

Market Analysis

A Component of the Fairfield Innovation Plan

June 2019



Center for Business and
Economic Research

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Executive Summary

The Fairfield neighborhood is a prime location to live and work in Huntington. Hal Greer Boulevard, 8th Avenue and 20th Street are all key corridors, providing access to Cabell-Huntington Hospital, the largest employer in the city, Marshall University and downtown. The neighborhood is home to approximately 4,500 residents, but as a commercial district it is much larger.

With the addition of the Marshall School of Pharmacy, the immediate Fairfield area will have a daytime population of nearly 12,000. When including the population around Fairfield, for whom the Hal Greer corridor is the closest shopping district the daytime population of the Fairfield District, as defined, rises to over 22,000 with a resident population of about 18,500. Over the next few years the population of the area is expected to remain steady or to grow only slightly.

Homes in Fairfield are reasonably priced, with median values concentrated between \$45,000 and \$56,000. However, many houses are old and in poor condition. Residential occupancy rates vary by block group and are between 70% and 85%. Recent residential sales prices have been, on average, about \$28,000 lower than citywide.

Due to low household income many families in Fairfield are heavily cost-burdened by rental and mortgage payments. Half of the area households make less than 50% of median income for the region. In several block groups, 60% of households are paying more than 30% of income to rent or mortgage.

Redlining practices in the 1930s suppressed access to housing capital in Fairfield, with effects that lingered for decades and that may still be present. This likely perpetuated both the lack of investment in housing and the need for subsidized housing in the area.

New housing, in terms of both market trends and interest by Fairfield residents, favors lower density development comprised of smaller single-family homes, including single-story houses and townhouses. Replacement of some of the older housing stock in the area with new, small homes would likely attract both current residents of the area and young professionals who want to live in a central part of the city.

Affordable housing, particularly with a path to ownership, is much needed in the neighborhood. **A recommended ratio for mixed-income housing is 30% public housing, 40% affordable and 30% market-rate units.**

Senior housing is an area of potential growth. Fairfield has excellent access to healthcare and other services desired by seniors. **As the population of the entire Huntington Tri-State area continues to age, the demand for housing that caters to seniors will also increase, both subsidized and market-rate.**

Commercial real estate in Fairfield is in transition, with several empty and underutilized buildings, some of which are for sale. **In spite of the lack of a grocery store in Fairfield, the area is a shopping destination for non-residents.** The area has surplus sales for restaurants and pharmacies, above what the resident population demands, thanks to consumers from other Huntington neighborhoods and commuters that work in Huntington but live elsewhere.

Fairfield does not have a full-size, full-service grocery store, an amenity that is badly needed. **The area is a food desert and has not had a full-size grocery store since 2004. Current leakage of grocery sales is approximately \$22 million.**

A May 2019 community grocery survey, focused on employees of Marshall University and Cabell-Huntington Hospital, shows high support for a grocery store located at the intersection of Hal Greer Boulevard and Charleston Avenue. **Of 1,598 survey respondents, 87% answered “Definitely yes” or “Probably yes” when asked if they were willing to support a grocery store at that location.** Many area workers who are not Huntington residents already shop for groceries in other parts of the city and would prefer to utilize a store in Fairfield.

Based on the results of the survey and spending data for the population, this analysis estimates a conservative range of potential grocery sales between \$16 million and \$22 million annually for a traditional full-service store located on Hal Greer Blvd. If the store were not full-service the lower bound may be smaller. Conversely, sales could also exceed the upper bound if the store is a unique brand not available elsewhere in the region. Residents of the Fairfield District currently spend about \$29 million per year at grocery stores.

Interviews with Fairfield business owners, on both Hal Greer and 20th Street, and community forums with residents emphasize the need for a grocery store. Additional needs are restaurants, including more varied fast food options, more banking options and a laundromat. **Contrary to common perception, none of the businesses interviewed have had trouble with crime in the neighborhood and several have been operating in Fairfield for 15 to 30 years.**

The vision for retail development on Hal Greer Boulevard is a grocery as an anchor establishment, possibly with a branch bank location, a coffee shop, another full-service restaurant and healthy fast food. **A new grocery would be a catalyst for development by increasing the attractiveness of Fairfield as a place to live and work.** The store could induce additional new food and retail establishments to locate in the neighborhood. A grocery would also be a good source of jobs for the community.

Expanded efforts to improve diversity at Marshall University are being guided by the President’s Commission on Diversity, Equality, and Inclusion. One of President Gilbert’s short-term goals is to pursue ways to interact and assist with the Fairfield community. This goal aligns with the University’s expanded involvement in economic development and deliberate recruiting efforts to increase minority enrollment.

If successful, this revitalization effort will increase the desirability of the neighborhood. Increases in rental rates and home values will follow. The Fairfield area has numerous features attractive to many demographics given its proximity to many Huntington institutions and attractions.

Introduction

The Fairfield neighborhood is a vital entryway to the City of Huntington and Marshall University. The neighborhood is the center of the Hal Greer Boulevard corridor that extends from I-64 to 3rd Avenue. Two of the largest employers in the city, Marshall University and Cabell Huntington Hospital, are in or adjacent to the area. The employees and visitors of these institutions heavily influence the daytime population of the area.

Investment in the area will improve the visibility of the neighborhood and bring more locals and visitors to the corridor. In the short-term, expansion of Marshall University's School of Pharmacy, Marshall Health, and Cabell Huntington Hospital will increase demand for the Hal Greer Corridor. These expansions are largely on the south and western sides of neighborhood.

The School of Pharmacy will bring approximately 40 employees and 300 students to the area beginning in the Fall of 2019. A portion of these individuals will become full-time residents of the neighborhood, as new student housing is currently under construction near the Pharmacy building.

A corridor management plan is being developed for Hal Greer Boulevard that will improve pedestrian safety in the area and the visual appeal of the corridor. Once executed, these upgrades will transform the road into a complete street corridor. Specific enhancements will target walkability, biking improvements, traffic calming, and green infrastructure for storm water drainage. A final draft of the plan will be submitted for adoption by early Fall 2019.¹

This analysis describes the resident population of the immediate Fairfield neighborhood and surrounding areas that comprise the larger Fairfield commercial district. Demographic data are shown at the block group level and include population, population by race, various income measures, median home value, vehicle ownership, and employment by industry.

The real estate data provided emphasizes residential housing and describes home values, rental property characteristics and rates, and financial indicators for renter and owner households in the Fairfield block groups. Parcel data for the neighborhood is also presented, including sale values for 2014 through 2018.

The market analysis provides estimates of neighborhood and district household expenditures in key retail industries, focusing on sales at a potential grocery store, to frame the potential for development. Establishment of a grocery store in the Fairfield neighborhood is viewed as a potential catalyst for development that would spur additional business activity and improve the physical and financial health of area residents.

¹ <https://www.completehalgreer.com/planning-process>

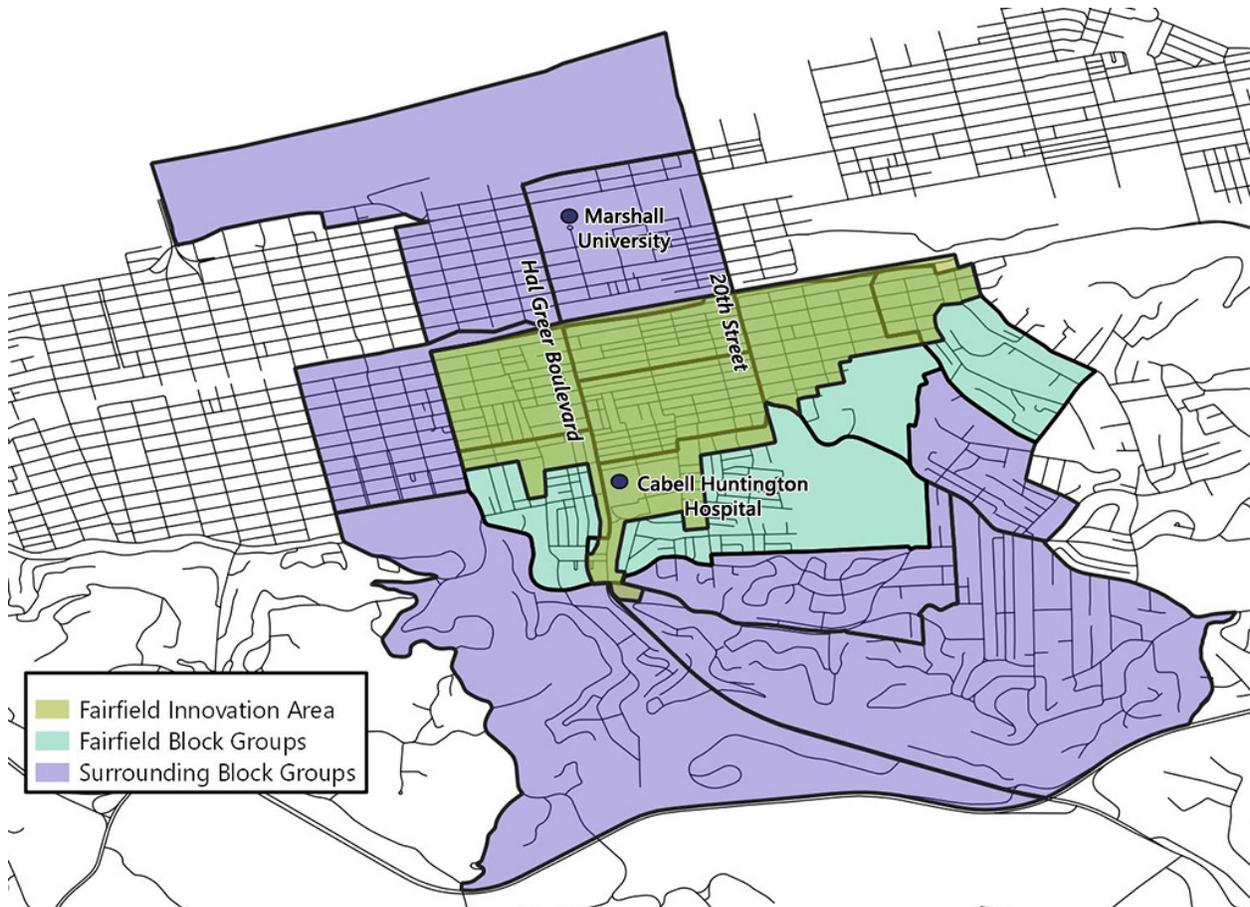
Description of Fairfield

Neighborhood and Household Characteristics

The Fairfield neighborhood includes all or part of seven Census block groups with a combined population of about 7,200. The population of the Fairfield neighborhood, as defined by the City of Huntington, is approximately 4,500.² Because of the large employers in the area, the daytime population of the Fairfield area is larger, at around 11,400.³

The following map shows the location of the Fairfield neighborhood, also known as the Fairfield Innovation Area, the seven Fairfield area block groups, and the surrounding seven nearby block groups. The combined 14 block groups comprise the Fairfield trade area, referred to in this report as the Fairfield District. The combined 14 block groups in the Fairfield District represent the population that would choose to shop on the Hal Greer corridor based on proximity and accessibility.

Figure 1. Fairfield District and the Fairfield Neighborhood



² Camiros (2019). Fairfield Neighborhood Data Book.

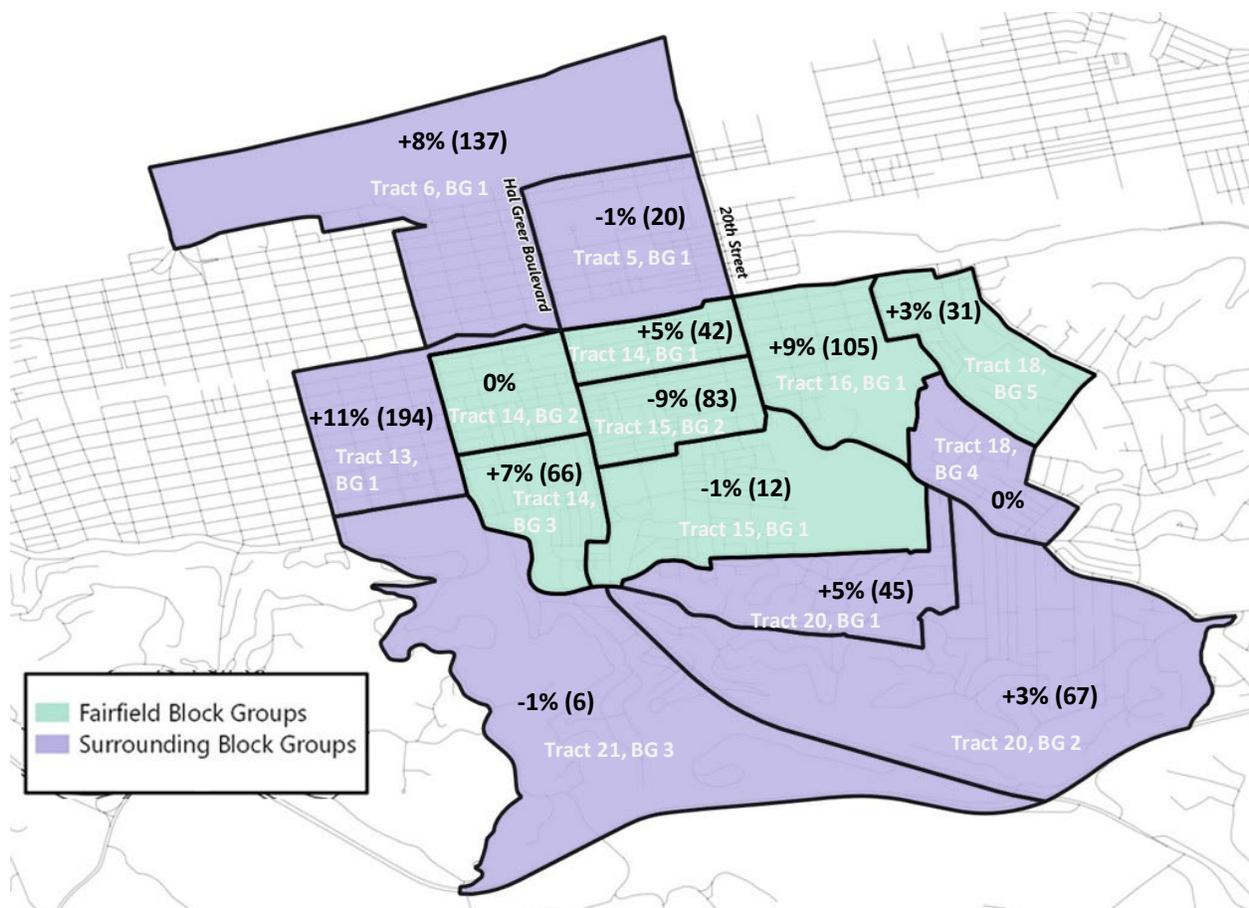
³ Esri, 2017.

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When including other block groups around Fairfield, for whom the Hal Greer Corridor is the closest shopping district, the total population rises to about 18,500 with a daytime population of more than 22,000. These additional seven block groups include most of Marshall University's campus and a sizeable portion of the student housing district (Census tracts 5 and 6). This distinction is of most importance for retail, including a potential grocery store in the area, as some components of retail demand exceed expenditures by the resident population.

The population of the combined Fairfield area block groups is estimated to have grown by about two percent from 2013 to 2017, from approximately 7,072 people in 2013 to 7,221 in 2017 (point estimates by Esri).⁴ As shown below, most block groups in the area gained small shares of population, or held steady, while Tract 15 lost population.

Figure 2. Fairfield District Population Trends (2013 to 2017)



Source: Esri.

Northcott Court, a Huntington Housing Authority (HHA) complex that was demolished between 2014 and 2017, was in Tract 15, Block Group 2 and likely accounts for some of the population decline in that area. Many former Northcott residents moved to other parts of Fairfield, while some moved to other

⁴ Esri data is used to calculate population change due to production of annual point estimates, which give better estimates for population growth. The ACS data shown in Table 1 is a 5-year average of population estimates for 2013 to 2017.

parts of Huntington. Plans are to return a portion of these residents closer to the Northcott site. This may cause an increase in population for Tract 15 but not for Fairfield overall due to current relocation within the neighborhood.

Table 1. Fairfield Area Block Groups – Population and Households (2017)

Census Tract, Block Group	Total Population	% Age 65+	# of Households	% White	% Black	% Other Races	% 2+ Races
Tract 14, BG 1	880	13.2%	364	28	71	0	1
Tract 14, BG 2	747	15.5%	311	71	20	5	4
Tract 14, BG 3	958	13.8%	485	83	15	1	1
Tract 15, BG 1	1,138	29.7%	467	77	19	0	4
Tract 15, BG 2	683	17.5%	399	27	60	4	9
Tract 16, BG 1	1,179	11.9%	416	81	16	0	3
Tract 18, BG 5	942	14.3%	374	84	6	3	7
Subtotal Fairfield	6,527	19.0%	2,816	67%	27%	2%	4%
Around Fairfield							
Tract 5, BG 1	2,896	0.3%	502	76	16	5	2
Tract 6, BG 1	1,497	16.7%	734	78	7	9	6
Tract 13, BG 1	1,575	11.4%	900	91	6	1	2
Tract 18, BG 4	1,052	13.2%	379	75	12	10	3
Tract 20, BG 1	779	27.7%	375	99	0	1	0
Tract 20, BG 2	2,396	22.9%	1,052	85	6	3	6
Tract 21, BG 3	743	20.4%	362	100	0	0	0
Subtotal	10,938	14.3%	4,304				
Combined	17,465		7,120				

Source: American Community Survey, 5-Yr Data.

Over the next few years the population of the area is expected to be stable or to grow slightly, by less than 0.5% per year in line with recent trends. One factor influencing Fairfield population is student enrollment at Marshall University. Marshall’s recent enrollment trends are flat, including for the School of Medicine, which is at capacity for the number of students accepted per year. It is hoped that improvements in the Hal Greer streetscape, along with successful siting of a new grocery store on the corridor, will spur investment in the housing stock of the Fairfield neighborhood and increase the desirability of the area as a place to live and work, both for students and workers.

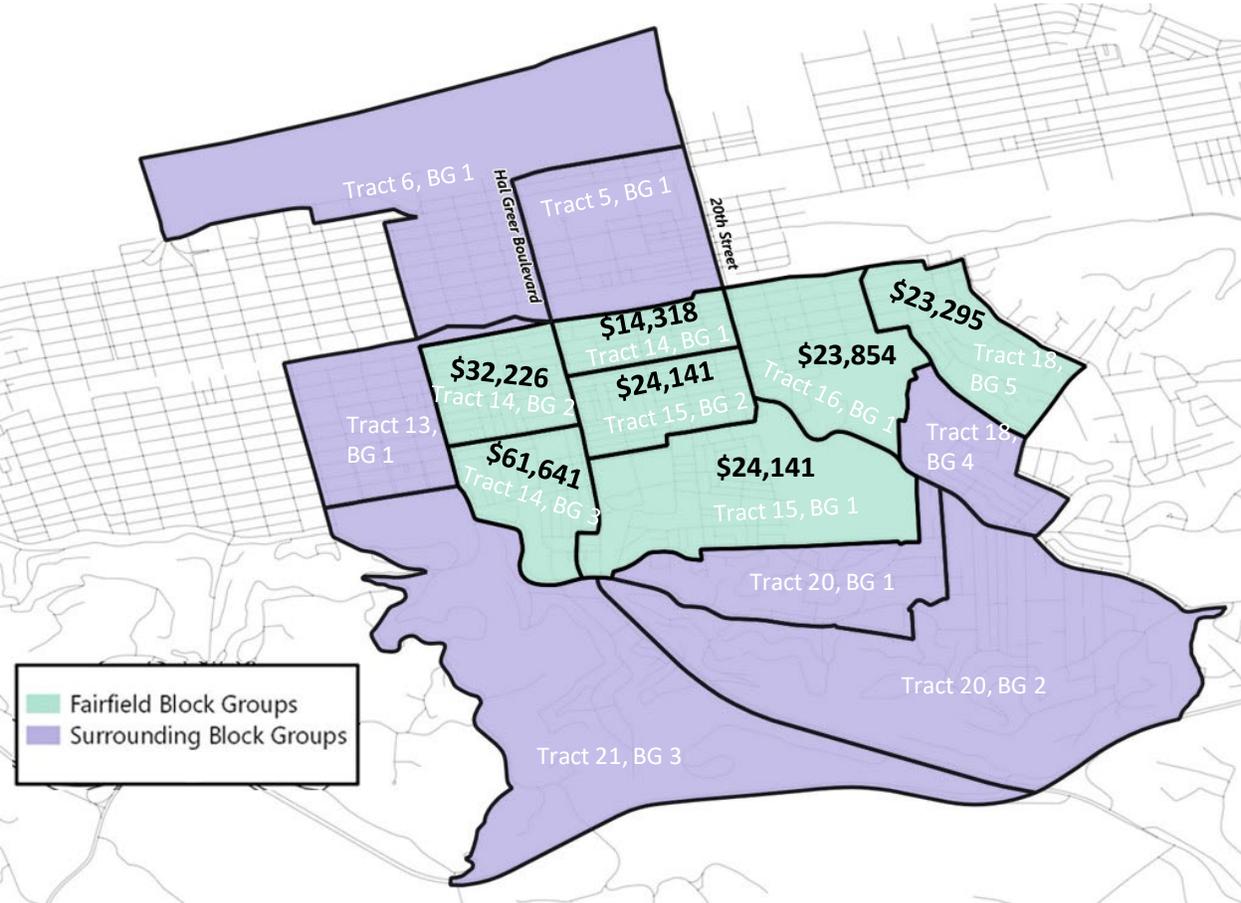
Diversity efforts at Marshall could help increase enrollment at the university. The President’s Commission on Diversity, Equality, and Inclusion is an advisory group on these matters, with guidance from President Gilbert’s short-term goals. These goals include pursuing ways to interact with and assist the Fairfield community, which aligns with the University’s expanded involvement in economic development and deliberate recruiting efforts to increase minority enrollment.⁵

⁵ President Gilbert’s Goals. Marshall University Faculty Senate Meeting, September 2017.

Income and Assets

Household income data for the Fairfield and nearby areas reveal a wide range for the district. Median income ranges from around \$10,000 to \$11,000 for the block groups that are largely student housing to \$71,000 to \$73,000 in the most affluent block groups. These wealthier areas are located southeast of the hospital and represent some of the highest incomes in the Huntington area.

Figure 3. Median Household Income by Block Group



Source: American Community Survey, 5-Yr Data.

Incomes for many Fairfield households are below the median income for the Huntington MSA (Metropolitan Statistical Area) of \$44,315. The U.S. Census Bureau’s American Community Survey (ACS) estimates that 62% of the area’s households have incomes less than 80% of the MSA median, and 51% have incomes less than 50% of the median. These are the U.S. Department of Housing and Urban Development (HUD) guidelines for a household to qualify for subsidized housing as low-income and very low-income.

Other measures of household assets include home values, rates of owner-occupancy and vehicle availability. As shown in Table 2, home values for the core Fairfield block groups are below the median for the City of Huntington. However, values for most of the surrounding block groups exceed that of the city. Rates of owner-occupancy are between 23% and 45% (See Table 6). For the City of Huntington, the rate is 42%.

Estimates of vehicle ownership show that several block groups have low vehicle access, with up to 46 percent of households lacking access to a vehicle. Lack of access corresponds somewhat with higher shares of the population being aged 65 or older, as in Tract 15, BG 1, but does not account for low access in block groups with typical levels of individuals over 65, e.g. Tracts 15, BG 2 and Tract 18, BG 5. Access is tied to income and the ability to afford a vehicle.

Table 2. Fairfield Area Block Groups –Household Income and Assets (2017)

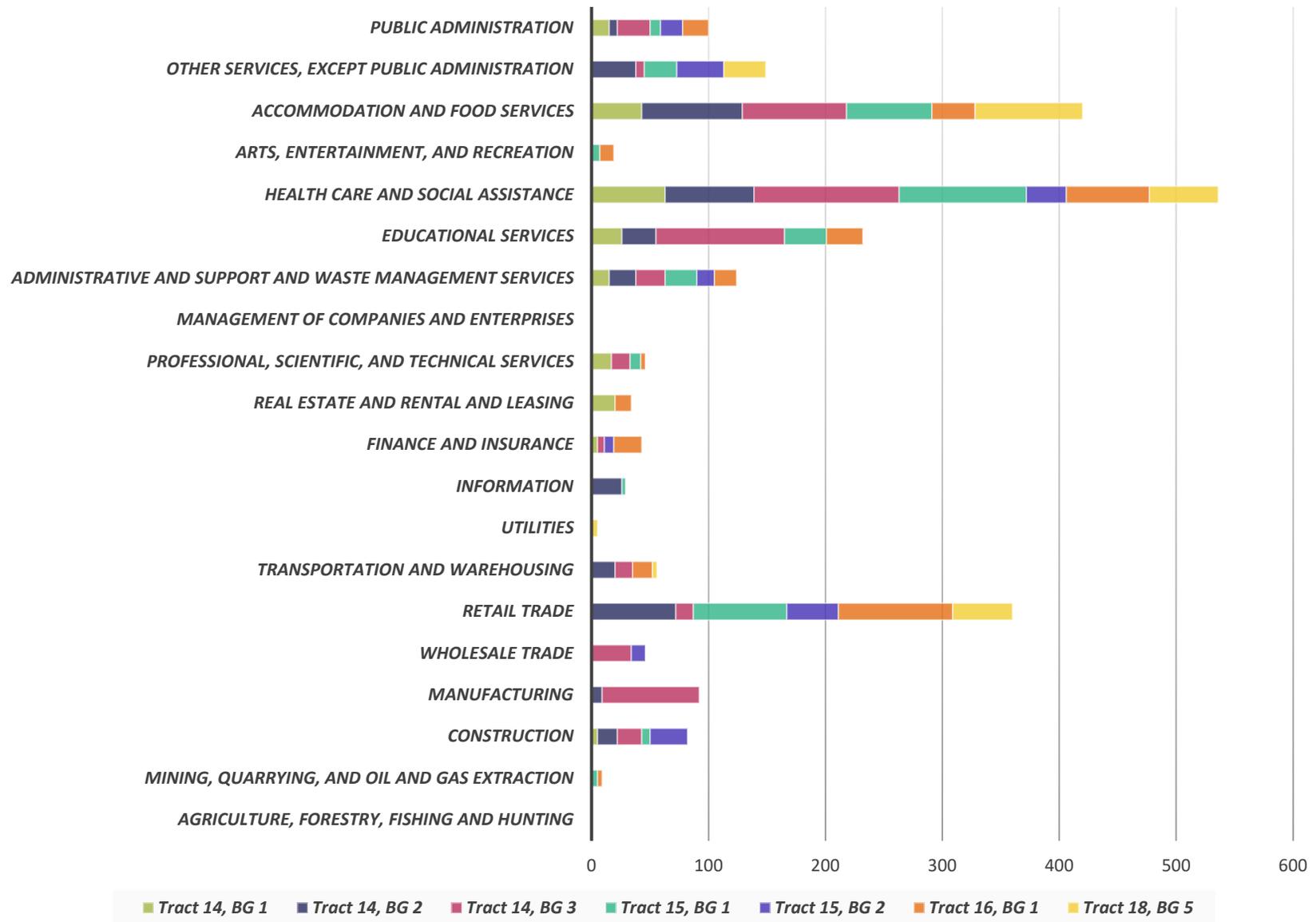
Census Tract, Block Group	Total Income	Median HH Income	Median Home Value	% HHs w/o Vehicle	% HHs <80% Median Inc	% HHs <50% Median Inc
Tract 14, BG 1	\$8.6 M	\$14,318	\$48,500	32%	84%	69%
Tract 14, BG 2	\$16.9 M	\$32,226	\$56,100	5%	54%	33%
Tract 14, BG 3	\$38.6 M	\$61,641	\$136,900	8%	26%	21%
Tract 15, BG 1	\$21.2 M	\$24,141	\$87,000	35%	59%	51%
Tract 15, BG 2	\$10.9 M	\$12,936	\$45,200	46%	81%	73%
Tract 16, BG 1	\$14.2 M	\$23,854	\$51,300	29%	70%	53%
Tract 18, BG 5	\$12.0 M	\$23,295	\$78,000	22%	67%	62%
Total Fairfield	\$122 million			26%	62%	51%
Around Fairfield						
Tract 5, BG 1	\$14.1 M	\$9,593	\$116,300	23%	85%	78%
Tract 6, BG 1	\$20.1 M	\$11,958	\$165,000	39%	85%	79%
Tract 13, BG 1	\$48.7 M	\$33,343	\$146,100	19%	57%	40%
Tract 18, BG 4	\$11.7 M	\$18,554	\$58,800	26%	70%	62%
Tract 20, BG 1	\$37.9 M	\$71,250	\$174,400	7%	14%	12%
Tract 20, BG 2	\$93.5 M	\$72,700	\$134,300	0%	21%	12%
Tract 21, BG 3	\$22.4 M	\$53,182	\$129,100	0%	38%	9%
Subtotal	\$249 million			16%	52%	41%
Huntington						
Huntington		\$30,359	\$95,200			
Huntington MSA						
Huntington MSA		\$44,315	\$119,800			

Source: American Community Survey, 5-Yr Data.

Resident Employment by Industry

Figure 4 shows data published by ACS on the number of individuals employed in the Fairfield area, by block group of residence and primary industries of employment. Employment is concentrated in retail trade, healthcare, and accommodation and food service.

Figure 4. Industry of Employment by Residents of Fairfield Census Block Groups (2017)



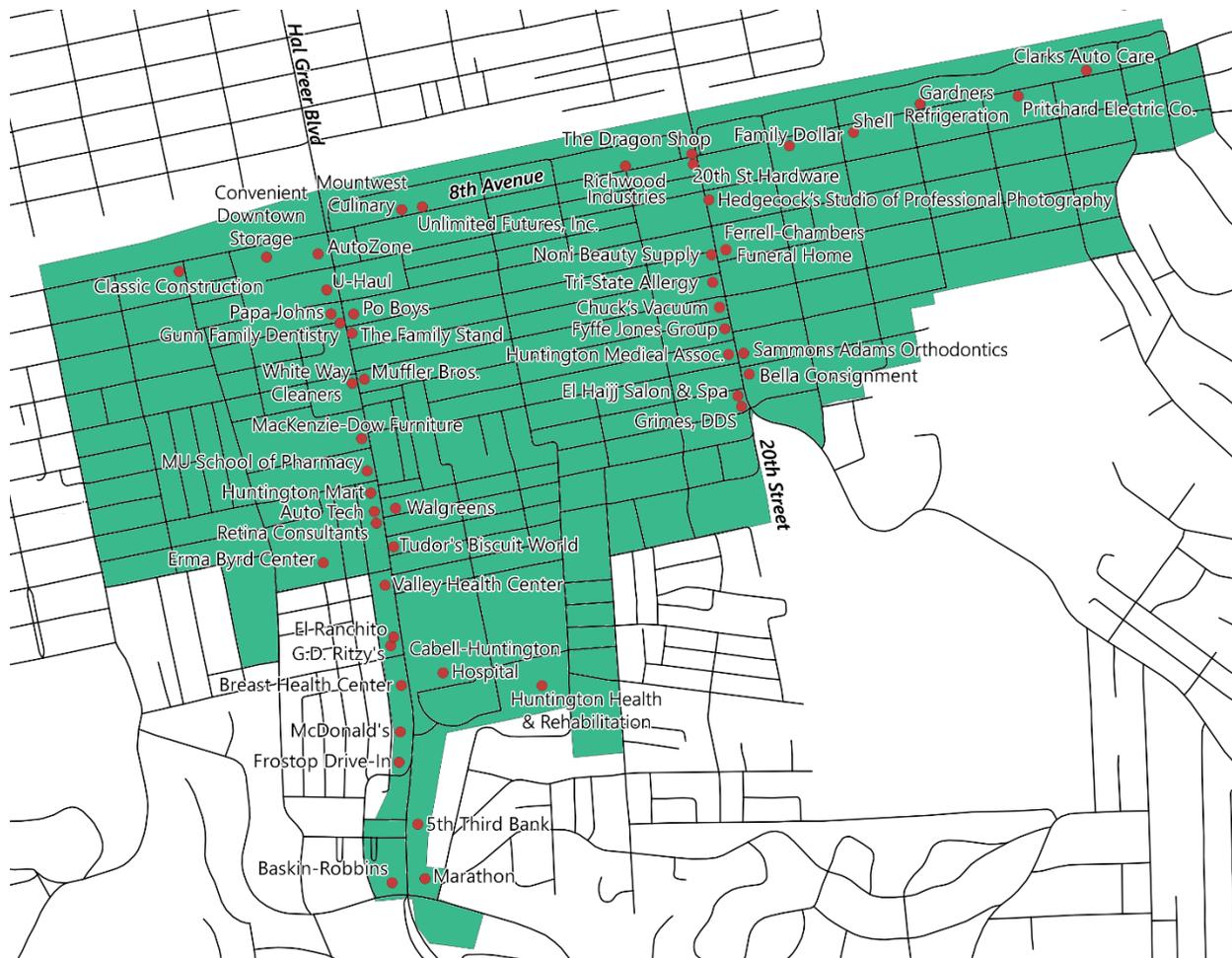
Fairfield Business Mix

Businesses in the Fairfield area represent a diverse array of industries. Anchor employers are institutional, led by Cabell Huntington Hospital with about 3,500 employees prior to merging with St. Mary's Medical Center. Following the merger, the newly named Mountain Health Network is now the largest employer in the Tri-State area with around 6,200 employees.

Other key institutional employers in the area are Marshall Health, Meadows Elementary School, and Spring Hill Elementary School. Additional healthcare providers present include Valley Health and Huntington Health and Rehabilitation Center, a skilled nursing facility for seniors, that employs 150 to 180 people.

The following map depicts the location of many Fairfield businesses. This is not a comprehensive compilation but provides a good picture of the range and concentration of establishments.

Figure 5. Map of Selected Fairfield Businesses



Source: Google maps and CBER research.

Fairfield Corridors

- **Hal Greer Boulevard:** With demolition of Northcott Court, this corridor is almost entirely a commercial business district. The thoroughfare provides access to Cabell Huntington Hospital, and is a key artery for entry into the City of Huntington and Marshall University's campus. Remaining residential areas are a cluster of single-family homes at the south end of the corridor and the Washington Square and Carter G. Woodson apartments between 8th Avenue and 9th Avenue.
- **20th Street:** This corridor is more residential than Hal Greer Boulevard and is largely populated with small businesses and a few apartment buildings. Businesses include several medical services providers, services oriented to households (appliance repair, upholstery repair, a funeral home), and personal care services (a beauty salon and a spa). Retail shops include a hardware store, beauty supplies, and a consignment store. There are several vacant commercial buildings including two former banks and a dentist office. Several commercial buildings are for sale, including the former banks and two operating businesses at the intersection of 20th Street and 8th Avenue.
- **8th Avenue:** This corridor contains a mix of residential and commercial properties. The CSX Transportation rail line forms the northern edge of the avenue. In community meetings with Camiros, Fairfield residents identified a vacant property on the corner of 18th Street as an ideal location for a new playground.

Real Estate Analysis

The Fairfield neighborhood is largely residential, but also contains a significant amount of commercial real estate. The primary corridors are a mix of commercial and residential properties, particularly on the northern side along 8th Avenue. Several commercial properties are currently vacant or for sale, particularly on the 8th Avenue and 20th Street corridors, including several suitable for live/work arrangements.

An analysis by Stantec labelled nearly the entire section of the neighborhood between 17th Street and 12th Street and north of Charleston Avenue as “very ripe” for redevelopment over the next 10 to 12 years for both commercial and residential properties.

This analysis focuses on the Fairfield residential market, as this dominates the available real estate data. There have been very few transactions for commercial and industrial properties in the area in recent years, so there is little data to observe. One industrial property in the area, the MacKenzie-Dow furniture manufacturer, plans to relocate out of Fairfield and, as of April 2019, the property was for sale. Another manufacturer, Richwood Industries, plans to expand at its location on 8th Avenue.

Parcel Distribution

The following map shows assigned land use codes for properties within the Fairfield neighborhood.

Figure 6. Fairfield Parcels by Land Use Code



Source: Cabell County Assessor

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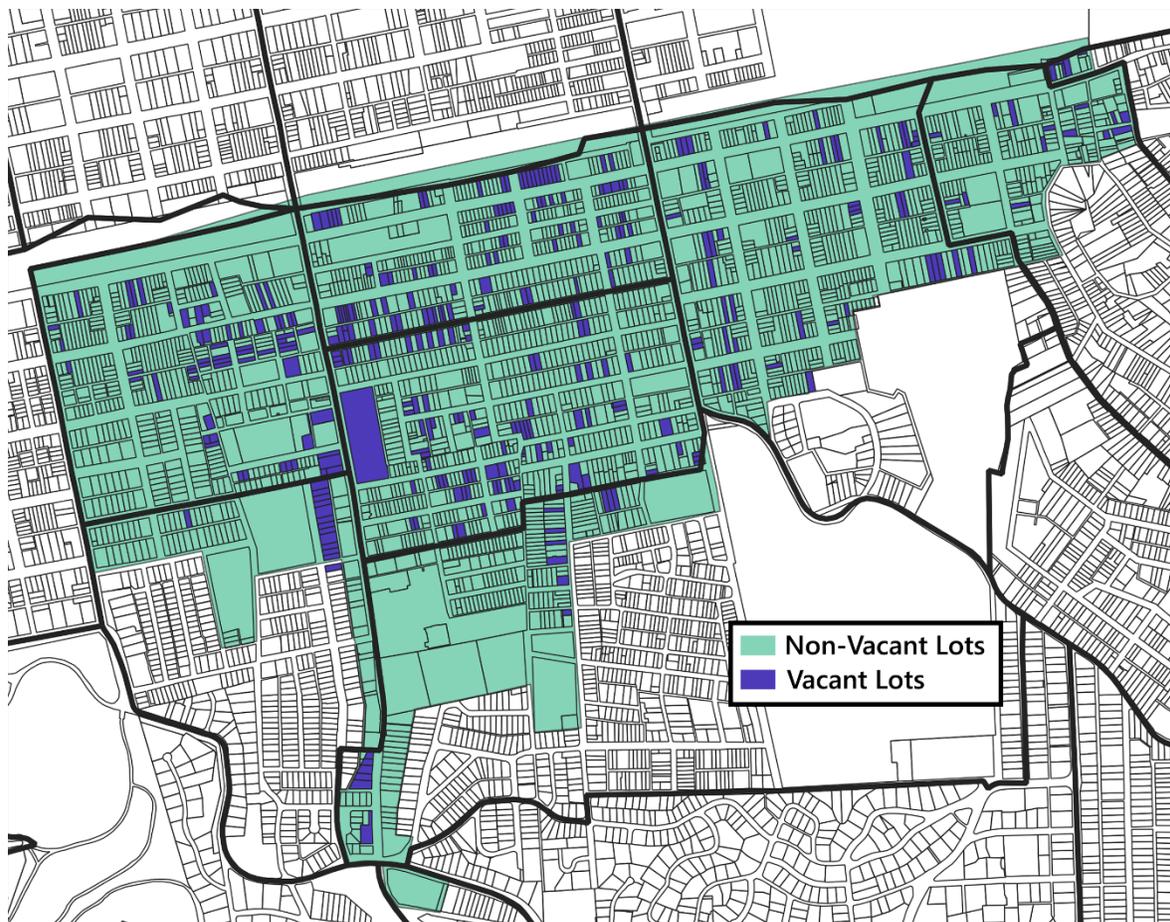
The Fairfield Innovation Plan area contains approximately 10% of the parcels within the city of Huntington. Like the city as a whole, the majority of parcels are residential, followed by commercial. Parcels labeled “Unknown” represent those that could not be matched to a specific land use due to incomplete or unusable data.

Table 3. Land Use Distribution, Parcels (2016)

Land Use	Citywide	% in City	Fairfield	% in Fairfield
Apartment	234	1%	15	1%
Commercial	1,987	9%	265	12%
Exempt	922	4%	109	5%
Industrial	74	0%	1	0%
Residential	16,363	72%	1,820	81%
Utilities	74	0%	6	0%
Unknown	3,147	14%	64	3%
Total	22,801		2,240	

Source: Cabell County Assessor

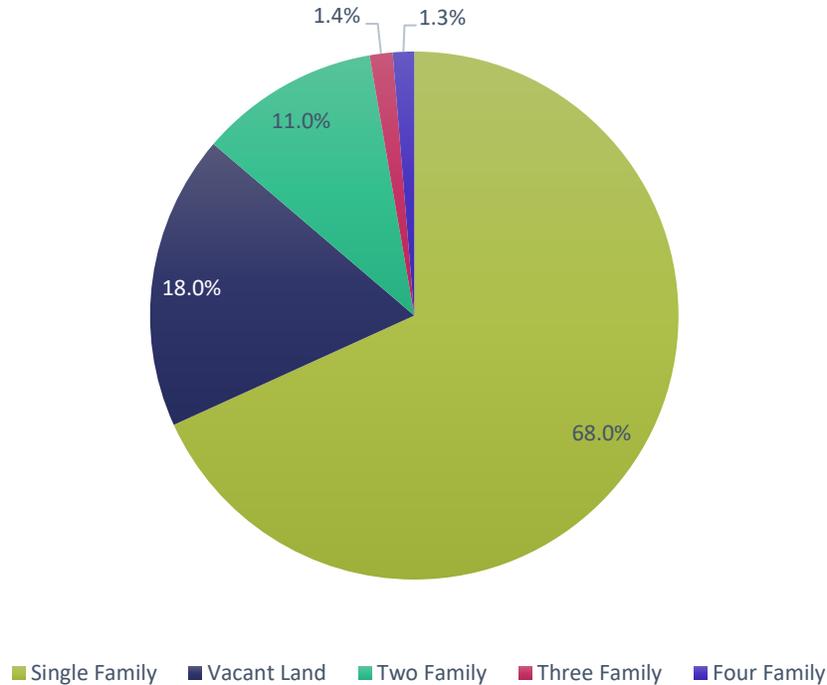
Figure 7. Vacant Fairfield Parcels



Source: Cabell County Assessor

An analysis of County land use codes shows that the approximately 68% of all residential parcels in the study area are classified as “Residential Single Family.” Additional details are shown below.

Figure 8. Fairfield Residential Parcel Distribution



Source: Cabell County Assessor

In terms of acreage, Huntington is approximately 32% residential, 13 percent tax exempt and with 41% unknown due to the omission of land use codes in the Assessor data.

Table 4. Total Acreage by Land Use Category (2016)

Land Use	Citywide Acreage	% in City	Fairfield	% in Fairfield	Acres per Parcel Fairfield	Acres per Parcel Huntington
Apartment	83.1	0.8%	8.9	1.7%	0.6	0.4
Commercial	882.3	8%	53.9	10.4%	0.2	0.4
Exempt	1,355.0	13%	192.1	35.8%	1.8	1.5
Industrial	231.7	2%	0.6	0.1%	0.6	3.1
Residential	3,361.2	32%	183.8	34.2%	0.1	0.2
Utilities	155.6	1.5%	59.7	11.1%	10.0	2.1
Unknown	4,286.3	41%	37.9	7.1%	0.2	1.4
Total	10,355.1		536.9		0.2	

Source: Cabell County Assessor

Further comparing the Fairfield neighborhood to Huntington, average parcel sizes are larger for Utilities land within the area, compared with the city.

Parcel Ownership

Residents of Huntington make up the largest share of parcel ownership in the Fairfield area (76.8%). However, due to data limitations, it is difficult to quantify how many of these Huntington residents live within the study area or in another part of the city. “Out of Area” owners represent 15.6% of ownership. When including owners who live in nearby cities within the Huntington-Ashland MSA, data show that around one-fifth of the parcels are owned by individuals not living within Huntington.

Table 5. Parcel Ownership by Location of Owner

Location	Ownership
Huntington	78.6%
Out of Area	15.6%
Barboursville	2.8%
Proctorville	1.7%
South Point	0.6%
Chesapeake	0.5%
Ashland	0.2%

Source: Cabell County Assessor

Residential Housing Market

The Fairfield area is characterized by three primary sections of residential real estate with differing combinations of properties. Market rates differ somewhat for the three areas, with the highest rates on the west side.

- **West Fairfield⁶ (between 12th Street and Hal Greer Boulevard):** Market rate rental properties comprised of a mix of medium-density and low-density apartment buildings and single-family homes priced in the low- to mid-range. Mid-range home price range is defined as values between \$100,000 and \$200,000.
- **Central Fairfield (between Hal Greer Boulevard and 20th Street):** Combination of low-, medium-, and high-density subsidized housing, as well as market rate, low-density apartments and lower-priced single-family homes.
- **East Fairfield (East of 20th Street):** Market rate low-density rental houses and apartments, lower-priced single-family homes, and low-density subsidized units.

The west and central parts of Fairfield are documented as being the core location of Huntington’s African American population as far back as the 1870s. This was the area between 8th Avenue and 12th Avenue and including 15th Street through 19th Street.⁷

⁶ This geographic delineation is for housing description only. Fairfield West is the area between 12th Street and 20th Street.

⁷ Fain, Cicero (2019). *Black Huntington: an Appalachian Story*, citing maps from Cabell County records.

East Fairfield includes a section of Huntington known in the past as “the C&O Patch” or “the Patch” that “stretched east and west along 8th Avenue from 25th to 29th Streets, and north and south from the railroad to 9th Avenue along 27th and 28th Streets.” In 1896, the area was described as one where “neat white houses and good gardens are the rule.”⁸

Table 6. Housing Units - Occupancy Status & Tenure (2017)

Census Tract, Block Group	# of Housing Units	Median Home Value	Owner Occupied Units	# Units with a Mortgage	Occupied Units		Vacant
					Owner	Renter	
Tract 14, BG 1	423	\$48,500	148	42	35.0%	51.1%	13.9%
Tract 14, BG 2	443	\$56,100	101	61	22.8%	47.4%	29.8%
Tract 14, BG 3	511	\$136,900	228	133	44.6%	50.3%	5.1%
Tract 15, BG 1	654	\$87,000	229	140	35.0%	36.4%	28.6%
Tract 15, BG 2	574	\$45,200	153	20	26.6%	42.9%	30.5%
Tract 16, BG 1	552	\$51,300	238	134	43.1%	32.3%	24.6%
Tract 18, BG 5	441	\$78,000	170	54	38.6%	46.2%	15.2%
Total Fairfield	3,598		1,267		35.2%	48.4%	22.1%
Huntington	24,533				41.5%	41.3%	17.2%

Source: American Community Survey, 5-Yr Data.

Occupancy and ownership data show that Fairfield has lower owner occupancy rates compared to the wealthier neighborhoods to the South and West and the city. Occupancy rates vary by block group and are between 70% and 85%.

The residential areas of Fairfield are characterized both by older homes, small homes, and a mix of low-, medium-, and high-density rental units. As shown in the 2017 Census data below, about two-thirds of area homes were built prior to 1970. The newer homes in Tract 15 Block Group 2 are largely owned by the Huntington Housing Authority. In addition, approximately 15 to 20 of the newer houses in Fairfield are Habitat for Humanity homes.

⁸ Fain, Cicero (2019). *Black Huntington: an Appalachian Story*, citing maps from Cabell County records.

Table 7. Age of Housing Stock for Occupied Housing Units, Percentage (2017)

Census Tract, Block Group	2010+	09-00	99-90	89-80	79-70	69-60	59-50	49-40	Before 1939
Tract 14, BG 1	18.7%	9.0%	0.2%	4.5%	13.7%	3.3%	5.0%	14.7%	31.0%
Tract 14, BG 2	0.0%	0.0%	0.0%	4.3%	1.1%	12.2%	13.5%	18.3%	50.6%
Tract 14, BG 3	3.5%	0.0%	5.3%	0.0%	8.4%	6.3%	20.5%	14.1%	41.9%
Tract 15, BG 1	0.0%	0.0%	0.0%	0.9%	16.8%	9.3%	23.7%	23.4%	25.8%
Tract 15, BG 2	4.4%	2.1%	2.1%	1.0%	28.9	5.7%	12.9%	14.5%	28.4%
Tract 16, BG 1	0.0%	0.0%	0.9%	3.4%	13.4%	12.3%	5.6%	10.5%	53.8%
Tract 18, BG 5	0.0%	3.6%	0.0%	0.0%	5.7%	25.6%	18.4%	6.1%	40.6%
Huntington	1.6%	3.2%	1.2%		23.7%		30.4%		31.7%

Source: American Community Survey, 5-Yr Data.

ACS data show that most Fairfield homes are single unit detached houses, i.e. single-family homes. Tract 14, Block Group 2 in West Fairfield has higher shares of medium-density (two to four unit) apartment buildings, while Tracts 16 and 18 in East Fairfield contain the highest share of single-family homes. Tract 15 contains the largest shares of high-density structures, likely due to the presence of two senior housing complexes and the former Northcott Court complex. Due to the five-year averaging method used by the Census, these statistics include data on Northcott Court⁹, a 129-unit HHA complex that was demolished between 2014 and 2017. Thus, the number of units in that area may be overstated.

Table 8. Housing Units – Occupied Units in Structure, Percentage (2017)

Census Tract, Block Group	1 Detached	1 Attached	2	3 or 4	5 to 9	10 to 19	20 or more
Tract 14, BG 1	61.3%	9.2%	3.6%	0.0%	13.4%	6.1%	6.3%
Tract 14, BG 2	56.7%	0.0%	22.3%	18.3%	1.6%	1.1%	0.0%
Tract 14, BG 3	63.6%	1.4%	16.2%	9.8%	1.0%	8.0%	0.0%
Tract 15, BG 1	78.0%	3.8%	0.0%	3.7%	0.0%	0.0%	14.5%
Tract 15, BG 2	51.0%	2.1%	7.5%	3.0%	7.0%	18.1%	11.3%
Tract 16, BG 1	82.6%	0.0%	12.3%	5.1%	0.0%	0.0%	0.0%
Tract 18, BG 5	74.8%	0.0%	25.2%	0.0%	0.0%	0.0%	0.0%
Huntington	64.9%	1.4%	5.8%	5.7%	6.2%		14.9%

Source: American Community Survey, 5-Yr Data.

In general, Fairfield homes are primarily suited for singles and small families, as almost 60% of the dwellings have two or fewer bedrooms. Tract 15, Block Group 2 contains a higher share of efficiency and one-bedroom units, likely due to the presence of units owned by the HHA.

⁹ Northcott Court, which opened in 1940, was owned and operated by the Huntington Housing Authority and consisted of 13 buildings and 130 housing units.

Table 9. Structural Information – Number of Units by Number of Bedrooms (2017)

Census Tract, Block Group	None		One		Two		Three		Four		Five +	
	#	%	#	%	#	%	#	%	#	%	#	%
Tract 14, BG 1	14	3.3	25	5.9	123	29.1	154	36.4	107	25.3	0	0
Tract 14, BG 2	30	6.8	31	7.0	252	56.9	71	16.0	44	9.9	15	3.4
Tract 14, BG 3	0	0.0	39	7.6	252	49.3	108	21.1	80	15.7	32	6.3
Tract 15, BG 1	27	4.1	110	16.8	263	40.2	130	19.9	90	13.8	34	5.2
Tract 15, BG 2	83	14.5	166	28.9	60	10.5	255	44.4	10	1.7	0	0
Tract 16, BG 1	0	0.0	80	14.5	186	33.7	206	37.3	80	14.5	0	0
Tract 18, BG 5	0	0.0	60	13.6	222	50.3	104	23.6	55	12.5	0	0
Fairfield	154	4%	531	15%	1,358	38%	1,028	29%	466	13%	81	2%
Huntington	2.4%		16%		65.5%				16.1%			

Source: American Community Survey, 5-Yr Data.

The Marshall University School of Pharmacy is constructing Fairfield Landing, a new 200-unit graduate student housing complex targeting medical and pharmacy students, on the far southwest side of Fairfield on 14th Street near Huntington Avenue. These apartments are currently for lease and will be ready for occupancy in August 2019. Of the 200 units, 120 are studios (no bedrooms) and 80 are two-bedroom units.

The Fairfield Landing additions will increase the number of studio housing units in Fairfield by almost 80% (from 154 to 274 units) and the number of two-bedroom units by about six percent (from 1,358 to 1,438 units). Published monthly rental rates for units in Fairfield Landing are \$994 for a studio and \$1,490 for a two-bedroom unit.¹⁰

The impact of the new units on the market for rental property could be both positive and negative. This activity may have already induced investment in rental housing in that section of Fairfield, as additional private apartment construction and renovation is visible on Charleston Avenue. The presence of new, attractive rental units could increase demand for housing in the area. Most likely, this would happen first in the area immediately north of the complex. Occupancy rates are currently around 70% in this area (Tract 14, Block Group 2), so there is additional capacity. The area also has numerous features attractive to many demographics including college students, young professionals, and families given its proximity to Marshall University, downtown Huntington, Ritter Park, the Amtrak Station and the Hal Greer Corridor.

Subsidized Housing

There are approximately 300 affordable and subsidized housing units at complexes owned and operated by the Huntington Housing Authority (HHA) or the Housing Development Corporation (HDC). Aside from the Artisan Heights townhouses, all units are in central Fairfield block groups.

¹⁰ <http://www.marshall.edu/graduatestudenthousing/graduate-student-housing/>

Table 10. Subsidized Housing Complexes in Fairfield

Complex	# Units	# of Bedrooms	Type of Housing
Washington Square	79	1, 2 and 3	Family
Carter G. Woodson Apartments	20	3	Family
Artisan Avenue	33	2 to 3	Family
Doulton Avenue	2	3	Family
Artisan Heights	22	2 to 3	Family
Huntington Gardens	40	1 to 2	Senior
Fairfield Apartments	17	1	Senior
Simms School Apartments	20	1	Senior
Fairfield Tower	67	1 to 2	Senior

Source: Websites for each facility.

The provision of senior housing is a potential growth area for Fairfield. The neighborhood has high amenity value for retirees. This includes excellent access to healthcare services, transportation, recreation, and food services. Housing could be expanded, both for subsidized and market-rate units.

Senior living services is a growing industry in Cabell County. The population of individuals over age 65+ in the county grew by 10% between 2009 and 2017, while total population was flat.

Table 11. Senior Population of Cabell County and Share of Total (2009 to 2017)

Year	Total Population	Age 65+	Share 65+
2017	94,486	16,746	18%
2016	95,673	16,394	17%
2015	96,571	16,101	17%
2014	96,634	15,873	16%
2013	97,020	15,592	16%
2012	96,943	15,427	16%
2011	96,604	15,275	16%
2010	96,322	15,287	16%
2009	94,552	15,285	16%
Change 09 to 17	-0.1%	9.6%	

Source: American Community Survey, 5-Yr Data.

Senior services also overlap with one of the targeted community development goals of the Fairfield community, which is to promote multi-generational interaction between youth and seniors. With 19% of the population in Fairfield block groups age 65+ (See Table 1) the area is already slightly older, due to the presence of senior housing. The Fairfield neighborhood is reported as being 30% age 65+.¹¹

¹¹ HUD Choice Neighborhood site visit presentation at Antioch Missionary Baptist Church on April 18, 2018.

Financial Characteristics

The value of homes, the amount of rent paid as a percentage of income, and the cost of home ownership are indicators of housing security and the financial well-being of neighborhood residents. Affordable housing is a concern for much of the Fairfield neighborhood as large portions of both owner and renter households in Fairfield have monthly payments that exceed 30% of their income.

Home Values

Home values in Fairfield are likely influenced by decades-old discriminatory mortgage practices that excluded many residents from obtaining capital for property ownership and improvements. Redlining, the practice of classifying specific neighborhoods as too risky for home loans, was institutionalized across the U.S. in the 1930s via the federal Home Owners' Loan Corporation (HOLC).¹² The HOLC produced "residential security" maps identifying many black neighborhoods as "Hazardous" areas that contained a "undesirable population or infiltration of it" and were delineated in red. Areas that bordered black neighborhoods were often delineated yellow and labeled "Definitely Declining" due to a "threat of infiltration of foreign-born, negro, or lower grade populations."¹³

Redlining in Huntington is documented on HOLC maps produced in the 1930s and published online by the University of Richmond's "Mapping Inequality" project.¹⁴ HOLC documents state that home ownership in the redlined Fairfield blocks, constituting much of what is now the core of the neighborhood, was around 70% when the survey was conducted in 1937 and that occupancy was 98%. The documents describe favorable aspects of the neighborhood as being near shopping centers, close to churches and schools, and free from flood hazard.¹⁵

According to researchers at The Urban Institute, it may take another two or three generations for redlined neighborhoods to catch up. According to a 2018 study by Zillow, home values remain low across the U.S. in both redlined and yellow-lined districts compared to blue and green-lined areas.¹⁶ The impact of suppressed access to housing capital may still be present in Fairfield.

The HOLC map for the Fairfield neighborhood and surrounding areas is shown as Figure 9. The figure shows the four categories of "Security" ratings (A, B, C and D) assigned to defined districts. The full map for Huntington is available on the University of Richmond website.

¹² The HOLC was founded in 1933 to refinance home mortgages at risk of foreclosure due to the 1929 collapse of the housing industry. A primary result was amortized loans that homeowners could pay off over 25 to 30 years rather than the 3 to 5 years that had been typical.

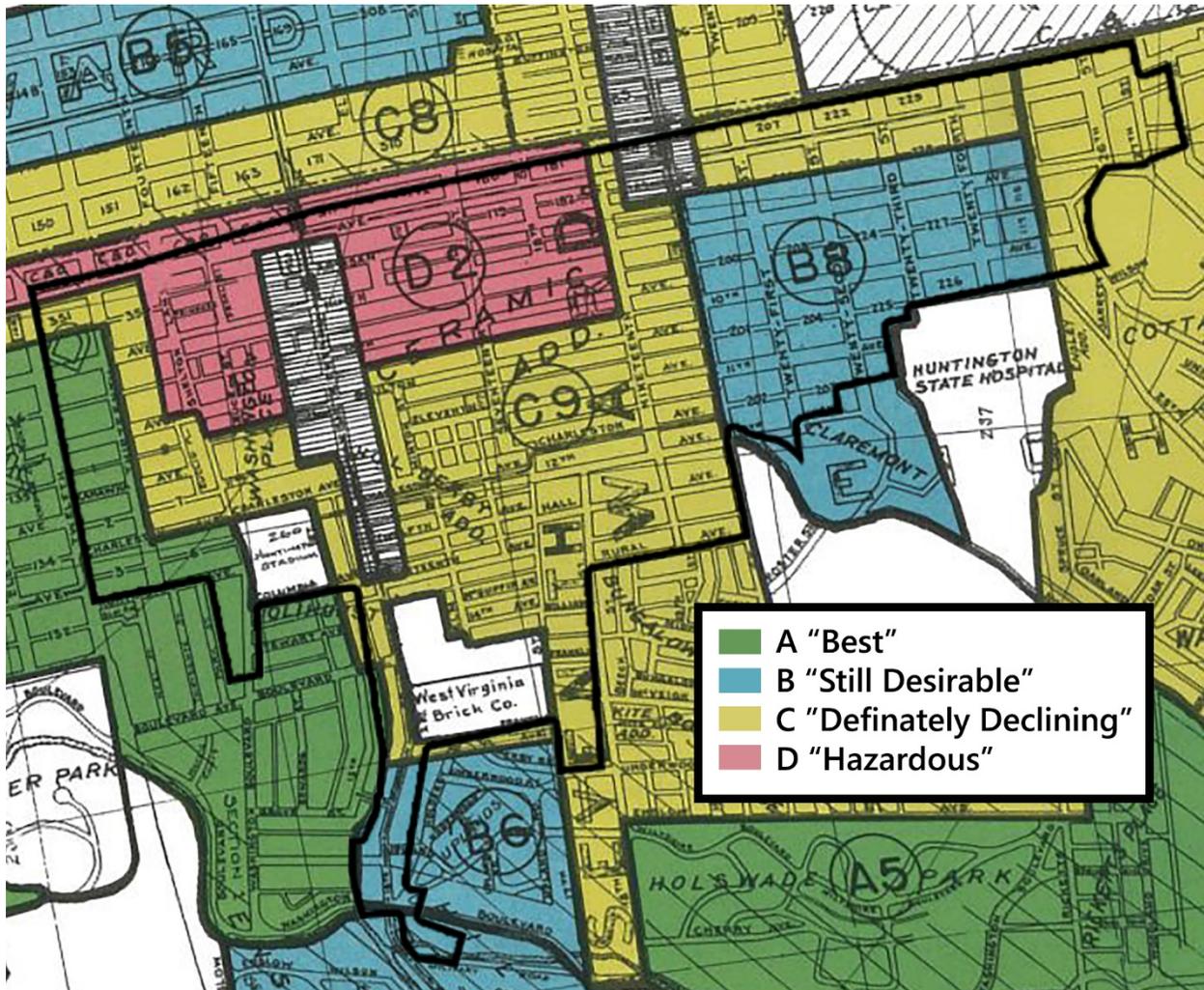
¹³ ThoughtCo. (February 2018). "The History of Redlining"

¹⁴ University of Richmond (2019). "Mapping Inequality: Redlining in New Deal America"

¹⁵ Form 8, 10-1-37. Area Description. Security Map of Huntington, West Virginia.

¹⁶ Zillow (April 25, 2018). "Home Values Remain Low in Vast Majority of Formerly Redlined Neighborhoods."

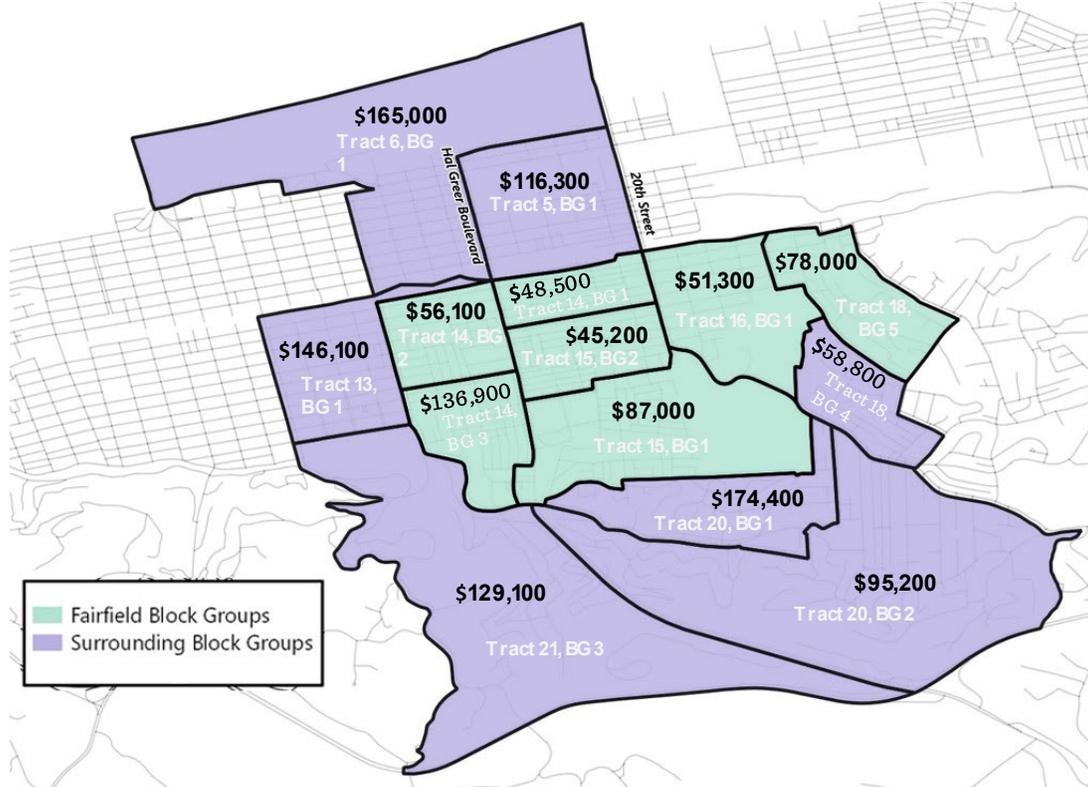
Figure 10. Fairfield Area Homeowner's Loan Corporation (HOLC) Map from 1937



Source: University of Richmond, "Mapping Inequality" Project.

Median home values for block groups touching Fairfield range from \$45,200 to \$136,900. The distribution of values is shown in Figure 10 below.

Figure 10. Median Home Values by Block Group



Source: American Community Survey, 5-Yr Data.

Rent and Mortgage

Average monthly rent for apartments and houses in the Fairfield area is between \$500 and \$700 and generally represents the price for a two-bedroom unit, although prices vary by block group. Market rates are higher on the West side (Tract 14, Block Groups 2 and 3). Units east of 20th Street are more likely to be houses. A small, not statistically significant, sample of units currently for rent in this area provided the following average rents and range of rents.

Table 12. Sample of Average Rents for Units Available for Rent in May 2019

Size of Unit	# in Sample	Average Price	Price Range	Location
1 Bedroom	4	\$650	\$450 - \$850	West
2 Bedrooms	4	\$950	\$650 - \$1,100	West
2 Bedrooms	2	\$650	N/A	Central
3 Bedrooms	3	\$650	\$564 - \$725	East
3 Bedrooms	2	\$975	\$900 - \$1,050	West
>3 Bedrooms	4	\$1,250	\$1,000 - \$1,600	West

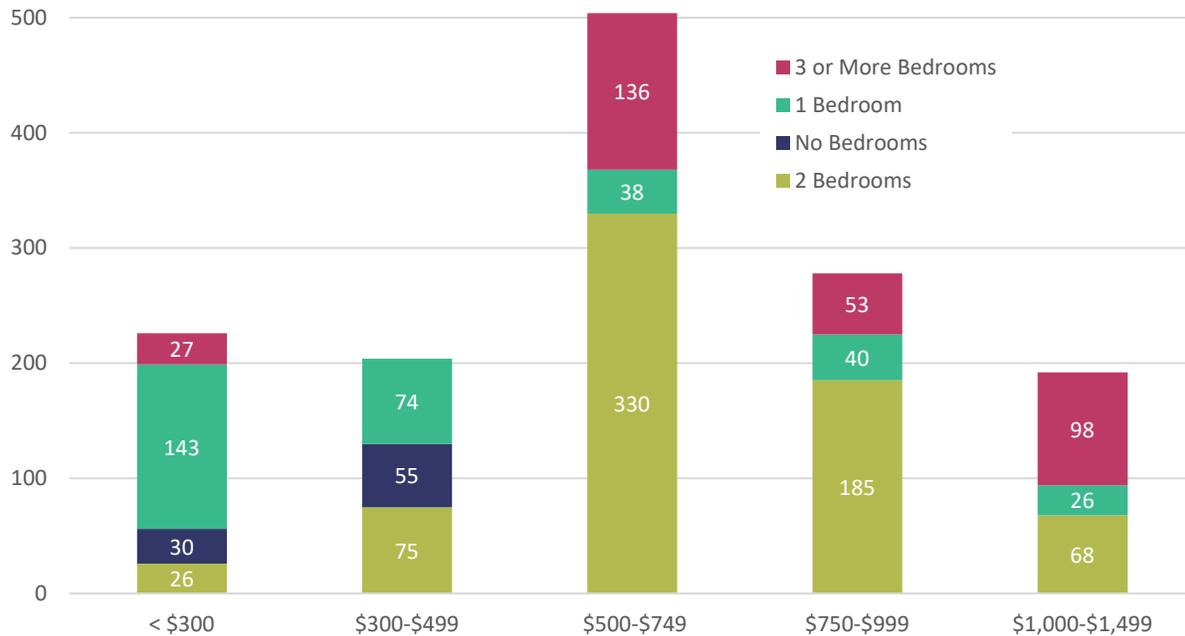
Source: CBER survey of units for rent in May 2019.

Market Analysis: A Component of the Fairfield Innovation Plan

The rents sampled by the Center for Business and Economic Research (CBER) include several units near the new School of Pharmacy and Fairfield Landing graduate housing complex. This construction may place upward pressure on prices in that area. The complex's rates are higher than the market averages, but the units are furnished and include all utilities and security.

ACS estimates of the number of units available in various price ranges are shown below by number of bedrooms. This is aggregated block group data for the Fairfield area.

Figure 11. Monthly Rent for Fairfield – Number of Units by Price Range and Number of Bedrooms



Source: American Community Survey, 5-Yr Data.

HUD Fair Market Values

HUD uses zip codes as the basis for fair market rents (FMRs), which provide for multiple rental payment standards within a metropolitan area.¹⁷ Fairfield zip codes are 25701, which contains Tract 15 and the block groups west of Hal Greer, and zip code 25703, which contains the other block groups. The rates are very close to those published by the ACS and those sampled by CBER, except for the three-bedroom value which is higher.

Table 13. Huntington Metro Area FMRs By Unit Bedrooms

ZIP Code	Efficiency	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
25701	\$550	\$660	\$790	\$1,060	\$1,270
25703	\$530	\$640	\$770	\$1,040	\$1,240

Source: HUD FY2019 Advisory Small Area FMRs.

¹⁷ https://www.huduser.gov/portal/datasets/fmr/fmrs/FY2019_code/2019summary_sa.odn

Housing Affordability

Housing affordability is a concern for the Fairfield area and much of the United States. The National Association of Homebuilders (NAHB) estimates that only 61% of new and existing homes are affordable to a typical household and that the current homeownership rate is below the 25-year average.¹⁸ According to the NAHB, the primary reasons for this are rising costs from excessive regulation, a shortage of construction workers, tariffs on building materials, and housing financing.

ACS estimates of Gross Rent as a Percentage of Household Income (GRAPI) indicate that the affordability of housing is especially an issue for Tract 15 in West Fairfield and Tracts 16 and 18 in East Fairfield. In East Fairfield, 45% to 48% of renter households pay 35% or more of their income to rent, and 55% to 59% pay 30% or more. In Tract 15, about 62% of households pay 30% or more of income to rent. Nearby tracts fare somewhat better, although similarly burdened households are present there also. Financial experts generally advise that no more than 25% to 28% of income should be devoted to rent or mortgage payments.

Table 14. Gross Rent as a Percentage of Household Income (GRAPI) - for occupied units paying rent, Percentage of Units

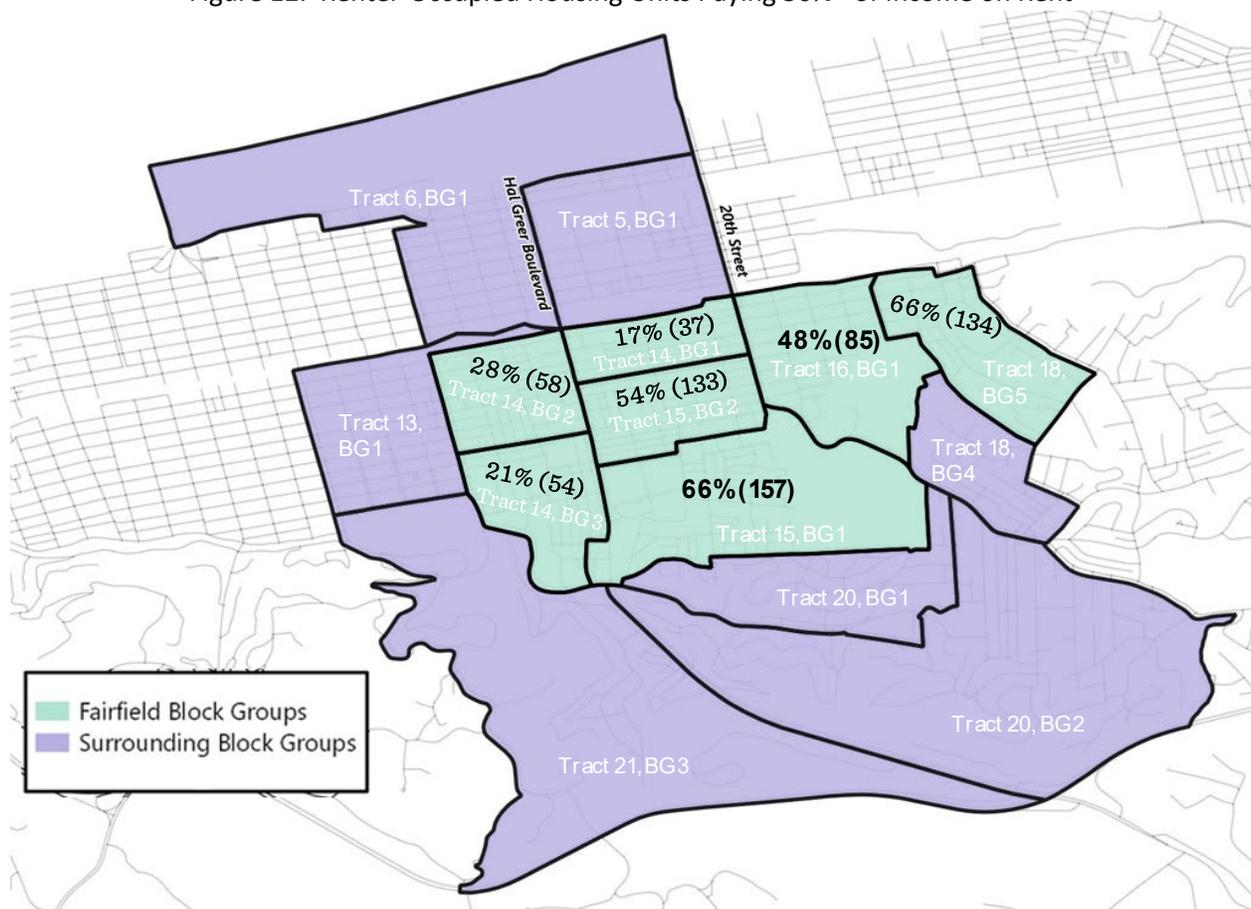
Fairfield Tracts	<15%	15 to 20%	20 to 25%	25% to 30%	30 to 35%	>35%
Census Tract 14	18.7	17.5	18.7	18.2	2.3	24.5
Census Tract 15	15.3	1.3	9.5	12.5	31.6	29.9
Census Tract 16	11.5	9	19.2	5.8	9.6	44.9
Census Tract 18	12.9	14.5	9.9	3.7	10.8	48.2
Nearby Tracts						
Census Tract 13	12.2	13.1	16.9	9.1	9.3	39.3
Census Tract 19	27	0	23.6	6.1	8.1	35.1
Census Tract 20	63.7	0	11.9	5.2	2.1	17.1
Census Tract 21	13.5	12.7	1.2	20.3	17.1	35.1
City of Huntington	12.8	9.8	10.1	8.9	10.8	47.6

Source: American Community Survey, 5-Yr Data.

Affordability could become even more of an issue for current Fairfield residents if redevelopment efforts drive up housing values and rents. This type of gentrification could make it more difficult for low-income families to remain in the area. Intentional efforts to increase levels of homeownership will help counter this possibility.

¹⁸ National Association of Home Builders (2019). "NAHB Outlines Top Features Home Buyers Want for 2019."

Figure 12. Renter-Occupied Housing Units Paying 30%+ of Income on Rent



Source: American Community Survey, 5-Yr Data. Block group estimates contain high margins of error.

These figures corroborate a report by the City of Huntington in 2015 regarding housing affordability in the city. That report¹⁹ states:

“The largest housing problem in the City of Huntington is affordability. According to the 2007-2011 ACS data, 49.5% of all renter households are cost overburdened by 30% or more, and 14.5% of all owner households are cost overburdened by 30% or more.... Many families are living from paycheck to paycheck and are paying over 30% of their income for housing.”

Mortgage data for Fairfield shows a similar pattern, with 59% of households in Tract 16 expending more than 30% of income on mortgage payments. Mortgage holders in nearby tracts are considerably less burdened. The ACS selected monthly owner costs as a percentage of household income (SMOCAPI)²⁰ estimates are shown in Table 15.

¹⁹ City of Huntington. FY 2015-2019 CONSOLIDATED PLAN AND FY 2015 ANNUAL ACTION PLAN. May 20, 2015.

²⁰ Selected monthly owner costs are calculated from the sum of payment for mortgages, real estate taxes, various insurances, utilities, fuels, mobile home costs, and condominium fees.

Table 15. Selected Monthly Owner Costs as a Percentage of Household Income (SMOCAPI) - for housing units with a mortgage, Percentage of Units

Fairfield Tracts	<20%	20 to 25%	25% to 30%	30 to 35%	>35%
Census Tract 14	51.7	22.9	9.7	6.8	8.9
Census Tract 15	70.6	4.4	0	0	25
Census Tract 16	26.1	13.4	1.5	13.4	45.5
Census Tract 18	27.5	26.8	5.5	5.5	34.7
Nearby Tracts					
Census Tract 5	0	0	0	0	0
Census Tract 6	0	0	0	0	0
Census Tract 13	63	15.3	11.6	0	10.1
Census Tract 19	56.4	19.7	3.2	1.1	19.5
Census Tract 20	57.8	10.7	10.4	8.5	12.7
Census Tract 21	64	10.7	6.3	4.6	14.5
City of Huntington	52.9	13.3	9.2	5.0	19.6

Source: American Community Survey, 5-Yr Data.

Annual Sales Activity

Property sales and appraisal data are compiled from parcel data for the City of Huntington. Appraisal data for parcels in the Fairfield area were compared to parcels with the same land use code and similar sizes. Sales data for transactions occurring within the boundaries of the Fairfield neighborhood is compared to totals for the city.

Except for parcels identified as “Apartments,” the appraised values of the land and buildings in the Fairfield neighborhood are much lower than parcels of a similar size in the city. Apartment buildings in Fairfield appraised 22.6% (63,068) higher than in the city. However, the land used for these buildings appraise 9.8% (\$4,450) lower than similar sized parcels.

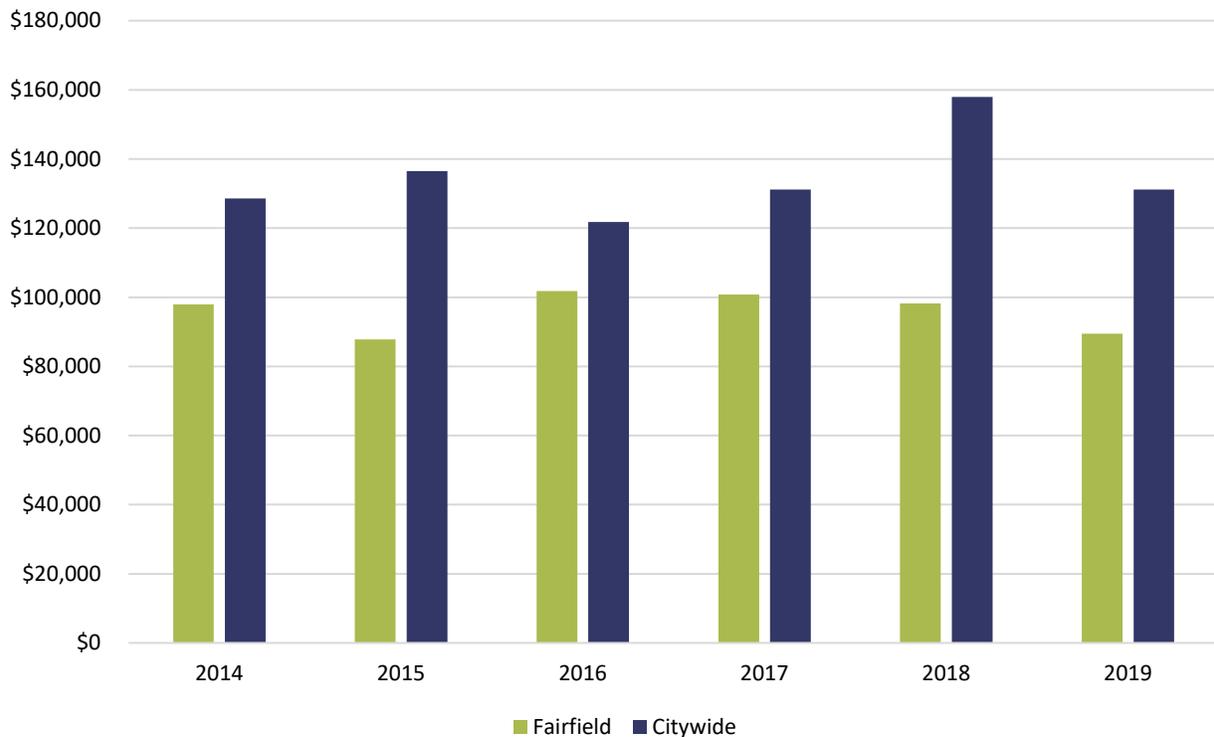
Table 16. Fairfield Appraisal Values (Compared to City)

	Land	Building	Total
Apartment	(\$4,450)	\$63,068	\$58,618
Commercial	(\$17,732)	(\$36,794)	(\$54,526)
Residential	(\$7,423)	(\$27,792)	(\$35,214)

Source: Cabell County Assessor.

From January 2019 to April 2019, a total of 30 property sales were recorded throughout the city, and all were residential properties. Nine of these sales occurred within the boundaries of Fairfield.

Figure 13. Average Residential Sales Price (2014-2019)



Source: Cabell County Assessor

Table 17. Recent Sale Information (2019)

Land Use	Citywide			Fairfield		
	Sales	Low Price	High Price	Sales	Low Price	High Price
Commercial	-	-	-	-	-	-
Industrial	-	-	-	-	-	-
Residential	30	\$ 20,000	\$365,000	9	\$ 20,800	\$ 138,000

Source: Cabell County Assessor

Annual sales data for 2014 through 2018 indicate about 223 parcels sold throughout the city on average, about 38 of which were within Fairfield. For the first four months of 2019, the number of property sales in the Fairfield area was 24% of the annual average compared to 13% for the city.

Table 18. Recent Sale Information (2014 - 2018)

	Land Use	Citywide			Fairfield		
		Sales	Low Price	High Price	Sales	Low Price	High Price
2018	Commercial	1	\$ 33,500	\$ 33,500	1	\$ 33,500	\$ 33,500
	Residential	221	\$ 16,500	\$ 675,000	42	\$ 17,304	\$ 195,000
2017	Commercial	2	\$ 27,500	\$ 40,000	0	-	-
	Residential	225	\$ 15,690	\$ 800,000	34	\$ 18,000	\$ 194,000
2016	Commercial	0	-	-	0	-	-
	Residential	212	\$ 11,000	\$ 550,000	40	\$ 18,000	\$308,000
2015	Commercial	2	\$ 71,000	\$ 112,000	0	-	-
	Residential	227	\$ 9,000	\$ 510,000	37	\$ 9,000	\$ 180,000
2014	Commercial	2	\$ 30,000	\$ 70,000	2	\$ 30,000	\$ 70,000
	Residential	186	\$ 10,000	\$ 555,000	34	\$ 18,000	\$ 170,000

Source: Cabell County Assessor

Real Estate Recommendations

Demand for new housing in Fairfield is currently tempered by the age and condition of many properties. High vacancy rates exist in much of the area and are an indicator of excess supply. These factors are likely suppressing demand in the area and causing some would-be renters and homeowners to look elsewhere. New rental units with modern amenities and landscaping would improve the reputation of the area, especially if existing units in decrepitation are replaced.

Market-Rate Housing

Replacement of some of the older housing stock in the area with new, attractive, small homes would appeal to both current residents of Fairfield and young professionals who want to live in a central part of the city. Many Fairfield residents have indicated preference for low-density housing development, comprised of townhouses or small single-family homes. These preferences are in line with national trends.

One response to what NAHB has labelled a “crisis around housing affordability” is a nationwide preference for smaller homes and a response by builders to supply less expensive homes.²¹ The trend is toward townhomes and smaller detached homes.

New housing investment would greatly improve the quality of the Fairfield area and the vision for the future. At the same time, many Fairfield residents are presently cost-burdened by rent and mortgage payments. To avoid displacing current residents, new development should begin with small complexes of smaller single-family homes or townhouses, ideally as replacement for dilapidated houses. Small groups of new homes will not dramatically disrupt the market and would be a good test of demand.

Affordable Housing

Affordable housing, with more paths for homeownership, is sorely needed in Fairfield. More aggressive efforts should be extended now to promote ownership, so that more Fairfield residents can benefit from what is the largest source of household wealth in the United States.

Initiatives to expand affordable housing should consider inclusion of strong incentives to meet ownership goals, such as property tax relief, lease-to-own programs and shared-equity. The Urban Institute advocates use of early-warning tools to avoid foreclosure that can spot displacement triggers like insurances hikes and property tax increases. These approaches could complement the HHA’s existing Section 8 Housing Choice Voucher-Homeownership program.

Mixed-Income Housing

Mixed-income housing developments are an attractive option for the Fairfield neighborhood due to the need for affordable housing for low-income residents as well as new market-rate units. Decreased government subsidies have made it difficult to build affordable-only housing, while increases in credit and down payments have made it challenging to purchase market-rate homes.²²

Mixed-income housing can have several positive results. These include the altering of behavior patterns, upward mobility, increased employment due to networking with employed residents,

²¹ National Association of Home Builders (2019). “NAHB Outlines Top Features Home Buyers Want for 2019.”

²² “Success Stories: Mixed-Income Housing in Connecticut”. Partnership for Strong Communities.

decreased crime, access to better schools and enhanced safety.²³ Additionally, residents of mixed-income environments realize mental health benefits, have increased self-esteem and motivation, and better understand others' backgrounds, cultures, and perceived stereotypes and prejudices.²⁴

Several communities throughout the U.S. have successfully pursued mixed-income developments. The City of Emeryville, CA provided \$4 million in subsidies and tax credit equity in addition to forgoing property taxes on affordable housing units for its Emery Bay II development. The project consists of 156 market-rate rentals, 52 units for households with income below 80% of median and 52 units with incomes below 50% of median. The quality of the development is high and includes membership to a year-round heated pool and spa. Market rents are comparable to the competition and there is a waiting list for the subsidized units.²⁵

Timberlawn Crescent in Maryland is an example of a suburban Public Housing Authority-owned mixed-income development consisting of garden-style apartments. Rent from the market-rate units subsidize the low- and moderate-income units without additional subsidies. The facility has a four-tier rent structure. Fifteen percent of the units were designated for households below 30% of median income, 15% for households with incomes below 60% of median, 20% for those below 75% of median, and 50% at market rates. The subsidized units and market-rate units are indistinguishable.²⁶

According to the National Initiative on Mixed-Income Communities, a key aspect of mixed-income development is to determine the right mix of income and housing. Recommended ratios for the mix of public housing, affordable housing and market-rate units are tied to the goals of upward mobility for low-income tenants. It is not advised to go below 30% market-rate, otherwise intentionality on establishing the socioeconomic benefits that can come from these units is needed. Ultimately, the development should work to meet community-building goals as opposed to a profit-driven goal.²⁷ Based on those recommendations a combination of 30% public housing, 30 to 40% affordable housing and 30 to 40% market-rate housing would be good targets for Fairfield.

²³ "Mixed-Income Housing: Factors for Success". Paul C. Brophy & Rhonda N. Smith. *Cityscape: A Journal of Policy Development and Research*. Volume 3, Number 2, 1997.

²⁴ "Effects from Living in Mixed-Income Communities for Low-Income Families". Diane K. Levy, Zach McDade and Kassie Dumlao. Metropolitan Housing and Communities Center. November 2010.

²⁵ "Mixed-Income Housing: Factors for Success". Paul C. Brophy & Rhonda N. Smith. *Cityscape: A Journal of Policy Development and Research*. Volume 3, Number 2, 1997.

²⁶ Ibid.

²⁷ "How to Approach Mixed-Income Communities". Roxana Baiceanu. *Multi-Housing News*. September 21, 2017.

Analysis of Key Consumer Markets

The Fairfield area is home to a small but diverse collection of businesses. The area is already a destination for several retail stores that serve customers in Fairfield and other nearby neighborhoods. Non-residents that utilize the Hal Greer, 8th Avenue, and 20th Street corridors also shop there. However, the Fairfield area lacks several critical neighborhood services. Primary needs are a full-size, full-service grocery store, banking services, and a laundromat.

Huntington Retail Districts

To facilitate evaluation of potential grocery sales and other retail at a Fairfield location, three grocery districts are defined for this analysis, including the proposed Fairfield District. These districts are:

- **Kroger West/Aldi/Save-A-Lot:** These three stores are all located in the West end of Huntington and are grouped into one district due to overlap in proximity by area block groups. Kroger and Aldi are 0.6 miles apart, while Save-A-Lot is located about 1.5 miles from both Kroger and Aldi. Residents of several of the 13 block groups in the area are indifferent as to which store to shop at based on proximity. Kroger is 1.5 miles and Aldi is 1.9 miles from the Fairfield site on Hal Greer.
- **Kroger East:** This grocery store is located on 5th Avenue in the East end of Huntington and is 1.5 miles from the Hal Greer site. The district is comprised of seven block groups. While the store is only 0.5 miles from the northeastern edge of Fairfield (Tract 18, Block Group 5), railroad tracks form the northern edge of the neighborhood, so the store is not accessible.²⁸
- **Fairfield at Hal Greer:** The Fairfield District includes 14 block groups for which the Hal Green location would be the closest full-size grocery store. The intersection of Hal Greer Boulevard and Charleston Avenue is a proposed location for a store.

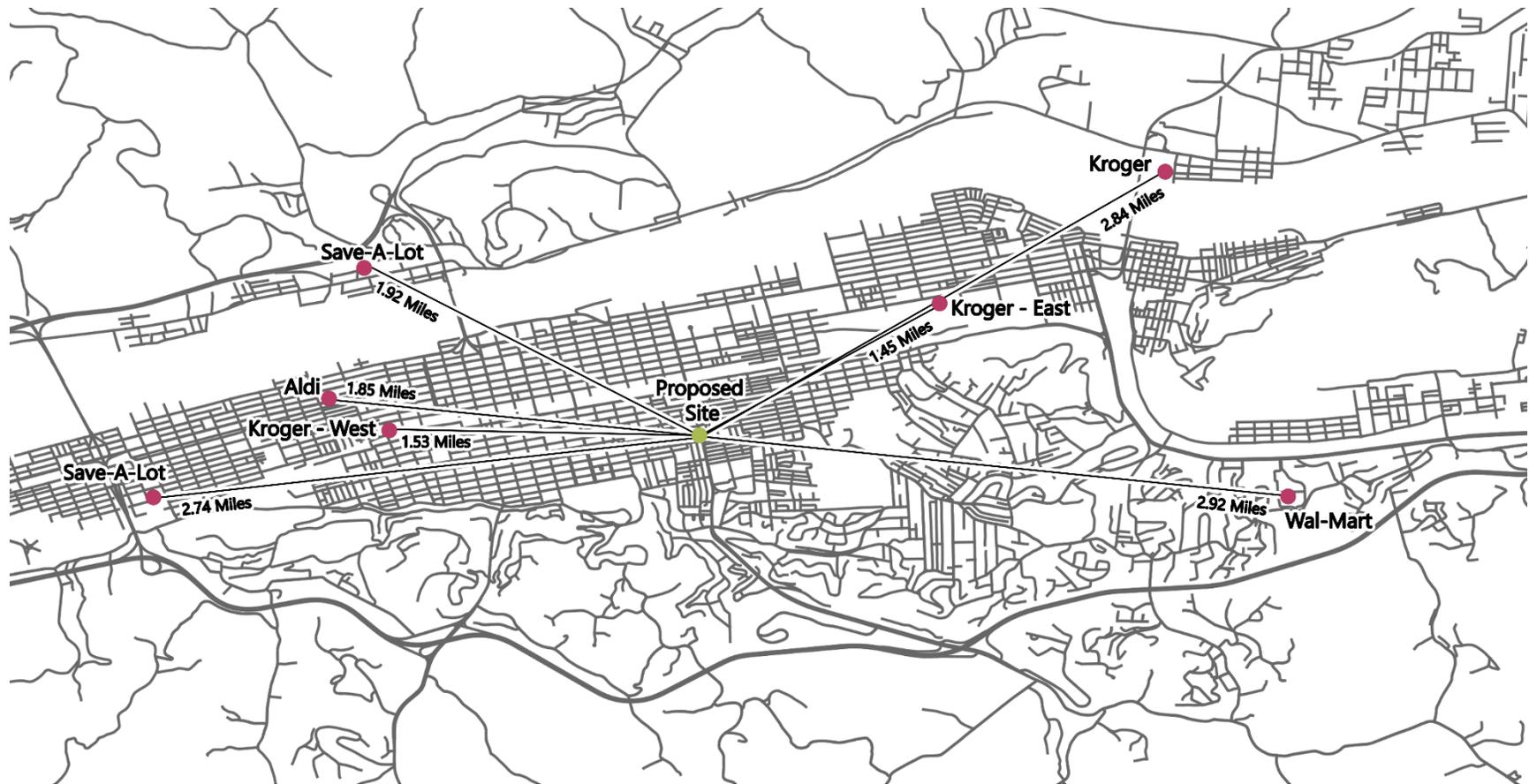
The following maps illustrate the locations of the three grocery districts and the location of existing full-service grocery stores in Huntington in relation to the proposed new grocery in Fairfield. Straight line distances are shown for information, while districts are defined by proximity and accessibility, measured by driving distance.

The one-mile trade area population around the proposed site is approximately 14,500 people. The two-mile trade area population is 29,000 and the three-mile trade area population is 63,000.

Grocery districts are groups of U.S. Census block groups. Block groups that are indifferent to where they shop based on proximity and accessibility are shown in gray on the maps. These “Neutral” block groups are excluded from district spending estimates. Unshaded areas would choose to shop at existing stores outside of Huntington, based on proximity to those stores.

²⁸ By road or sidewalk, the store is a minimum of 1.3 miles away from residents of Fairfield East.

Figure 14. Distances to Other Full-Size Grocery Stores from Fairfield Site (3-mile Radius)



1-mile trade area population: 14,500
2-mile trade area population: 29,000
3-mile trade area population: 63,000

Figure 15. Huntington Full-Size Grocery Districts by Proximity



Widest East-West Distance for Fairfield District: 2.5 miles (from 8th Street to 28th Street)

Longest North-South Distance for Fairfield District: 2.8 miles (length of Hal Greer Boulevard from 3rd Avenue to I-64)

Food Desert Classification

In 2015, much of the Fairfield neighborhood and surrounding Census tracts were classified as Food Deserts by the U.S. Department of Agriculture (USDA) based on access to a supermarket. A supermarket is defined by the USDA as a store with at least \$2 million in annual sales that contains all the major food departments found in a traditional supermarket, including fresh meat and poultry, dairy, dry and packaged foods, and frozen foods.²⁹ The Fairfield area Census tracts have these food desert characteristics:³⁰

- **Low-income and low-access at one mile:** A significant number or share of residents is more than one mile (urban) from the nearest supermarket.
 - Tract 18 (and Tract 16 per CBER research).
- **Low-income and low-access at 0.5 miles:** Low-income census tracts where a significant number or share of residents is more than 0.5 miles (urban) from the nearest supermarket.
 - Tracts 14, 15, 16, and 18.
- **Low-income, low-access and low vehicle access:** Low-income census tracts where more than 100 housing units do not have a vehicle and are more than 0.5 miles from the nearest supermarket.
 - Tracts 15 and 18.
- **Low-access at 1 mile**
 - Tracts 20 and 21.

These USDA classifications understate the lack of access. Census tract 16 is not classified by the USDA as lacking access at one mile, but the nearest grocery (Kroger) is located on the other side of railroad tracks, making it inaccessible. Kroger is at least a 1.3 mile walk for residents of Tract 16, and Julian's Market is at least a one-mile walk. The remaining Fairfield tracts have access to the small, limited selection, full-service grocery Julian's Market, which is located within a mile of most homes.

Fairfield residents have communicated strongly and repeatedly that the neighborhood needs a full-size grocery store. In community forums organized by Camiros for the 2019 Fairfield Revitalization Plan, participants ranked a grocery store as the top identified need.

Dr. Brazeau, Dean of the Marshall University School of Pharmacy, has stated that a nearby grocery store and services are essential to the success of the school. Other services that may add value to the students and staff, as well as to Fairfield residents, could include a coffee shop, a bank, a second full-service restaurant, and healthy fast food options.

The Winter 2019 edition of *The Huntington Quarterly*, a Huntington-focused magazine, surveyed its readers about things they feel are lacking in the city. A Trader Joe's grocery store was the third most suggested item on the list.³¹ The publication also stated that a relatively high numbers of votes were cast to recruit Whole Foods, Publix, or Wegmans.

²⁹ <https://www.ers.usda.gov/data-products/food-environment-atlas/documentation/>

³⁰ USDA (2015). <https://www.ers.usda.gov/data-products/food-access-research-atlas/>

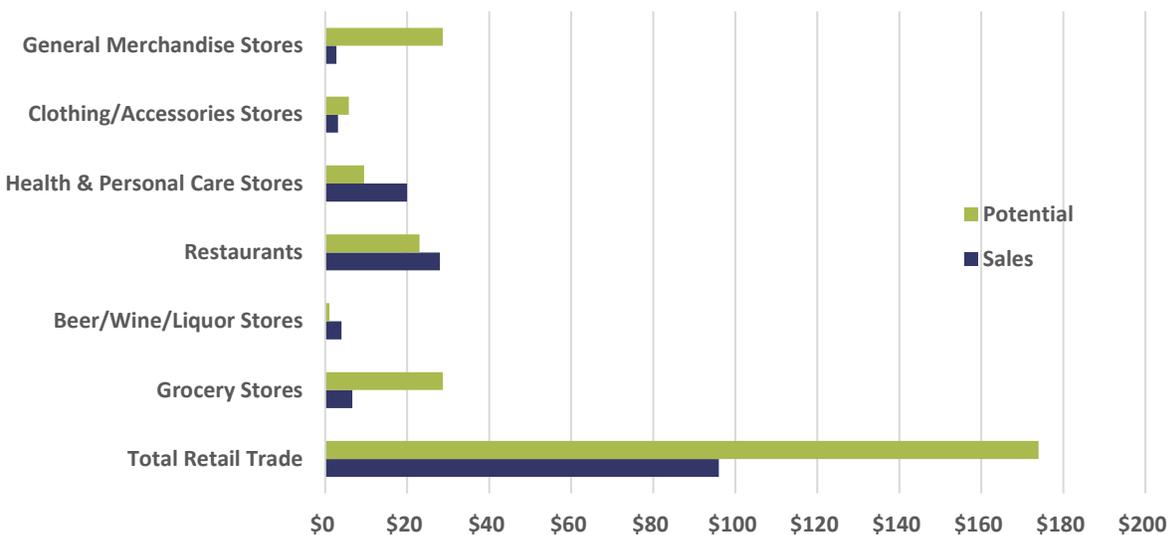
³¹ Huntington Quarterly, Winter 2019. "What Huntington Needs. We asked. You answered."

Retail Market

Retail expenditures data from Esri provide estimates of annual household spending at various types of stores by block group. Retail sales are estimates of sales to households for businesses located inside each block group. Retail potential is an estimate of the total amount expected to be spent by the same household consumers in products in each retail market. The difference is a surplus (if sales exceed potential) or leakage (if potential exceeds sales).³²

Estimates of retail sales for the Fairfield District indicate leakage of value over what is sold in the district. The leakage is especially pronounced for grocery store sales and general merchandise sales. The district has surplus sales at restaurants, liquor stores, and personal care stores (which includes pharmacies, beauty supplies, optical goods, health food, and supplement stores). These surpluses show that the district is already a shopping destination for non-residents, as sales exceed resident demand for some goods.

Figure 16. Fairfield District Retail Sales and Household Potential (2017)



Source: Esri.

For grocery stores, residents of the Fairfield District are estimated to have spent a total of \$28.7 million in 2017, but only \$6.6 million of that amount in the district. As Julian’s Market is the only grocery store in the district, these sales are largely from convenience stores at gas stations (Huntington Mart, Speedway, Shell, and Marathon). Additional food sales occur at area pharmacies (Walgreens and CVS) and at Family Dollar, but these establishments are not classified as grocery stores.

Of course, it is not likely that the store would capture 100% of the proximal market. It is likely that the store would capture market share from the surrounding districts, particularly if the store had unique products not available elsewhere. When including households in proximity to the Hal Greer Corridor that would be indifferent to where to shop based on proximity, potential sales increase by \$11.8 million.

³² ESRI Retail Marketplace 2017. See Figure A1 for Map of Leakage and Surplus around Fairfield area.

The following tables show more categories of household expenditures for the Fairfield neighborhood block groups, the Fairfield District and other block groups that might shop in Fairfield.

Table 19. Select Household Expenditures (2017)

Area	Food at Home	Retail Goods	Food Away from Home	Vehicle Maint. & Repairs	Coin-op Laundry
Fairfield Block Groups	\$8,336,361	\$34,865,130	\$5,326,452	\$1,725,360	\$18,626
Around Fairfield/ Hal Greer Corridor	\$14,463,228	\$63,276,624	\$9,845,438	\$3,114,095	\$29,537
Fairfield District	\$22,799,589	\$98,141,754	\$15,171,890	\$4,839,455	\$48,163
Neutral Block Groups	\$9,303,258	\$41,060,640	\$6,169,622	\$2,017,415	\$17,695
Combined	\$32,102,847	\$139,202,394	\$21,341,512	\$6,856,870	\$65,858

Source: Esri.

Grocery Market Analysis

With about 7,100 households and more than 17,000 residents, the population of the Fairfield District area has enough spending power to sustain a grocery store. The population residing within one mile of the proposed store location on Hal Greer Boulevard is 14,500, and the population within two miles is 29,000. Annual average daily traffic volume (AADT) on Hal Greer Boulevard in the segment of the proposed store site was 20,083 in 2017.³³ With these statistics, the area meets three key sets of criteria that establish minimum indicators of sustainability:

1. The sustainable range of number of households with a proximity preference for a store is 6,000 to 8,000.³⁴
2. The one-mile trade area should have a population of 12,000 or more and 25,000 or more for the two-mile trade area.³⁵
3. The minimum AADT required is 20,000.

Other factors that indicate sustainability of a store:

- The area has a daytime population of over 22,000. This could increase sales beyond resident demand as individuals purchase groceries while in the area for work or personal business.
- An additional 4,900 Huntington residents, with an estimated \$11.8 million in expenditures at grocery stores (\$9.3 million in food at home), could choose to shop in Fairfield as they would be undecided based on proximity once a new store opens in the area.

³³ WVDOT Division of Highways. <https://gis.transportation.wv.gov/aadt/>

³⁴ Gibbs, Robert J. (2012). *Principles of Urban Retail Planning and Development*.

³⁵ Economic Feasibility White Paper for Brisbane, CA.

History of Grocery Stores in Fairfield

Prior to the 1940s, there were as many as eight grocery stores in Fairfield. Most were located on Hal Greer Boulevard, 8th Avenue, and 20th Street. Past grocery stores include A&P, Piggly Wiggly, Tradewell, Freshway, Foodland, Kroger, and Big Bear.³⁶

The last traditional full-service grocery store in the neighborhood was Big Bear, located in the former Fairfield Plaza. The store closed in 2004, around the same time that two other Big Bear stores closed in Huntington. Cabell Huntington Hospital acquired the property to fill its need for additional parking space.

Julian's Market, a small full-service grocery store, exists on 12th Street on the western edge of the Fairfield neighborhood. The store is best known for its deli, Middle Eastern specialty products, and high-quality meats, including cutting services. Julian's also sells wine and beer and has a limited selection of fresh, frozen, and packaged goods. Although many of the store's products are competitively priced, prices are considered high compared to larger stores, and many area residents choose to shop elsewhere. Julian's also has many loyal customers who refuse to shop elsewhere.³⁷

Several convenience stores in Fairfield, as well as a pharmacy and a dollar store, also sell grocery products. However, product selections at these stores are very limited and emphasize packaged and processed goods.

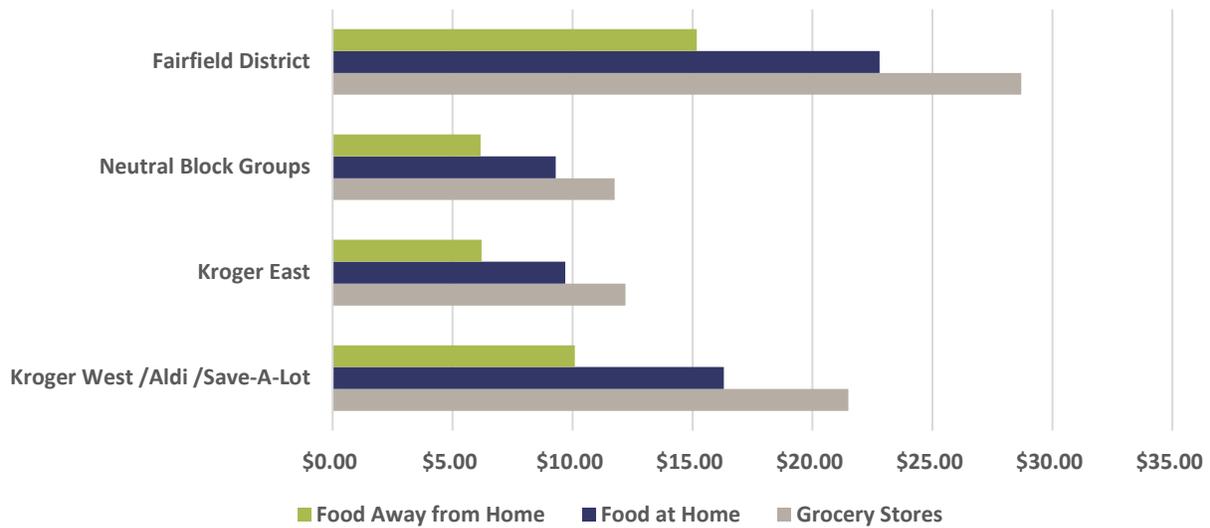
³⁶ Groceteria.

³⁷ Per personal communication.

Size of Market Segments for a Grocery Store in Fairfield

Comparison of population and household data, as well as food-related household expenditures, creates a snapshot of relative spending power of customers who would frequent the proposed store. The Fairfield District, comprised of the population for whom a grocery store located on Hal Greer Boulevard would be the closest, is larger than the two existing grocery districts in Huntington. The district thus spends more on food than households in the other districts. Additional spending could also be captured from nearby block groups, especially the “Neutral” block groups that are equally close to the Fairfield area as to other grocery districts.

Figure 17. Grocery Districts – Household Food-Related Expenditures (2017)



Source: Esri.

Table 20 compares estimated retail sales data, including on grocery stores, for the three grocery districts. Data show that Kroger East and Kroger West are both shopping destinations. These districts have more sales than the resident population demands for several retail categories, including grocery stores. Summing sales estimates for the three districts, including block groups labeled “Neutral” shows that the combined area, which includes the bulk of the City of Huntington, is also a shopping destination. Individuals who work in Huntington, or visit Huntington, already shop in the city for groceries and other retail needs.

Table 20. Estimates of Retail Sales and Potential Sales by Grocery District, in millions (2017)

Retail Category	Fairfield District (14 block groups)		Kroger West/ Save-A-Lot/ Aldi (13 block groups)		Kroger East (7 block groups)		Neutral / Maybe Fairfield to Shop (6 block groups)		Combined Huntington Districts	
	Sales	Potential	Sales	Potential	Sales	Potential	Sales	Potential	Sales	Potential
Total Retail Trade	\$96	\$174	\$282.7	\$110.8	\$141.6	\$66	\$7.1	\$71.8	\$520.3	\$350.8
Grocery Stores	\$6.6	\$28.7	\$65.9	\$21.5	\$33.1	\$12.2	\$0	\$11.8	\$105.6	\$62.4
Beer/Wine/ Liquor Stores	\$4	\$1	\$5.2	\$0.5	\$0.8	\$0.3	\$0	\$1.0	\$10.0	\$1.8
Restaurants ³⁸	\$28	\$23	\$44.6	\$10.6	\$16	\$6.5	\$0.8	\$6.6	\$88.6	\$40.1
Health & Personal Care Stores	\$20	\$9.5	\$34.8	\$7.0	\$19.4	\$4.0	\$0	\$4.0	\$74.2	\$20.5
Clothing/ Accessories Stores	\$3.1	\$5.8	\$22.0	\$3.8	\$6.3	\$2.3	\$0.7	\$2.4	\$31.4	\$11.9
General Merchandise Stores	\$2.7	\$28.7	\$6.0	\$19.6	\$3.6	\$11.8	\$0	\$11.8	\$12.3	\$60.1

Source: Esri 2017.

³⁸ Includes full-service restaurants, limited-service restaurants, cafeterias, buffets, and snack and non-alcoholic beverage bars.

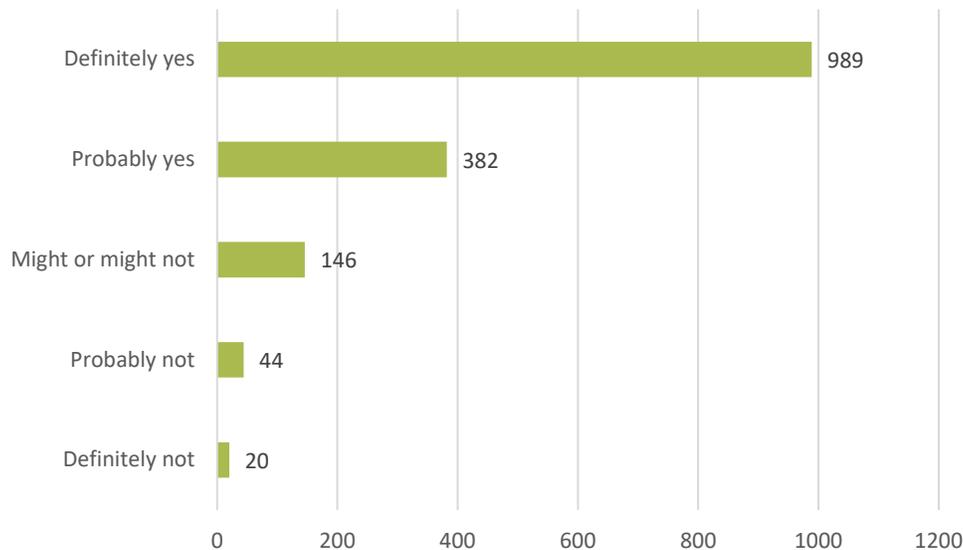
Fairfield Community Grocery Survey

A grocery store survey, targeting four consumer market segments, was designed to elicit feedback about interest in shopping in Fairfield. The survey provides indication of customer preference and adds values to the proximity analysis shown above. Consumer segments emphasized are:

- **Fairfield District:** Resident households for whom the proposed location would be the closest store.
- **Neutral Huntington Households:** Huntington residents who are equally close to the proposed Fairfield location as they are to existing grocery stores.
- **Non-Resident Cabell Huntington Hospital and Marshall University Employees:** Individuals who work at Cabell Huntington Hospital or Marshall University and do not live in Huntington.
- **Huntington Households in Other Districts:**³⁹ Huntington residents who live in another Huntington grocery district (Kroger East or Kroger West/Aldi/Save-a-Lot).

Survey participants indicated strong support for the store. Of 1,581 respondents, 87% answered “Definitely yes” or “Probably yes.” About nine percent of participants were uncertain about their support, while only four percent said they would not support it. These results were used to illustrate a potential market share for the proposed store. Positive support by residents of the Fairfield District was 96%.

Figure 17. Survey Question: Are you willing to support a grocery store located near Hal Greer and Charleston Avenue? (# of respondents by answer)



The following tables show select cross-tabulations for survey respondents by location of residence.

³⁹ The survey did not distinguish between “Neutral” HHs and HHs in other grocery districts thus the reported support for the store is the same for these two groups.

Table 21. Support for Grocery Store by Residence – Survey Results

Residence	Definitely yes	Probably yes	Might or might not	Probably not	Definitely not	Total
In the Fairfield neighborhood	169	11	3	1	1	185
In another neighborhood in Huntington	423	140	50	6	4	623
In Cabell County but not in Huntington	112	73	31	12	4	232
Outside of Cabell County	249	146	59	24	11	489
Total	953	370	143	43	20	1,529

Table 22. Support for Grocery Store by Residents of the Fairfield District – Survey Results

Residence	Definitely yes	Probably yes	Might or might not	Probably not	Definitely not	Total
Live in Fairfield District	460	81	20	4	2	567
Do not live in Fairfield District	508	295	124	39	18	984
Total	968	376	144	43	20	1,551

Table 23. Support for Grocery Store by Affiliation (Student or Employee) – Survey Results

I am:	Definitely yes	Probably yes	Might or might not	Probably not	Definitely not	Total
A student at Marshall University	144	53	21	5	2	225
Employed at Marshall University	245	93	39	12	6	395
Employed at Cabell Huntington Hospital	352	174	76	23	9	634
Employed elsewhere near Hal Greer Blvd.	103	17	3	0	1	124
None of the above	136	38	8	3	2	187
Total	980	375	147	43	20	1,565

CBER is confident that the survey responses contain accuracy in representing the shopping behavior of target consumers. One example is Question 6, “What is your average household grocery expense per month on food to eat at home?”. When applying the middle expenditure value to the number of respondents in each range of expenditures, the result is \$292 per month per household. For comparison, the average value in the Esri dataset for the Fairfield District and “Neutral” block groups is \$291 per month.

The following tables provide results for survey questions regarding tendencies for shopping in Huntington by non-Huntington residents and shopping outside of Huntington by Huntington residents. Complete survey results are shown in Appendix C.

Table 24. Non-Resident Grocery Shopping in Huntington

How often do you Shop for groceries in Huntington?	# Non-Resident Respondents	Percentage
Weekly	223	31%
2 or 3 times a month	145	20%
Monthly	57	8%
Less than Monthly	33	4%
Do not shop in Huntington	266	37%
Total	724	

Table 25. Resident Grocery Shopping Outside of Huntington

How often do you Shop for groceries outside of Huntington?	# Resident Respondents	%
Weekly	136	17%
2 or 3 times a month	160	20%
Monthly	139	17%
Less than Monthly	58	7%
Do not shop outside of Huntington	324	40%
Total	817	

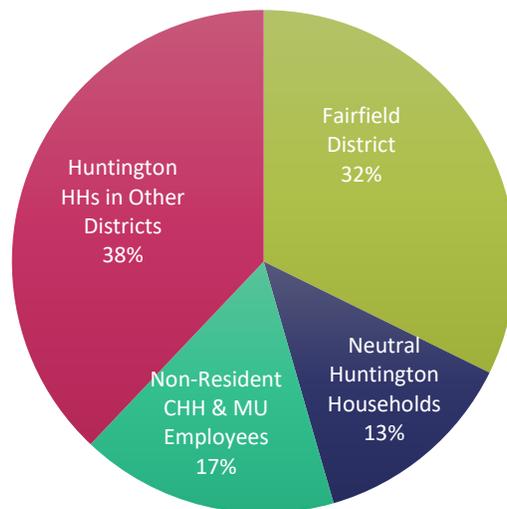
Potential Market Share of a Grocery Store in Fairfield

The following figures illustrate the cumulative size of target consumer segments for a grocery store located on Hal Greer Boulevard in Fairfield. Total demand by these segments is estimated at \$89 million. Estimates are based on Esri and the grocery survey.

Figure 18. Cumulative Size of Target Market Segments - Grocery Store Sales, in millions



Figure 19. Share of Total Target Markets for Grocery Store Sales, percentage



The new store would only capture a portion of the market. The following table illustrates an estimated lower bound of 20% of the combined target market segments, or about \$16 million in sales. This is based on the share of expenditures for the portion of survey takers in these segments who said they would “Definitely Yes” support the store, as well as preferences for in-town vs. out-of-town shopping. This bound assumes a traditional full-service grocery store, the top selected type by survey respondents. A store of this type would be equivalent to Kroger in product selection.

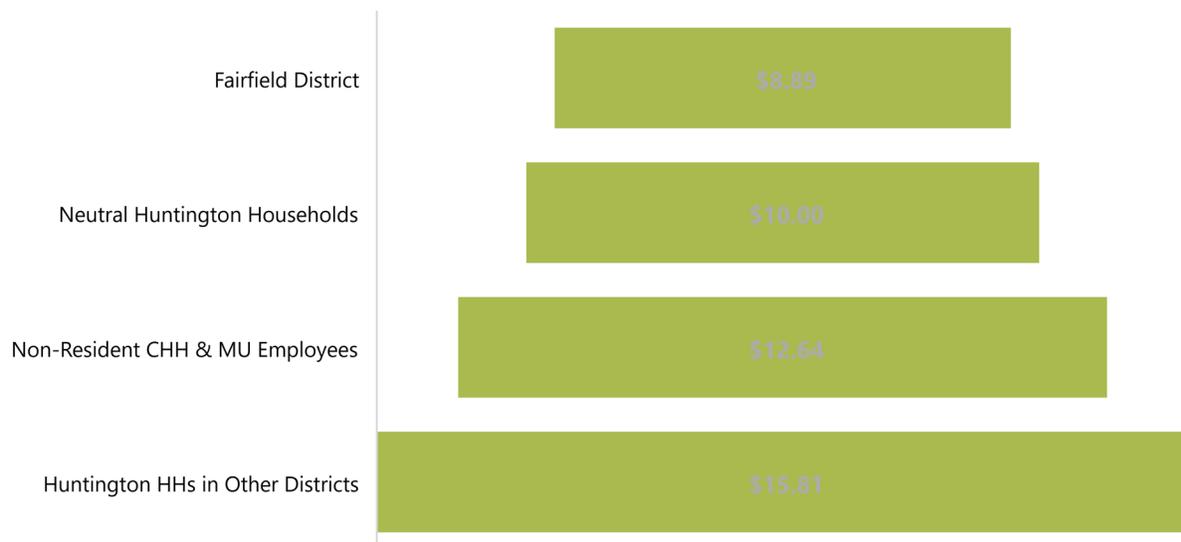
Table 26. Estimated Lower Bound Share of Total Grocery Store Demand - By Consumer Segment

Consumer Segment	Total Resident Grocery Demand	"Definitely Yes" support via survey	Lower Bound % of Total Demand	Lower Bound of Potential Sales
Fairfield District	\$28.7 million	81%	31%	\$8.9 million
Neutral Huntington Households	\$11.8 million	68%	9%	\$1.1 million
Non-Resident CHH & MU Employees	\$14.7 million	49%	18%	\$2.6 million
Huntington HHs in Other Districts	\$22.7 million	68%	9%	\$3.2 million
Total				\$15.8 million

Source: Esri, Fairfield Community Grocery Survey.

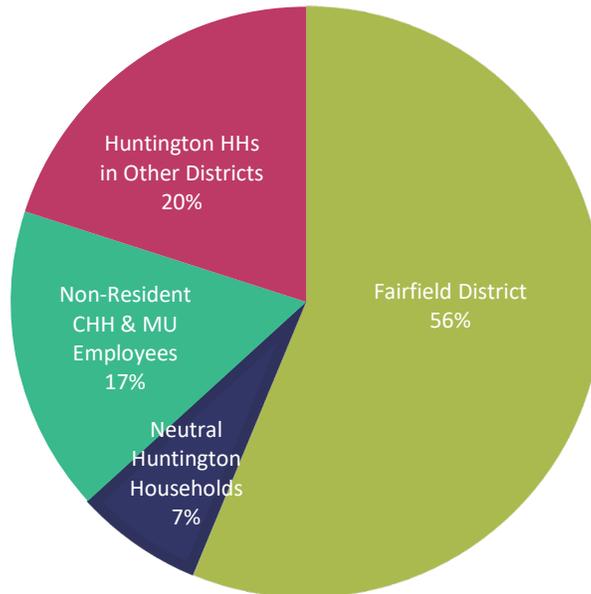
The following figure illustrates the estimated lower bound for cumulative size of target consumer segments for a grocery store located on Hal Greer Blvd. in Fairfield.

Figure 20. Lower Bound of Target Market Segments – Cumulative Grocery Store Sales, in millions



Source: Esri, Fairfield Community Grocery Survey.

Figure 21. Possible Share of Sales Target Market Segments - Grocery Store Sales, in millions



Potential grocery store sales will also occur from market segments not included in this estimate. This will depend on the uniqueness of the store within the area around Huntington. A store that duplicates one that already exists in the area will capture fewer sales from individuals who do not live in Fairfield, compared to a unique store. A store that is not full-service will also not gain as much sales as a full-service store.

Consumer segments excluded from these calculations, who may choose to shop at the store include:

- Non-Huntington residents employed at other Fairfield establishments not targeted for this survey
- Non-Huntington residents employed elsewhere in Huntington
- Non-Huntington residents who do not come to Huntington for work

Grocery Store Spatial Analysis

The lower bound of \$15.8 million shown above for a full-service store matches a separate analysis undertaken by CBER. In addition to data gathered from the survey, CBER conducted a separate spatial analysis on local spending at a new Fairfield store based on grocery spending data in the greater Huntington area. Using Retail Sales Potential data from Esri, it is estimated that the aggregated spending from neighboring block groups within 10 miles of the proposed store is in the \$16 to \$21.6 million range. See Appendix B for details.

Commercial Services and Other Retail

Banking

Fifth Third Bank is the only bank remaining within the Fairfield neighborhood block groups. It is located on Hal Greer Boulevard south of Cabell Huntington Hospital. The hospital maintains a credit union, the CHHE Federal Credit Union, for its employees that is also located on Hal Greer. In recent years, two banks that were located on 20th Street, BB&T and People's Bank, both closed, leaving the neighborhood with greatly reduced banking options.

It is difficult to develop an estimate of demand for banking services, but a count of the number of banks available shows that the Fairfield District is not "well-banked" compared to the City of Huntington overall. The Federal Deposit Insurance Corporation (FDIC) compares the number of bank offices per 10,000 people to measure how "well-banked" an area is compared with other areas. In 2014, the average number of bank and thrift offices per 10,000 people in the U.S. was 2.9.⁴⁰ For 2017 population estimate of 18,500, the 14 block groups that comprise the Fairfield District had about 2.2 banks per 10,000 people.

Banks in Huntington are concentrated in the downtown area. With about 15 banks, the entire City of Huntington has about 2.9 banks per 10,000, which matches the national average. There are also 9 or 10 credit unions present in the city.

Some grocery stores are co-located with small branch bank offices. This mixed-use format may be a good option for the Hal Greer Corridor.

Food Services

There is unmet demand for full-service restaurants in Fairfield, as well as healthier fast food options and possibly a coffee shop. More full-service restaurants on Hal Greer would complement El Ranchito, the single existing full-service restaurant in the neighborhood and The Family Stand, a catering business. More food options on Hal Greer would make the area more of a dining destination.

A coffee shop located on 20th Street would complement the existing small businesses and attract some Marshall University employees. The only coffee shops available to Marshall University's campus are a Dunkin' Donuts on 5th Avenue and two Starbucks stores located on campus. The Starbucks stores are very crowded and not open during most of the summer and winter breaks. A coffee shop located in or near the grocery store on Hal Greer would serve hospital employees, School of Pharmacy students and faculty, and Marshall University employees who want to avoid the campus crowds, as well as Fairfield residents.

The fast food options currently available along the Hal Greer Corridor are biscuits, burgers, hot dogs, pizza, and convenience stores. A healthier fast food option, perhaps a "build a bowl" style restaurant, would be a good compliment to the health-focused establishments and the student population in the area as well as families that desire healthy meal options that are inexpensive, yet quick.

⁴⁰ FDIC (2015). "Brick-and-Mortar Banking Remains Prevalent in an Increasingly Virtual World." *FDIC Quarterly*. Volume 9, No. 1.

Food services will be in higher demand once tenants move into the new 200-unit Fairfield Landing graduate student housing complex beginning in August 2019. At capacity, this complex will house 280 students all of whom will require access to food.

Laundromat

The Fairfield neighborhood also lacks a laundromat, a service that was identified as a need in community forums. There are currently two laundromats in Huntington, one located on Third Avenue in the East end of town and one on Washington Avenue in the West end. Expenditures on coin-operated laundry are estimated to be about \$48,000 per year for the Fairfield District. More market analysis would need to be done to establish the credibility of this estimate and the feasibility of a laundromat in Fairfield.

In previous decades, a laundromat was located on 8th Avenue between 19th and 17th Streets.

Other Retail and Services

Existing non-food retail establishments in Fairfield include two pharmacies, a dollar store, an independent hardware store, an auto-parts store, a beauty supply store, and two small clothing stores. The 20th Street corridor fits a retail profile of predominantly smaller independent retailers while Hal Greer contains larger chain stores, e.g. Auto-Zone and Walgreens.

Targeted retail, such as unique gift stores and specialty clothing stores would complement the existing mix of Fairfield businesses and the vision for expansion. In the short-term it may be difficult for retailers to compete with on-line stores and the wide variety of shopping available at the Huntington Mall, but stores offering niche brands and styles would be attractive options in the longer-term. Very large general merchandise stores are not a good fit for the neighborhood due to lack of space.

Other ideas for new establishments that would strengthen appeal of the neighborhood, and its historical and cultural connections, are a local radio station and an art gallery. A radio station could start out as a Lower Power FM station, which has smaller start-up costs than a full power FM station. Lower Power stations must be noncommercial and educational, a recognized nonprofit organization and have 75% of its board members residing within 10 miles of the proposed transmitter site.⁴¹ Another option could be to partner with Marshall University's station, WMUL, to share programming time.

⁴¹ Freepress (2013). Prometheus Radio Project, "How to Launch Your Own Low Power FM Station – The Guidebook."

Conclusion

Many areas of Fairfield are ripe for redevelopment due to the age and condition of both commercial and residential properties. The neighborhood is in transition, with a sense by many of the business owners interviewed that it is at a tipping point.

Portions of the West, Central, and East sections of Fairfield have vacancy rates around 30% and are a signal that there is an oversupply of residential properties. The age and condition of many properties is undoubtedly suppressing demand for housing in the area. As the City of Huntington makes progress toward demolition of abandoned houses in Fairfield, this will improve the prospects for existing units and new replacement units.

The Marshall University Pharmacy School and the new 200-unit Fairfield Landing complex may have induced some development on the southwest edge of Fairfield, an area that already has a low vacancy rate. Although this type of housing will not compete directly with existing units, because they are unique in that they are fully furnished and all-inclusive, in the short-term the influx of new units may lure demand away from other parts of the area and worsen the vacancy rate problem. It may take longer for effects, whether positive or negative, to spill over across Hal Greer or into East Fairfield.

Central Fairfield is a location of several subsidized housing complexes, and plans are to build additional replacement mixed-income housing in that area. Best practices for mixed-income housing provide goals for set-aside for public, affordable, and market-rate units. Based on those recommendations a combination of 30% public housing, 30 to 40% affordable housing and 30 to 40% market-rate housing would be good targets. Affordable housing is badly needed in Fairfield, so a higher share of that type of unit is indicated.

In terms of new housing, both market-rate and affordable, Fairfield area residents have stated they would like to see investment in single family homes, both smaller homes and townhouses. There is also interest in one-story homes, or homes with living quarters on the ground floor, that can accommodate multi-generational families with aging family members as well as the disabled. These preferences are in-line with national housing trends toward smaller homes.

Commercial property in Fairfield is also in transition. There are several vacant properties on 20th Street and Hal Greer Boulevard. Development of these properties into businesses that cater to graduate students and medical professionals, focusing on food services, will benefit Marshall University, Fairfield residents, and area workers by improving amenities and the appeal of the neighborhood. Commercial investment can also spur residential investment.

Because the student population of Marshall University is essentially flat, that market segment does not offer much opportunity for growth. In addition, the supply of student housing is fairly high, particularly with the addition of new graduate housing owned and operated by Marshall. Expanded residential investment should be targeted at other household groups, including single young professionals and small families.

A primary goal of the Fairfield Innovation Plan is to maintain housing affordability for area residents. Successful beautification and blight reduction plans will induce improvements in properties and will eventually lead to lower vacancy rates and more business activity that will domino to even more

Market Analysis: A Component of the Fairfield Innovation Plan

investment. Establishment of solid paths to home ownership can alleviate the impacts of higher rental rates that may result as the neighborhood becomes more desirable.

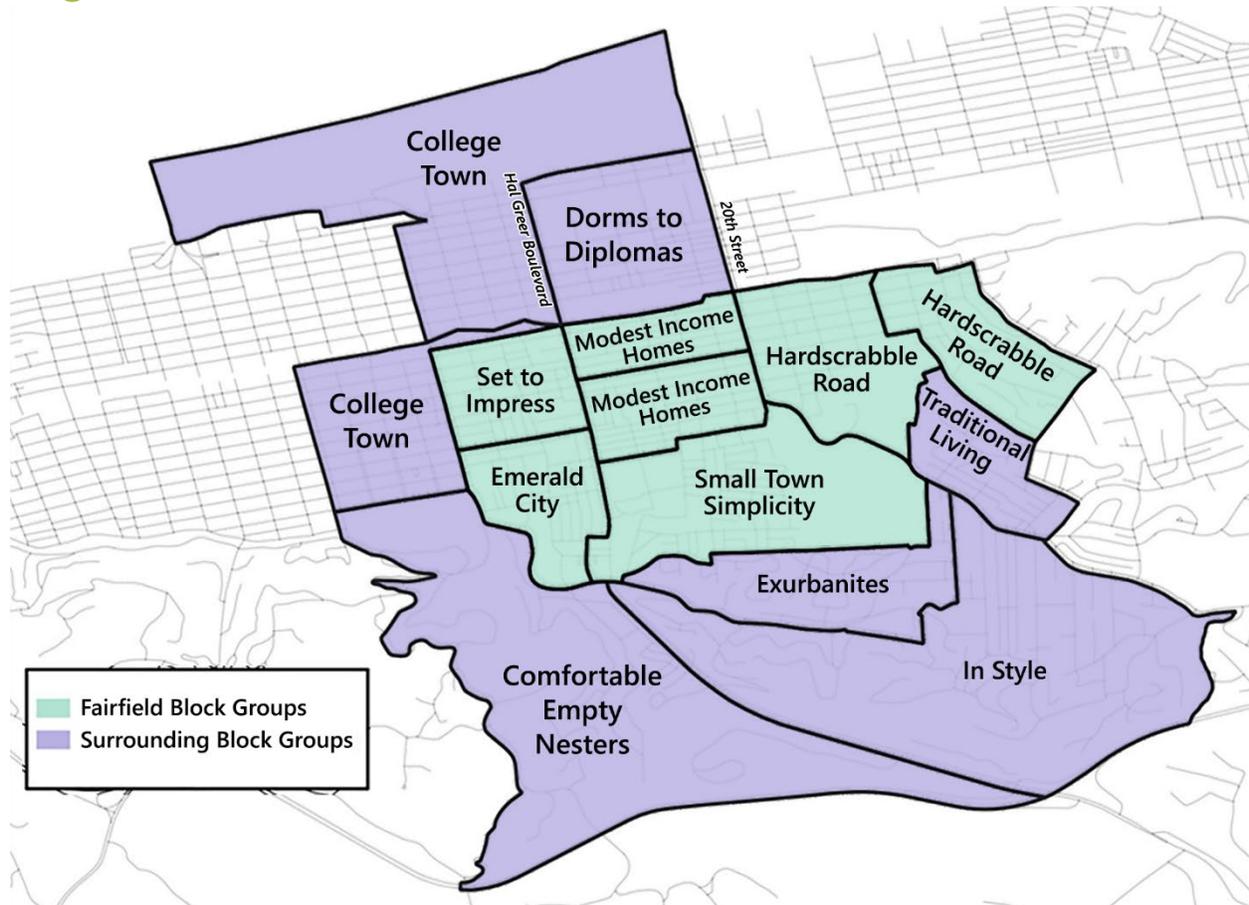
Additional retail options in Fairfield would improve the appeal of the neighborhood and quality of life for residents, both as consumer options and as job opportunities. Increased food options are the most logical expansion in the short-term. The addition of a grocery store, more full-service restaurants, and growth in the variety of fast food restaurants would encourage expansion of other retail and services. While there is immediate space for more retail businesses, non-food retail development may be more sustainable after food-based retail is expanded.

Residents of Fairfield are not the only consumers who would benefit from expanded retail in the area. Given the propensity for non-residents of Huntington to shop in the city, it is likely that the proposed Fairfield grocery store would attract spending from the daytime population that is already in the district. Survey data reveal that around 60% of non-resident workers already shop in Huntington and that groceries and personal care stores, i.e. pharmacies, are important components of this. The store would also attract customers who reside in the “Neutral” block groups around Fairfield and who reside in other shopping districts in Huntington.

A new mixed-use retail cluster, anchored by a smaller format grocery store (around 15,000 to 25,000 square feet), that contains a bank branch office and is co-located with a limited-service restaurant with healthy, customizable meals would be a good fit for the Hal Greer Corridor. These are services that area residents, workers, and business owners have said are lacking in the neighborhood.

Expanded retail offerings such as shoes and clothing may follow the successful addition of food options. These are consumer options that area residents have stated they would like to see and that would help realize the vision for the future of Fairfield.

Appendix A. Esri Demographic Tapestry Descriptions by Segment



Exurbanites - LifeMode 1: Affluent Estates

- Household: Married Couples
- Housing: Single Family
- Median Age: 51.0
- Prof/Mgmt
- College Degree
- White
- Contract for home care services
- Invest actively; use financial planners
- Prefer natural, organic products
- Support public TV/radio
- Choose late-model luxury cars, SUVs

Comfortable Empty Nesters - LifeMode 5: Gen X Urban

- Household: Married Couples
- Housing: Single Family

Market Analysis: A Component of the Fairfield Innovation Plan

- Median Age: 48.0
- Prof/Mgmt
- College Degree
- White
- Play golf, ski, work out regularly
- Save/Invest prudently
- Prefer to eat at home
- Listen to sports radio; watch sports on TV
- Own 1-2 vehicles

In Style - LifeMode 5: Gen X Urban

- Household: Married Couples w/ No Kids
- Housing: Single Family
- Median Age: 42.0
- Prof/Mgmt
- College Degree
- White
- Supports arts, theater, concerts, museums
- Hold variety of investments, use financial planners
- Use coupons, mobile coupons
- Carry, use smartphones
- Partial to late model/compact SUVs

Emerald City - LifeMode 8: Middle Ground

- Household: Singles
- Housing: Single Family; Multi-Units
- Median Age: 37.4
- Prof/Mgmt
- College Degree
- White
- Travel frequently
- Contribute to NPR/PBS
- Bank in person; pay bills online
- Shop for trusted brands
- Listen to contemporary, urban, R&B music
- Take public transportation

Hardscrabble Road - LifeMode 8: Middle Ground

- Household: Singles
- Housing: Single Family
- Median Age: 32.4

- Svcs/Admin
- HS Diploma Only/GED
- White/Black
- Favorite Sports: NASCAR racing, professional wrestling, basketball
- Invest in retirement savings, stocks, bonds
- Shop via sales rep, discount stores, or Internet
- Listen to gospel, R&B, rap, hip-hop music
- Own 1-2 vehicles

Set to Impress - LifeMode 11: Midtown Singles

- Household: Singles
- Housing: Multi-Unit Rentals; Single Family
- Median Age: 29.3
- Svcs/Prof/Admin
- HS Diploma Only/GED
- White/Black
- Shop at discount grocery stores, Family Dollar, Walmart
- Dress to impress; are fashion conscious
- Football, weightlifting popular activities
- Listen to R&B, rap, Latin, urban music
- Watch MTV, BET, Tru Tv

Traditional Living - LifeMode 12: Hometown

- Household: Married Couples
- Housing: Single Family
- Median Age: 35.5
- Svcs/Admin/Prof
- HS Diploma Only/GED
- White
- Go fishing, visit the zoo
- Carry credit card balances, personal loans
- Eat fast food
- Watch ABC Family, CMT, Game Show Network
- Own 1-2 vehicles

Small Town Simplicity - LifeMode 12: Hometown

- Household: Singles
- Housing: Single Family
- Median Age: 40.8
- Svcs/Prof
- HS Diploma Only/GED
- White

Market Analysis: A Component of the Fairfield Innovation Plan

- Visit the doctor regularly
- Shop with coupons at discounts stores
- Go hunting, fishing; watch NASCAR, college football, basketball on TV
- Read newspapers; watch TV
- Own trucks, SUVs, ATVs

Modest Income Homes - LifeMode 12: Hometown

- Household: Singles
- Housing: Single Family
- Median Age: 37.0
- Svcs /Admin
- HS Diploma Only/GED
- Black
- Shop at low-cost retailers, warehouse clubs
- Pay bills in person
- Play basketball
- Watch BET; listen to gospel, R&B radio
- Own 1 vehicle; carpool, take public transportation

College Town - LifeMode 14: Scholars and Patriots

- Household: Singles
- Housing: Multi-Unit Rentals; Single Family
- Median Age: 24.5
- Students/Prof/Svcs
- College Degree
- White
- Use Computers, cell phones for everything
- Pay bills online
- Shop Impulsively
- Customize cell phones
- Prefer vehicle with good gas mileage

Dorms to Diplomas - LifeMode 14: Scholars and Patriots

- Household: Nonfam HHs w/ 2+ persons
- Housing: Multi-Unit Rentals
- Median Age: 21.6
- Students/Prof/Svcs
- College Degree
- White
- Buy trendy clothes
- Carry credit card balance

- Eat frozen dinners, fast food
- Connect by cellphone
- Choose imported subcompact car

Appendix B. Real Estate and Business Interviews

Real Estate Interviews

As part of this analysis, four real estate professionals in the area were interviewed to gain a better understanding of the growth and development needs and opportunities in the Fairfield neighborhood. Interviews focused on realtors/brokers with a large presence in the city of Huntington, who also have/have had listed properties located within the study area.

Interviews were conducted with:

1. Hugh Ladd, Old Colony Realtors
2. Shane Radcliff, Realty Exchange
3. Francis McGuire, McGuire Realty Company
4. Preston Cole, Property Professionals

Among the individuals interviewed, experience ranges from 15 to 48 years and all four are involved in residential, commercial, and rental properties. Two of the realtor's feel that the neighborhood is more appealing due to the hospital growth and Marshall University's increased presence and that the housing market will only improve. The other believe that redevelopment efforts should focus on commercial property, especially along the Hal Greer Corridor.

One respondent noted that their agency has sold many units in the Fairfield neighborhood that have been renovated and turned into rental properties. However, it was noted that average sales prices in the Fairfield area are lower and houses tend to stay on the market for a longer period than in other areas of Huntington. Home buyers and renters are focusing on suburban areas such as Barboursville and Teays Valley, or other areas of Huntington before they consider Fairfield. One individual stated that, due to the general economic and social condition of the neighborhood, as a developer he would not want to build housing in Fairfield and does not think he could sell the area to another developer. One realtor feels that replacement of older houses with new ones does not improve the real estate market because the supply of housing is greater than demand.

When asked about real estate opportunities in the neighborhood, the consensus was to focus on retail and commercial development along Hal Greer Boulevard. Marshall University was mentioned as a key economic driver for potential redevelopment. With the Marshall University School of Medicine and the School of Pharmacy located in Fairfield, most feel that the rental market is likely to expand and, while homeownership is preferred, rentals are the next best thing for a neighborhood. Additionally, the realtors feel that more physicians and hospital employees would love to live near the hospital, but other development would first be needed, particularly a grocery store.

In terms of development of new housing in Fairfield, the interviewees had a range of responses. One interviewee feels that the aging housing stock is an opportunity and that dilapidated housing could be renovated and turned into rental properties. One feels that mixed-income housing could be supported in the Fairfield area. Other realtors are more focused on regional real estate trends, with one suggesting that one-story "ranchers" would be the most successful type of new housing in the area.

All four of the individuals expressed a considerable number of challenges, particularly the overall impression of the area. The consensus is that Fairfield is a more economically challenged area and most developers will not invest money when they can focus on an area with higher incomes. The drug problem was another challenge that was mentioned several times, as well as the lack of jobs, especially manufacturing jobs. One individual expressed his opinion that residential development will not be done privately and that eminent domain or condemnation would be needed. Many residents do not want changes in their neighborhood or will require a significant payout to sell their properties.

Business Interviews

As part of this analysis, six small business owners were interviewed to acquire a proprietor's perspective about operating a business in Fairfield.

Interviews were conducted with:

1. Gary Adams, Mackenzie-Dow Furniture
2. Elizabeth Caul, Noni Beauty Supply
3. Joanie Ward Smith, Bella Consignment
4. Rosco Linthicum, The Dragon Shop
5. Luis Colin, El Ranchito Restaurant
6. Gary and Gina Ward, Classic Construction

The retail businesses originally chose to locate in Fairfield due to traffic volume on 20th Street or Hal Greer, proximity to the hospital and/or Marshall University, and because of access to public transportation. These businesses all had good experiences with identifying and securing their properties, whether they rent or own.

All the businesses interviewed said that they have had a good experience operating in the Fairfield neighborhood. None of the businesses have had problems with crime. Some expressed difficulty with hiring, particularly with finding employees that have good life skills and good work ethic. The firms have had both good and bad experiences hiring individuals in recovery. However, most of the businesses said they primarily hire family members or via word of mouth and have had no trouble.

Business stability has been mixed for the firms. Four have experienced increased or stable sales, while two have seen declining sales. Three out of the six firms say they are fully committed to remaining in the neighborhood, and two of the firms plan to expand at their current location.

While the businesses have been happy with their location in the Fairfield neighborhood, most of the interviewees expressed dissatisfaction with the cost of doing business in Huntington. Several feel they are losing business to the suburbs and that it is becoming too expensive to operate in the city. One of the businesses is planning to sell their building and stop operating in Huntington, while another is evaluating moving their establishment outside of the city. The furniture manufacturer feels that the operation is no longer a good fit for its location on Hal Greer and is planning to relocate somewhere else within Huntington.

Some business owners expressed concern with the economic health of their customers who are Fairfield residents. There is a sense that the neighborhood is at a tipping point and that many residents are financially stretched very thin. Business and entrepreneurship are seen as important components of progress that can bring more financial stability. The consensus is that the neighborhood needs more business activity, more local business owners and operators, and that residents would benefit tremendously from more area employment options.

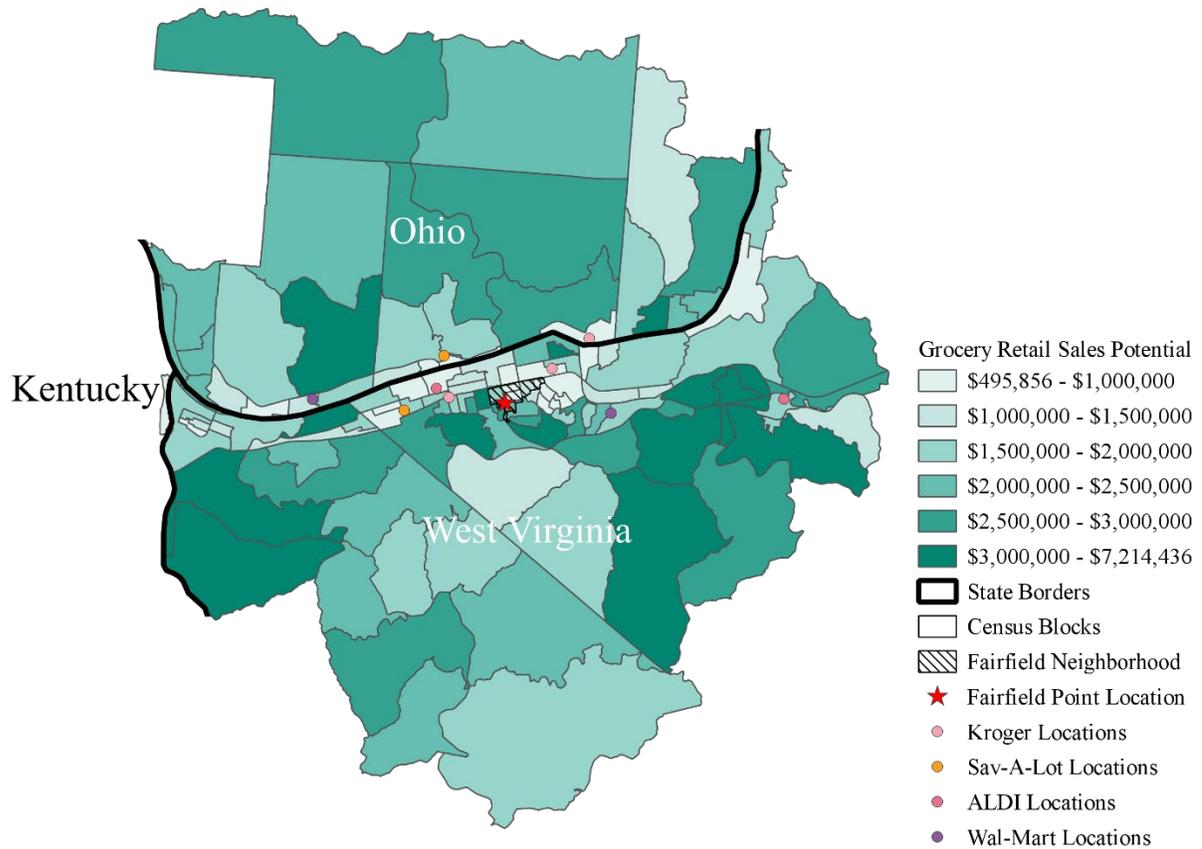
The interviewees offered several suggestions that would be amenities for their employees and customers and that could improve the appeal of the neighborhood. These are primarily expanded food options, including a grocery store, more restaurants, and a coffee shop. Other ideas are a small park on 20th Street and more police presence, specifically foot patrol.

Appendix C. Grocery Market Potential Analysis

To assess the market potential for a new grocery store in Fairfield, a spatial analysis was conducted using 2017 block-level Retail Sales Potential data from Esri. The analysis estimates the share of total grocery expenditures in the Huntington area that a Fairfield store would acquire and provides a range of annual revenues for a full-service store.

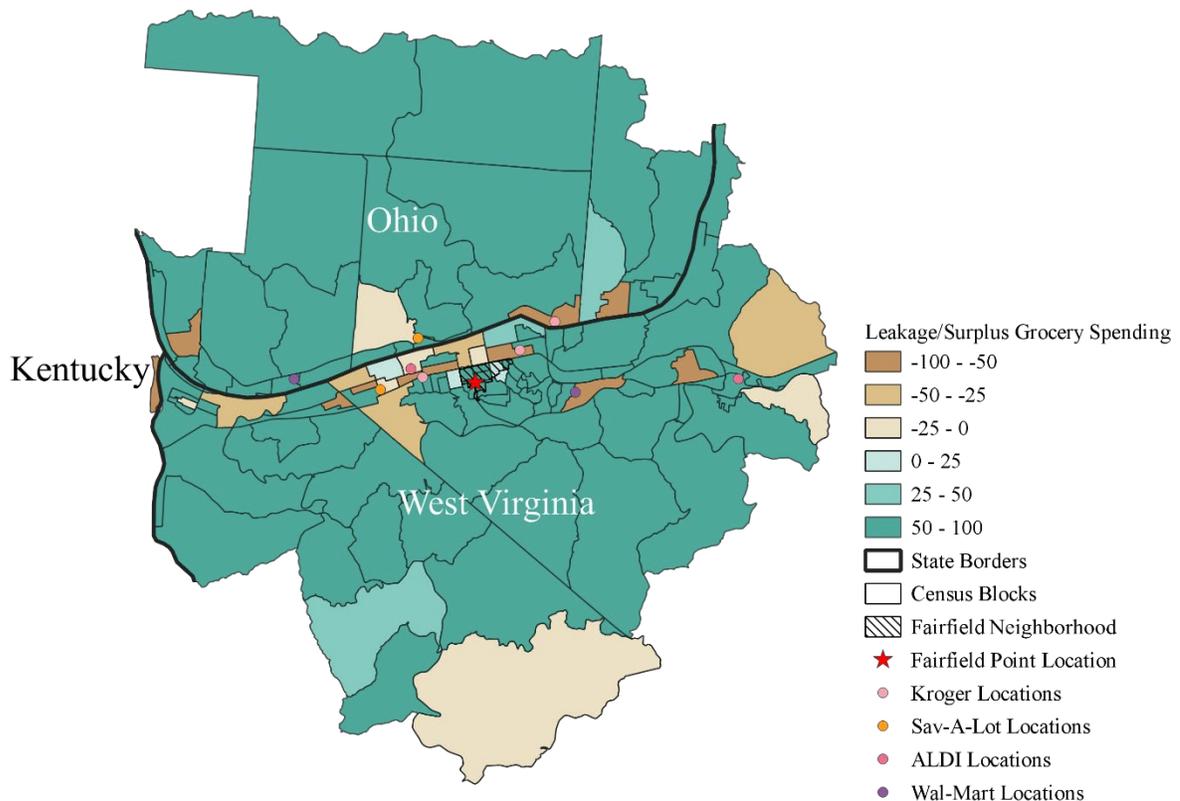
Retail Sales Potential represents the demand for groceries by all local residents. As shown in Figure A1, there are a couple of high demand blocks (up to \$7.2 million) within a 10-mile radius of the Fairfield point location (red star). Yet, the local supply of groceries is lagging, leaving residents with no option but to shop far away from their neighborhoods. The difference between local demand and supply is characterized by Leakage/Surplus in Figure A2, in which 88% of blocks cause local demand for groceries higher than supply (as labeled in green).

Figure A1. Grocery Retail Sales Potential, 2017



Data Source: Esri.

Figure A2. Leakage of Local Grocery Expenditure



Data Source: Esri.

Leakage means local demands are fulfilled by retailers outside of the local area, while Surplus means local retailers are attracting shoppers from other areas. Leakage and Surplus range from -100 to 100, in which a positive number represents Leakage and a negative one represents Surplus.⁴²

To conduct this spatial analysis, it is first assumed that residents will not shop at a store outside a 10-mile radius of their neighborhoods. Then, it is assumed that local residents would spend 70% of their “grocery allowance” at a grocery store if it is within a three-mile radius of their blocks, 20% at a store in-between three-mile and five-mile radiuses, and 10% at a store more than five miles away.⁴³ If there is more than one store within the same range, grocery spending will be split among those stores according to their weights.

Next, existing grocery stores in the Huntington area are ranked based on size, product variety, and classification as full-service stores (Table A1). Different weighting techniques were explored to decide how residents of each neighborhood split grocery shopping among these stores.

⁴² https://downloads.esri.com/esri_content_doc/dbl/us/LeakageSurplusDataNote2014.pdf

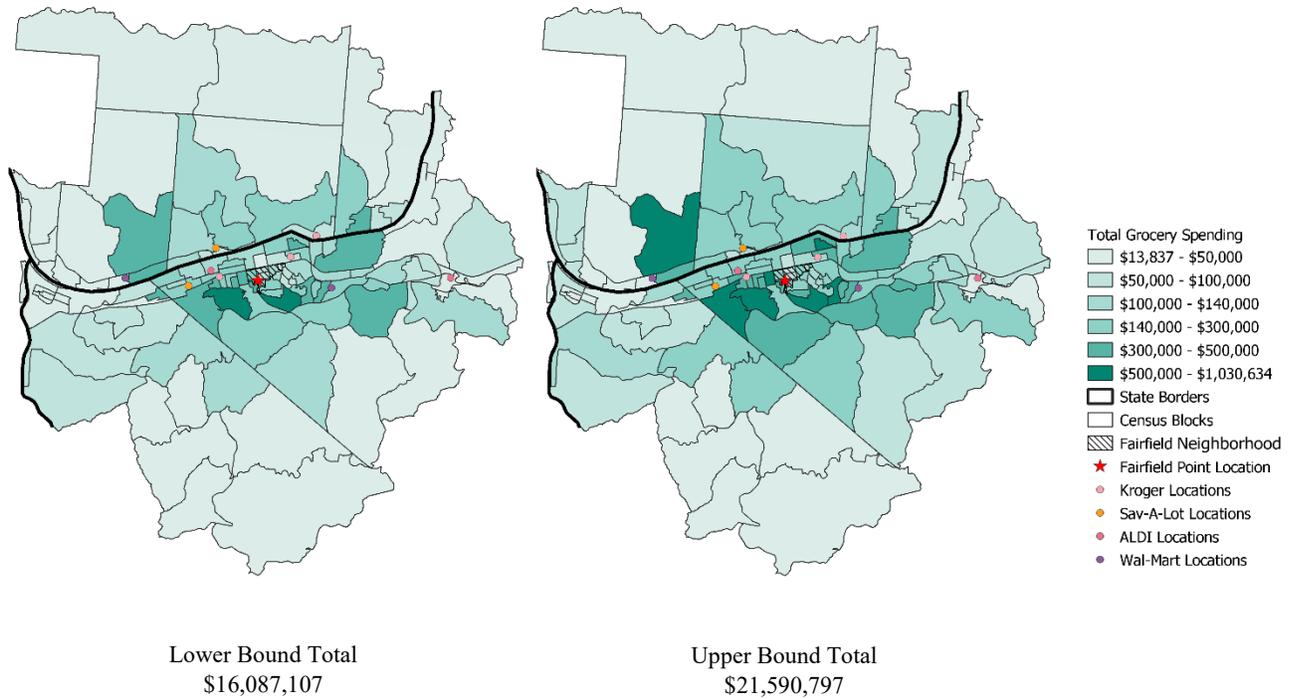
⁴³ We use the distance between the geographic center of each block and store to define radius. Other measures such as driving distance would yield similar results. We also explored other spending ratios (e.g. 60% at a store within 3 miles, 30% for 3-5 mile stores and 10% for stores more than 5 miles away) which render similar results.

Table A1. Rank of Grocery Stores in Huntington Area

Walmart	Kroger	Save A Lot	ALDI	Others
1	2	3	4	5

The “grocery allowance” spent at the Fairfield store from residents of all blocks is summed and the aggregated number is the estimated annual revenue for this hypothetical store. If a full-service store were to be built in the proposed location (red star), its revenue would range from \$16,087,107 to \$21,590,797 depending on specific weighting schemes. Figure A3 shows where the demand (in dollars) for the Fairfield store would come from, within a 10-mile radius, which resembles the pattern in Figure A1.

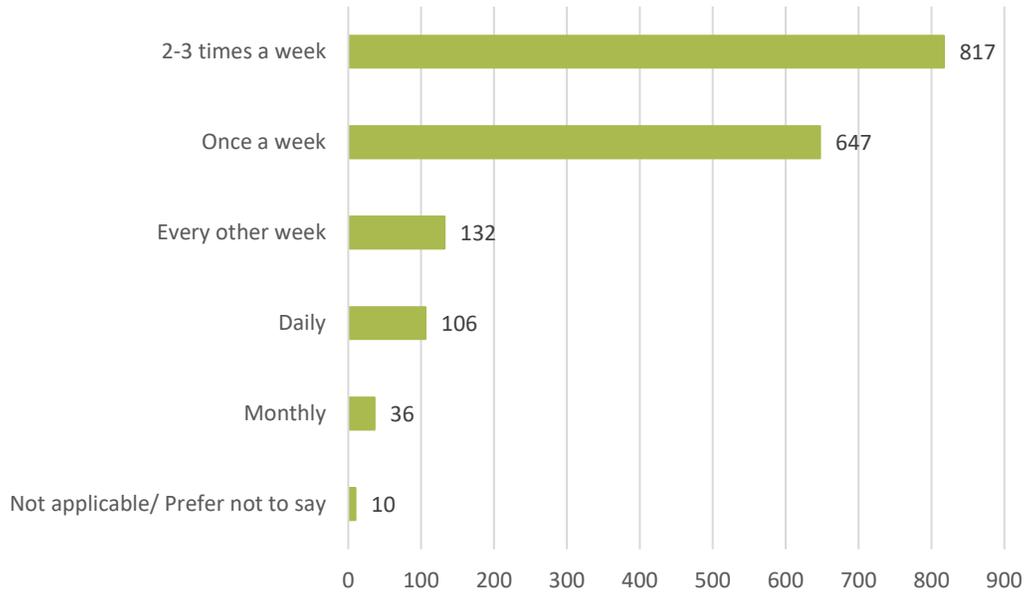
Figure A3. Total Sales Potential at the Fairfield Store



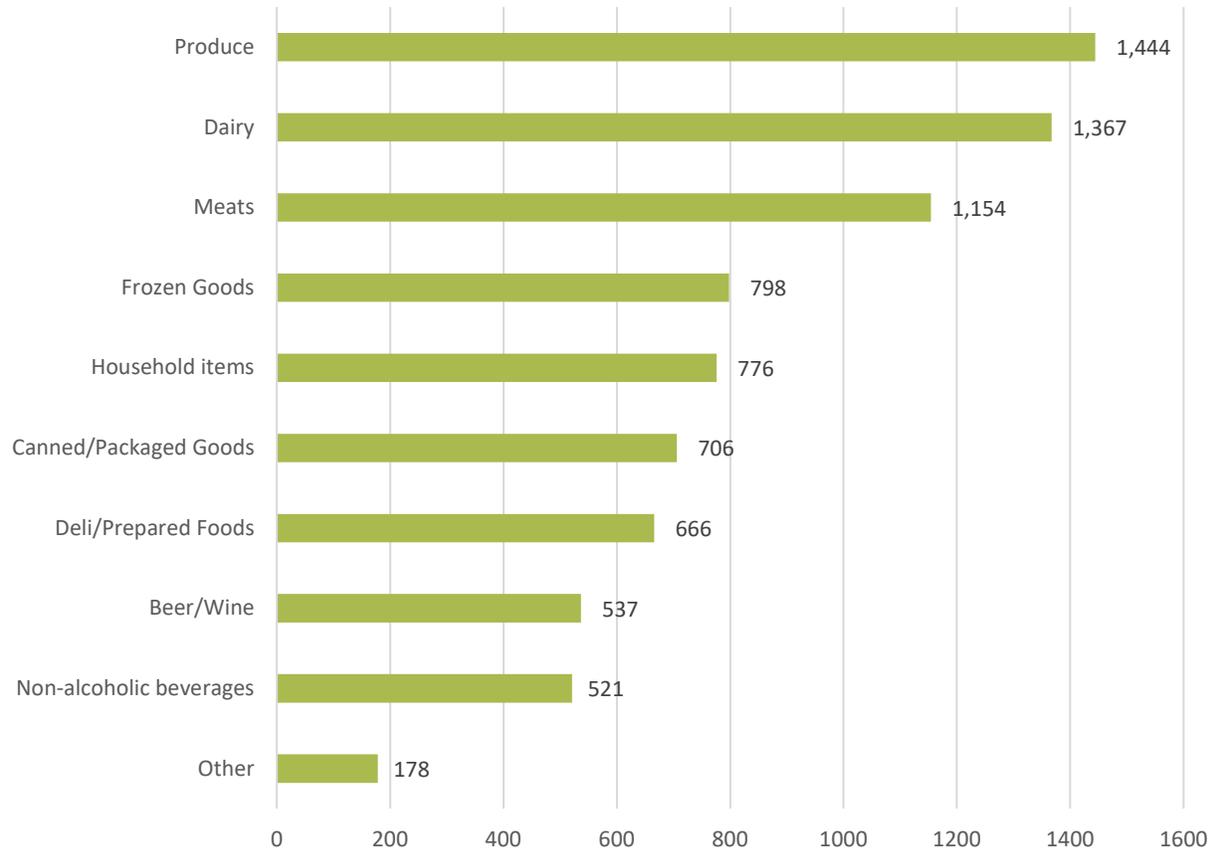
Data Source: Esri and Authors’ Calculation.

Appendix D. Fairfield Community Grocery Survey Results

Q3 - How often do you shop for groceries?



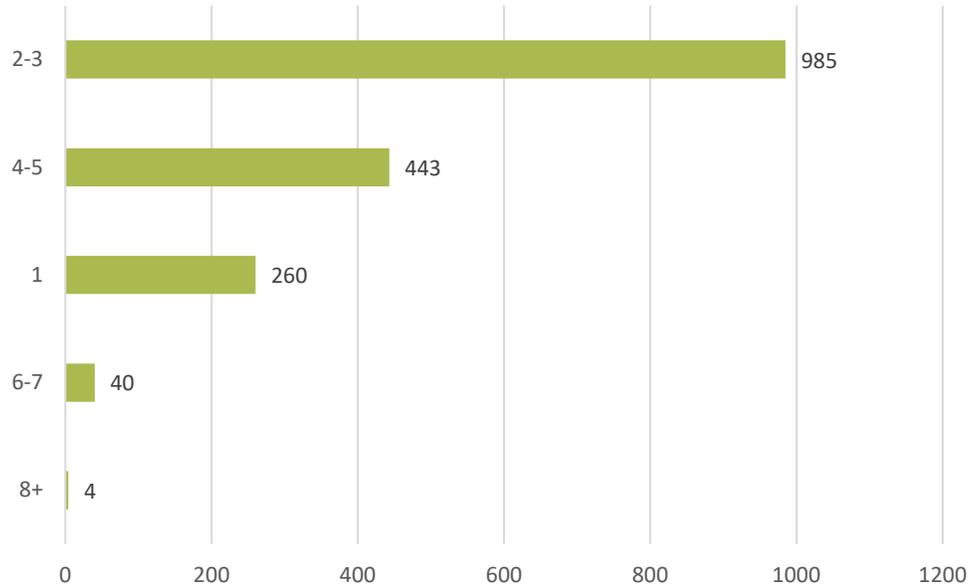
Q4 - What products do you purchase most often on short trips to the grocer? (Check All That Apply)



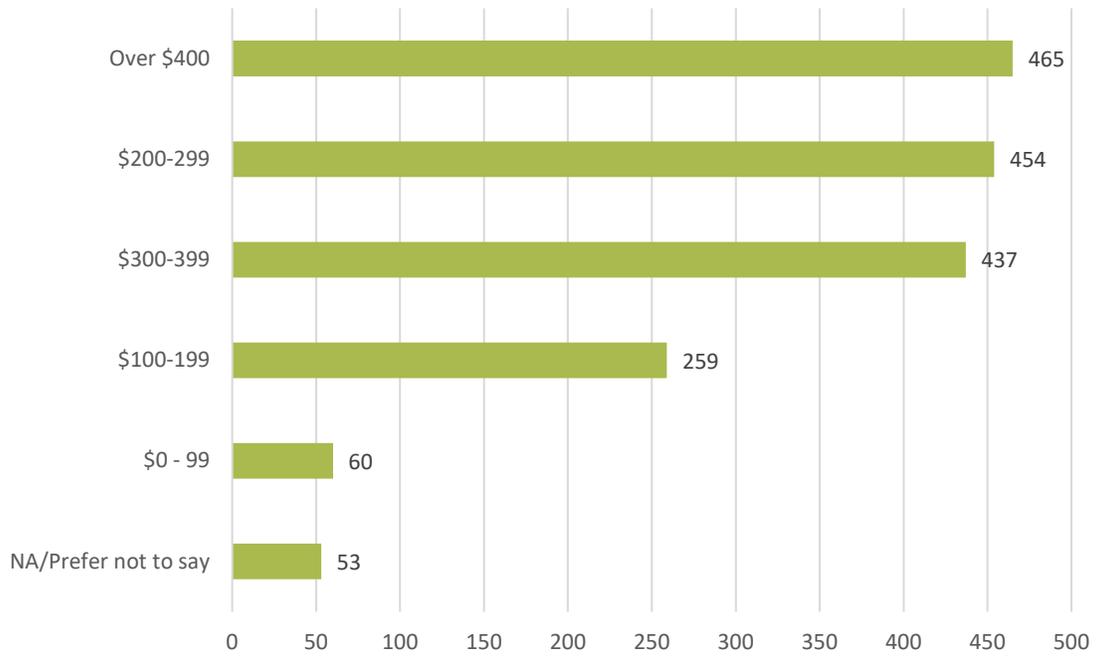
Most common items listed under “Other”:

- Pet food
- Bread/bakery items
- Personal care products/toiletries
- Baby items
- Snacks

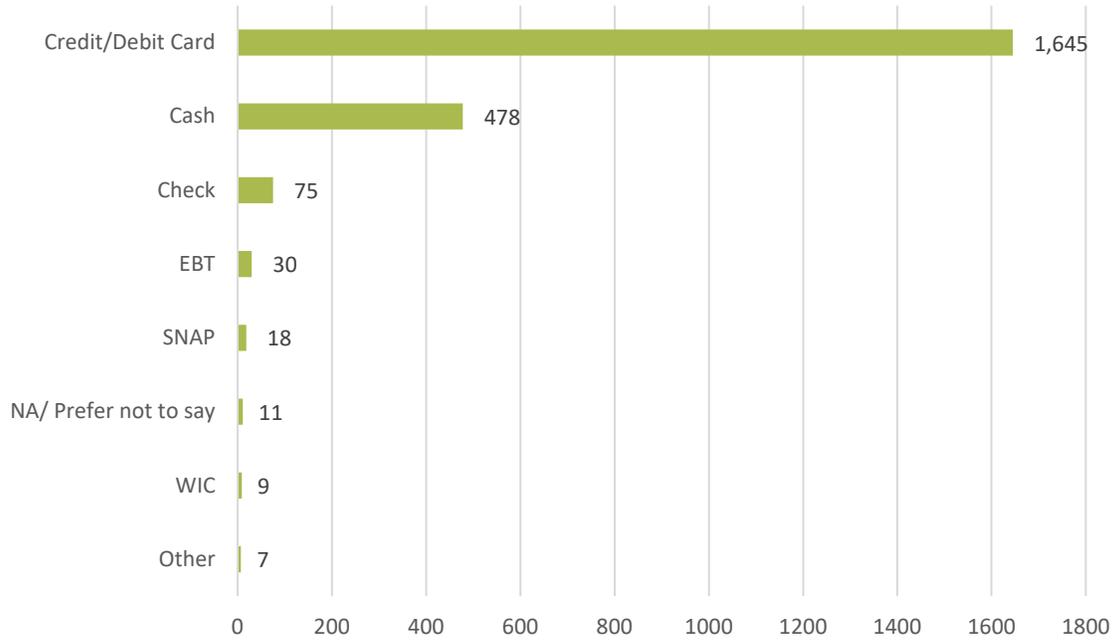
Q5 - How many people live in your household?



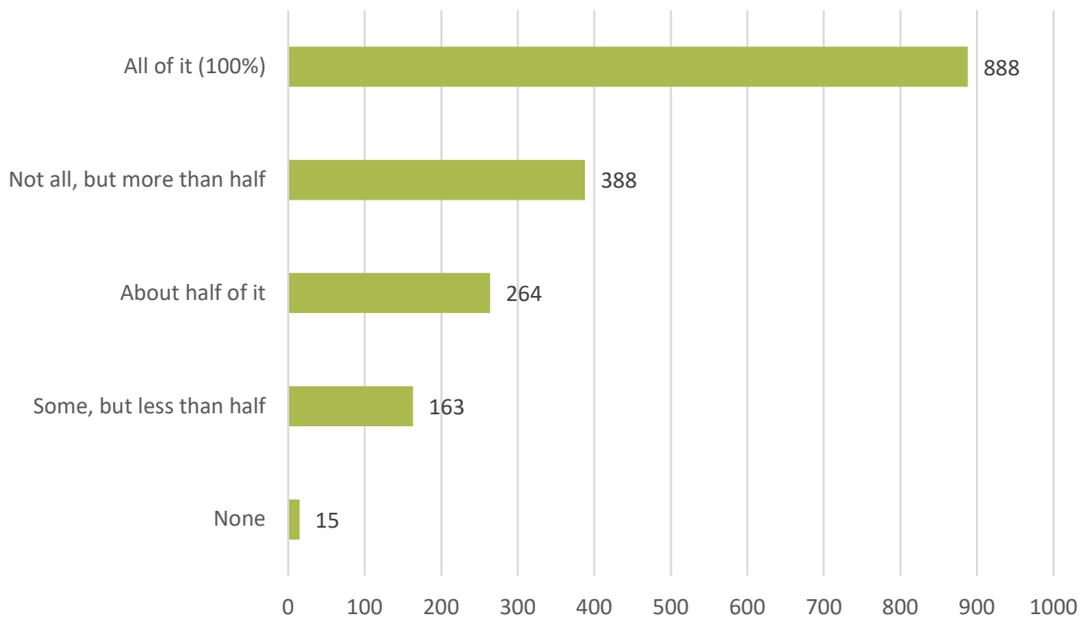
Q6 - What is your average household grocery expense per month on food to eat at home?



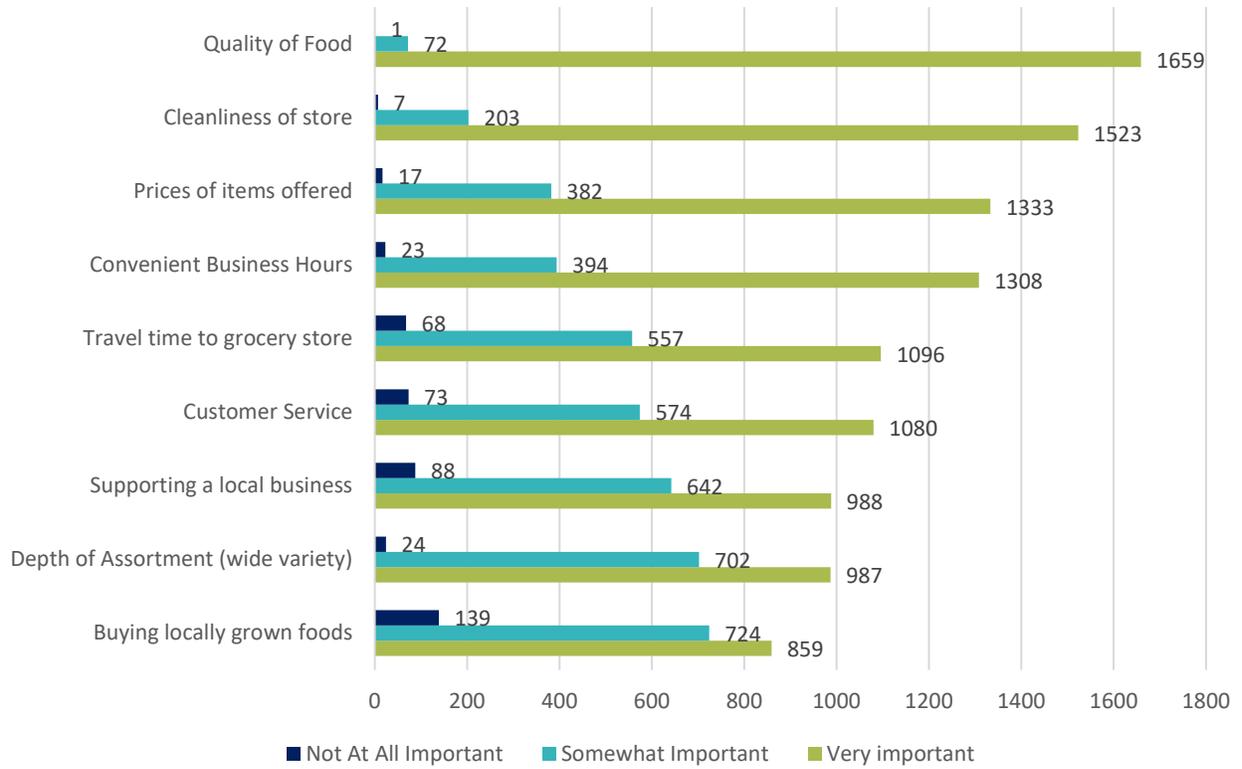
Q7 - How do you pay for groceries?



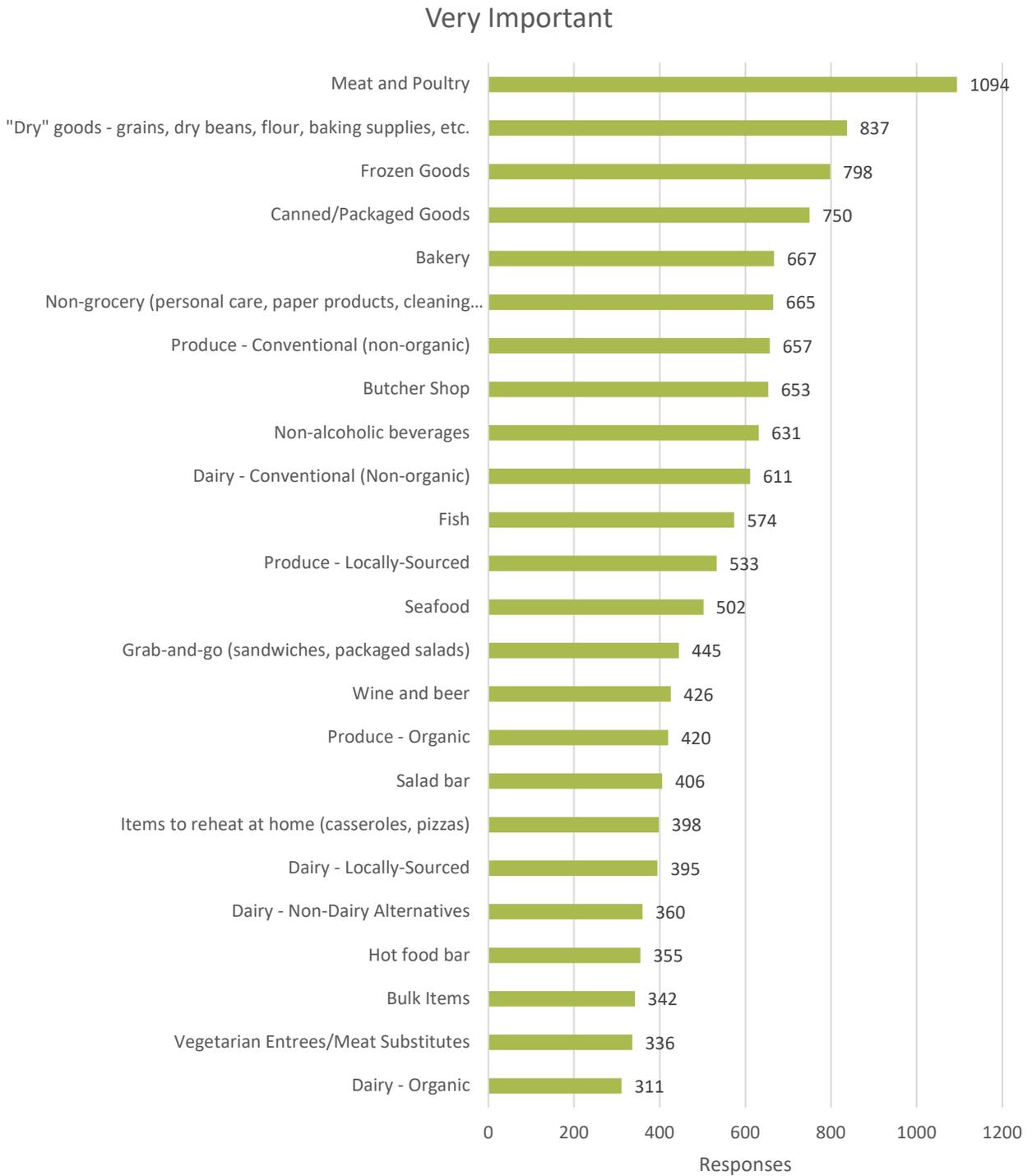
Q8 - What share of your household's grocery shopping do you generally do?



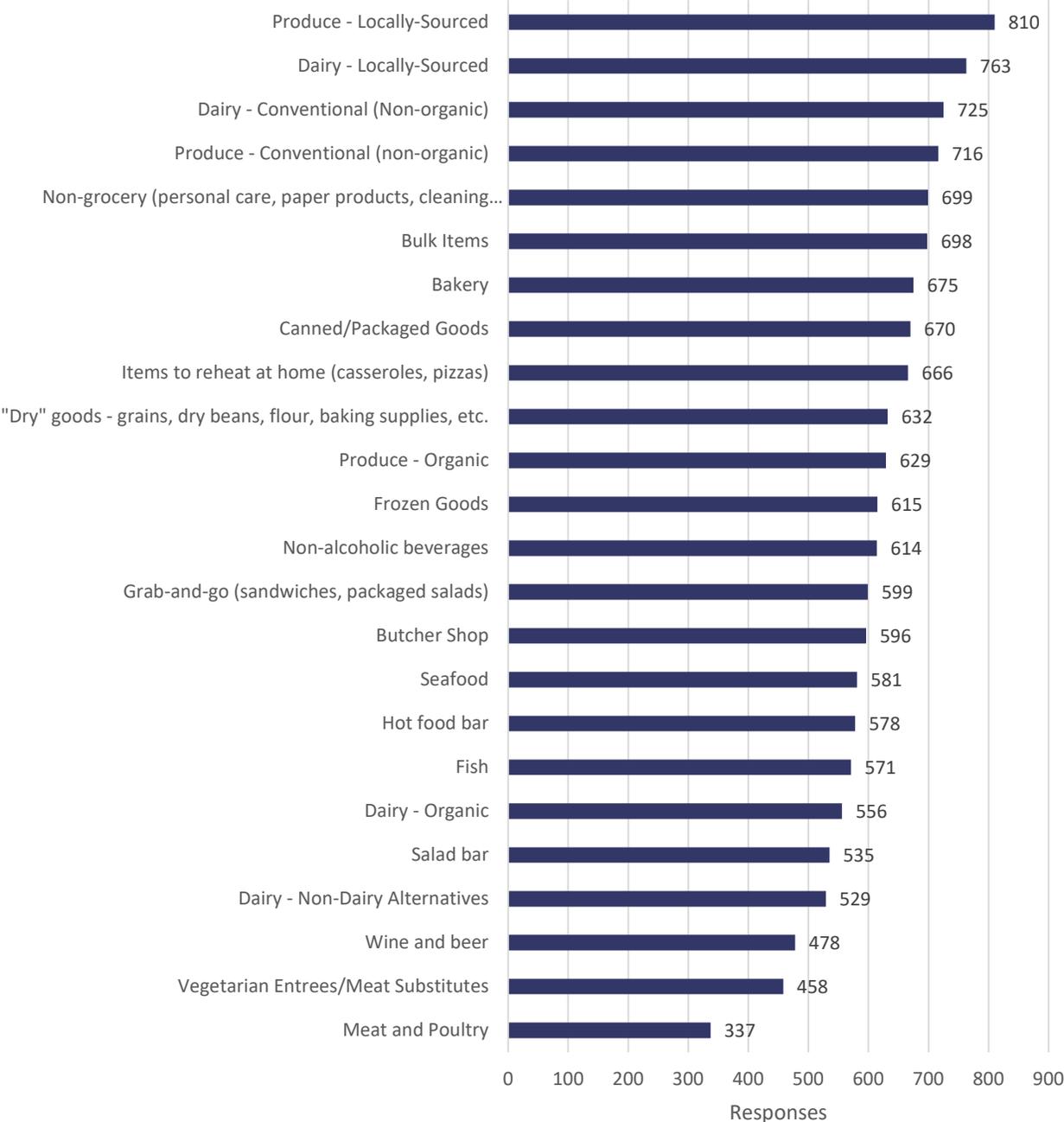
Q9 - Please select the importance of the following features in terms of your grocery shopping expectations:



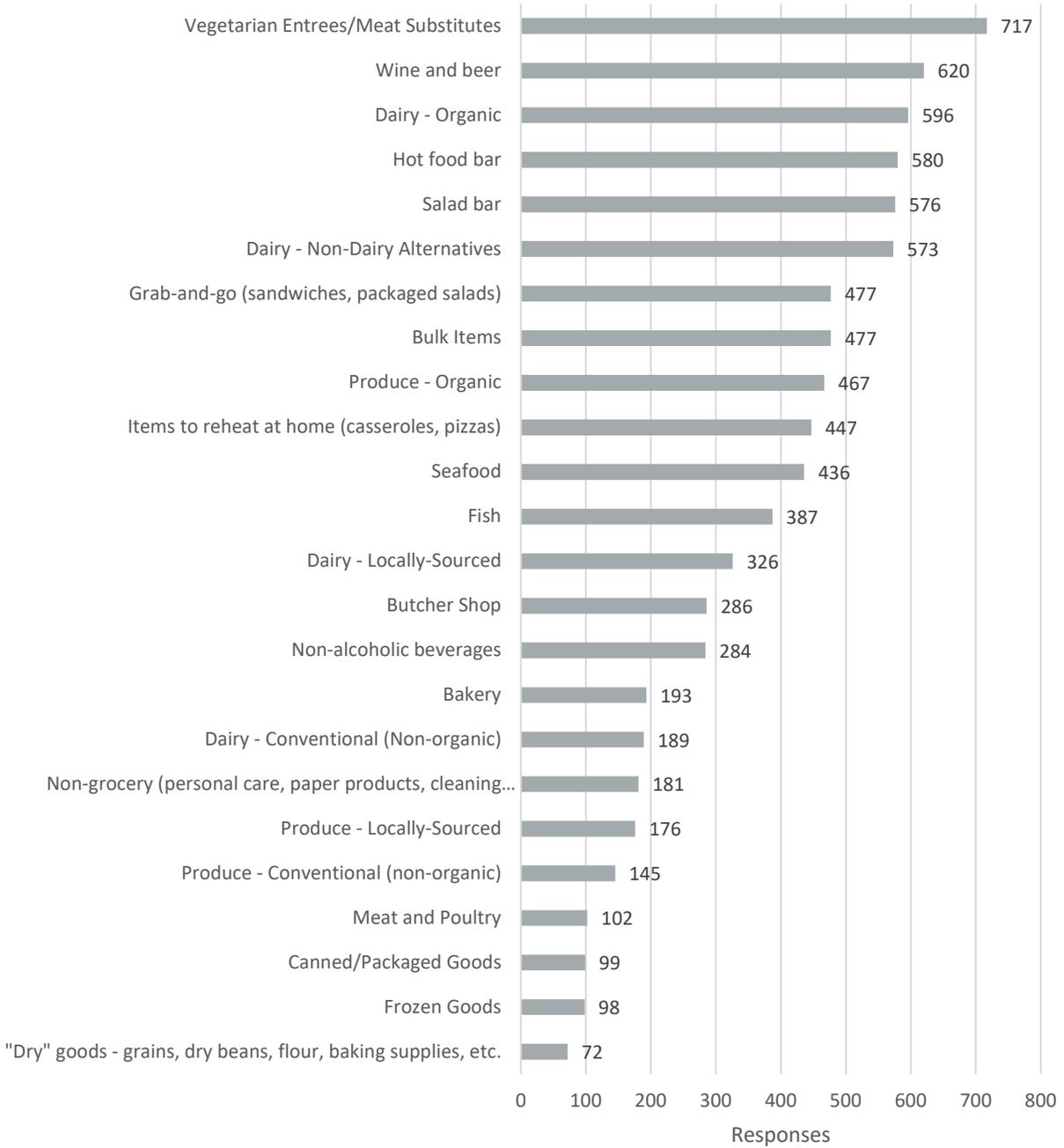
Q10 - What type of products would be important to you at a grocery store located on Hal Greer Blvd?



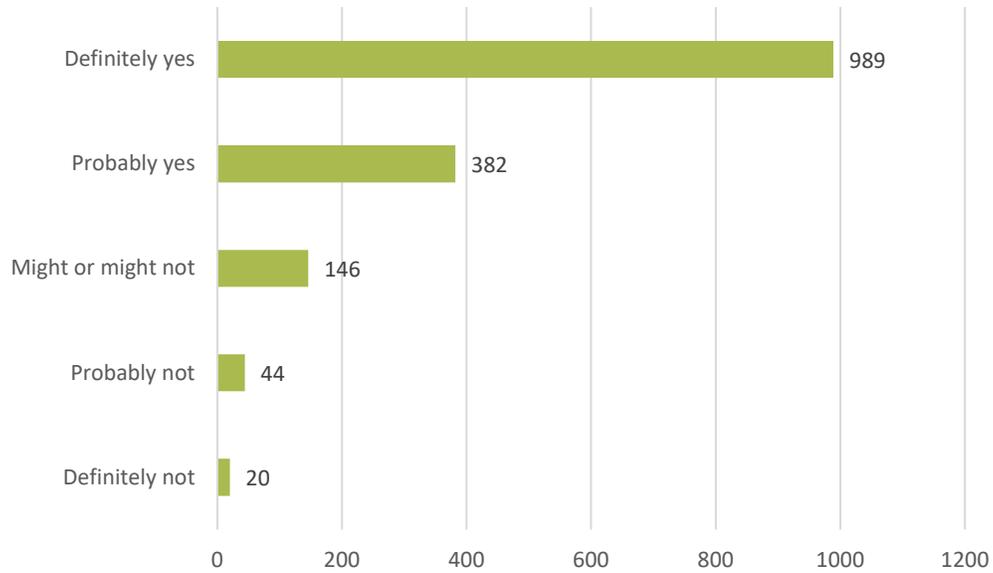
Moderately Important



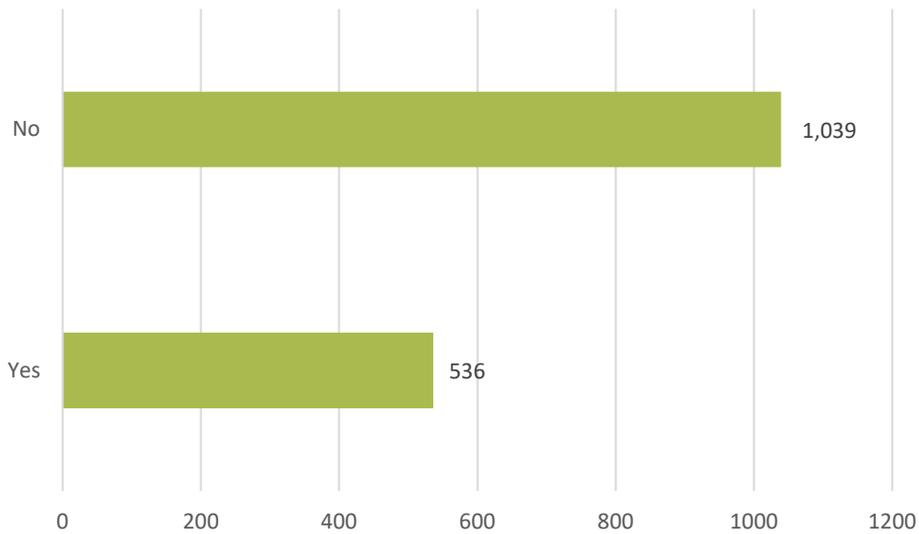
Not Important



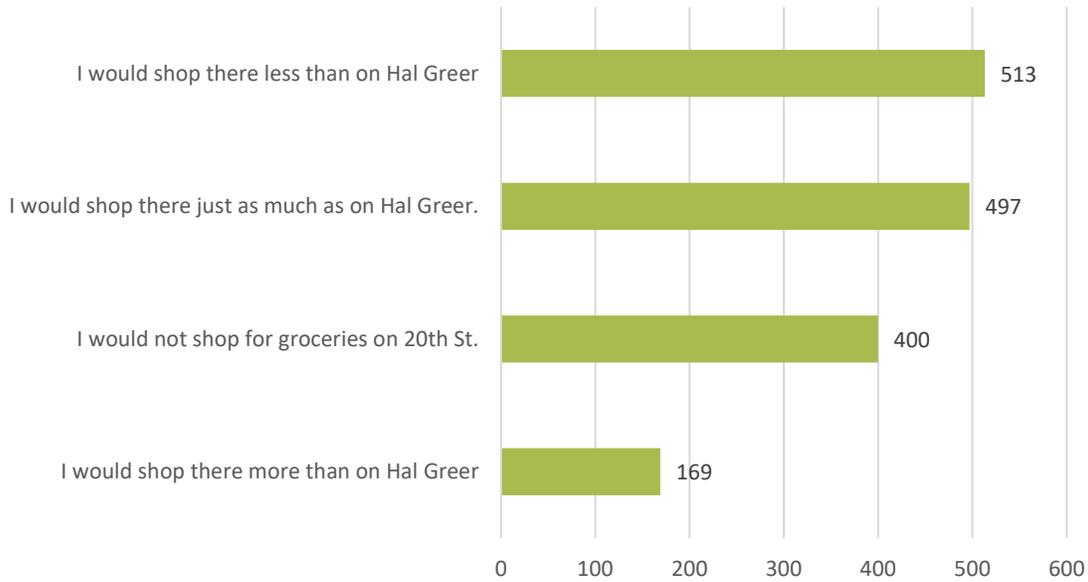
Q11 - Are you willing to support a grocery store located near Hal Greer and Charleston Avenue?



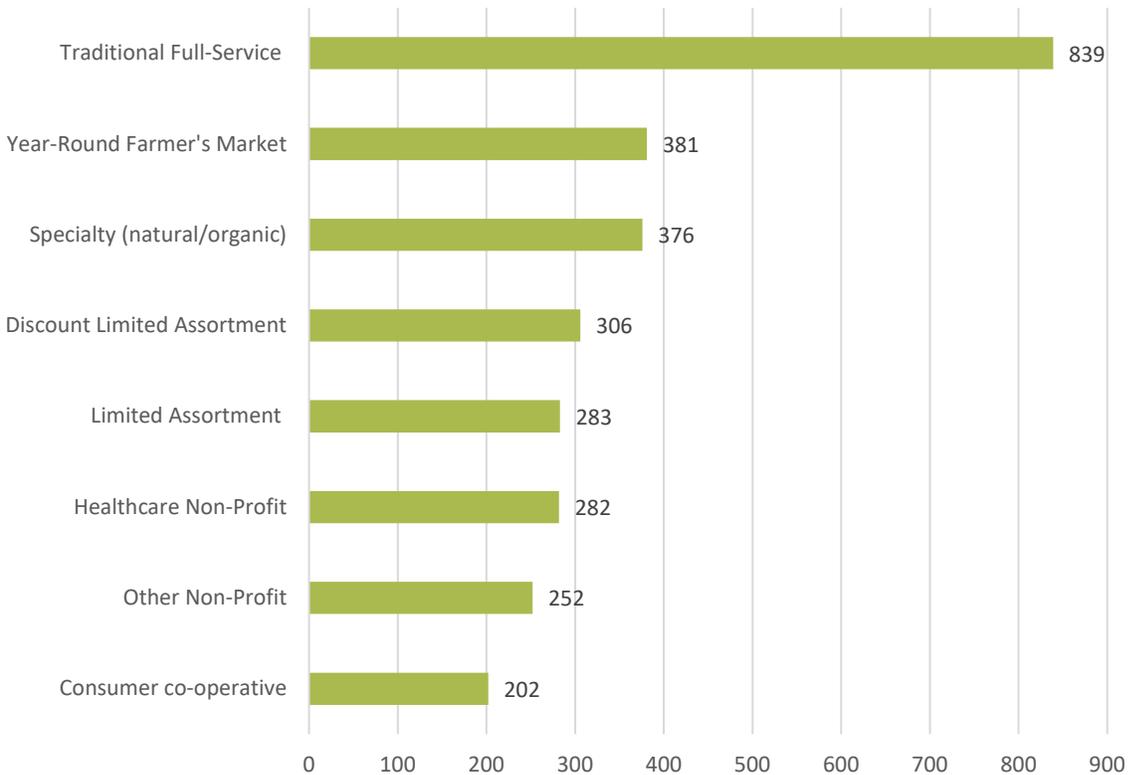
Q12 - Would 24-hour shopping be important to you at this location?



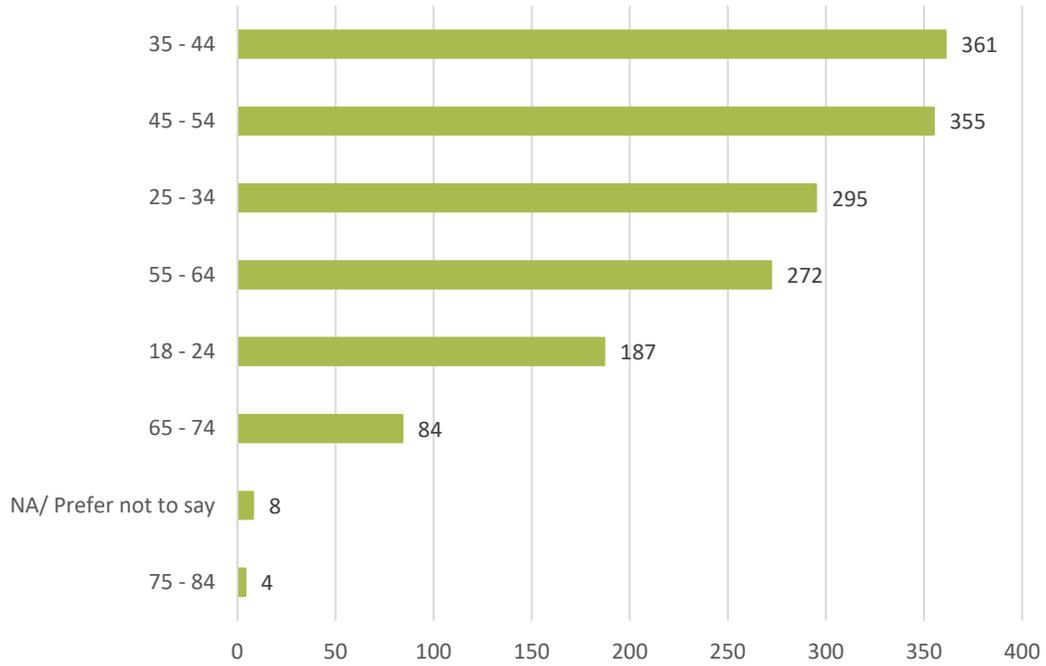
Q13 - If this grocery store were located on 20th St rather than Hal Greer Blvd, how would that effect the likelihood that you would shop there?



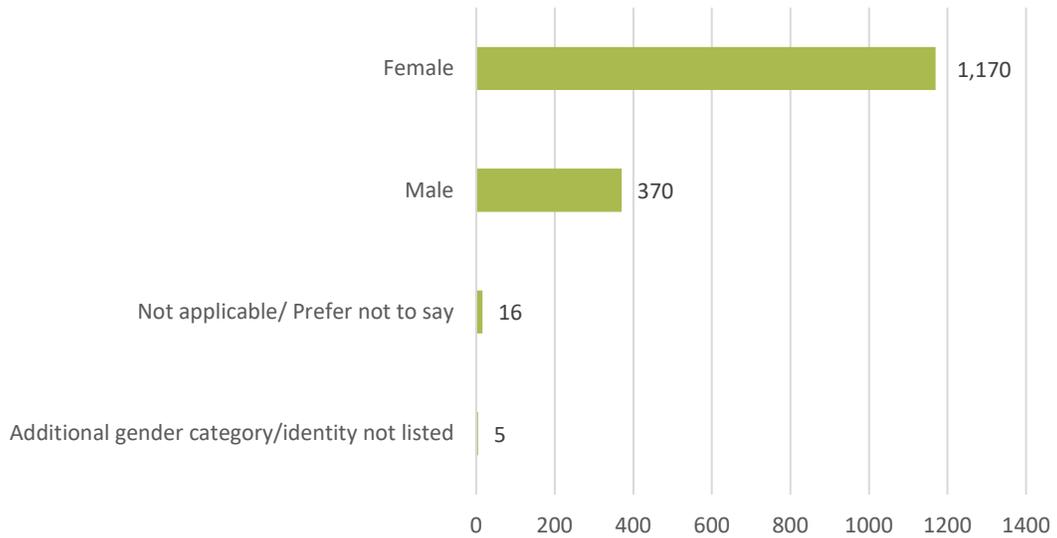
Q14 - Which types of grocery stores at the Hal Greer location interest you the most?



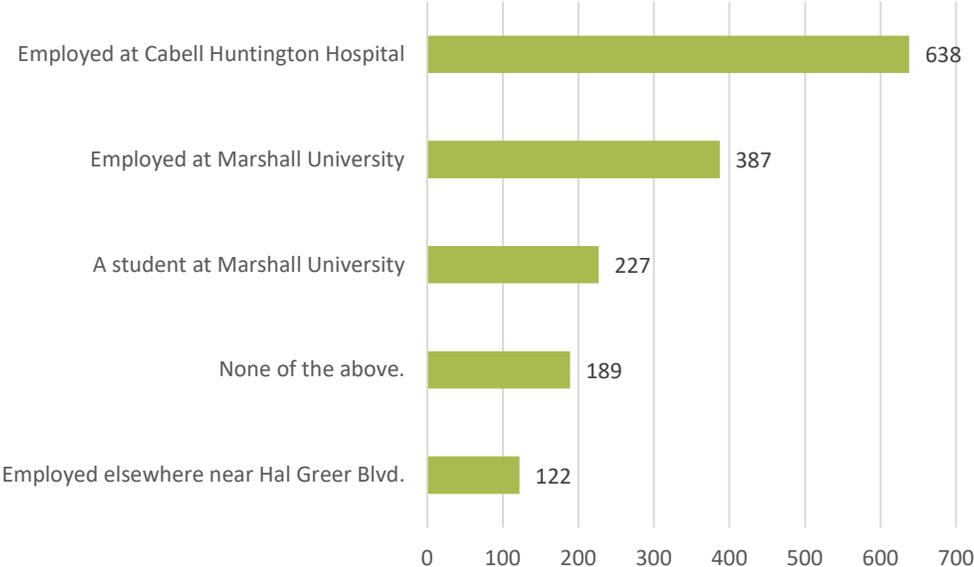
Q15 - What is your age?



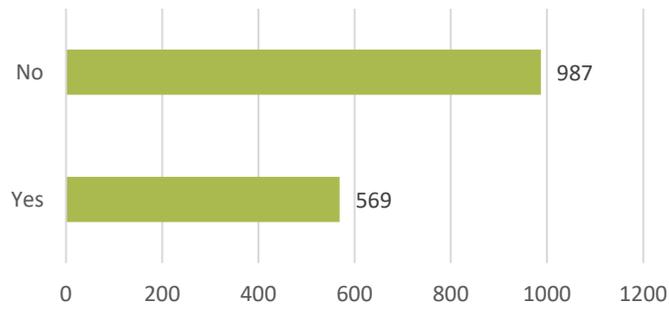
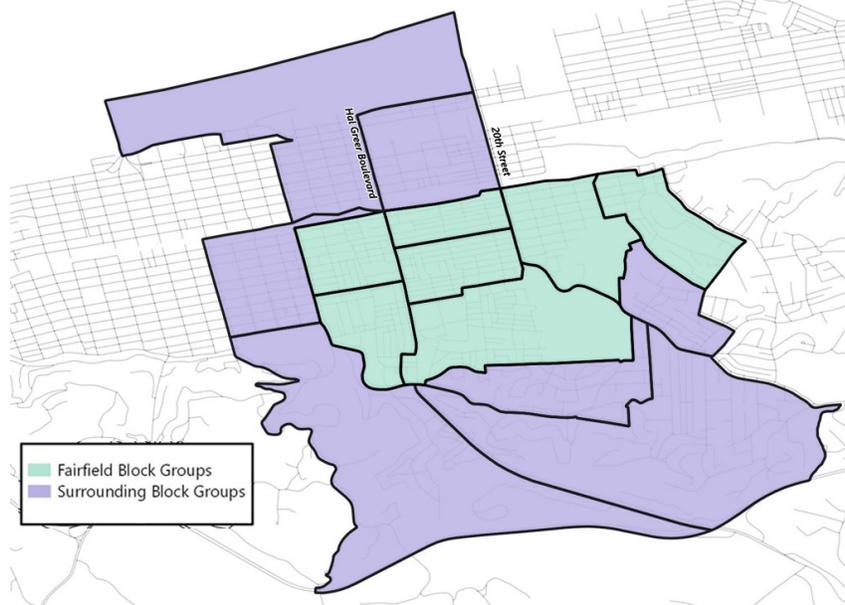
Q16 - What is your gender?



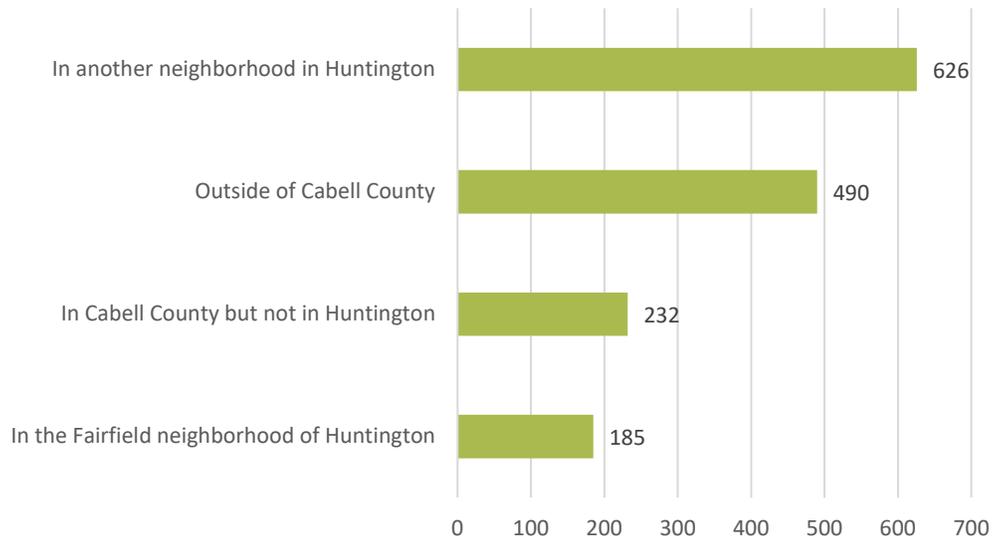
Q17 - I am:



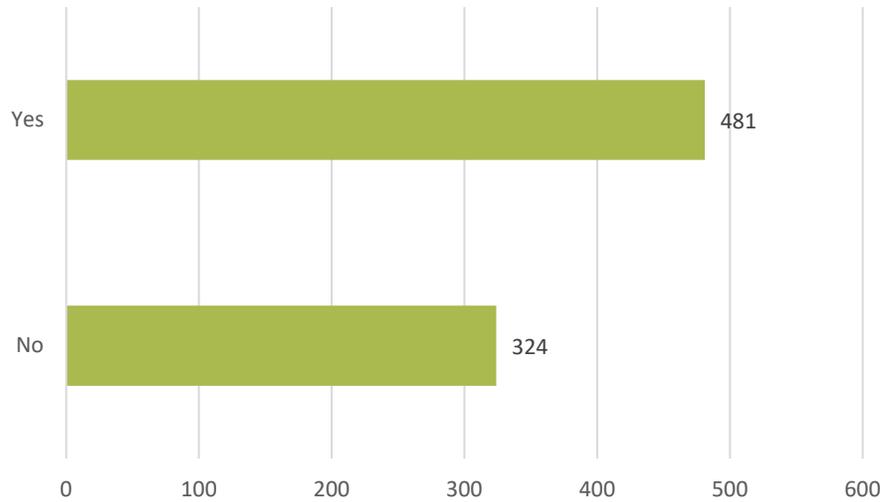
Q19 - Do you live within the area pictured? (Fairfield Grocery District)



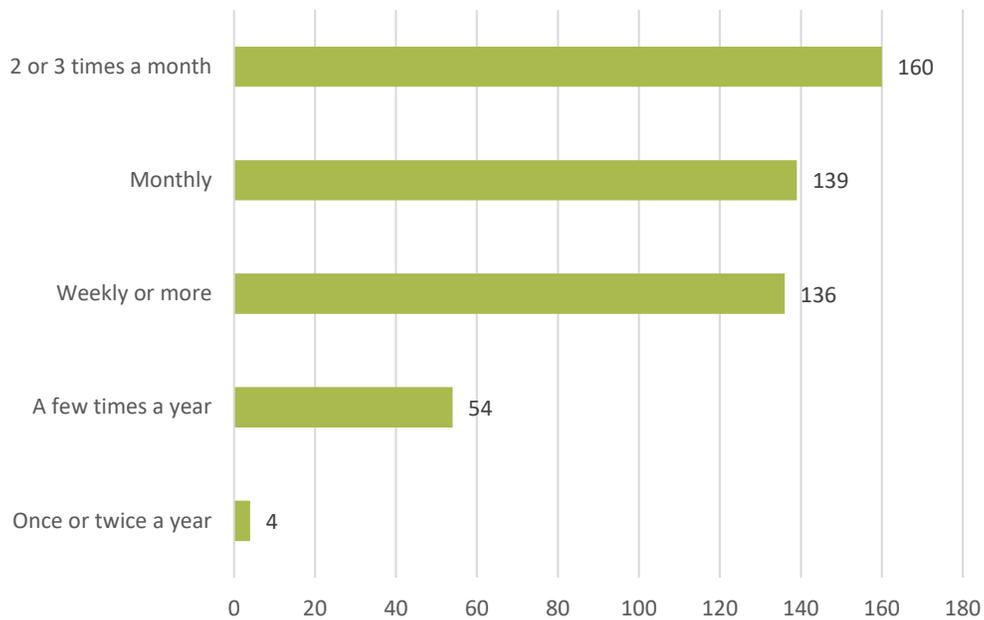
Q20 - I live:



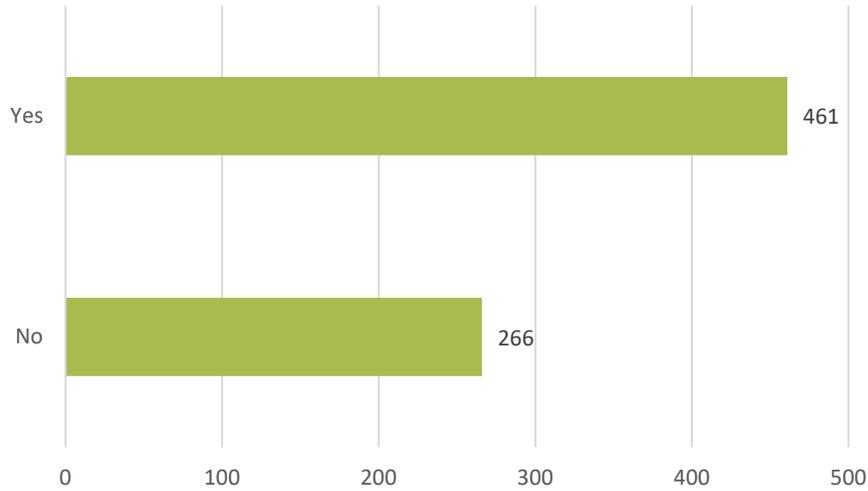
Q21 - If you live in Fairfield or another neighborhood in Huntington, do you shop for groceries outside of Huntington?



Q22 - If you live in Huntington and you answered “Yes” to “Do you shop for groceries outside of Huntington” how often to you shop for groceries outside of Huntington?



Q31 - If you live outside of Huntington, do you shop for groceries in Huntington?



Q32 - If you live outside of Huntington and you answered “Yes” to “Do you shop for groceries in Huntington” how often to you shop for groceries in Huntington?

