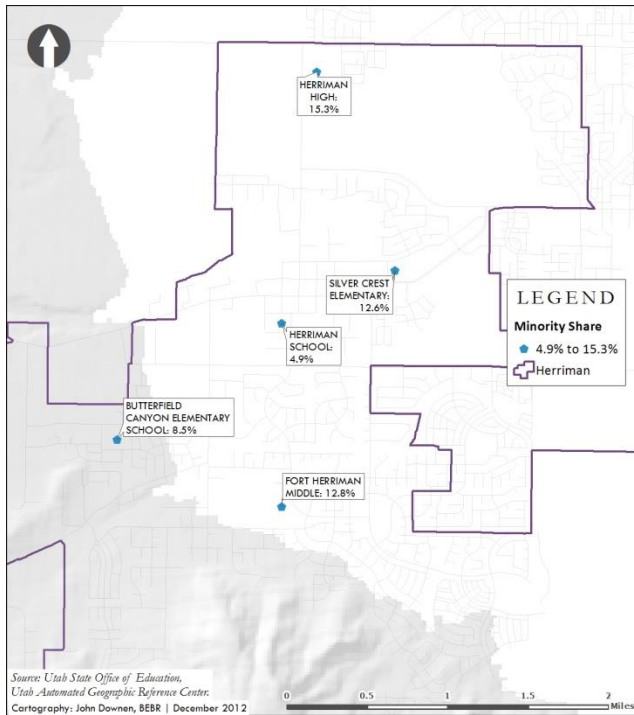
**Figure 28**  
**Share of Students Proficient in**  
**Language Arts in Herriman Public**  
**Schools, 2011**



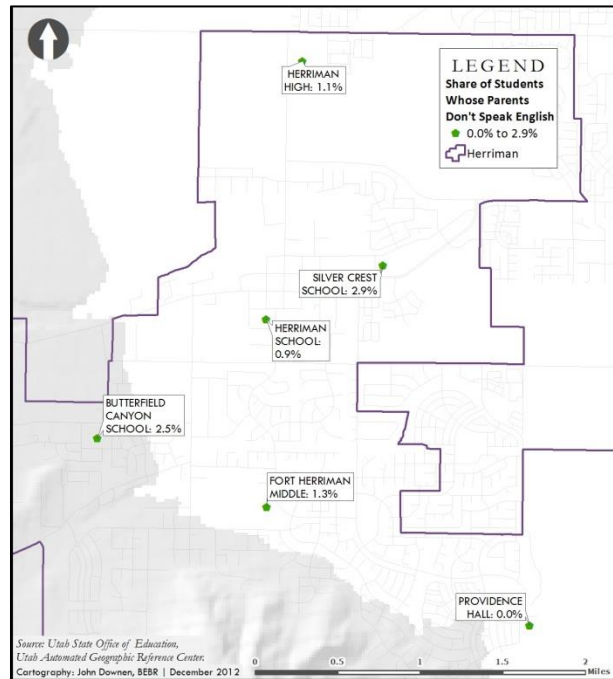
**Figure 29**  
**Share of Students Proficient in Science**  
**in Herriman Public Schools, 2011**



**Figure 30**  
**Minority Share of Enrollment in Public Schools in Herriman, 2011**



**Figure 31**  
**Share of Students with Parents of Limited English Proficiency in Herriman, 2010**



One way to measure the racial and ethnic diversity of an area is to use readily available public school enrollment data. Every year, the Utah System of Education collects data on the fall enrollments of each school in the state. Included in this data collection is data on race and ethnicity of each student enrolled in a public school in grades K through 12. In one particular survey, it allows each student to choose only a single race/ethnicity category with an option to select multi-racial, creating distinct count per student. Allowing each student to only be classified by one race/ethnic category eliminates the issue of double counting individual students who identify as more than one distinct race. This allows for a unique analysis of racial and ethnic makeup of public schools in Utah. Similarly, the number of minority students enrolled in public schools can be used as a proxy for estimating the diversity of families residing in each city. Table 20 shows the total number of students enrolled at each school in the three cities by race/ethnicity as well as the overall composition of the school population aggregated at the city level.

**Table 20**  
**Enrollment Percentage by Race in Public Schools, 2011**

<b>School</b>	<b>Minority</b>	<b>African Am or Black</b>	<b>American Indian/ Alaskan Native</b>	<b>Asian</b>	<b>Hispanic / Latino</b>	<b>Multi-Race</b>	<b>Pacific Islander</b>
Herriman School	4.9%	0.3%	0.5%	0.6%	1.5%	1.4%	0.6%
Butterfield Canyon School	8.5%	0.5%	0.4%	0.6%	5.1%	1.2%	0.6%
Bluffdale School	9.1%	1.5%	0.1%	0.4%	4.2%	1.4%	1.5%
Draper School	9.5%	1.1%	0.1%	2.4%	4.1%	0.1%	1.6%
Willow Springs School	10.5%	0.1%	0.8%	1.9%	4.3%	2.3%	1.1%
Silver Crest School	12.6%	1.1%	0.1%	0.9%	6.9%	2.5%	1.0%
Fort Herriman Middle	12.8%	0.6%	0.5%	1.1%	7.2%	2.8%	0.6%
Oak Hollow School	14.5%	0.8%	0.2%	2.1%	7.7%	3.2%	0.4%
Herriman High	15.3%	1.0%	0.4%	1.0%	9.0%	2.7%	1.2%
South Park Academy	48.8%	4.7%	2.3%	4.7%	34.9%	0.0%	2.3%
Draper/Herriman/ Bluffdale Totals	11.4%	0.8%	0.4%	1.2%	6.0%	2.1%	0.9%

*Source: BEBR Computations from Utah State Office of Education Data*

The enrollment data from the Utah State Office of Education from the years 2006-2007 and 2010-2011 provides information on the ethnicity of enrollments in Salt Lake County public schools. The data comes from the Superintendent’s Annual Report for each respective year, and are matched based on school name, district and location. From there, the data is separated by city, and in some cases by township. If a school is not located inside an incorporated city, or one of the two townships, Kearns or Magna, then they are included in the analysis for the closest city to their physical location. While the data sets from each year are not organized or collected in the exact same manner, they are still comparable. For example, in 2007, there is a category for “unknown” ethnic/racial identity, whereas in 2011 there is no “unknown” category, but there is a “multi-race” category. These two classifications cannot be assumed to be the same, as someone who claims to be “unknown” is not necessarily a multi-race individual. However, both of these categories were used in the calculation for total enrollments and total minority enrollments in each respective year.

When each ethnic group is disaggregated by school level, a few more trends become apparent in the southern cities of Draper, Herriman and Bluffdale. Figure 32 shows the total enrollment change for each ethnicity by school level. It shows that even though there is a clear increase in all ethnic groups in these cities, the growth is heavily concentrated in the elementary schools. This could represent an influx of new minority families with young, school-aged children moving to the area to enroll their



students in these public schools, or a high dropout rate in the middle and especially high schools. The only decline in number of students is a very small decrease in Pacific Islander Enrollments of fewer than 10 between both middle and high schools. Nonetheless, it is clear that in terms of sheer numbers, the growth in young students and minority students seems to be in the Draper, Herriman and Bluffdale elementary schools.

**Figure 32**  
**Total Minority Enrollment Changes, 2007–2011**

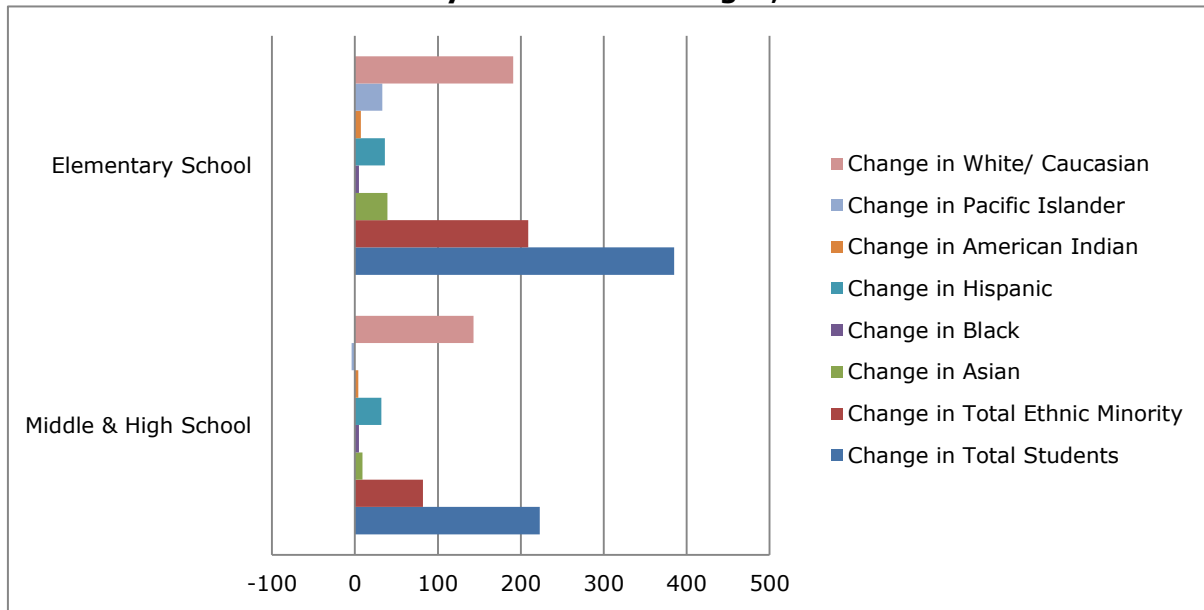
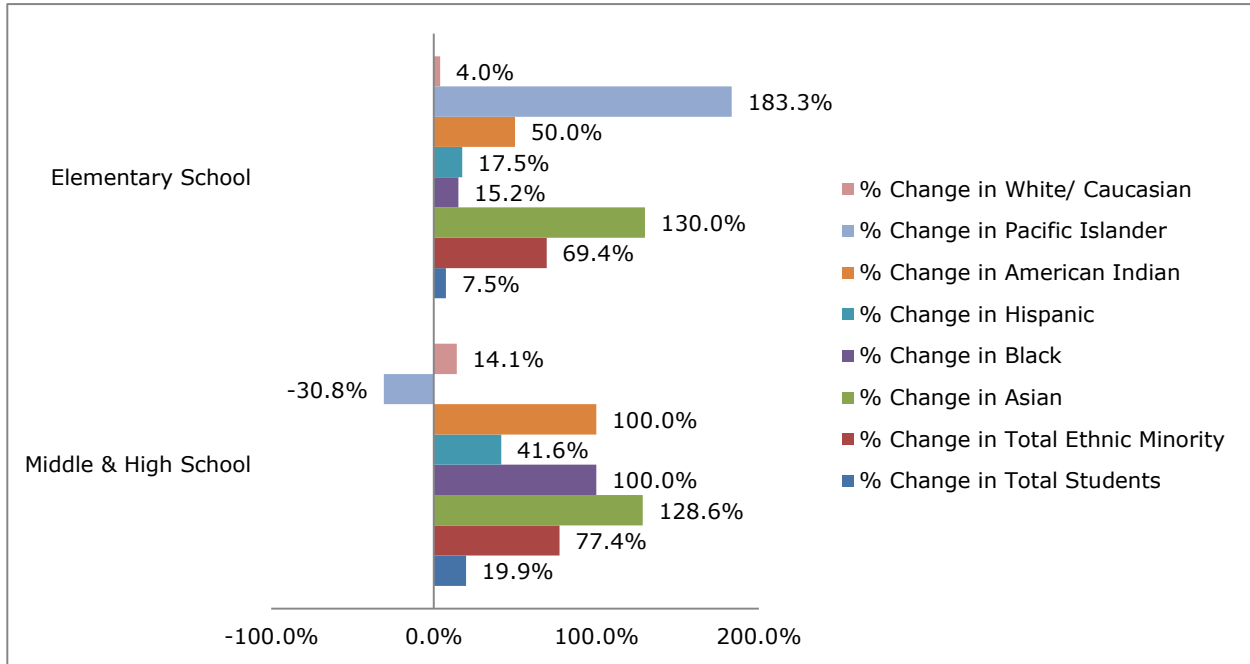


Figure 33 also displays the breakdown of ethnicities by school level, but measures the percentage change in enrollment from 2007 to 2011. Total minority enrollments increased in both elementary and secondary school levels, by roughly 69 percent and 77 percent, respectively. In both levels Hispanic student enrollments more than doubled. Though the most substantial increase was among Pacific Islander enrollments, it equates to an increase of only 33 enrollments, and a loss of 4 enrollments in middle/high schools. Due to the low numbers of minority students in Herriman schools in general small enrollment increases can result in large percentage increases. Another significant note is the increase in non-Hispanic white students in both elementary and secondary schools. Many other cities in Salt Lake County are experiencing decreasing enrollments in non-Hispanic whites, despite an overall increase in number of students. However, this is not the case in Herriman, and therefore can indicate a growing population in the city, especially among households with school aged children.

**Figure 33**  
**Minority Enrollment Percentage Change, 2007–2011**



In accordance with Title VI of the Civil Rights Act of 1964, HUD recognizes persons who, as a result of national origin, do not speak English as their primary language and have a limited ability to read, write, or understand the language. As the major metropolitan center of the state, Salt Lake County must account for the percentage of Limited English Proficiency, or LEP, persons living in the county. According to data from the county’s public schools, there are concentrated areas of both high and low numbers of LEP households. The nine public schools in Bluffdale, Herriman and Draper are in the bottom 25 percent of students with LEP parents/guardians. Each of these cities are suburban communities located farthest from the metropolitan center of Salt Lake City and contains a total of nine public schools. As can be seen in Figure 34, the percentages of LEP parents/guardians range from 1.2 percent in Bluffdale at Bluffdale Elementary school to the highest of 5.2 percent at Silver Crest Elementary in Herriman.

**Figure 34**  
**Percent of Students with LEP Parents, 2010**

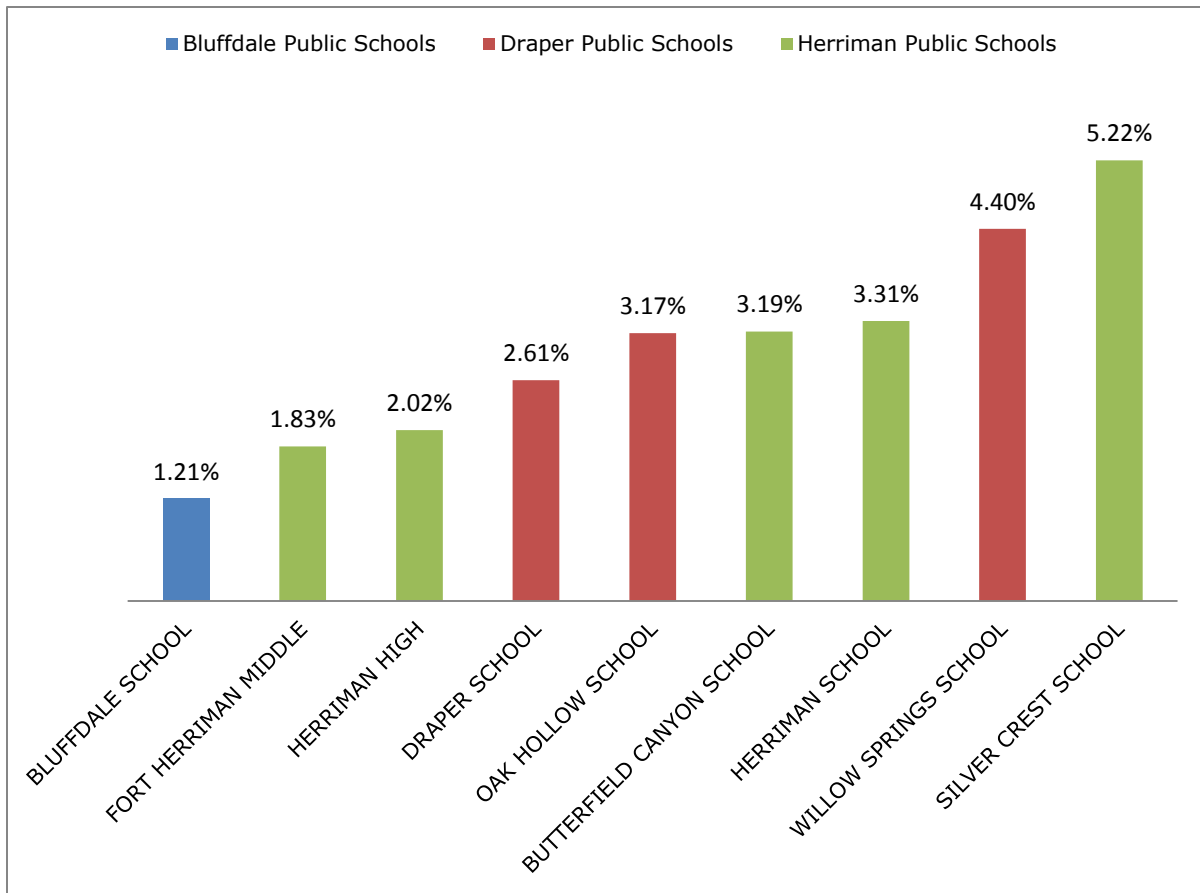
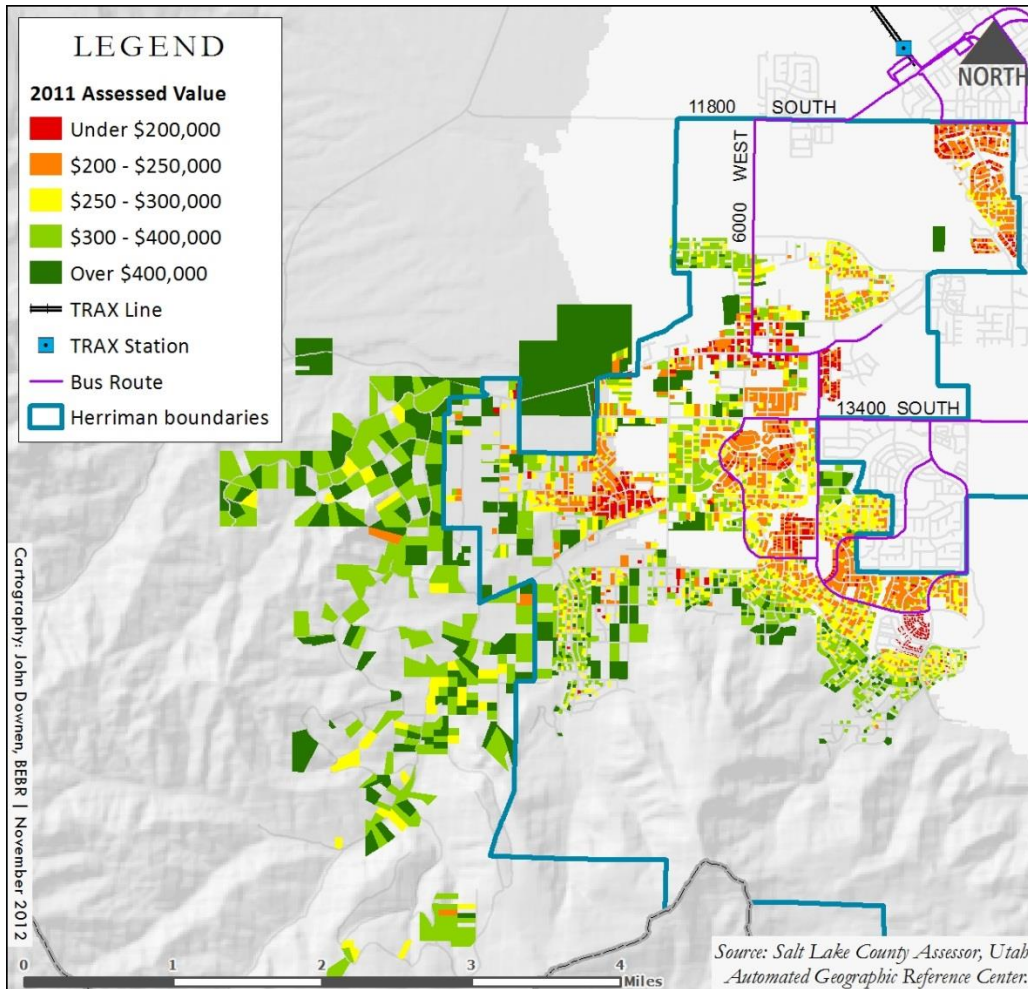


Figure 35 shows the assessed values of detached single-family homes by neighborhoods in Herriman and the homes just west of the city’s borders. Overall, the city has a wide range of home values from the low end of under \$200,000 to over \$400,000 on the higher end. For the most part, the further west the home is located, the higher the assessed value. A majority of the lowest-valued homes are clustered around the eastern border of the city by Riverton. In the northeast corner, just south of 11800 South, there is a cluster of low-valued homes near the Daybreak TRAX line. However, in the neighborhoods with the highest concentration of poor people (Figure 13) and Section 8 vouchers (Figure 19), there are no detached single-family homes. This indicates a majority of the lower-income residents of the city are in apartments, townhomes or other higher occupancy residences. There are also clusters of low-valued homes around 13400 South, just west of the Mountain View Corridor and Foothills Elementary. In both cases, these neighborhoods are along the few bus routes and close to the few public transit option in the city, whereas the highest valued homes sit to the west, often just outside the city in foothills of unincorporated Salt Lake County.

**Figure 35**  
**Assessed Value of Detached Single Family Homes in Herriman, 2011**



Foreclosed homes not only have a negative effect on residents who lost their homes, but can also negatively affect neighboring housing and real estate values in the area. Table 21 estimates the percentage of the owned housing stock that was foreclosed in the last few years for Salt Lake County. The calculations use total foreclosures between 2008 and 2012 from the Wasatch Regional Front Multiple Listing Service, and the total owned homes from the 2010 U.S. Census as the best approximation of the total housing stock in a zip code. Herriman’s largest zip code, covering a majority of the residents in the city, has one of the highest foreclosure rates in the county. With an estimated 3.79 percent of the housing stock in foreclosure, Herriman falls just behind zip codes in West Valley City and West Jordan. This is moderately surprising, considering the relatively low number of poor residents in the city (Table 12). Overall, the zip code is over a full percentage point above the county total.

**Table 21**  
**Foreclosed Homes in Salt Lake County, 2008–2012**

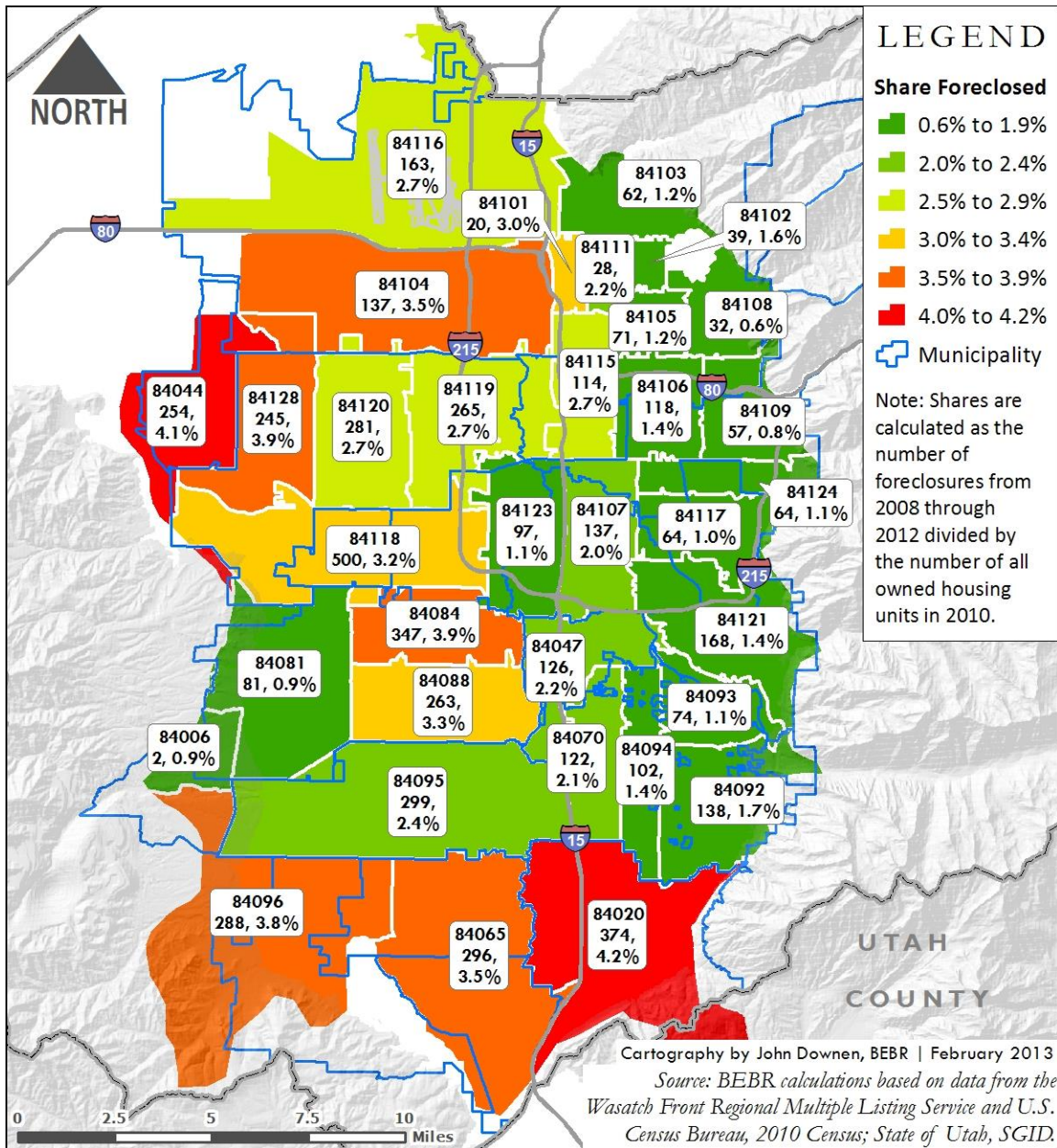
<b>City</b>	<b>Zip Code Tabulation Area</b>	<b>Total Owned Units</b>	<b>Total Foreclosures for 2010 ZCTA (2008-2012)</b>	<b>Share of Foreclosed Homes</b>
Bluffdale/Riverton	84065	8534	296	3.47%
Cottonwood Heights (and Big Cottonwood)	84121	11692	168	1.44%
Draper	84020	8852	374	4.23%
Herriman	84096	7597	288	3.79%
Holladay	84117	6588	64	0.97%
Magna Township	84044	6194	254	4.10%
Midvale	84047	5739	126	2.20%
Millcreek/Parley's Canyon	84109	6773	57	0.84%
Murray	84107	6925	137	1.98%
Salt Lake City Total		39134	670	1.71%
Salt Lake City	84101	657	20	3.04%
Salt Lake City	84102	2401	39	1.62%
Salt Lake City	84103	4968	62	1.25%
Salt Lake City	84104	3926	137	3.49%
Salt Lake City	84105	5761	71	1.23%
Salt Lake City	84111	1302	28	2.15%
Salt Lake City	84112	1	0	0.00%
Salt Lake City	84113	0	0	—
Salt Lake City	84116	5944	163	2.74%
Salt Lake City (and Emigration)	84108	5648	32	0.57%
Salt Lake City (and Millcreek)	84106	8526	118	1.38%
Sandy Total		28234	436	1.54%
Sandy	84070	5922	122	2.06%
Sandy (and Little Cottonwood)	84092	8318	138	1.66%
Sandy	84093	6738	74	1.10%
Sandy	84094	7256	102	1.41%
South Jordan	84095	12490	299	2.39%
South Salt Lake	84115	4173	114	2.73%
Taylorsville Total		24345	597	2.45%
Taylorsville	84123	8509	97	1.14%
Taylorsville (and Kearns)	84118	15836	500	3.16%
Unincorporated (Brigham Canyon)	84006	228	2	0.88%
Unincorporated (Millcreek/Mt. Olympus)	84124	6034	64	1.06%
West Jordan Total		26114	691	2.65%
West Jordan	84081	9353	81	0.87%
West Jordan	84084	8868	347	3.91%
West Jordan	84088	7893	263	3.33%
West Valley City Total		26302	791	3.01%
West Valley City	84119	9704	265	2.73%
West Valley City	84120	10246	281	2.74%
West Valley City	84128	6352	245	3.86%
Salt Lake County		235948	5428	2.30%

Zip Code 84129 had a total of 25 foreclosed homes since its incorporation in 2011. However, this table uses the 2010 Zip Code Tabulation Areas (ZCTAs) from the 2010 Census, and therefore does not include 84129. However, this zip code was formed from parts of zip codes 84118, 84119 and 84084. There are 10,324 single-family parcels in 84129. Of these, 2,090 are in ZCTA 84084, 7,147 are in 84118, and 1,087 are in 84119. Assuming the 25 foreclosures in 84129 since July 2011 were evenly distributed across the area, these numbers are used to weight these foreclosures to the other/older zip codes. Thus the County totals should still equal the accurate total number of foreclosures, and ZCTA's 84118, 84119 and 84084 have 17, 3 and 5 additional foreclosures, respectively, added that are currently in the 84129 zip code.

*Source: BEBR Calculations From Wasatch Front Regional Multiple listing Service and U.S. Census Bureau, 2010 Census*

Figure 36 maps the share of the foreclosed homes in each zip code in Salt Lake County, based on the 2010 owned housing stock and Zip Code Tabulation Areas (ZCTAs) from the 2010 U.S. Census. Akin to the other southernmost zip codes, Herriman's 84096 zip code has one of the highest shares of foreclosed homes. These rates are similar to the northwestern zip codes, despite the geographic and demographic differences between these two regions. A portion of this may be attributed to the amount of new construction of large-scale homes in the region prior to the late 2000's economic downturn. Assuming new and younger families bought homes on high-interest mortgage loans prior to the recession, there is a chance they over extended themselves and ended up in foreclosure as jobs were lost and repayments became too high.

**Figure 36**  
**Share of Foreclosed Owned Housing Units, 2008–2012**

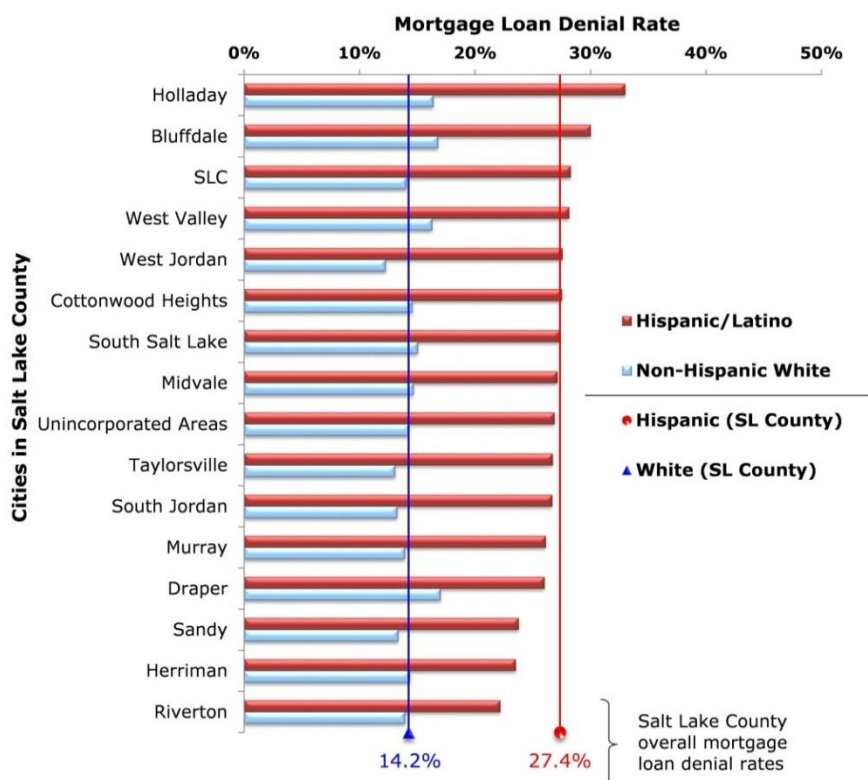


## Lending Practices

The disparities in homeownership across racial and ethnic lines reflect only the symptoms of underlying impediments in the home mortgage application process. The Home Mortgage Disclosure Act (HMDA) data was compiled for Salt Lake County to better understand the barriers that members of the protected classes face in obtaining mortgages. For illustrative purposes, non-Hispanic white applicants were compared with Hispanic/Latino applicants for most metrics derived from the HMDA data. Homeownership and housing stability are two dimensions of housing opportunity that can be assessed using HMDA data by examining mortgage application outcomes and the high-interest lending practices.

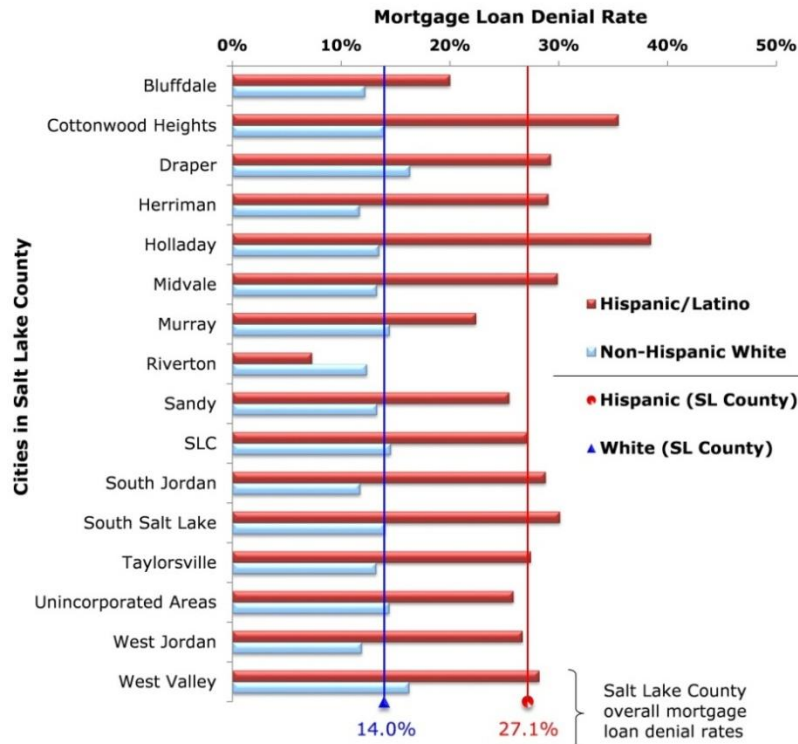
Figure 37 shows the overall mortgage denial rates from 2006 to 2011 by race and ethnicity for each city in Salt Lake County. The vertical reference lines in Figure 37 mark the overall county-level denial rates for non-Hispanic white and Hispanic/Latino applicants. The denial rate among non-Hispanic white applicants in Herriman is 14 percent, comparable to that of non-Hispanic white applicants at the county level. On the other hand, the denial rate of 23.5 percent among Hispanic applicants selecting Herriman properties is slightly lower than the overall 27.4 percent Hispanic county-level denial rate.

**Figure 37**  
**Percent of Mortgage Loan Applications Denied by Race/Ethnicity in Salt Lake County Incorporated Cities, 2006–2011**



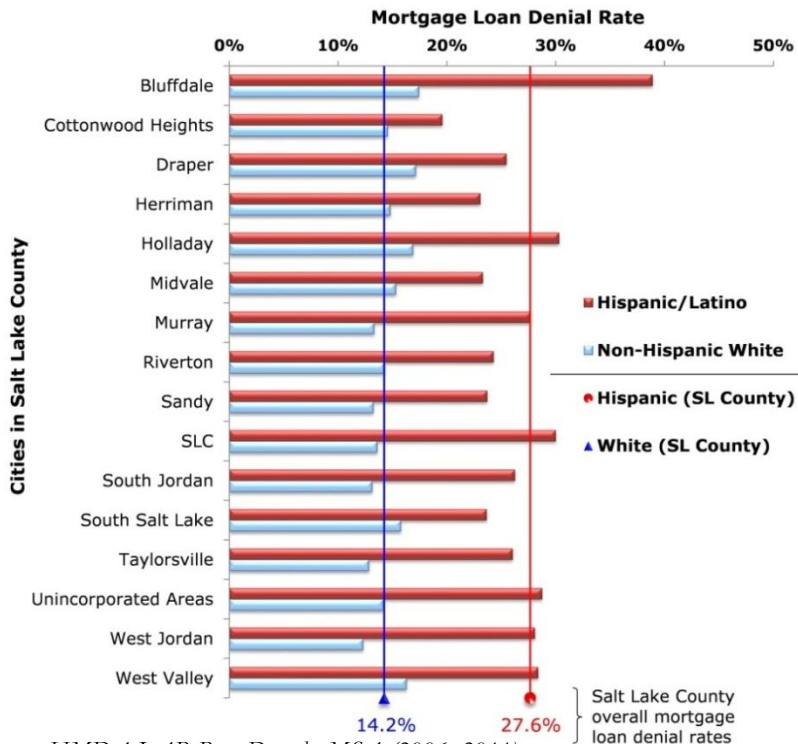
On the other hand, *Source: HMDA LAR Raw Data by MSA (2006–2011)* Bluffdale and Holladay have the highest Hispanic denial rates in the county, averaging over 30 percent. Note that the two cities account for only 0.6 percent of the total Salt Lake County mortgage applications for Hispanics. However, other cities with high mortgage application rates among Hispanics have similar denial rates. Salt Lake City and West Valley City, which account for 45 percent of the county’s Hispanic mortgage applications, have Hispanic denial rates slightly above the county-level Hispanic denial rate. In other words, while the Hispanic denial rates in southern and eastern cities in the county might deviate from the overall Hispanic denial rate due to low Hispanic application volume, the Hispanic denial rates are significantly higher than those among non-Hispanic white applicants for all cities in Salt Lake County.

**Figure 38**  
**Percent of Mortgage Loan Applications (At or Below 80% HAMFI)**  
**Denied by Race/Ethnicity in**  
**Salt Lake County Incorporated Cities, 2006–2011**



Source: HMDA LAR Raw Data by MSA (2006–2011)

**Figure 39**  
**Percent of Mortgage Loan Applications (Above 80% HAMFI)**  
**Denied by Race/Ethnicity in**  
**Salt Lake County Incorporated Cities, 2006–2011**



Source: HMDA LAR Raw Data by MSA (2006–2011)



Despite the large gaps in denial rates between non-Hispanic white and Hispanic applicants shown in Figure 37, the inherent income differences between the two groups could be a contributing factor to this gap. However, as shown in Figure 38 and Figure 39, even when the denial rates are disaggregated by different income categories, the denial rate gap between the two groups persists, indicating racial disparity and potential descrimination. Figure 38 shows the denial rates among white and Hispanic applicants with reported incomes at or below 80 percent HAMFI (median family income), while Figure 39 shows the denial rates for applicants with reported incomes above 80 percent HAMFI. Note that the reported incomes for applicants from 2006 to 2011 are adjusted relative to the median family income for the year that they filed their mortgage applications.

The overall county-level denial rates do not change across groups. The Hispanic denial rate remains at levels above 27 percent, while the white denial rate is 14 percent—regardless of income bracket. At the city level, the denial rate gap between the two groups closely resembles that of the county level. The only anomaly is Riverton, which has a lower Hispanic denial rate than that of non-Hispanic whites in the income category at or below 80 percent HAMFI (Figure 38). However, note that Riverton had only 41 Hispanic applications during this 6-year period with reported incomes at or below 80 percent HAMFI. Furthermore, over a fifth of these applications were withdrawn by the applicant. This withdrawal rate is twice as high as the overall county level for Hispanic applicants in this income bracket. Riverton’s low Hispanic application volume and high application withdrawal rate could have contributed to the low Hispanic denial rate. Nonetheless, for applicants above the 80 percent HAMFI threshold, the denial rate gap in Riverton resurfaces.

The denial rate gap between non-Hispanic white and Hispanic applicants is reduced from the low-income bracket (Figure 38) to the high-income bracket (Figure 39) in Herriman. For properties in Herriman, 29 percent of Hispanic/Latino applicants earning below 80 percent HAMFI were denied mortgages compared to only 12 percent of non-Hispanic white applicants in the same income category. The gap is reduced slightly in the income bracket above 80 percent HAMFI, where the denial rates are 23 percent and 15 percent for Hispanic and non-Hispanic white applicants, respectively.

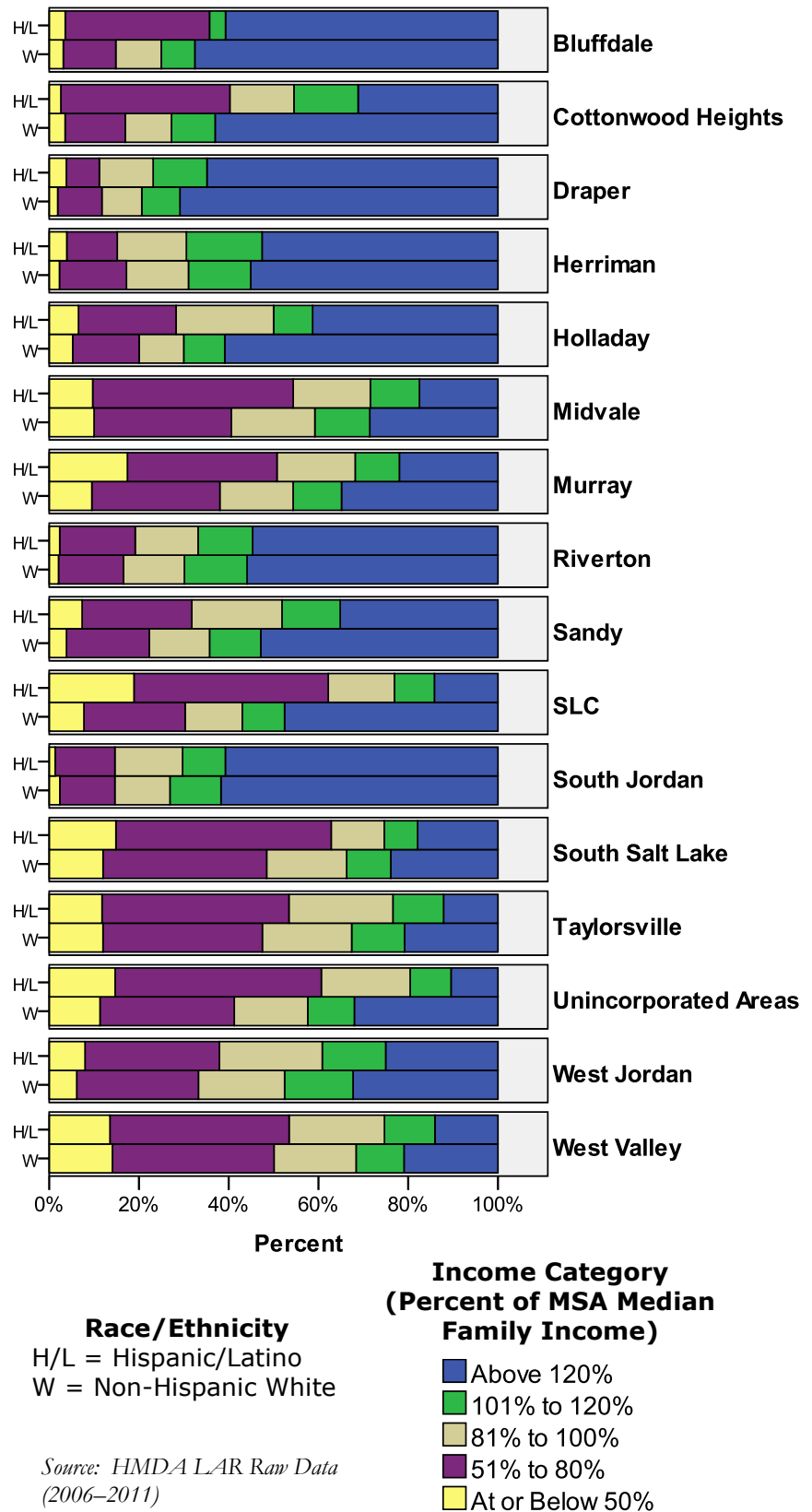
This same pattern of reduced denial rate gaps in the income bracket above 80 percent HAMFI is also apparent in the case of Cottonwood Heights, Bluffdale, and Draper, which collectively accounted for 10 percent for the county’s non-Hispanic white applications but only 2.5 percent of the total Hispanic applications. On the other hand, the denial gap persisted across the two income brackets in Salt Lake City and West Valley City, which accounted for a quarter of the county’s white applications and 45 percent of the total Hispanic applications. Thus, smaller cities might have some variability in denial rate gaps due to smaller application volumes, but the overall denial gap persists regardless of income bracket.

Figure 40 shows the applicant income distribution by race and ethnicity for each city in Salt Lake County. The income categories are based on the reported incomes as a percentage of the MSA median family income (MFI). Each reported income has been adjusted as a percentage of the median family income for the year that the mortgage application was submitted.

The income distribution between the two groups who selected Herriman properties do not differ drastically. In fact, respectively, 55 and 53 percent of non-Hispanic white and Hispanic applicants reported incomes above 120 percent of the median family income. This suggests that the differences in the overall denial rate gap shown in Figure 37 cannot be accounted for by differences in income alone.

On the other hand, the applicant income distribution for Salt Lake City differs significantly between the two groups. While 48 percent of the non-Hispanic white applicants who selected Salt Lake City properties have incomes above 120 percent of the MSA median family income (MFI), only 14 percent of Hispanic applicants reported incomes in this bracket. Thus, the self-selection ef-

**Figure 40**  
**Applicant Income Distribution by Race/Ethnicity in Salt Lake County Cities, 2006–2011**



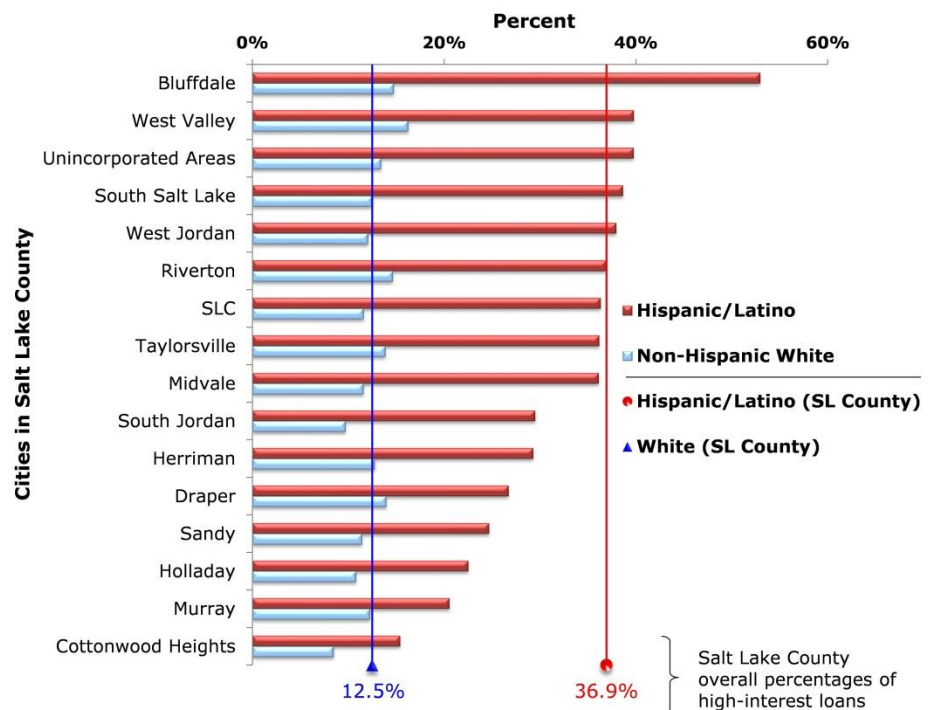
fect is particularly striking in Salt Lake City, where Hispanics mostly apply for the more affordable housing in the River District, while white applicants predominantly selected east-side properties. Please see the fair housing equity assessment on Salt Lake City for more analysis on the self-selection effect.

With Salt Lake City as an exception, the income distributions between the two groups are in fact more similar within cities than across cities. For instance, both groups had roughly 14 percent of West Valley City applicants with reported incomes at or below 50 percent MFI. On the other hand, in southern cities such as Herriman, Draper, and Riverton, the share of applicants above the median family income is near or above 70 percent for both groups. Thus, more affluent applicants, regardless of race, have a tendency to apply for properties in the southern part of the county, whereas lower-income applicants tend to select West Valley, West Jordan, Taylorsville, and South Salt Lake. With the exception of Salt Lake City, the self-selection effect is more prominent across cities in the county rather than within cities.

In addition to the barriers that Hispanic applicants face in the mortgage application process, the housing impediments persist following the approval process in the form of high-interest loans. Hispanic applicants receive a disproportionately high share of high-interest loans.

For the purposes of this study, high-interest loans are defined as any loan with a reported rate spread that exceeds 3 percent for first liens and 5 percent for subordinate liens. This is the threshold that lenders have been required to disclose since 2004. The rate spread is the difference between the loan APR and the yield of comparable Treasury securities. The Federal Reserve Board selected this threshold with the intent that the rate spread for most sub-prime loans would be reported and that most prime loans would not require this disclosure<sup>1</sup>. Thus, the rate spread disclosure can serve as a proxy for subprime lending.

**Figure 41**  
**Percent of High-Interest Loans among Approved Applicants by Race/Ethnicity in Salt Lake County Cities, 2006–2011**



Source: HMDA LAR Raw Data by MSA (2006–2011)

<sup>1</sup> Avery, Robert B., Kenneth P. Brevoort and Glenn B. Canner. “Opportunities and Issues in Using HMDA Data.” *Journal of Real Estate Research* 29.4 (2007).

This disproportionately high share of high-interest loans among Hispanic applicants could be a precursor to foreclosures and thus increased housing instability. Thus, even for Hispanics with approved mortgage loans, their higher tendency of receiving high-interest loans still reflects an underlying housing impediment that could have repercussions in long-term housing stability.

The disproportionately high prevalence of high-interest loans among Hispanic applicants is apparent across all cities in Salt Lake County. Figure 41 shows the percent of high-interest loans among non-Hispanic white and Hispanic/Latino applicants during the 2006–2011 period. At the county level, nearly 37 percent of Hispanic approved loans are considered high interest—nearly triple the rate among non-Hispanic white applicants. The gap is slightly narrower in Herriman but nonetheless apparent. Within the Herriman applicant pool, 29 percent of Hispanic approved applicants received high-interest loans, compared to only 13 percent of non-Hispanic white approved applicants. Similarly, the percentage of high-interest loans for Hispanic applicants selecting South Jordan, Draper, Sandy, Holladay, Murray, and Cottonwood Heights are significantly lower than the county-level average. Nonetheless, the high-interest loan gap between the two groups still range from 7 to nearly 20 percentage points for these cities.

Housing instability has implications in a larger context of infrastructural opportunity. Hispanic families, faced with higher-interest loans, could be forced to move frequently, resulting in elevated school mobility rates for their children. In turn, housing instability could result in lower educational opportunities among other foregone economic repercussions. One of the most significant effects is the lack of investment when families are forced to rent, rather than invest in property. Without stable and affordable housing, families face job instability, time loss, and opportunity costs in frequent moves. In short, the county should examine housing and mortgage data in a broader context of opportunity.