Clay County Housing Needs

Data Analysis

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MARSHALL UNIVERSITY
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CLAY COUNTY HOUSING NEEDS

Data Analysis

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Table of Contents

Executive Summary 1
Review of the Literature 2
Methodology 4
- Population 5
- Housing Characteristics 6
  - Vacancy Status 8
  - Tenure 10
  - Age 11
  - Values 14
  - Monthly Costs 16
  - Rental Property 20
  - Gross Rent 20
  - Fair Market Rent 22
  - Foreclosures 23
- Demographics 25
  - Age 25
  - Income 26
  - Individuals below Poverty Line 27
  - Health Status 29
  - Special Needs Groups 29
- Labor Force 30

References 35

Table of Figures

Figure 1 Housing Units by Type of Structure 8
Figure 2 Clay County Housing Occupancy Status 9
Figure 3 Occupied Housing Tenure 11
Figure 4 Age of Housing Stock 12
Figure 5 Rooms in Housing Unit 12
Figure 6 Occupants per Room 13
Figure 7 Number of Bedrooms in Owner Occupied Housing Unit 14
Figure 8 Value of Owner-Occupied Units 15
Figure 9 Mortgage Status 16
Figure 10 Selected Monthly Owner Costs for Housing Units with a Mortgage 17
Figure 11 Selected Monthly Owner Costs for Housing Units without a Mortgage 17
Figure 12 Selected Monthly Owner Costs as a Percentage of Household Income for Housing Units with a Mortgage 18
Figure 13 Selected Monthly Owner Costs as a Percentage of Household Income for Housing Units without a Mortgage 19
Figure 14 Number of Bedrooms in Occupied Rental Units 20
Figure 15 Gross Rent 21
Figure 16 Gross Rent as a Percentage of Household Income for Occupied Units Paying Rent 22
Figure 17 Foreclosure Rates for Clay and Surrounding Counties 24
Figure 18 Number of Households based on Household Income 26
Figure 19 Percentage of Individuals below the Poverty Level 28
Figure 20 Percent Change in Clay County Labor Force Participation 2002 to 2011 30
Figure 21 Percent Change in Labor Force Participation in Region 2010 to 2011 31
Figure 22 Percent Change in Employment in Region 2010 to 2011 31
Figure 23 Clay County Annual Unemployment 2002 to 2012 32
Figure 24 Percent Change in Average Annual Pay 2006 to 2010 33
Figure 25 Percent Change in Average Total Wages 2006 to 2010 33

Table of Tables

Table 1 Population of Clay County and Region 6
Table 2 Population of Region Excluding Kanawha County 6
Table 3 Units in Structure 7
Table 4 Housing Occupancy 9
Table 5 Vacancy Status in Clay County 10
Table 6 Foreclosure Data 2006-2010 Clay and Surrounding Counties 23
Table 7 Clay County and Region Population by Age Group 25
Table 8 Mean Household Income by Income Category 27
Table 9 Individuals of All Age Groups with Select Disability Characteristics 29
Table 10 Individuals of All Age Groups with Select Disability Characteristics as a Percent of Total Noninstitutionalized Civilian Population 30
Table 11 Clay County Quarterly Workforce Indicators 34

Table of Appendices

Appendix A Technical Appendix 36
Appendix B Fair Market Rent Calculation for Charleston, WV 37
Appendix C Fair Market Rent Calculation for Clay, WV 41

CLAY COUNTY HOUSING NEEDS
Data Analysis

Executive Summary

In response to an inquiry on the part of the Capital Resource Agency (CRA), the Center for Business and Economic Research (CBER) at Marshall University was contracted to provide demographic and housing data to serve as the initial step in assessing the cost-effective housing alternatives in Clay County, WV and the surrounding region. The CBER incorporated data from publicly available sources regarding housing availability, cost, amenities and relevant demographics in an effort to quantify the current stock of housing alternatives and the population in general.

The types and amount of housing needs within an area are essentially determined by the growth and demographic characteristics of its population such as:

- Age
- Household size
- Occupation
- Income.

The Clay County population is estimated to be 9,572 citizens based on a 5-year average from 2006 to 2010. Excluding those under age 20, the largest age group in the County during this time includes individuals 40 to 49 years of age, comprising nearly 16 percent of the County's population. Median household income is estimated to be $30,789 for this time period.

Housing in Clay County consists primarily (over 69 percent) of 1-unit detached homes followed by mobile homes at 26.6 percent. The county also has a high (80 percent) owner occupancy rate which can be indicator of the stability of a region's economy. Just over one-third of the housing in the county was constructed prior to 1970 which is a concern with respect to compliance with current codes and safety regulations and deferred maintenance issues especially for rental property.

Households are considered to have a housing cost burden when housing costs—mortgages, rents, and/or other costs associated with housing—exceed 30 percent of gross household income. Housing cost burden is a particular problem for some segments of the community.

A housing needs assessment is essential to housing planning, not just for the existing but also for the projected demands of a county's population. This report should be used as a basis for further planning and evaluation of the funding uses and opportunities particularly to:

- Provide an updated picture of housing base in Clay County
- Ensure resources are being appropriately and effectively engaged
- Identify areas of less effective results
- Restructure funding distribution to better align with areas of highest benefit.

Review of the Literature

Housing needs assessment is the determination of the perceived need or demand for housing versus the availability, especially when factors of income or special needs are applied (Detweiler 2010). The Federal government has defined affordable housing as that which consumes 30 percent of total income or less. Housing costs in excess of 30 percent impose a higher cost burden on the individual or family (WVDO 2010). This cost burden is usually the basis upon which housing needs are assessed although the specific needs of the elderly, the infirm and disabled, and other niches are also often included. Another aspect of housing assessment is availability: can a target or defined subgroup find suitable housing regardless of the affordability level?

The Citizens' Housing and Planning Association and the Massachusetts Housing Partnership make up the Center for Housing Policy (CHP) which supports HousingPolicy.org, a website providing aid to communities and organizations that want to conduct an assessment study (Center for Housing Policy 2012). The site provides a Toolbox where policies are grouped into six categories:

- Creating a Housing Needs Assessment
- Building Local Support for Affordable Housing
- Effective Zoning and Land Use Strategies
- Preserving or Creating Affordability in Existing Properties
- Finance Basics and Funding Strategies
- Basics of Homeownership.

On the website, sample questions and templates are supplied to help each community identify its unique housing needs. Once the goals of the study are defined, the Toolbox gives suggestions as to where to find the data required. Advice is available on managing public relations and methods of garnering support for housing programs. The principles of zoning, how to explore existing properties that can be converted, and how the Affordable Housing law can help remove barriers to development, are explained in detail. Alternatives to new construction such as how to obtain and renovate vacant, tax delinquent, and obsolete public and private buildings and advice on reclaiming existing buildings through renovation and conversion are provided. There are suggestions on locating sources of development funding, managing operating expenses, and maximizing income for public housing projects. Prospective first-time and low income house buyers can find information explaining the process of home purchasing as well as strategies to locate and obtain funds to help them.

The Vermont Housing Needs Assessment Guide (VHNAG) provides aid in creating a housing assessment (Gent and Collins 2012). The booklet contains seven sections that breakdown the types of questions that should be asked and suggests sources for the data:

- How to Use This Assessment
- Population and Demographic Trends
- Rental Housing
- Homeownership

- Housing the Elderly
- Special Needs Housing
- Moving from Information to Action.

The Guide uses the format of sample questions to steer an entity towards how an assessment should be performed to identify the unique housing needs of its area. Each section also gives suggestions on where and how to obtain pertinent data. Guidelines to define the population and demographics trends which make up a needs analysis are provided. Rental and homeownership analysis both require determining the volume of demand and supply, prices, household income, size and makeup, and financing models. The elderly population may require subsidized housing as well as solutions to unique special needs. Guidelines are offered concerning how to define and enumerate people with challenges and what types of housing they require. Suggestions how to implement programs and obtain funding and buy-in to meet the housing needs identified are offered.

The West Virginia Association of Housing Agencies (WVAHA) provides a state level overview of the need for and availability of affordable housing especially for lower income households (WVAHP n.d.). Using primarily HUD and Census data, WVAHA gives a comprehensive view of the housing status in the State and offers broad solutions to address housing needs.

The West Virginia Housing and Urban Development 5-Year Consolidated Plan is a mandated response to the US Department of Housing and Urban Development (HUD) (West Virginia Development Office 2010). The study provides a broad overview of the housing status in the State and consists of five sections:

- General
- Housing
- Homeless
- Community Development
- Non-homeless Special Needs.

In this study, US Census and American Community Survey data is used to present a picture of the demographics of West Virginia. Data from national sources is presented to show the need for funds for improving housing quality and quantity as well as providing financial assistance to families. State level data from all homeless providers collected during an annual "Point in Time" (PIT) exercise yields reasons for homelessness and the need for assistance to locate safe housing as well as data concerning the level of demand and amount of shortfall. According to the West Virginia Development Office, the Small Cities Block Grant (SCBG) program is "a flexible tool that is utilized to address a wide array of community and economic development needs across the State" (West Virginia Development Office 2010). The non-homeless special needs for persons re-entering society, abuse victims, HIV patients, and others are addressed via specialty programs that provide physical or mental health services, dependency treatment, nutritional aid, and other supportive services.

Terpstra and Nogaski (2008) focused on special needs housing for low income, disabled, elderly, homeless individuals, and those physical and/or mental health issues. US Census data was used

to report the number of people in different needs groupings and at different income levels. US Census housing data was enhanced by data from public housing agencies to report the types of housing, number of each type, cost, and waiting list. The demand was compared to the supply to show a need for additional housing. The study also gave a list of potential sources of housing assistance including Project-Based Section 8, the Illinois Rental Housing Support Program, and Habitat for Humanity (Terpstra and Nogaski 2008).

The Tompkins County, NY Affordable Housing Needs Assessment documented affordability ratios, housing costs, family incomes, and projected population trends by income and age ranges (Economic & Policy Resources, Inc. 2006). From this information the Planning Department projected future housing needs, identified shortfalls in any area, and gave broad suggestions how to stimulate interest in providing solutions for those needs.

The Dolores County, CO Housing Needs Assessment focused on three communities within the county and analyzed the population, economic, and housing characteristics of each (Information Services 2007). Census and county data were heavily utilized and were rationalized by use of mailed surveys to the residents and interviews with officials. After comparing the three communities' characteristics and apparent needs, possible solutions were examined at the county level. Development solutions include guaranteeing potential developers enough volume to realize a minimum profit margin, tax credits for investors/developers, and bond financing for land purchase, construction, or renovation projects. Owner solutions include shared equity between the owner and the funding entity, down payment and mortgage assistance, and housing/land trusts.

The Florida Housing Needs Assessment utilized unique mathematical formulae to analyze and project housing trends as opposed to the straight linear estimations generally used (Shimberg Center for Affordable Housing 2006). The intent was to simulate the changing nature of the population as time progressed. The study divided the population into households which were then allocated across tenure classes, age, size, income groups, and cost burden.

Methodology

Completion of this study relies on guidance from the literature with regard to housing and demographic characteristics required to properly assess the housing needs in Clay County. This report supplies the most recent data available and maintains consistency in reporting years to the extent possible. Unless otherwise noted, data collected from the American Community Survey (ACS) of the U.S. Census Bureau is provided as a 5-year average from 2006 to 2010. Fair market rents (FMRs) from Housing and Urban Development (HUD) are provided for the current year (2012). Other data points, such as certain health and insurance characteristics, are provided for different timeframes and are specified in each instance.

Margin of errors are provided from most data sources, including ACS and the Small Area Health Insurance Estimates (SAHIE), due to sample size. However, margin of errors are not considered in data reported in this study. For further explanation of margin of errors for data used in this report, please refer to technical documents from the appropriate source. Detailed source information is provided in the Technical Appendix (see Appendix A).

For illustration in this report, Clay County is frequently compared to its surrounding counties[1] in central West Virginia. Such comparisons provide an overview of West Virginia counties similar to Clay in geography. However, it is important to note that some surrounding counties—such as Kanawha—vary greatly from Clay in size, population and economic status. As applicable, these differences are noted.

Clay County is also compared to peer counties nationwide. The Health Resources County Comparison Tool (HRCCT) maintained by the Health Resources and Services Administration (HRSA) determines peer counties by population size, density, age distribution and poverty (HRSA n.d.). Peer counties may be selected based on three criteria: income, minority and individuals over 65 years of age. Of the 16 peer counties (cumulative over the three criteria) matched to Clay County, three were present in each category:

- Elliott, KY
- Menifee, KY
- New Madrid, MO.

Median household income ($29,203 on average) and poverty levels (26.2 percent on average), both based on 2007 estimates, are comparable between the four counties (HRSA n.d.). Although the percent minority population (also based on 2007 estimates) is nearly the same in Clay, Elliott and Menifee counties, New Madrid is much higher (17.6 percent compared to 2.4 percent in Clay) (HRSA n.d.). Infant mortality in Clay and Elliot counties are relatively low (2.9 and 2.5 per 1,000 births, respectively) and significantly higher in Menifee and New Madrid counties (10.4 and 8.1 per 1,000 births, respectively). Only 8 physicians total are reported in the four counties, surprisingly low compared to the peer group maximum[2] of 18 physicians, and the number of physicians per 100,000 population ranges from 14 to 22.5 across the four counties (HRSA n.d.). By comparison, the peer group maximum reports and average of 19 physicians and an average of 108 physicians per 100,000 population across the three identifying criteria (HRSA n.d.). None of the four counties report having a hospital in the county as of 2006.

Population

Clay County is one of the smallest counties[3] in West Virginia by population with an estimated 9,572 citizens as of 5-year Census estimates[4] (ACS 2012). Compared to other counties in this region in West Virginia, Clay County has only more citizens than Calhoun County (7,588 citizens on average as of 5-year Census estimates) (ACS 2012).

The total population of this region, including Clay and the six surrounding counties, totaled nearly 312,000. Of that total, approximately 61.8 percent of individuals lived in Kanawha County alone. For this reason, Kanawha is generally excluded from comparisons in this report.

[1] The six surrounding counties are Braxton, Calhoun, Fayette, Kanawha, Nicholas and Roane.
[2] Peer group maximum represents the maximum value for all counties in the group—including the three peer counties selected for this report as well as additional peer counties—determined by HRCCT comparison tools for each of the identifying criteria.
[3] Ten other counties—Wirt, Tucker, Calhoun, Pleasants, Pendleton, Doddridge, Gilmer, Pocahontas, Webster and Tyler—have smaller populations than Clay as of the 5-year Census estimates (2006-2010).
[4] Unless otherwise noted, 5-year Census estimates used in this report represent the average of years 2006 to 2010.

Total population in Clay County is approximately 3 percent in this region (including Kanawha) and 8 percent (excluding Kanawha) (ACS 2012). Total population for the seven counties and the percent by the region and the State are provided in Table 1.

Table 1 Population of Clay County and Region

County	Population	Percent Region	Percent WV
Braxton	14,558	4.67%	0.79%
Calhoun	7,588	2.43%	0.41%
Clay	9,572	3.07%	0.52%
Fayette	46,138	14.79%	2.51%
Kanawha	192,770	61.80%	10.47%
Nicholas	26,189	8.40%	1.42%
Roane	15,116	4.85%	0.82%

2012 American Community Survey (ACS): 5 year average 2006-2010.

For comparison, Table 2 provides the population in six counties as a percent of the region, excluding Kanawha County.

Table 2 Population of Region Excluding Kanawha County

County	Population	Percent Region
Braxton	14,558	12.22%
Calhoun	7,588	6.37%
Clay	9,572	8.03%
Fayette	46,138	38.72%
Nicholas	26,189	21.98%
Roane	15,116	12.69%

2012 American Community Survey (ACS): 5 year average 2006-2010.

Housing Characteristics

The ACS definitions of housing "type of structure" were obtained from Housing Question 1 in the 2010 American Community Survey (ACS 2010). A structure is "a separate building that either has open spaces on all sides or is separated from other structures by dividing walls that extend from ground to roof." In determining the number of units in a structure, all housing units, both occupied and vacant, are counted. Stores and office space are excluded. The data is presented for the number of housing units in structures of specified type and size, not for the number of residential buildings. Table 3 provides further information on the description of units in a structure.

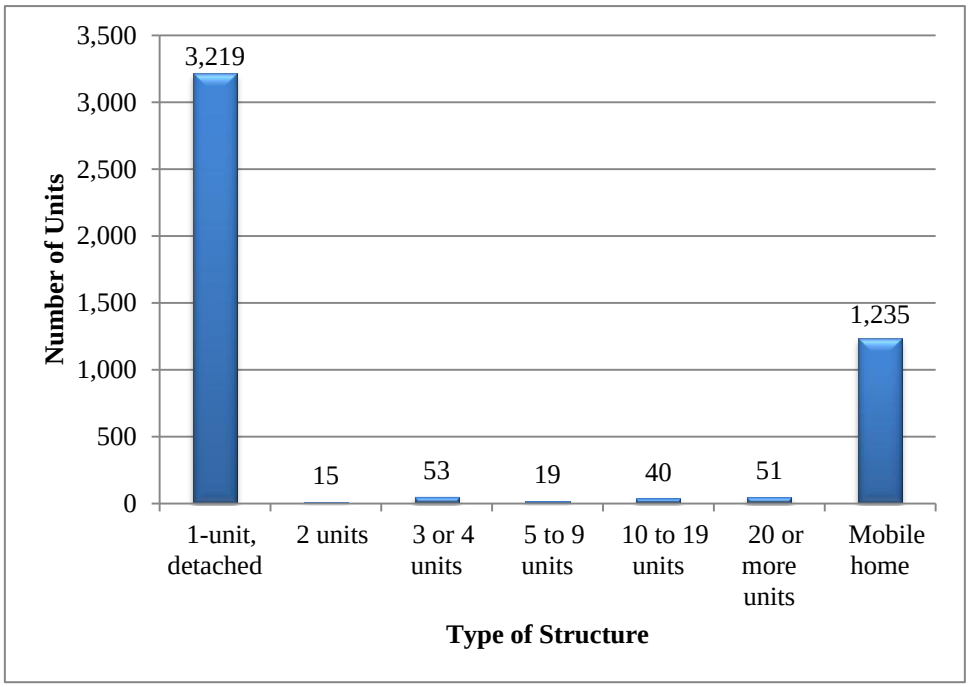
Table 3 Units in Structure

Structure	Description
Mobile Home	Both occupied and vacant mobile homes to which no permanent rooms have been added are counted in this category. Mobile homes used only for business purposes or for extra sleeping space and mobile homes for sale on a dealer's lot, at the factory, or in storage are not counted in the housing inventory.
1-Unit, Detached	This is a 1-unit structure detached from any other house, that is, with open space on all four sides. Such structures are considered detached even if they have an adjoining shed or garage. A 1-family house that contains a business is considered detached as long as the building has open space on all four sides. Mobile homes to which one or more permanent rooms have been added or built also are included.
1-Unit, Attached	This is a 1-unit structure that has one or more walls extending from ground to roof separating it from adjoining structures. In row houses (sometimes called townhouses), double houses, or houses attached to nonresidential structures, each house is a separate, attached structure if the dividing or common wall goes from ground to roof.
2 or More Apartments	These are units in structures containing two or more housing units, further categorized as units in structures with two, three or four, five to nine, 10 to 19, 20 to 49, and 50 or more apartments.
Boat, RV, Van, Etc.	This category is for any living quarters occupied as a housing unit that does not fit the previous categories. Examples that fit this category are houseboats, railroad cars, campers, and vans. Recreational vehicles, boats, vans, tents, railroad cars, and the like are included only if they are occupied as someone's current place of residence.

American Community Survey (ACS), 2010.

The average housing stock in Clay County is comprised of 4,632 units of varying structures from 1-unit, detached homes to mobile homes. Figure 1 shows the breakdown of housing units by structure type. By far, the primary type of housing in Clay County was 1-unit detached homes (69.4 percent) followed by mobile homes (26.6 percent).

Figure 1 Housing Units by Type of Structure



2012 American Community Survey (ACS): 5 year average 2006-2010.

Vacancy Status

Of the estimated 4,632 housing units in Clay County, 76.2 percent were occupied while 23.8 percent were vacant. A housing unit is considered vacant if no one is living in it at the time of interview (ACS 2010). Units occupied entirely by persons who are staying two months or less and who have a more permanent residence elsewhere at the time of interview are considered to be temporarily occupied and are classified as "vacant."

By ACS definition, new units not yet occupied are classified as vacant housing units if construction has reached a point where all exterior windows and doors are installed and final usable floors are in place. Vacant units are excluded from the housing inventory if they are open to the elements, that is, if the roof, walls, windows, and/or doors no longer protect the interior from the elements. Also, excluded are vacant units with a sign that they are condemned or they are to be demolished.[5] Average housing occupancy in Clay County from 2006 to 2010 is provided in Table 4.

[5] ACS, *2010 Subject Definitions*, 2010, 43.

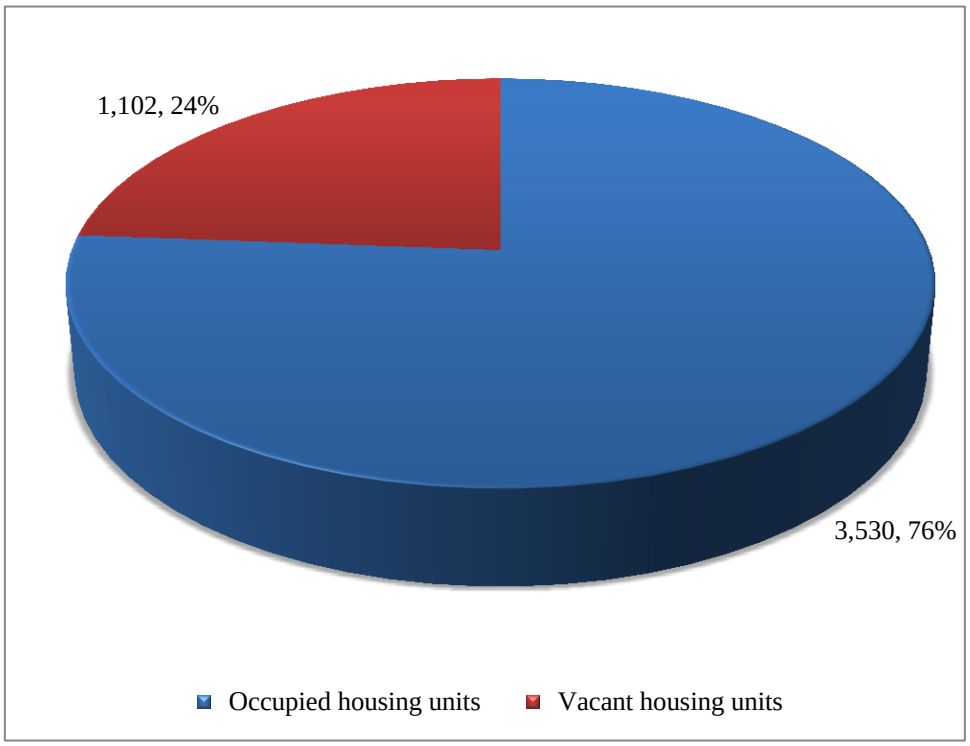
Table 4 Housing Occupancy

Housing Occupancy	Estimate	Percent
Total housing units	**4,632**	**100.0%**
Occupied housing units	3,530	76.2%
Vacant housing units	1,102	23.8%

2012 American Community Survey (ACS): 5 year average 2006-2010.

For further illustration, average housing occupancy status between occupied and vacant housing units over the defined 5-year period is provided in Figure 2.

Figure 2 Clay County Housing Occupancy Status



2012 American Community Survey (ACS): 5 year average 2006-2010.

ACS data for vacancy status has historically been used as an indicator of the stability and quality of housing market and provides information on the. The data is used to assess the demand for housing, to identify housing turnover within areas and to better understand the population within the housing market over time. These data also serve to aid in the development of housing programs to meet the needs of persons at different economic levels.

Vacancy rates reveal the balance between supply and demand of housing within an area. When supply exceeds demand the vacancy rate will increase. Conversely, when demand is greater than supply, the vacancy rate will decrease and housing prices and/or rents will increase.

Table 5 shows the market classifications and estimates of vacant housing units in Clay County.

Table 5 Vacancy Status in Clay County

Vacancy Status	Estimate
For rent	84
Rented, not occupied	0
For sale only	0
Sold, not occupied	14
For seasonal, recreational, or occasional use	722
For migrant workers	11
Other vacant	271
Total	**1,102**

2012 American Community Survey (ACS): 5 year average 2006-2010.

Tenure

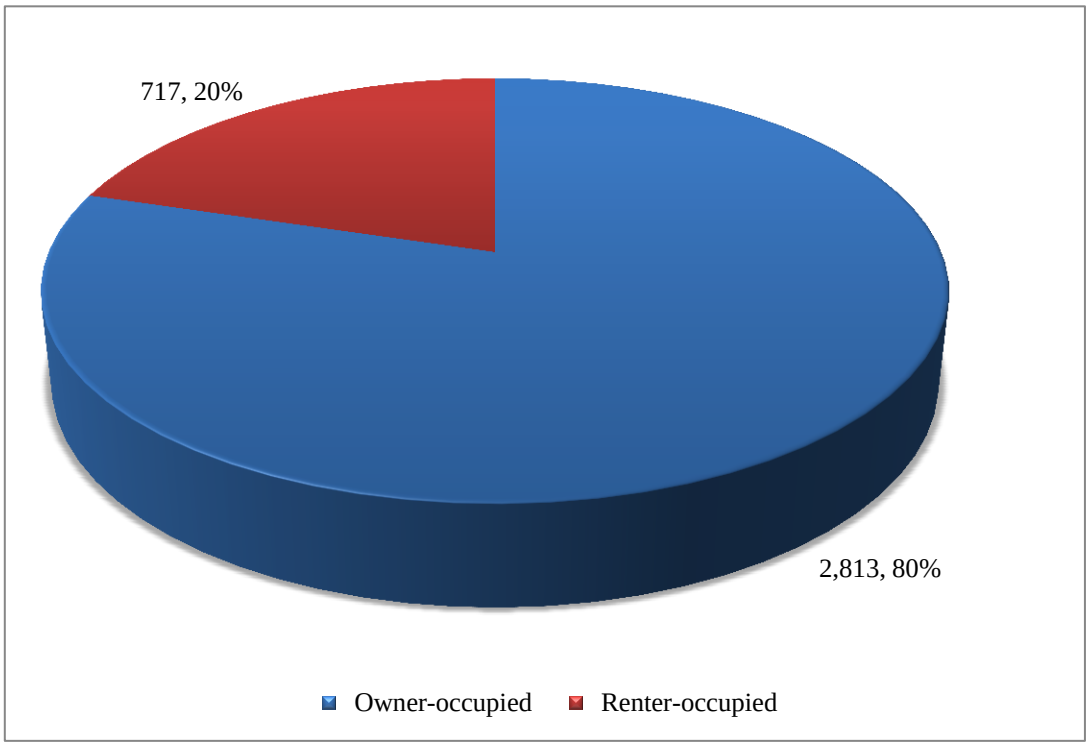
Housing tenure is an important component of analyzing housing needs in an area. The ACS (2010), best defines tenure as follows:

> "Tenure provides a measurement of home ownership, which has served as an indicator of the nation's economy for decades. These data are used to aid in the distribution of funds for programs such as those involving mortgage insurance, rental housing, and national defense housing. Data on tenure allows planners to evaluate the overall viability of housing markets and to assess the stability of neighborhoods. The data also serve in understanding the characteristics of owner occupied and renter occupied units to aid builders, mortgage lenders, planning officials, government agencies, etc., in the planning of housing programs and services."[6]

For the time period included in this report, the majority of housing units (80 percent) were owner-occupied (ACS 2012). The relationship of occupied housing tenure between owner- and renter-occupied units is provided in Figure 3.

[6] ACS, *2010 Subject Definitions*, 2010, 35.

Figure 3 Occupied Housing Tenure[7]



2012 American Community Survey (ACS): 5 year average 2006-2010.

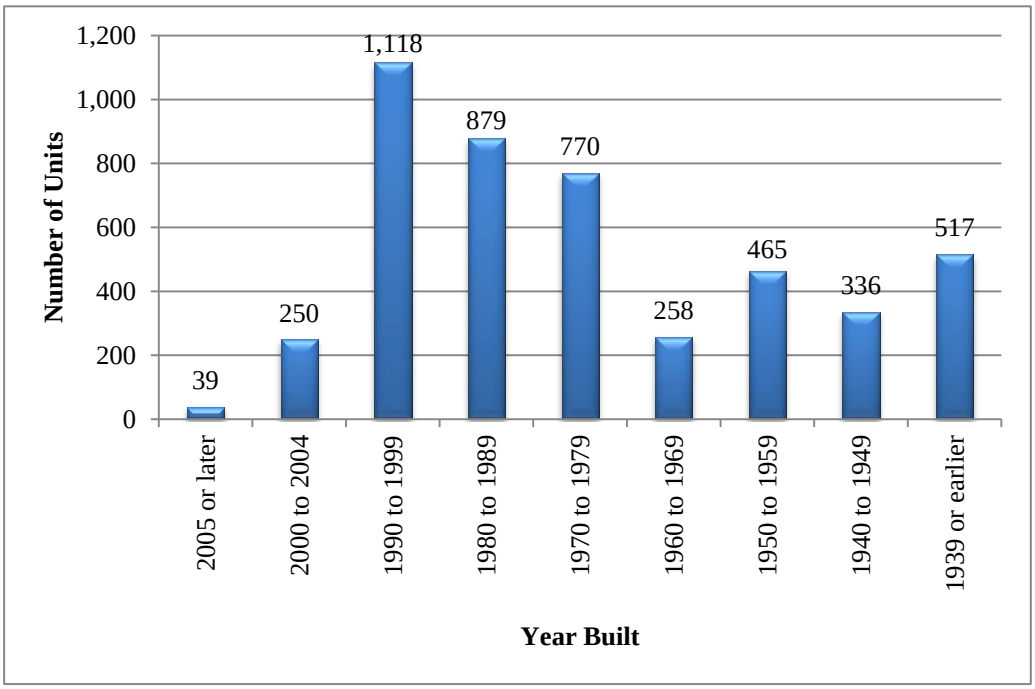
Age

A large portion of Clay County's current housing stock was built between 1990 and 1999 (ACS 2012). Over 24 percent (1,118 structures) were built during this decade. Possible reasons for the increased housing unit construction in the 1990's could be the outward migration of workers from Kanawha County. Newer housing stock is a positive for the county as these units tend to meet newer code requirements. Figure 4 provides data on the housing stock in Clay County by the year built and number of units.

More than 34 percent of housing units in Clay County were constructed prior to 1970. The age of housing stock can be an indicator of the quality of available housing in an area. Older homes and/or apartments are more likely to contain lead paint, have code violations and sub-standard living conditions (ACS 2010). This is a concern as deterioration becomes an issue unless these housing units have been very well maintained. Since the majority of housing units in the county are 1-unit detached homes they are much less likely to have on-site management for rental homes than for a multi-unit apartment complex.

[7]The data for tenure were obtained from Housing Question 14 in the 2010 American Community Survey. The question was asked at occupied housing units. Occupied housing units are classified as either owner occupied or renter occupied.

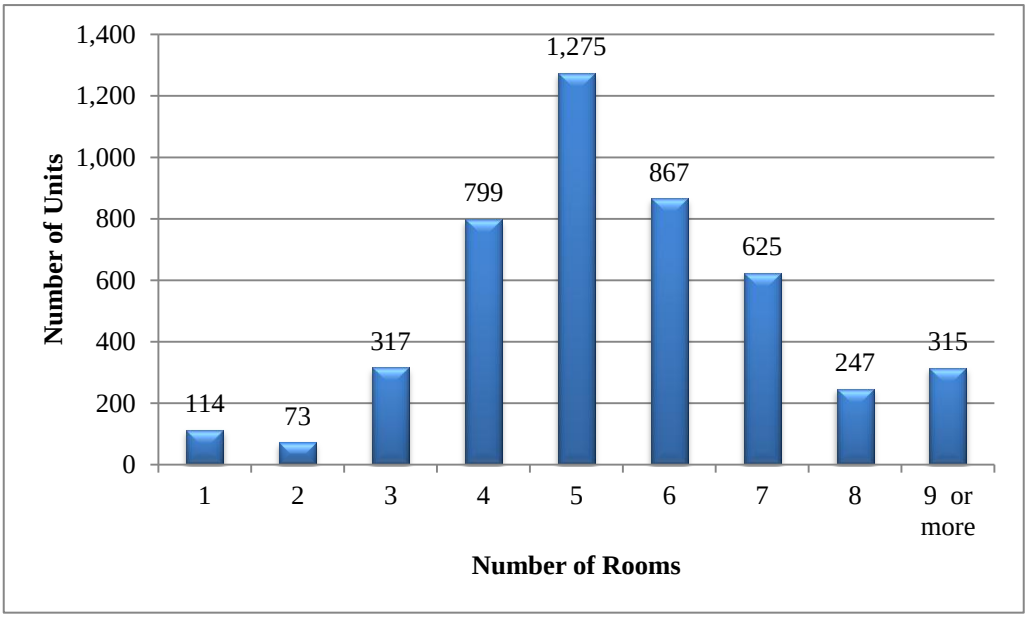
Figure 4 Age of Housing Stock



2012 American Community Survey (ACS): 5 year average 2006-2010.

Figure 5 illustrates the total number of rooms within each residential structure in Clay County. The median number of rooms per housing unit was 5.3 for this time period.

Figure 5 Rooms in Housing Unit



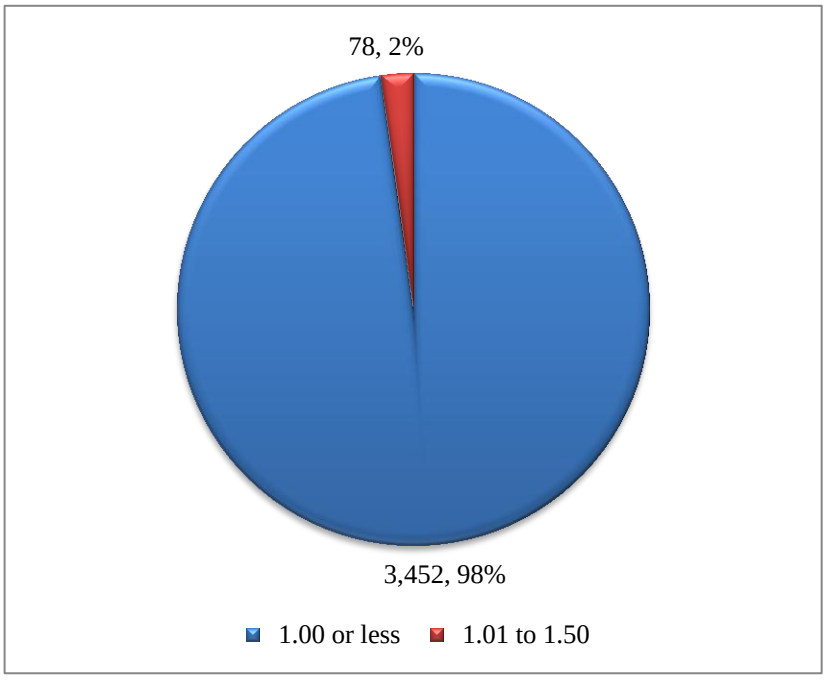
2012 American Community Survey (ACS): 5 year average 2006-2010.

Data on the number of occupants per room are obtained by dividing the number of people in each occupied housing unit by the number of rooms in the unit. The figures show the number of occupied housing units having the specified ratio of people per room. Although the Census Bureau has no official definition of crowded units, many users consider units with more than one occupant per room to be crowded. According to ACS:

> "This data is the basis for estimating the amount of living and sleeping spaces within a housing unit. These data allow officials to plan and allocate funding for additional housing to relieve crowded housing conditions. The data also serve to aid in planning for future services and infrastructure, such as home energy assistance programs and the development of waste treatment facilities."[8]

The vast majority of rooms in Clay County are occupied by one person or less. Only 2 percent of housing units were reported to have more than 1 and up to 1.5 occupants per room. The percent of occupants per room is illustrated in Figure 6.

Figure 6 Occupants per Room

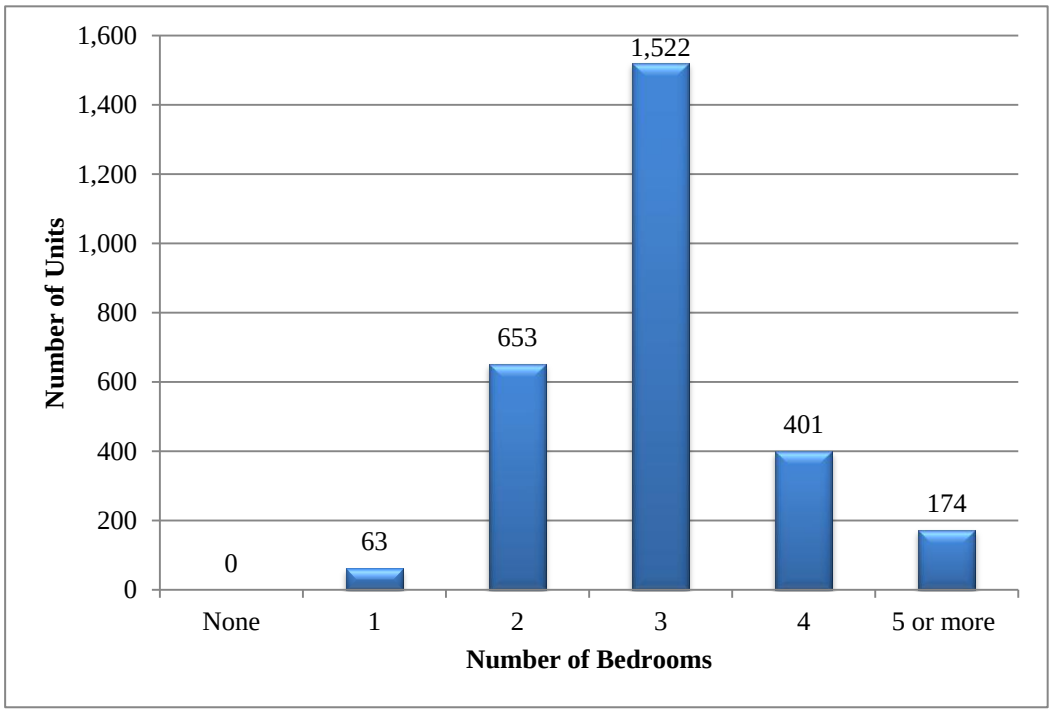


2012 American Community Survey (ACS): 5 year average 2006-2010.

Figure 7 shows the number of housing units with zero, one, two, three, four and five or more bedrooms. The most common housing units (44.5 percent) contained three bedrooms. Less than 2.5 percent of the units in Clay County had at most one bedroom.

[8] ACS, *2010 Subject Definitions*, 2010, 25.

Figure 7 Number of Bedrooms in Owner Occupied Housing Unit



2012 American Community Survey (ACS): 5 year average 2006-2010.

Values

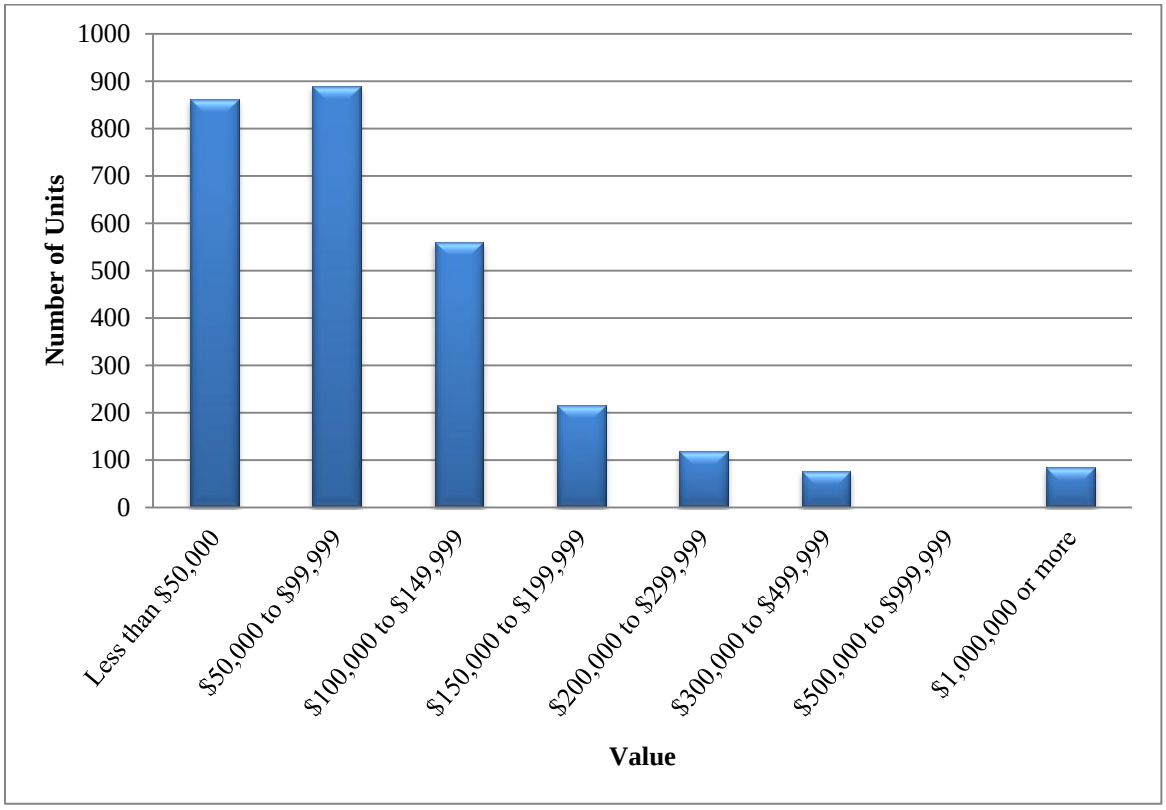
The value of a housing unit is contingent on many factors. According to the ACS:

> "The data on value (also referred to as "price asked" for vacant units) were obtained from Housing Question 16 in the 2010 American Community Survey (ACS 2010). The question was asked of housing units that were owned, being bought, vacant for sale, or sold not occupied at the time of the survey. Value is the respondent's estimate of how much the property (house and lot, mobile home and lot, or condominium unit) would sell for if it were for sale.
>
> "If the house or mobile home was owned or being bought, but the land on which it sits was not, the respondent was asked to estimate the combined value of the house or mobile home and the land. For vacant units, value was the price asked for the property. Value was tabulated separately for all owner-occupied and vacant-for-sale housing units, as well as owner-occupied and vacant-for-sale mobile homes.
>
> "The value of a home provides information on neighborhood quality, housing affordability, and wealth. These data provide socioeconomic information not captured by household income and comparative information on the state of local housing markets. The data also serve to aid in the development of housing

programs designed to meet the housing needs of persons at different economic levels."[9]

Figure 8 shows the value of owner-occupied units at the time of the ACS survey.

Figure 8 Value of Owner-Occupied Units

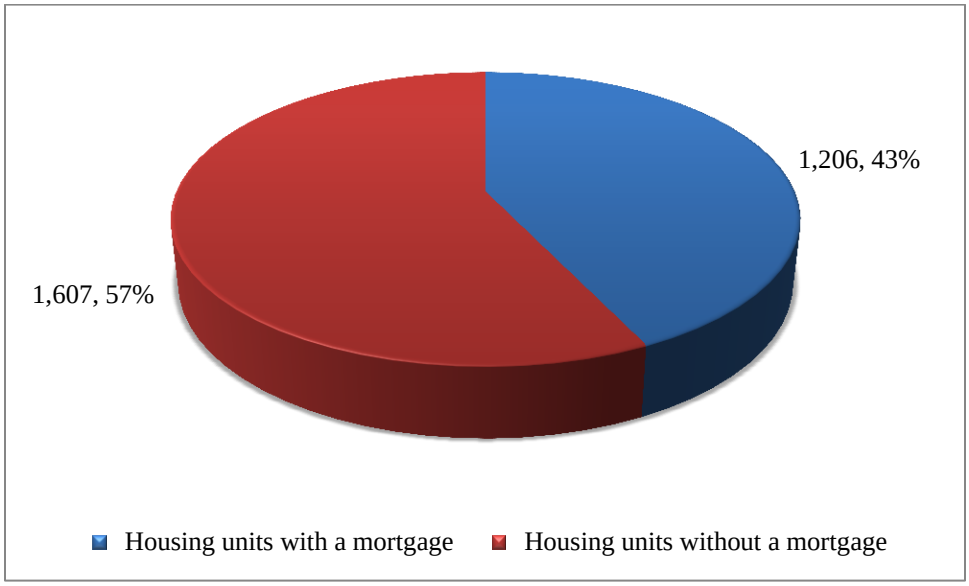


2012 American Community Survey (ACS): 5 year average 2006-2010.

The mortgage status in Clay County was nearly evenly distributed between those units with and without mortgages. The percent of housing units without a mortgage (57 percent) were slightly higher than those with one (43 percent). Figure 9 illustrates the mortgage status in Clay County for the studied time period.

[9] ACS, *2010 Subject Definitions*, 2010, 40.

Figure 9 Mortgage Status



2012 American Community Survey (ACS): 5 year average 2006-2010.

Monthly Costs

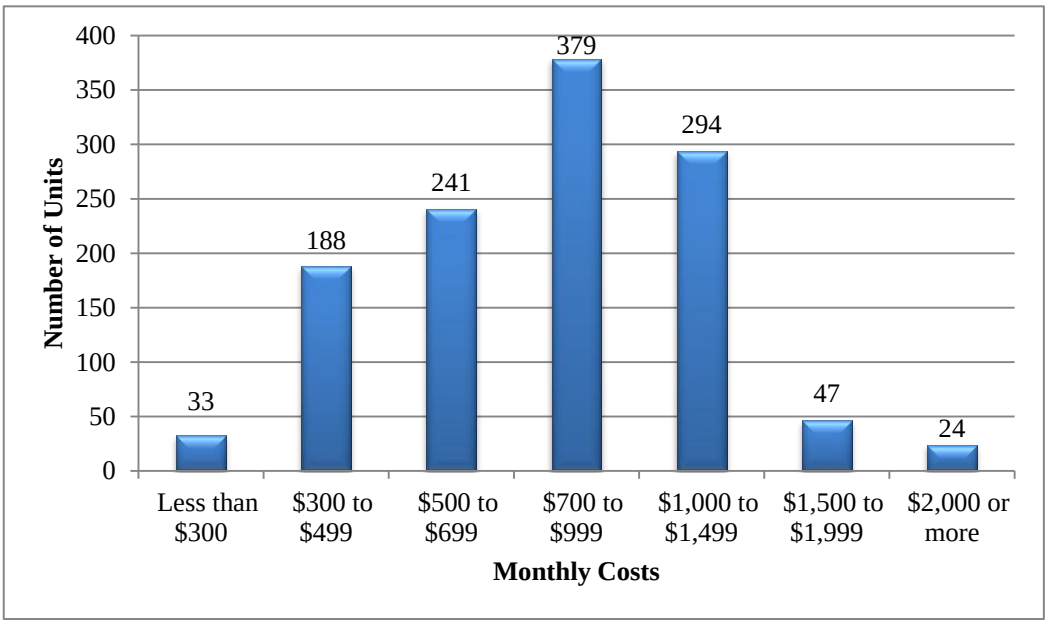
Selected Monthly Owner Costs (SMOC) provide detailed information on costs imposed on the owner of housing units. According to the ACS:

> "Selected monthly owner costs are the sum of payments for mortgages, deeds of trust, contracts to purchase, or similar debts on the property (including payments for the first mortgage, second mortgages, home equity loans, and other junior mortgages); real estate taxes; fire, hazard, and flood insurance on the property; utilities (electricity, gas, and water and sewer); and fuels (oil, coal, kerosene, wood, etc.). It also includes, where appropriate, the monthly condominium fee for condominiums (Question 13) and mobile home costs (Question 21) (installment loan payments, personal property taxes, site rent, registration fees, and license fees).
>
> Selected monthly owner costs provide information on the monthly housing cost expenses for owners. When the data is used in conjunction with income data, the information offers an excellent measure of housing affordability and excessive shelter costs. The data also serve to aid in the development of housing programs to meet the needs of people at different economic levels."[10]

SMOC for housing units with a mortgage are shown in Figure 10. There were 1,206 housing units (with a mortgage) in Clay County for which SMOC could be calculated. Of these, 379 units (31.4 percent) had a SMOC between $700 and $999 per month. The median SMOC was calculated as $815 per month.

[10] ACS, *2010 Subject Definitions*, 2010, 31.

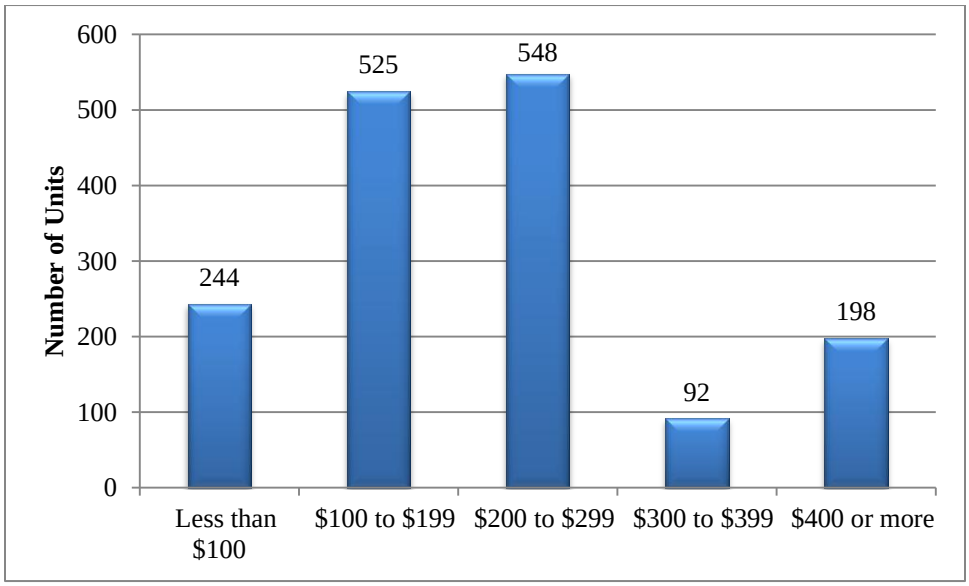
Figure 10 Selected Monthly Owner Costs for Housing Units with a Mortgage



2012 American Community Survey (ACS): 5 year average 2006-2010.

SMOC for housing units without a mortgage are shown in Figure 11. Of the 1,607 housing units without a mortgage, SMOCs were substantially, and understandably, lower. The majority (66.8 percent) fell within two ranges: SMOCs of $100 to $199 (32.7 percent) and $200 to $299 (34.1 percent).

Figure 11 Selected Monthly Owner Costs for Housing Units without a Mortgage

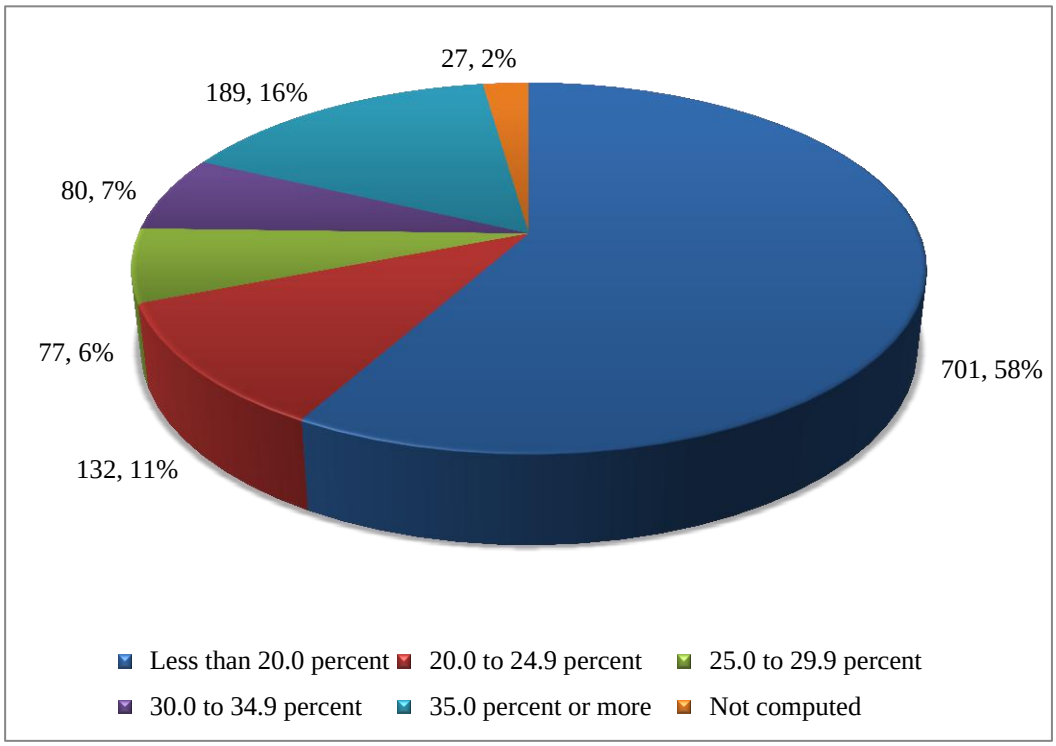


2012 American Community Survey (ACS): 5 year average 2006-2010.

Selected Monthly Owner Costs as a Percentage of Household Income (SMOCAPI) is the calculated ratio of selected monthly owner costs to monthly household income (ACS 2010). Ratios are only calculated for owner-occupied units. In addition to providing insight into owner-related housing expenses, SMOCAPI data serves "to aid in the development of housing programs to meet the needs of people at different economic levels" (ACS 2010).

In Clay County, SMOCAPI were calculated for 1,179 of the 1,206 housing units with a mortgage (ACS 2012). Nearly 60 percent of housing units paid less than 20 percent of household income towards housing costs. Approximately 16 percent of housing units paid 35 percent or more of household income toward housing costs. SMOCAPI for just under 30 percent of housing units were not computed. Figure 12 provides SMOCAPI data collected for housing units with a mortgage.

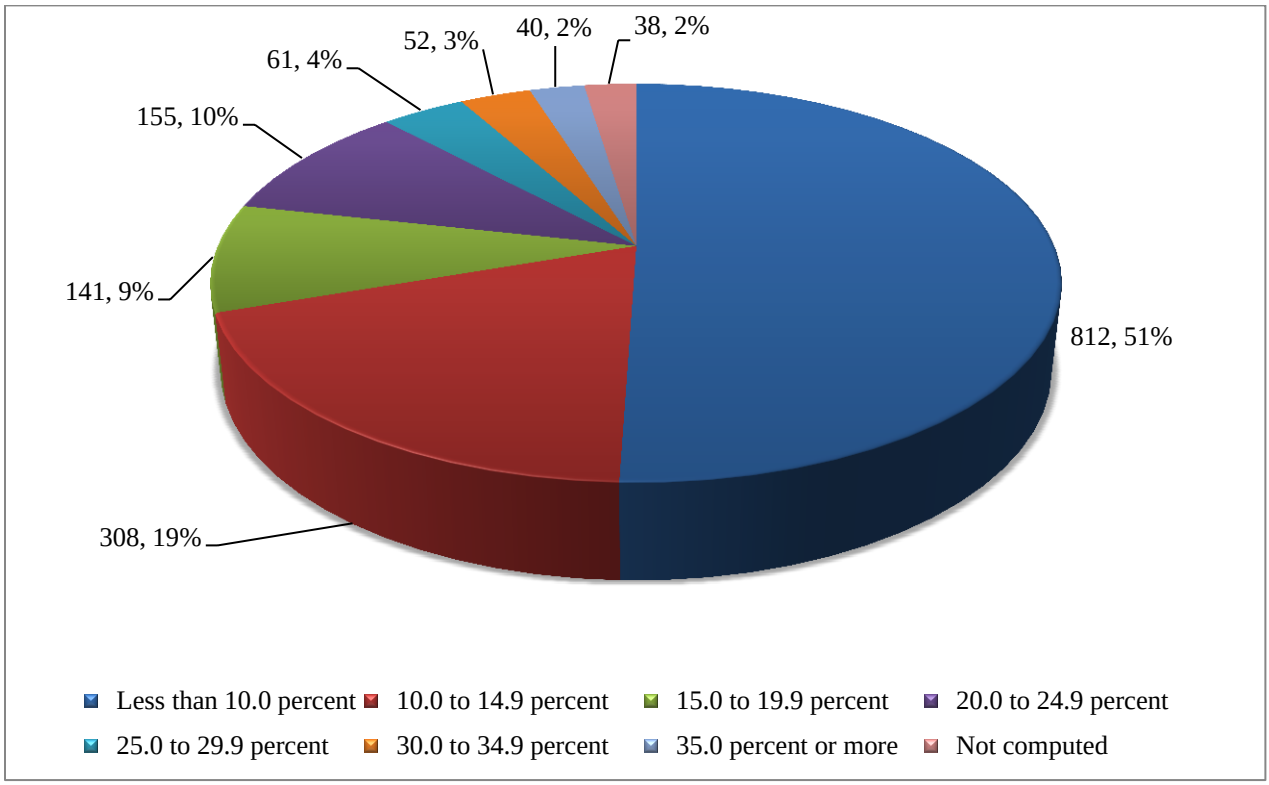
Figure 12 Selected Monthly Owner Costs as a Percentage of Household Income for Housing Units with a Mortgage



2012 American Community Survey (ACS): 5 year average 2006-2010.

By way of comparison, approximately 51 percent of housing units in Clay County paid less than 10 percent of household income toward housing costs (ACS 2012). Nearly 20 percent of housing units paid between 10 and 14.9 percent of household income toward housing costs. A small percentage (9 percent) paid more than 25 percent of household income toward housing costs. SMOCAPI data for housing units without a mortgage are provided in Figure 13.

Figure 13 Selected Monthly Owner Costs as a Percentage of Household Income for Housing Units without a Mortgage

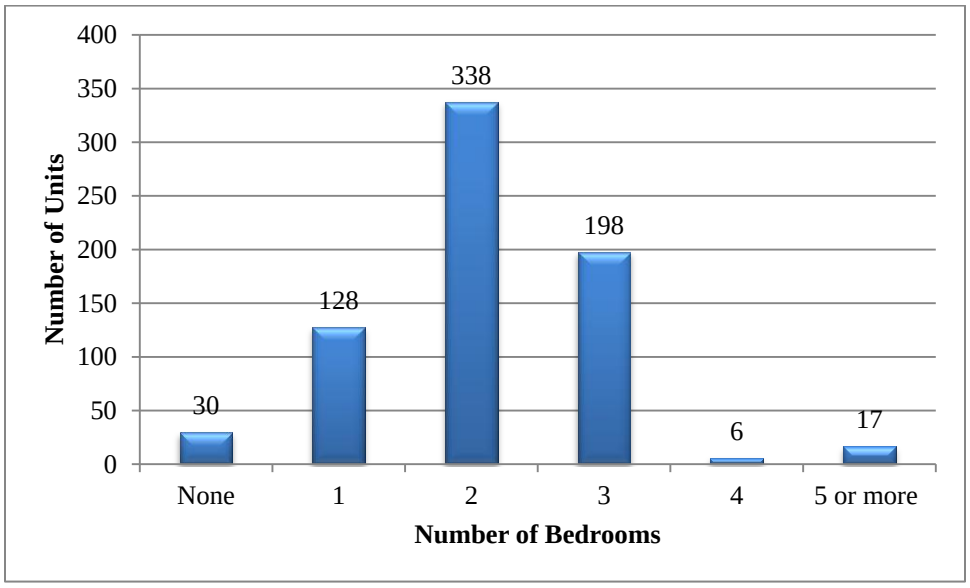


2012 American Community Survey (ACS): 5 year average 2006-2010.

Rental Property

The ACS reported 717 rental units as occupied (ACS 2012). Figure 14 disaggregates these units by number of bedrooms. Two bedroom units are the most predominant category at 47.1 percent, followed by three bedroom units at 27.6 percent.

Figure 14 Number of Bedrooms in Occupied Rental Units



2012 American Community Survey (ACS): 5 year average 2006-2010.

Gross Rent

Gross rent is defined by the ACS as "the contract rent plus the estimated average monthly cost of utilities (electricity, gas, and water and sewer) and fuels (oil, coal, kerosene, wood, etc.) if these are paid by the renter (or paid for the renter by someone else)" (ACS 2010).

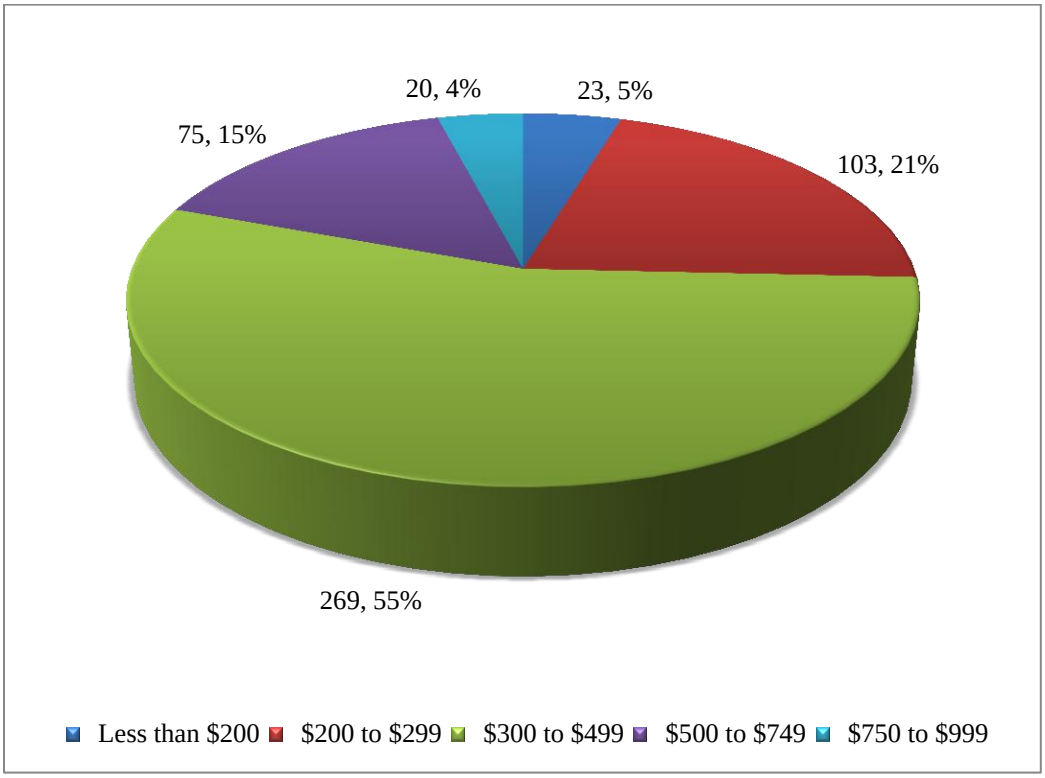
According to the ACS:

> "Gross rent provides information on the monthly housing cost expenses for renters. When the data is used in conjunction with income data, the information offers an excellent measure of housing affordability and excessive shelter costs. The data also serve to aid in the development of housing programs to meet the needs of people at different economic levels, and to provide assistance to agencies in determining policies on fair rent."[11]

For the 490 occupied housing units paying rent in Clay County, Figure 15 demonstrates the dollar ranges of gross rent paid. The majority (55 percent) pay between $300 and $499 per month (ACS 2012). The median gross rent was as $385 per month.

[11] ACS, *2010 Subject Definitions*, 2010, 17.

Figure 15 Gross Rent

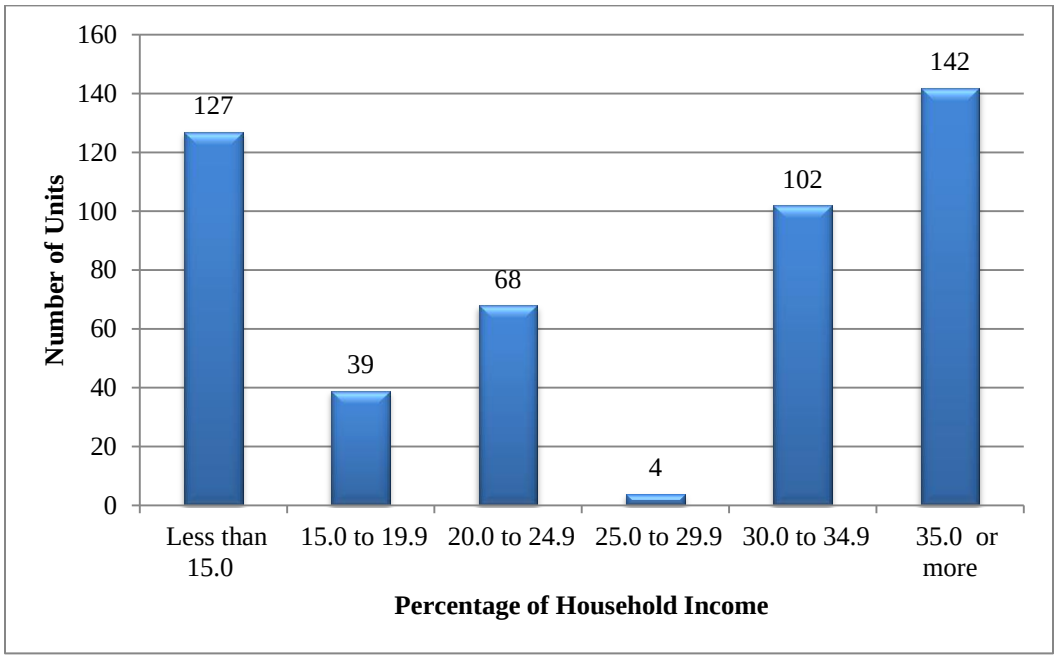


2012 American Community Survey (ACS): 5 year average 2006-2010.

Gross rent as a percentage of household income (GRAPHI) represents the ratio of monthly gross rent to monthly household income (ACS 2010). There were 235 units for which GRAPHI could not be computed (ACS 2012). The total number of occupied rental housing units for which GRAPHI could be computed equaled 482.

Figure 16 demonstrates that 244 of these households (50.6 percent) in Clay County pay in excess of 30 percent of their household income in gross rent. Thirty percent of gross income is usually considered the maximum expenditure for housing to be considered affordable.

Figure 16 Gross Rent as a Percentage of Household Income for Occupied Units Paying Rent[12]



2012 American Community Survey (ACS): 5 year average 2006-2010.

Fair Market Rent

Fair Market Rent (FMR) is a formula calculation developed by Housing and Urban Development (HUD) and used by local Housing Authorities to determine the maximum allowable amount of payable rent for a unit in a specific geographical area (HUD 2009). The FMR is the allowable cost for rent plus utilities (except for telephone) (HUD 2009).

The FMR calculation is done by a sampling method such that it requires sufficient quantities of units to establish statistical significance. The number of housing units in Clay County was insufficient for such a calculation, therefore it is necessary to use the Charleston Metro Area FMR.

Charleston area FMRs for fiscal year 2012 range from $459 for an efficiency unit to $821 for a four-bedroom unit. A full listing of the Charleston area FMR data and calculation methodology is available in Appendix B.

[12] Figure excludes units where GRAPHI could not be computed.

Foreclosures

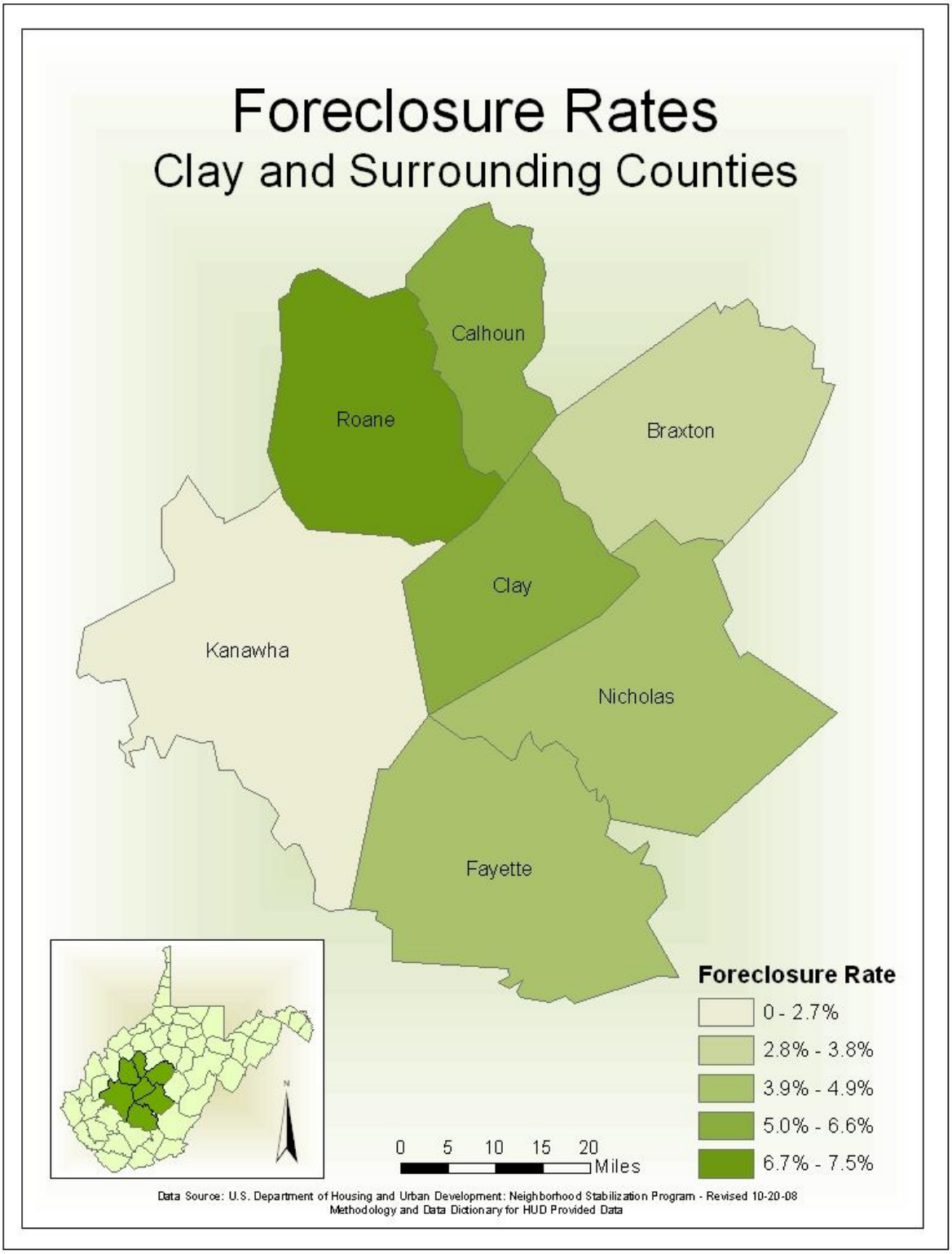
During the period from 2004 to 2006, there were an estimated 57 foreclosures on 864 mortgages for an average foreclosure rate of 6.6 percent. When compared to surrounding counties, Clay has the second highest foreclosure rate in the region exceeded only by Roane County (HUD 2009). Foreclosure data for Clay and the six surrounding counties are provided in Table 6. For further illustration, Figure 17 provides the geographical representation of average foreclosure rates in this seven-county area from 2006 to 2010.

Table 6 Foreclosure Data 2006-2010 Clay and Surrounding Counties

County	Estimated Foreclosures	Estimated Mortgages	Foreclosure Rate
Clay	57	864	6.6%
Braxton	44	1,166	3.8%
Calhoun	11	192	5.7%
Fayette	283	5,760	4.9%
Kanawha	944	35,498	2.7%
Nicholas	133	2,993	4.4%
Roane	91	1,211	7.5%

Housing and Urban Development Neighborhood Stabilization Program Data, 2012.

Figure 17 Foreclosure Rates for Clay and Surrounding Counties



Demographics

Age

Of the total population in Clay County, nearly 15 percent are individuals aged 65 years or older and nearly 2 percent are 85 years or older (ACS 2012). Children under 5 years of age make up 6 percent of the total population in Clay County; this ratio is the largest percentage of children in this age group of the counties in this region (ACS 2012). The largest age group in Clay County is individuals aged 40 to 44 years (8.4 percent) and the smallest age group is individuals aged 18 to 19 years (1.6 percent). Table 7 provides population by age group for Clay and the other six counties in this region.

Table 7 Clay County and Region Population by Age Group

Age Group	Braxton	Calhoun	Clay	Fayette	Kanawha	Nicholas	Roane
Under 5	769	419	574	2,625	10,818	1,541	867
5 to 9	842	362	641	2,501	10,826	1,277	792
10 to 14	846	443	683	2,874	11,300	1,681	1,058
15 to 17	582	299	420	1,590	6,986	1,082	605
18 and 19	342	195	157	1,236	4,413	605	269
20 and 21	203	111	208	1,205	4,233	578	291
22 to 24	594	261	308	1,336	6,290	734	472
25 to 29	737	401	517	2,587	12,257	1,402	819
30 to 34	819	414	570	2,797	11,822	1,494	862
35 to 39	981	519	482	2,999	11,718	1,662	977
40 to 44	977	418	799	2,912	12,827	1,800	986
45 to 49	1,083	603	724	3,382	14,569	1,956	1,180
50 to 54	1,134	593	735	3,741	15,934	2,090	1,238
55 to 59	1,275	667	702	3,686	14,968	2,192	1,050
60 and 61	411	298	354	1,360	5,428	721	615
62 to 64	461	227	266	1,607	6,210	973	551
65 and 66	345	130	159	1,016	3,588	644	399
67 to 69	453	209	223	1,134	4,811	737	339
70 to 74	602	399	408	1,817	8,128	1,160	706
75 to 79	473	333	281	1,517	6,557	789	512
80 to 84	360	194	187	1,132	4,736	602	274
85 years and over	269	93	174	1,084	4,351	469	254

2012 American Community Survey (ACS): 5 year average 2006-2010.

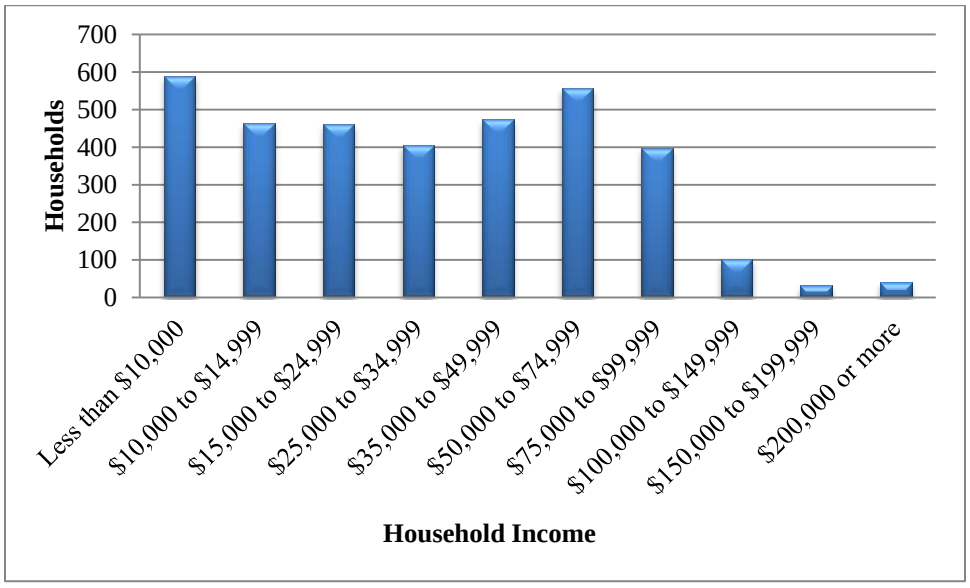
Approximately 24 percent of the total population was comprised of individuals under the age of 18 in Clay County and an excess of 78 percent of the population is 16 years of age and older (ACS 2012). Nearly 6,300 individuals in Clay County were of working age (up to age 65 and including 15-year-olds) during this time period, comprising an excess of 65 percent of the

County population. In the region, total working age individuals equaled nearly 78,500 during this time period, excluding Kanawha County.

Income

Median household income in Clay County was an estimated $30,789[13] on average from 2006 to 2010 for occupied housing units (ACS 2012). The median household income for owner-occupied housing units was slightly higher ($38,338) while median household income for renter-occupied housing units was much lower ($13,958) during this time period. Mean household income in Clay County equaled $41,500 on average and was not distinguished between owner- and renter-occupied units. Figure 18 illustrates the number of households based on household income.

Figure 18 Number of Households based on Household Income



2012 American Community Survey (ACS): 5 year average 2006-2010.

The largest percentage of households (16.7 percent) based on the household income criteria specified by ACS fell in the "Less than $10,000" household income category. The number of households with income between $50,000 and $74,999 was nearly equal (15.8 percent). Households with income between $150,000 and $199,999 contained the smallest number of households (33 or 0.9 percent).

Nearly 62 percent of households in Clay County received some type of earnings, 38 percent received social security income and 25 percent received food stamp/SNAP benefits in the past 12 months (ACS 2012). The number of households and mean household income are provided by income type in Table 8.

[13] Income represented in 2010 inflation-adjusted dollars.

Table 8 Mean Household Income by Income Category

Type of Income	Number of Households	Percent Total Households	Mean Income
Earnings	2,176	61.64%	$48,309
Social Security	1,342	38.02%	$13,397
Retirement Income	766	21.70%	$15,839
Supplemental Security Income	459	13.00%	$8,929
Cash Public Assistance Income	75	2.12%	$1,201
Food Stamp/SNAP Benefits (in the Past 12 Months)	895	25.35%	N/A

2012 American Community Survey (ACS): 5 year average 2006-2010.

Individuals below Poverty Line

Approximately 22.4 percent of all families and 23.7 percent of all people[14] in Clay County had incomes below the poverty level in the past 12 months on average over the 5-year time period (ACS 2012). Nearly 39 percent of families in Clay County were below 185 percent of the poverty level.

Of the 543 families below the poverty level in Clay County, nearly half (46 percent) were married-couple families. Approximately 43 percent of these families included three to four people and nearly 52 percent included only 2 people.

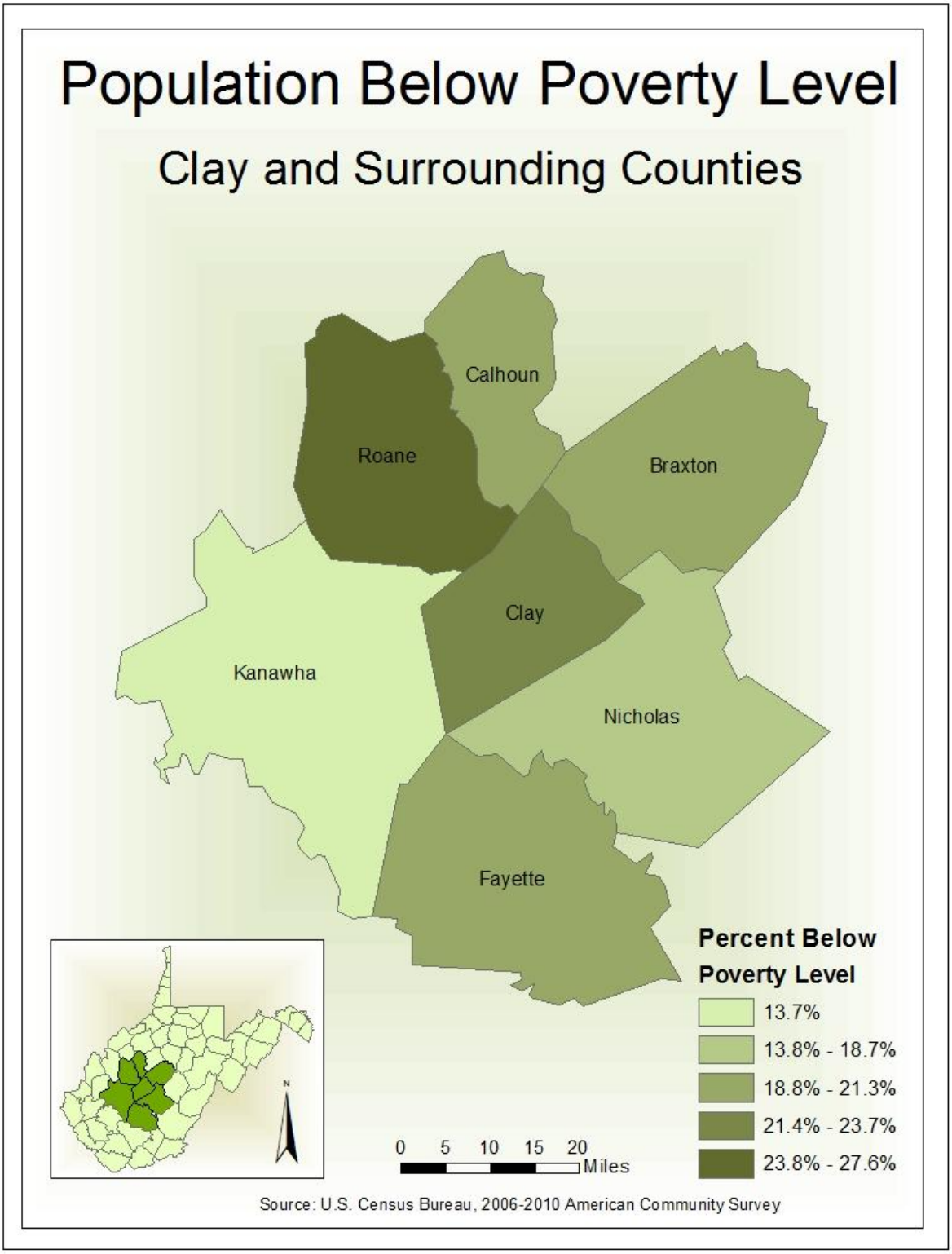
Nearly 19 percent of families below the poverty level were comprised of a male householder with no wife present. Half of this family type included three to four people and no families were reported with seven or more people.

The female householder with no husband present family dynamic in Clay County accounted for 35 percent of families below the poverty line. The majority of these families (70.5 percent) included two people. While there are no families of this type with five to six people, an excess of 8 percent of this family dynamic included seven or more people.

Roane County reported the largest percentage of individuals below the poverty line in the region (27.6 percent) and Kanawha reported the smallest (13.7 percent) (ACS 2012). Figure 19 illustrates the percentage of individuals below the poverty line in this region.

[14] This percentage represents the total population of Clay County excluding those in group housing—i.e. those institutionalized or in the military. For reference, the total population not in group housing is 9,215 (ACS 2012).

Figure 19 Percentage of Individuals below the Poverty Level



Health Status

As of 2009, 18.4 percent of all individuals in Clay County under 65 years of age did not have health insurance (SAHIE 2011). Individuals 18 to 64 years of age were the largest uninsured group (23.2 percent) and those under 19 years of age were the smallest uninsured group (6.3 percent) over all income levels. The largest uninsured group overall were males 18 to 64 years of age of all races with income at or below 138 percent of poverty, of which 37.9 percent of individuals did not have health insurance (SAHIE 2011).

Nearly 13 percent of births were preterm and 8.3 percent of births were low birth weight in Clay County based on 2003 to 2005 data files (HRSA n.d.). Mortality in Clay County (in deaths per 100,000 population) were reported as 203 deaths from heart disease, 221 deaths from cancer, 55 deaths from stroke, 39.6 deaths from diabetes-related conditions and 82 deaths from chronic lower respiratory disease based on 2003 to 2005 data files (HRSA n.d.).

There were a total of two primary care physicians in Clay County, both classified as general/family practice as of 2007 data from the American Medical Association (AMA) (HRSA n.d.). The County also had three dentists as of 2007 American Dental Association (ADA) data but no hospitals as of 2006 (HRSA n.d.).

Special Needs Groups

Incomplete data is currently available for special needs groups at the county level in West Virginia. For comparative purposes, data for a few special needs groups are provided for Fayette, Kanawha and Nicholas counties. Statistics for Clay County will likely vary.

Estimates of individuals with select disability characteristics, such as hearing and vision difficulties, in Fayette, Kanawha and Nicholas counties are provided in Table 9. Please note the individuals included in these estimates were noninstitutionalized civilian population (ACS 2012). Because individuals may have one or more of the selected difficulties, summations by county will not reflect the total number of individuals with these disabilities. Data provided is the 3-year average from 2008 to 2010.

Table 9 Individuals of All Age Groups with Select Disability Characteristics

	Fayette	Kanawha	Nicholas
With a hearing difficulty	3,201	10,319	2,154
With a vision difficulty	2,457	6,227	914
With a cognitive difficulty	3,959	13,983	2,214
With an ambulatory difficulty	6,962	21,067	3,372
With a self-care difficulty	2,406	7,910	1,172
With an independent living difficulty	3,920	13,432	1,889

2012 American Community Survey (ACS): 3 year average 2008-2010.

For comparison, Table 10 provides individuals with select disability characteristics as a percent of the total noninstitutionalized civilian population.

Table 10 Individuals of All Age Groups with Select Disability Characteristics as a Percent of Total Noninstitutionalized Civilian Population

	Fayette	Kanawha	Nicholas
With a hearing difficulty	7.19%	5.40%	8.25%
With a vision difficulty	5.52%	3.26%	3.50%
With a cognitive difficulty	8.89%	7.32%	8.48%
With an ambulatory difficulty	15.64%	11.02%	12.91%
With a self-care difficulty	5.40%	4.14%	4.49%
With an independent living difficulty	8.80%	7.03%	7.23%

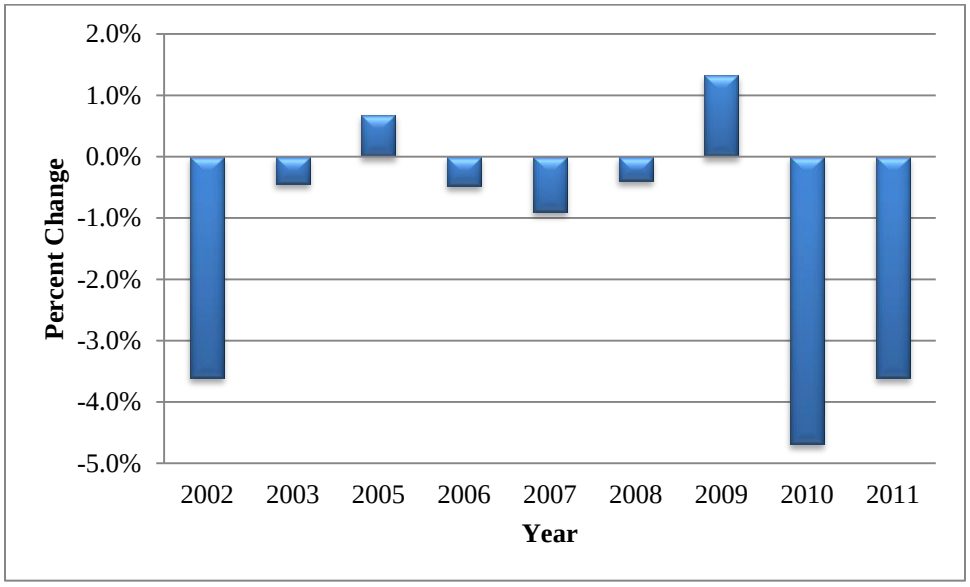
2012 American Community Survey (ACS): 3 year average 2008-2010.

Labor Force

Although the majority of Clay County's population was of working age (16 years of age and older), only 35.7 percent were in the labor force (ACS 2012). Of those individuals, 91.8 percent were employed while the remaining 8.2 percent were not. No individuals in Clay County were listed as being in the armed forces. Nearly 4,100 individuals (or 54.4 percent of those 16 years of age and older) on average were not in the labor force.

Since 2002, the number of individuals in the labor force in Clay County has decreased from 3,656 in 2002 to 3,229 in 2011 (BLS 2012). The percent change by year for Clay County labor force participation is provided in Figure 20.

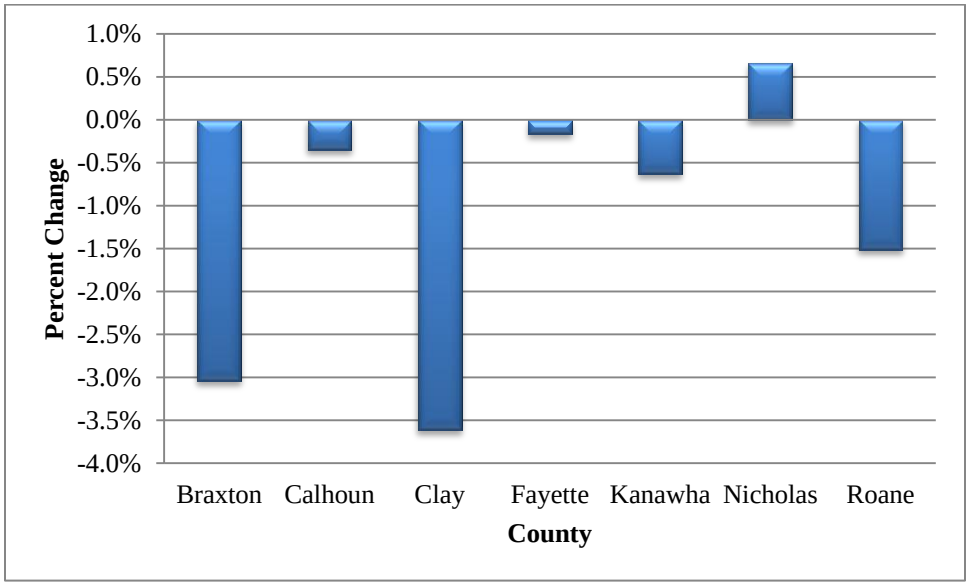
Figure 20 Percent Change in Clay County Labor Force Participation 2002 to 2011



Bureau of Labor Statistics (BLS), 2012.

From 2010 to 2011, the percent change in labor force participation decreased in six of the seven counties in the region. Clay and Braxton counties exhibited the largest decreases (3.6 and 3 percent, respectively) and Fayette exhibited the smallest decrease (0.2 percent) (BLS 2012). The change in labor force participation is provided in Figure 21.

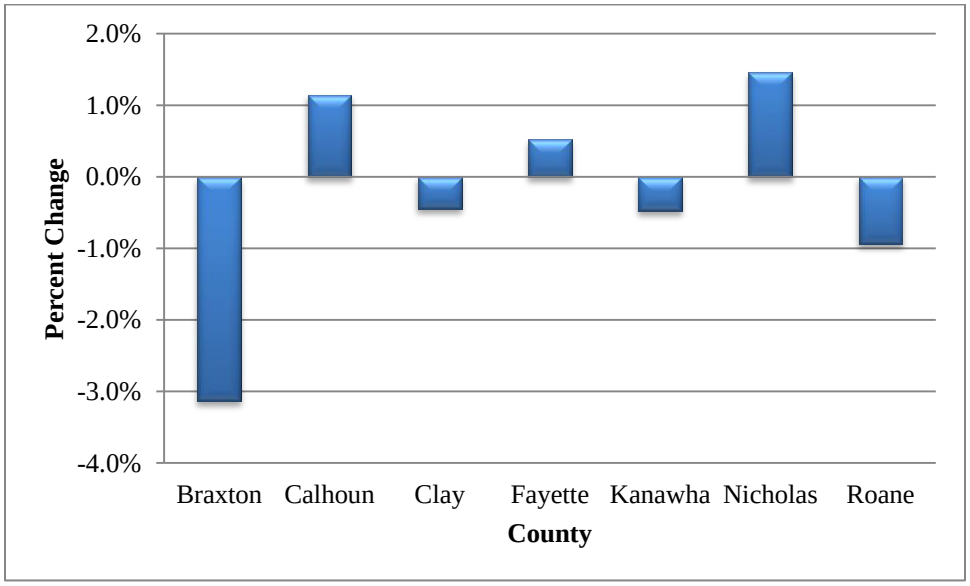
Figure 21 Percent Change in Labor Force Participation in Region 2010 to 2011



Bureau of Labor Statistics (BLS), 2012.

The change in employment in the region exhibited a different trend from 2010 to 2011. Employment in Clay decreased only 0.5 percent from 2010 to 2011 (BLS 2012). Nicholas County exhibited the largest increase in employment (1.5 percent) and Braxton exhibited the largest decrease (3.1 percent). The percent change in employment from 2010 to 2011 is provided in Figure 22.

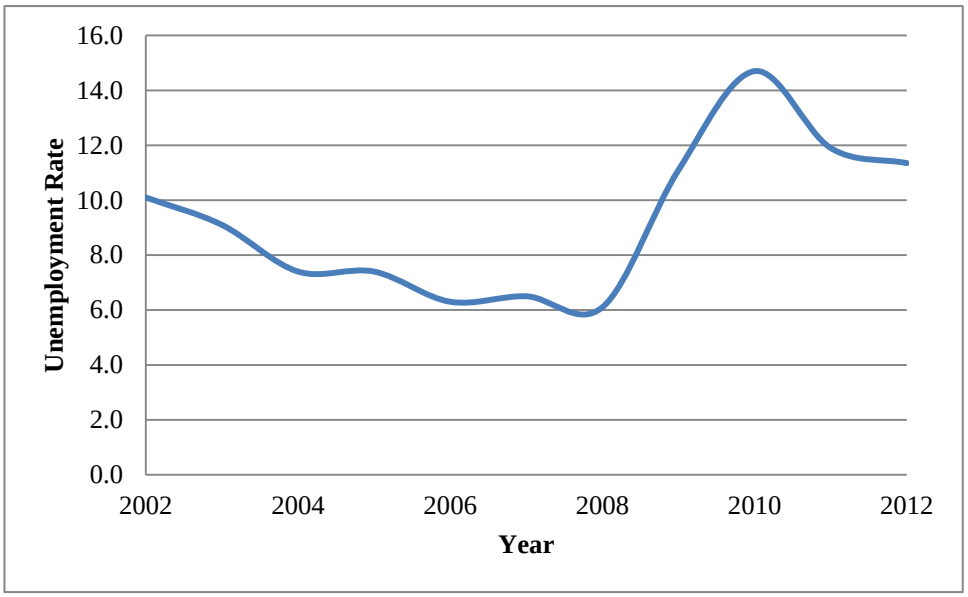
Figure 22 Percent Change in Employment in Region 2010 to 2011



Bureau of Labor Statistics (BLS), 2012.

The unemployment rate in Clay County has fluctuated over the past 11 years, ranging from a low of 6.1 percent and a high of 14.7 percent during this timeframe (BLS 2012). The annual average unemployment rate in Clay County from 2002 to 2012 is provided in Figure 23. The 2012 unemployment figure is representative of the average from January to June 2012 only.

Figure 23 Clay County Annual Unemployment 2002 to 2012

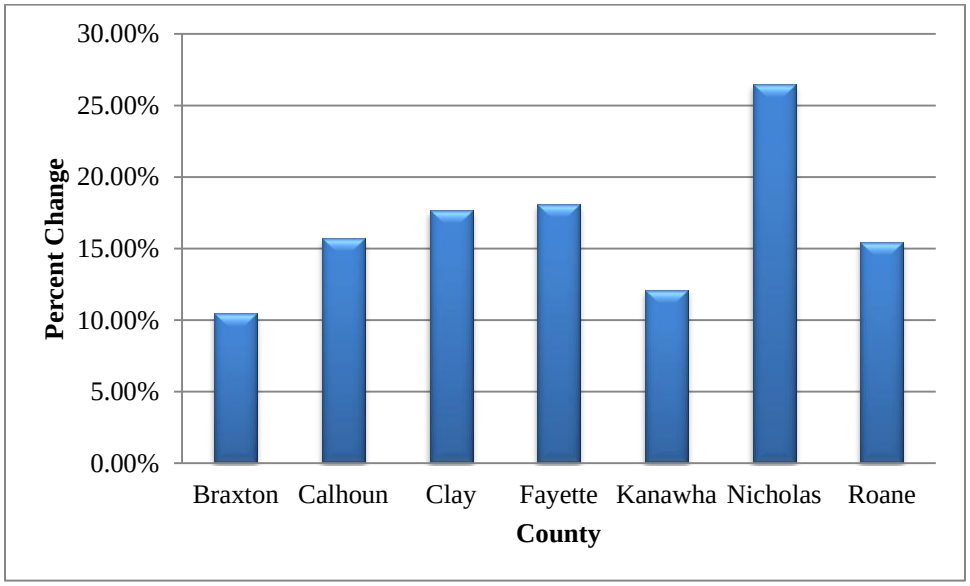


Bureau of Labor Statistics (BLS), 2012.
2012 unemployment figure represents January through June only.

In the region, the unemployment rate in Clay County tends to be high compared to other counties. Kanawha, Nicholas, Braxton and Fayette counties realized the lowest unemployment rates in all years. Clay exhibited the highest unemployment rate for the region in 2010 (14.7 percent); by comparison, Kanawha County's unemployment rate was the lowest rate in that year and approximately half the Clay rate (7.2 percent) (BLS 2012).

The average annual pay from 2006 to 2010 in this region is $32,000 (BLS 2012). Average annual pay in Clay County was second highest (nearly $37,000) and Braxton County reported the lowest (nearly $28,000) on average during this time period. From 2006 to 2010, Nicholas County reported the highest increase in average annual pay (26.5 percent) and Kanawha reported the lowest (12.1 percent). Figure 24 illustrates the percent change in average annual pay from 2006 to 2010.

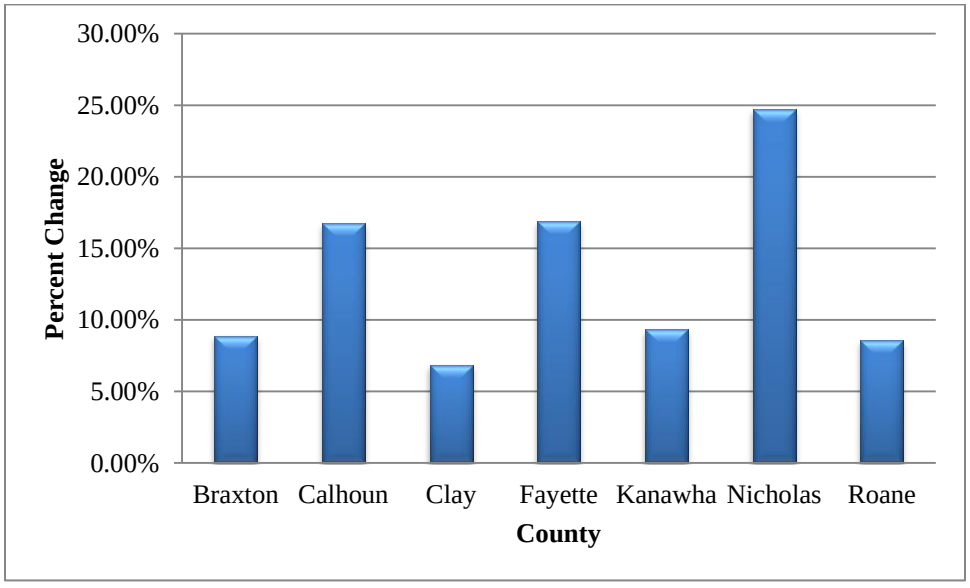
Figure 24 Percent Change in Average Annual Pay 2006 to 2010



Bureau of Labor Statistics (BLS), 2012.

Average total wages from 2006 to 2010 in this region equaled approximately $5.2 billion (BLS 2012). Total wages earned in Clay County comprised barely 1.5 percent of that figure. Excluding Kanawha County (which made up an excess of 81 percent of average total wages), Clay County comprised nearly 8 percent of average total wages during this time period. Figure 25 illustrates the percent change in average total wages from 2006 to 2010 for this region.

Figure 25 Percent Change in Average Total Wages 2006 to 2010



Bureau of Labor Statistics (BLS), 2012.

Clay County experienced 245 new hires in Quarter 3 2011 alone and 234 new hires total from Quarter 4 2010 to Quarter 3 2011 (LED 2011). Turnover was nearly 9 percent in Quarter 3 2011. Additionally, nearly 100 new jobs were created from Quarter 4 2010 to Quarter 3 2011 according to the U.S. Census Bureau's Local Employment Dynamics, which provides quarterly workforce indicators. These indicators for Clay County are provided in Table 11.

Table 11 Clay County Quarterly Workforce Indicators

Measure	Q3 2011	Q4 2010 to Q3 2011	Q3 as Percent of WV	Q4 2010 to Q3 2011 as Percent of WV
Total Employment	1,753	1,764	0.26%	0.26%
Net Job Flows	-20	28	-1.06%	0.64%
Job Creation	78	98	0.23%	0.29%
New Hires	245	234	0.20%	0.22%
Separations	289	257	0.22%	0.21%
Turnover	8.80%	8.20%	N/A	N/A

Local Employment Dynamics, U.S. Census Bureau, 2011.

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Appendix A Technical Appendix

The purpose of the Technical Appendix is to provide additional information from data sources used in this analysis. Unless otherwise specified in the document, margin of errors (MOEs) as available from the data source were excluded in our reported figures to provide consistency. As data used in this report was collected by other sources and only analyzed by the CBER, the organization cannot provide technical information pertaining to data collection methods or specific details related to reported figures. Any questions regarding data collection, including but not limited to individuals surveyed and data collection processes, should be referred to technical documentation provided by the appropriate data source.

American Community Survey (ACS), U.S. Census Bureau

Information on data collected from the American Community Survey (ACS) of the U.S. Census Bureau can be found at the following web address: http://www.census.gov/acs/www/.

Fair Market Rent (FMR)

Information on the Fair Market Rent (FMR) was obtained from the Housing and Urban Development (HUD) FMR Documentation portal and can be found at the following web address: http://www.huduser.org/portal/datasets/fmr/fmrs/docsys.html&data=fmr12.

FMR calculations and values for Charleston, WV are provided in Appendix B. For additional comparison, FMR calculations and values for Clay, WV from the same source are provided in Appendix C to show that calculations for Clay County itself are not available at this time.

Health Resources County Comparison Tool (HRCCT), Health Resources and Services Administration (HRSA)

Information on data collected from the Health Resources County Comparison Tool (HRCCT) from the Health Resources and Services Administration (HRSA) can be found at the following web address: http://arf.hrsa.gov/arfwebtool/.

Housing and Urban Development (HUD)

Information on data collected from the U.S. Department of Housing and Urban Development (HUD) can be found at the following web address: http://www.huduser.org/portal/datasets/pdrdatas.html.

Appendix B Fair Market Rent Calculation for Charleston, WV

(information begins on following page)

FY2012 Fair Market Rent Documentation System

The Final FY2012 Charleston, WV HUD Metro FMR Area FMRs for All Bedroom Sizes

The following table shows the Final FY2012 FMRs by unit bedrooms for **Charleston, WV HUD Metro FMR Area**.

Final FY2012 FMRs By Unit Bedrooms					
	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
Final FY2012 FMR	*$459*	*$501*	*$626*	*$798*	*$821*

FY2012 FMR areas continue to use the revised Office of Management and Budget (OMB) area definitions that were first issued in 2003 along with HUD defined Metropolitan areas (HMFAs) as described in the FY2011 FMR documentation which can be found at (Charleston, WV HUD Metro FMR Area FY2011 FMR Documentation system). No changes have been made to these OMB-defined areas since the publication of Final FY2011 FMRs

The **Charleston, WV HUD Metro FMR Area** is comprised of the following counties: Clay County, West Virginia; Kanawha County, West Virginia; Lincoln County, West Virginia; and Putnam County, West Virginia.

All information here applies to the entirety of the **Charleston, WV HUD Metro FMR Area**.

Fair Market Rent Calculation Methodology - New for FY2012

Fair Market Rents for metropolitan areas and non-metropolitan FMR areas are developed as follows:

1. 2005-2009 5-year ACS estimates of 2-bedroom adjusted standard quality rents calculated for each FMR area are used as the new basis for FY2012.
2. In areas where the 2009 5-year ACS estimates are smaller than the reported margin of error, the state non-metro estimate of 2-bedroom adjusted standard quality rent is used.
3. HUD calculates a recent-mover adjustment factor by comparing a 2009 1-year adjusted recent-mover 2-bedrooom rent to the 5-year adjusted standard quality rent for the same area in the following manner:
   A. In areas where there are at least 100 observations included in the 2009 1-year ACS estimate of 2-bedroom recent-mover rents, a statistical comparison is made between the 5-year 2-bedroom adjusted standard quality rent and the 1-year 2-bedroom recent-mover rent available from the ACS.
      - If the 1-year data are statistically different than the 5-year data, HUD calculates a recent-mover adjustment factor between the 5-year data and the 1-year data and applies this to the 5-year data. This recent-mover adjustment factor is floored at 1.0.
      - If the 1-year data are not statistically different than the 5-year data, HUD applies a recent-mover adjustment factor of 1 to the 5-year data.

   B. In areas where there are less than 100 observations of 2009 1-year ACS estimate of 2-bedroom recent-mover rent, a statistical comparison is made between the 5-year 2-bedroom adjusted standard quality rent and the 1-year 2-bedroom recent-mover rent for smallest geographic area containing the FMR area with at least 100 available observations of 2009 1-year ACS estimate of 2-bedroom recent-mover rent. For metropolitan areas, the order of geographies examined is: Entire Metropolitan Area (for Metropolitan Sub-Areas), State Metropolitan Portion, Entire State, and Entire US; for non-metropolitan areas, the order of geographies examined is: State Non-Metropolitan Portion, Entire State, and Entire US.
      - If the 1-year data are statistically different than the 5-year data, HUD calculates a recent-mover adjustment factor between the 5-year data and the 1-year data and applies this to the 5-year data.
      - If the 1-year data are not statistically different than the 5-year data, HUD applies a recent-mover adjustment factor of 1 to the 5-year data.
4. Rents are calculated as of December 2010 using one half of the relevant (regional or local) 2008-2009 CPI change and all of the relevant (regional or local) 2009-2010 CPI change.
5. All estimates are then trended from December 2010 to April 2012 (15 months) with a trending factor of 3 percent per year.
6. FY2012 FMRs are then compared to a state minimum rent, and any area whose preliminary FMR falls below this value is raised to the level of the state minimum.

The results of the Fair Market Rent Step-by-Step Process

Charleston, WV HUD Metro FMR Area Results

1. The following are the 2009 American Community Survey 5-year 2-Bedroom Adjusted Standard Quality Rent estimate and margin of error for **Charleston, WV MSA**. The following calculations are based on data for the entirety of the OMB-defined metropolitan area of **Charleston, WV MSA** and not **Charleston, WV HUD Metro FMR Area** because neither the 2000 Census 40th Percentile Base Rent nor the 2000 Census Median Family Income differs from the official metropolitan area's 2000 Census 40th Percentile Base Rent or 2000 Census Median Family Income by at least 5 percent; however, such differences do exist for other HMFAs within **Charleston, WV MSA**. For additional information on area definitions please see the Charleston, WV HUD Metro FMR Area FY2011 FMR Documentation system.

Area	ACS_{2009} 5-Year 2-Bedroom Adjusted Standard Quality Rent	ACS_{2009} 5-Year 2-Bedroom Adjusted Standard Quality Rent Margin of Error	Ratio	Result

Charleston, WV MSA	$549	$16	$16 / $549 = 0.027	0.027 < 1 **Use ACS_{2009} 5-Year Charleston, WV MSA 2-Bedroom Adjusted Standard Quality Rent**

Since the ACS_{2009} Margin of Error is less than 1, the ACS_{2009} Charleston, WV MSA value is used for the estimate of 2-Bedroom Adjusted Standard Quality Rent:

Area	**ACS_{2009} Rent**
Charleston, WV MSA	**$549**

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2. A recent-mover adjustment factor is applied to the smallest area of geography which contains **Charleston, WV HUD Metro FMR Area** and has at least 100 Adjusted Standard Quality Recent-Mover observations in the ACS_{2009} 1-year estimate:

Geography	**100 ACS_{2009} 1-Year Adjusted Standard Quality Recent-Mover Observations?**
Metropolitan Area	No
State Metro	**Yes**

The smallest area of geography which contains **Charleston, WV HUD Metro FMR Area** and has at least 100 Adjusted Standard Quality Recent-Mover observations in the ACS_{2009} 1-year estimate is the **metropolitan portion of West Virginia**.

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3. The calculation of the relevant Recent-Mover Adjustment Factor for **Charleston, WV HUD Metro FMR Area** is as follows:

ACS_{2009} 5-Year Area	**ACS_{2009} 5-Year 2-Bedroom Adjusted Standard Quality Rent**	**ACS_{2009} 5-Year 2-Bedroom Adjusted Standard Quality Rent Margin of Error**	**ACS_{2009} 1-Year 2-Bedroom Adjusted Standard Quality Recent-Mover Rent**	**ACS_{2009} 1-Year 2-Bedroom Adjusted Standard Quality Recent-Mover Rent Margin of Error**
West Virginia Metro	$556	$9	$609	$21

Area	**Z Score**	**Result**	**Recent-Mover Adjustment Factor**
West Virginia Metro	$Z = \frac{\$609 - \$556}{\sqrt{(\$21^2 + \$9^2)}}$ $Z = \frac{\$53}{\sqrt{(\$441 + \$81)}}$ $Z = \frac{\$53}{\sqrt{\$522}}$ $Z = \frac{\$53}{\$23}$ Z = 2.320	2.320 >= 1.645 **ACS_{2009} 1-Year Significant**	$609 / $556 = **1.0953**

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4. The calculation of the relevant 2009-to-2012 Update Factors for **Charleston, WV HUD Metro FMR Area** is as follows:

HUD updates the 2009 intermediate rent (as of June 2009) with the appropriate CPI change (local or regional) to establish rents as of December 2010. HUD then applies additional trending or results of Random Digit Dialing (RDD) surveys to update rents to April, 2012, the mid-point of FY 2012.

Year	**Update Factor**	**Type**
June 2009 to 2010	**1.002607**	Regional CPI
2010 to April 2012	**1.03764**	Trending 3.0% for 1.25 years

---

5. The FY2012 2-Bedroom Fair Market Rent for **Charleston, WV HUD Metro FMR Area** is calculated as follows:

Area	**ACS_{2009} 5-Year Estimate**	**Recent-Mover Adjustment Factor**	**CPI Adjustment**	**Trending 3.0% for 1.25 years**	**FY2012 2-Bedroom FMR**
Charleston, WV HUD Metro FMR Area	$549	1.0953	1.002607	1.03764	$549 * 1.09532 * 1.00261 * 1.03764 = **$626**

---

6. In keeping with HUD policy, the preliminary FY2012 FMR is checked to ensure that is does not fall below the state minimum for West Virginia:

Area	Preliminary FY2012 2-Bedroom FMR	FY2012 West Virginia State Minimum	Final FY2012 2-Bedroom FMR
Charleston, WV HUD Metro FMR Area	$626	$499	$626 >= $499 **Use Charleston, WV HUD Metro FMR Area FMR $626**

Final FY2012 Rents for All Bedroom Sizes for Charleston, WV HUD Metro FMR Area

The following table shows the Final FY 2012 FMRs by bedroom sizes.
The FMRs for units with different numbers of bedrooms are computed from the ratio of the 2005 Revised Final FMRs (based on 2000 Decennial Census Data) for the different unit sizes to the 2005 2-Bedroom Revised Final FMRs. These Rent Ratios are applied to the Final FY 2012 2-Bedroom FMR to determine the Final FY 2012 FMRs for the different size units.

Click on the links in the table to see how the bedroom rents were derived.

Final FY2012 FMRs By Unit Bedrooms					
	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
Final FY2012 FMR	$459	$501	$626	$798	$821

The FMRs for unit sizes larger than four bedrooms are calculated by adding 15 percent to the four bedroom FMR, for each extra bedroom. For example, the FMR for a five bedroom unit is 1.15 times the four bedroom FMR, and the FMR for a six bedroom unit is 1.30 times the four bedroom FMR. FMRs for single-room occupancy units are 0.75 times the zero bedroom (efficiency) FMR.

Data file last updated **Thu., Sep 22, 2011**.

Other HUD Metro FMR Areas in the Same MSA

Select another Final FY2012 HUD Metro FMR Area that is a part of the **Charleston, WV MSA**

Boone County, WV HUD Metro FMR Area

Select Metropolitan FMR Area

Press below to select a different state

Select a new State

or

Select a Final FY2012 Metropolitan FMR Area:

Charleston, WV HUD Metro FMR Area

Select Metropolitan FMR Area

| HUD Home Page | HUD User Home | Data Sets | Fair Market Rents | Section 8 Income Limits | Multifamily Tax Subsidy Project (MTSP) Income Limits | HUD LIHTC Database |

Technical Problems or questions? Contact Us.

Appendix C Fair Market Rent Calculation for Clay, WV

(information begins on following page)

FY2012 Fair Market Rent Documentation System

The Final FY2012 Clay County FMRs for All Bedroom Sizes

The following table shows the Final FY2012 FMRs by unit bedrooms for **Clay County, West Virginia**.

Final FY2012 FMRs By Unit Bedrooms					
	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
Final FY2012 FMR	*$459*	*$501*	*$626*	*$798*	*$821*

FY2012 FMR areas continue to use the revised Office of Management and Budget (OMB) area definitions that were first issued in 2003 along with HUD defined Metropolitan areas (HMFAs) as described in the FY2011 FMR documentation which can be found at (Clay County FY2011 FMR Documentation system). No changes have been made to these OMB-defined areas since the publication of Final FY2011 FMRs

Clay County, West Virginia is part of the **Charleston, WV HUD Metro FMR Area**, which is comprised of the following counties: Clay County, West Virginia; Kanawha County, West Virginia; Lincoln County, West Virginia; and Putnam County, West Virginia.

All information here applies to the entirety of the **Charleston, WV HUD Metro FMR Area**.

Fair Market Rent Calculation Methodology - New for FY2012

Fair Market Rents for metropolitan areas and non-metropolitan FMR areas are developed as follows:

1. 2005-2009 5-year ACS estimates of 2-bedroom adjusted standard quality rents calculated for each FMR area are used as the new basis for FY2012.
2. In areas where the 2009 5-year ACS estimates are smaller than the reported margin of error, the state non-metro estimate of 2-bedroom adjusted standard quality rent is used.
3. HUD calculates a recent-mover adjustment factor by comparing a 2009 1-year adjusted recent-mover 2-bedrooom rent to the 5-year adjusted standard quality rent for the same area in the following manner:
   A. In areas where there are at least 100 observations included in the 2009 1-year ACS estimate of 2-bedroom recent-mover rents, a statistical comparison is made between the 5-year 2-bedroom adjusted standard quality rent and the 1-year 2-bedroom recent-mover rent available from the ACS.
      - If the 1-year data are statistically different than the 5-year data, HUD calculates a recent-mover adjustment factor between the 5-year data and the 1-year data and applies this to the 5-year data. This recent-mover adjustment factor is floored at 1.0.
      - If the 1-year data are not statistically different than the 5-year data, HUD applies a recent-mover adjustment factor of 1 to the 5-year data.

   B. In areas where there are less than 100 observations of 2009 1-year ACS estimate of 2-bedroom recent-mover rent, a statistical comparison is made between the 5-year 2-bedroom adjusted standard quality rent and the 1-year 2-bedroom recent-mover rent for smallest geographic area containing the FMR area with at least 100 available observations of 2009 1-year ACS estimate of 2-bedroom recent-mover rent. For metropolitan areas, the order of geographies examined is: Entire Metropolitan Area (for Metropolitan Sub-Areas), State Metropolitan Portion, Entire State, and Entire US; for non-metropolitan areas, the order of geographies examined is: State Non-Metropolitan Portion, Entire State, and Entire US.
      - If the 1-year data are statistically different than the 5-year data, HUD calculates a recent-mover adjustment factor between the 5-year data and the 1-year data and applies this to the 5-year data.
      - If the 1-year data are not statistically different than the 5-year data, HUD applies a recent-mover adjustment factor of 1 to the 5-year data.
4. Rents are calculated as of December 2010 using one half of the relevant (regional or local) 2008-2009 CPI change and all of the relevant (regional or local) 2009-2010 CPI change.
5. All estimates are then trended from December 2010 to April 2012 (15 months) with a trending factor of 3 percent per year.
6. FY2012 FMRs are then compared to a state minimum rent, and any area whose preliminary FMR falls below this value is raised to the level of the state minimum.

The results of the Fair Market Rent Step-by-Step Process

Charleston, WV HUD Metro FMR Area Results

1. The following are the 2009 American Community Survey 5-year 2-Bedroom Adjusted Standard Quality Rent estimate and margin of error for **Charleston, WV MSA**. The following calculations are based on data for the entirety of the OMB-defined metropolitan area of **Charleston, WV MSA** and not **Charleston, WV HUD Metro FMR Area** because neither the 2000 Census 40th Percentile Base Rent nor the 2000 Census Median Family Income differs from the official metropolitan area's 2000 Census 40th Percentile Base Rent or 2000 Census Median Family Income by at least 5 percent; however, such differences do exist for other HMFAs within **Charleston, WV MSA**. For additional information on area definitions please see the Clay County FY2011 FMR Documentation system.

Area	ACS_{2009} 5-Year 2-Bedroom Adjusted Standard Quality Rent	ACS_{2009} 5-Year 2-Bedroom Adjusted Standard Quality Rent Margin of Error	Ratio	Result
Charleston, WV MSA	$549	$16	$16 / $549 =	0.027 < 1

			0.027	**Use ACS_{2009} 5-Year Charleston, WV MSA 2-Bedroom Adjusted Standard Quality Rent**

Since the ACS_{2009} Margin of Error is less than 1, the ACS_{2009} Charleston, WV MSA value is used for the estimate of 2-Bedroom Adjusted Standard Quality Rent:

Area	ACS_{2009} Rent
Charleston, WV MSA	**$549**

2. A recent-mover adjustment factor is applied to the smallest area of geography which contains **Charleston, WV HUD Metro FMR Area** and has at least 100 Adjusted Standard Quality Recent-Mover observations in the ACS_{2009} 1-year estimate:

Geography	100 ACS_{2009} 1-Year Adjusted Standard Quality Recent-Mover Observations?
Metropolitan Area	No
State Metro	**Yes**

The smallest area of geography which contains **Charleston, WV HUD Metro FMR Area** and has at least 100 Adjusted Standard Quality Recent-Mover observations in the ACS_{2009} 1-year estimate is the **metropolitan portion of West Virginia**.

3. The calculation of the relevant Recent-Mover Adjustment Factor for **Charleston, WV HUD Metro FMR Area** is as follows:

ACS_{2009} 5-Year Area	ACS_{2009} 5-Year 2-Bedroom Adjusted Standard Quality Rent	ACS_{2009} 5-Year 2-Bedroom Adjusted Standard Quality Rent Margin of Error	ACS_{2009} 1-Year 2-Bedroom Adjusted Standard Quality Recent-Mover Rent	ACS_{2009} 1-Year 2-Bedroom Adjusted Standard Quality Recent-Mover Rent Margin of Error
West Virginia Metro	$556	$9	$609	$21

Area	Z Score	Result	Recent-Mover Adjustment Factor
West Virginia Metro	$Z = \frac{\$609 - \$556}{\sqrt{(\$21^2 + \$9^2)}}$ $Z = \frac{\$53}{\sqrt{(\$441 + \$81)}}$ $Z = \frac{\$53}{\sqrt{\$522}}$ $Z = \frac{\$53}{\$23}$ Z = 2.320	2.320 >= 1.645 **ACS_{2009} 1-Year Significant**	$609 / $556 = **1.0953**

4. The calculation of the relevant 2009-to-2012 Update Factors for **Charleston, WV HUD Metro FMR Area** is as follows:

HUD updates the 2009 intermediate rent (as of June 2009) with the appropriate CPI change (local or regional) to establish rents as of December 2010. HUD then applies additional trending or results of Random Digit Dialing (RDD) surveys to update rents to April, 2012, the mid-point of FY 2012.

Year	Update Factor	Type
June 2009 to 2010	**1.002607**	Regional CPI
2010 to April 2012	**1.03764**	Trending 3.0% for 1.25 years

5. The FY2012 2-Bedroom Fair Market Rent for **Charleston, WV HUD Metro FMR Area** is calculated as follows:

Area	ACS_{2009} 5-Year Estimate	Recent-Mover Adjustment Factor	CPI Adjustment	Trending 3.0% for 1.25 years	FY2012 2-Bedroom FMR
Charleston, WV HUD Metro FMR Area	$549	1.0953	1.002607	1.03764	$549 * 1.09532 * 1.00261 * 1.03764 = **$626**

6. In keeping with HUD policy, the preliminary FY2012 FMR is checked to ensure that is does not fall below the state minimum for West Virginia:

Area	Preliminary FY2012 2-Bedroom FMR	FY2012 West Virginia State Minimum	Final FY2012 2-Bedroom FMR
Charleston, WV HUD Metro FMR Area	$626	$499	$626 >= $499 **Use Charleston, WV HUD Metro FMR Area FMR $626**

Final FY2012 Rents for All Bedroom Sizes for Charleston, WV HUD Metro FMR Area

The following table shows the Final FY 2012 FMRs by bedroom sizes.
The FMRs for units with different numbers of bedrooms are computed from the ratio of the 2005 Revised Final FMRs (based on 2000 Decennial Census Data) for the different unit sizes to the 2005 2-Bedroom Revised Final FMRs. These Rent Ratios are applied to the Final FY 2012 2-Bedroom FMR to determine the Final FY 2012 FMRs for the different size units.

Click on the links in the table to see how the bedroom rents were derived.

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	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
Final FY2012 FMR	$459	$501	$626	$798	$821

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Data file last updated **Thu., Sep 22, 2011**.

Other HUD Metro FMR Areas in the Same MSA

Select another Final FY2012 HUD Metro FMR Area that is a part of the **Charleston, WV MSA**

Boone County, WV HUD Metro FMR Area

Select Metropolitan FMR Area

Press below to select a different state

Select a new State

or

Select a Final FY2012 Metropolitan FMR Area:

Charleston, WV HUD Metro FMR Area

Select Metropolitan FMR Area