Center for Business and Economic Research

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Market Analysis of the Highlawn Neighborhood: Huntington, WV Brownfield Areawide Plan

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Summary and Highlights

Examination of available data of the Highlawn neighborhood (AWP area) in Huntington, WV illustrates the current composition of the area. The neighborhood currently is heavily characterized by a mix of land uses – residential, industrial and commercial. While residential property accounts for the majority of parcels within the neighborhood, most of the acreage is currently classified by a commercial or industrial land use.

Demographic data indicates that residents of the AWP area are predominantly young and households tend to be smaller, 1 – 2 persons. Additionally, the area is characterized by a high proportion of renters. These patterns, along with proximity to Marshall University, indicate the population is characterized by a large student population. One Census Tract that covers the largest portion of residential property within the AWP area also reflects a higher household income than the city as a whole. Proximity to a local hospital suggests residents in this area may hold higher earning occupations associated with the health care sector such as physicians.

Analysis of property characteristics illustrate the importance of commercial and industrial property in the AWP area. The neighborhood accounts for about one-third of the city's industrial parcels. Average parcel sizes are slightly larger for Commercial and Industrial land within the AWP area, compared with the city as a whole.

Interviews with local employers and organizations closely engaged in real estate and construction underscore strengths and challenges for redevelopment in the city broadly and the AWP area specifically. Leveraging proximity to Marshall University and the hospitals is repeatedly cited as important components to a redevelopment strategy, providing opportunities for research facilities and residential housing. Out-of-area recruiting by major employers, particularly for younger, high-skilled professionals, illustrates the need for a more flexible, and newer housing stock to accommodate this target population.

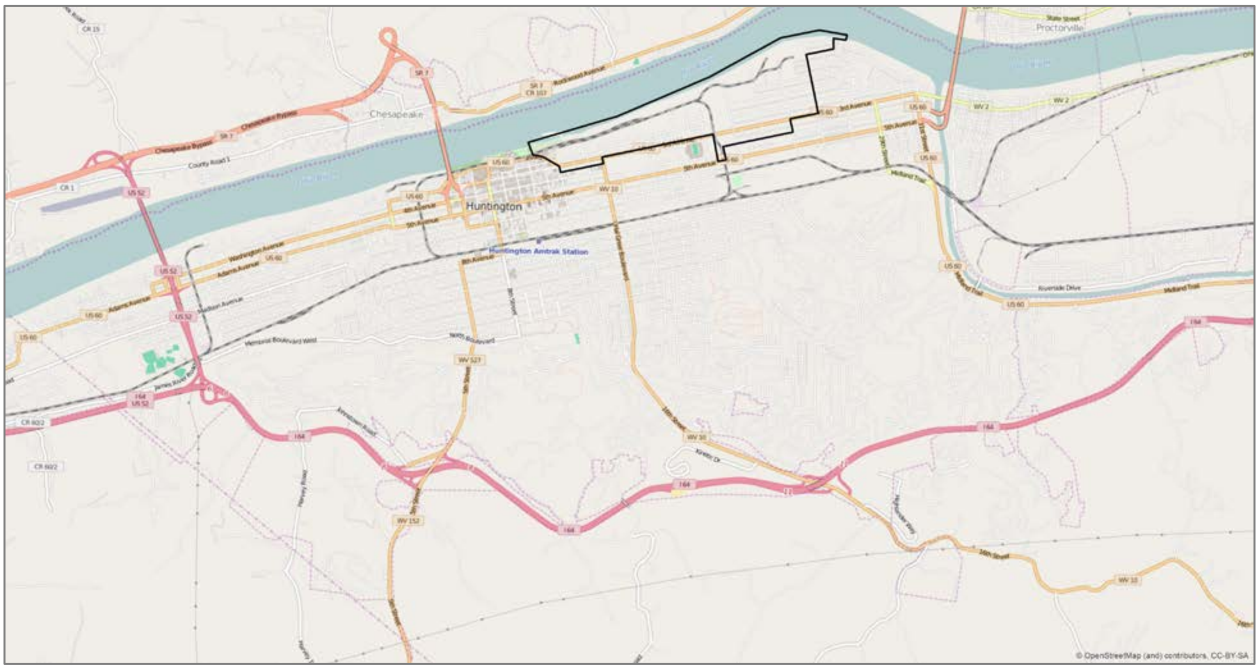
Expanded retail potential may be limited for the AWP area in part due to the presence of a well-developed retail center in the downtown business district. The AWP area also already has a well-developed retail base that serves consumers well beyond the neighborhood. A sustainable redevelopment strategy may be focused more on modifying the mix of retailers within the AWP area with targeted recruitment rather than simply adding to the retail capacity of the area. Aside from limited or niche businesses to serve the student and daytime staff and faculty, retail development may not most effectively leverage the proximity to the university to foster sustained growth.

Finding and effectively managing resources, and maintaining focus amidst myriad priorities for the City, were noted as potential challenges to redevelopment. Having a plan and vision for redevelopment that is flexible is crucial for garnering support among local stakeholders and property owners, overcoming communication and coordination difficulties, and for generating investment and funding.

Introduction

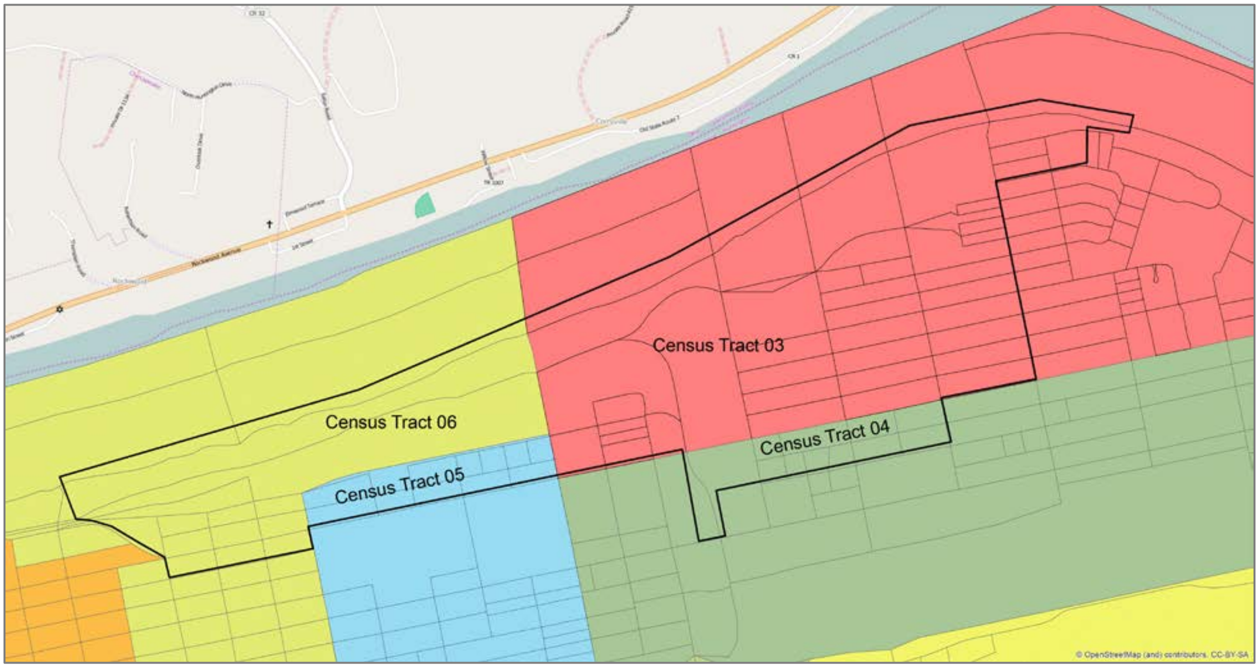
To assist the consultant team with assessing redevelopment opportunities for the Highlawn Area (AWP Area) of Huntington, West Virginia the Center for Business and Economic Research (CBER) at Marshall University conducted a market analysis of the target neighborhood and region. The Highlawn neighborhood in Huntington, WV consists of parcels located along the Ohio River and adjacent to Marshall University. Figure 1 illustrates the area.

Figure 1 Huntington and AWP Area



The analysis considered demographic data on population and household composition in the area, income and retail potential, employment and industry composition. As noted in Figure 2, the Highlawn neighborhood contains portions of four census tracts, with Census Tracts 03 and 06 representing the majority of the AWP Area. Census Tracts 04 and 05, while accounting for small portions of the area identified as the AWP, are more illustrative of proximal surrounding neighborhoods and dynamics that may influence the AWP area.

Figure 2 Census Tracts within AWP Area



CBER also analyzed business data available through the West Virginia Development Office (WVDO)[1] and parcel level property data from the Cabell County Assessor[2]. Analyses of these data provide a basic description of the current economic and property composition of the local area, as well as characterize the AWP area relative to the city as a whole. Along with interviews of key property market and development stakeholders and local major employers, the market analysis will enable the city to focus on specific types of redevelopment and the locations in which they would be most suitable.

Household Characteristics

In general, the AWP area contains a high proportion of smaller, renter households. This pattern is consistent with serving a student or young professional population given proximity to the university as well as St. Mary's Hospital. While owner-occupancy is fairly low, tenure for owners tends to be long. Thus there is a high turnover of the renter population, consistent with student renters and some young professionals (e.g. doctors in fellowship or residency programs), but lower turnover of owner-occupied dwellings.

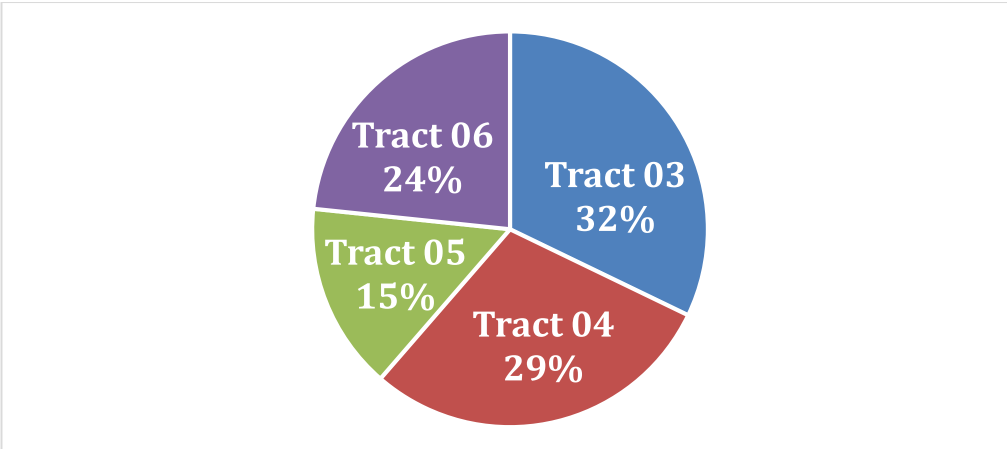
AWP Area Composition

The AWP study area makes up 14.2 percent of total households in the City of Huntington. The AWP area contains residential, commercial and industrial property. When comparing the size of the census tracts to one another, Tracts 03 and 04 contain 61 percent of households, while Tracts 05 and 06 contain the remaining 39 percent and the majority of commercial and industrial properties.

[1] http://www.wvcommerce.org/business/default.aspx
[2] http://cabellassessor.com/index.html

However, Census Tracts 03 and 06 make up a larger percentage of the AWP Area.   Thus the AWP area is comprised of mixed use parcels.

Figure 3 Population by Census Tract



Source: ESRI, U.S. Census Bureau, 2010

Size of Households

Households in the AWP study are relative small, consisting primarily of 1 and 2-persons which comprise 74.7 percent of the total households. Thus, the residential market for the AWP are currently serves individuals and small families.

Table 1 Distribution of Household Size

Household Size	Number	Percent
1 Person	218	38.8
2 Person	202	35.9
3 Person	81	14.4
4 Person	37	6.58
5 Person	12	2.1
6 Person	11	2.0

Source: Applied Geographic Solutions

Number of Rooms/Bedrooms

Just as households tend to be small, houses are also mostly smaller. One and two bedroom structures make up 57.7 percent of the housing stock.

Table 2 Housing Stock Characteristics, Number of Bedrooms

Number of Bedrooms	Percent
None	6.3
One	19.5
Two	38.2
Three	21.0
Four	12.2
Five or more	2.8

Source: U.S. Census Bureau, 2010

Housing Occupancy

Consistent with serving individuals and small households, renters represent the largest number of residents in the AWP study area. Among occupied housing units in the area, 75.2 percent are rented with the remaining 24.8 percent owner occupied. Of the total housing units, 14.8 percent of the study area housing units are vacant.

Table 3 Occupancy Status

Occupancy Status	Number	Percent
Total Housing Units	5,651	-
Occupied Units	*4,812*	*85.2*
Vacant Units	*839*	*14.8*
Owner Occupied	1,191	24.8
Renter Occupied	3,621	75.2

Source: U.S. Census Bureau, 2010

Tenure by Occupancy

The majority of houses in the AWP Area are occupied by renters; however, owners represent the longest tenures as approximately 52.3% of homeowners moved into their residence in 1999 or earlier. A large majority (94.1%) of renters have lived in their residence since 2000.

Table 4 Tenure Status

Tenure	Owner	Renter
Moved in 2005 or later	487	4,212
Moved in 2000 to 2004	542	401
Moved in 1990 to 1999	341	180
Moved in 1980 to 1989	275	25
Moved in 1970 to 1979	278	0
Moved in 1969 or earlier	235	82

Source: U.S. Census Bureau, 2010

Employment and Income Characteristics

Employment characteristics further indicate that residents within the AWP area are most likely university students and young professionals.

Employment Status

Overall, approximately half of the residents aged 16 and older in the AWP area are in the labor force. A significant number of individuals living in the AWP study area are in the labor force or employed, particularly among the younger age groups; however, these same groups also report the highest rates of unemployment. Unemployment rates decrease in the older age groups as these individuals are most likely retired and not actively seeking employment.

Table 5 Labor Force and Employment Characteristics, 2013

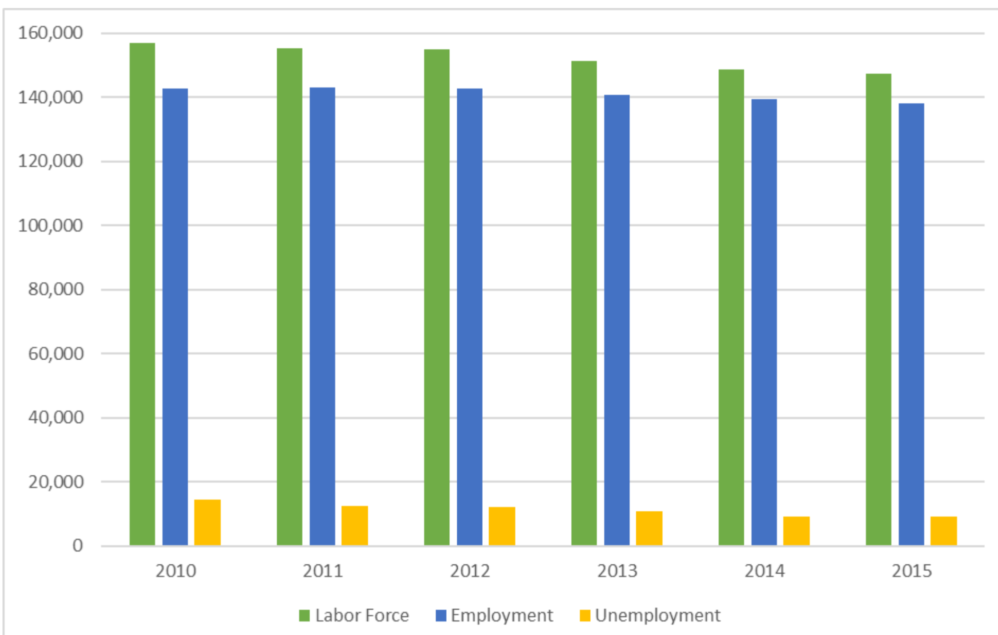
Age Group	Number	Labor Force (%)	Employed (%)	Unemployed (%)
16 to 19 years	1,397	27.1	24.7	10.0
20 to 24 years	3,056	64.2	59.4	7.7
25 to 44 years	2,272	70.8	63.2	10.9
45 to 54 years	1,347	45.2	45.2	0.0
55 to 64 years	727	40.7	40.0	0.9
65 to 74 years	532	18.2	18.2	0.0
75 years and over	641	3.6	3.6	0.0
*Total**	*9,972*	*49.9*	*46.3*	*6.3*

Source: 2013 American Community Survey - 5YR Estimates Series

**CBER calculations. Numbers may not sum due to rounding.*

It should be noted that while unemployment has declined in the larger Huntington-Ashland, WV-KY-OH Metropolitan Statistical Area (MSA), so too has the size of the labor force. Employment has remained around 140,000 with slight declines beginning in 2013.

Figure 4 Huntington-Ashland, WV-KY-OH MSA Employment Measures, 2010-2015



Source: Bureau of Labor Statistics, 2015

Household and Personal Income

There is considerable variation in household incomes across the AWP census tracts. Census tract 03 contains higher earning households than the remainder of the neighborhood, with average incomes that exceed those of the City (112% of the city average). Per capita income in Census Tract 03 is also more similar to the city average. Both average household and per capita incomes in the remaining census tracts of the AWP Area are less than half of those citywide.

Table 6 Income Characteristics, 2013

Census Area	Average Household Income	Per Capita Income
Census Tract 03	$51,045	$23,594
Census Tract 04	$29,906	$13,143
Census Tract 05	$22,080	$10,867
Census Tract 06	$21,934	$13,599
City of Huntington	$45,701	$26,570

Source: ESRI, U.S. Census Bureau 2013

Household Income Distribution

Household income in the AWP study area is relatively low and 57.7 percent of households earn less than $30,000 a year and 73.4 percent of households earn less than $40,000 per year. The relatively low income in the AWP area is also consistent with the large percentage of small, young households and rental properties.

Table 7 Household Income Distribution, 2016

Income Range	Number	Percent
Less than $10,000	65	11.6
$10,000 - $20,000	109	19.4
$20,000 - $30,000	150	26.7
$30,000 - $40,000	88	15.7
$40,000 - $50,000	5	0.89
$50,000 - $60,000	49	8.7
$60,000 - $75,000	37	6.6
$75,000 - $100,000	29	5.2
More than $100,000	30	5.3

Source: Applied Geographic Solutions

Huntington-Ashland, WV-KY-OH MSA Top Occupations, 2010

While occupational data are not available at the neighborhood level, they are available for the Huntington-Ashland, WV-KY-OH Metropolitan Statistical Area (MSA). The largest employment sector in the MSA is Office and Administrative Support, followed by Sales, Food Preparation/Serving and Healthcare Practitioners. It is not unreasonable that the occupational profile of AWP residents, and the City as a whole, may reflect patterns for the larger MSA.

Table 8 MSA Top Occupations by Employment, 2010

SOC Code	Title	Total Employment
43-0000	Office and Administrative Support	17,680
41-0000	Sales and Related	12,100
35-0000	Food Preparation and Serving Related	10,750
29-0000	Healthcare Practitioners and Technical	10,620
53-0000	Transportation and Material Moving	7,520
25-0000	Education, Training and Library	6,830
51-0000	Production	5,920
47-0000	Construction and Extraction	5,570
49-0000	Installation, Maintenance and Repair	5,060
31-0000	Healthcare Support	4,700

Source: U.S. Census Bureau, 2010

Not only is Healthcare a large employment sector, but is also one of the highest paying sectors in the MSA. High incomes for residents of Census Tract 03 further support the presence of individuals in the medical profession, which is reasonable given proximity to St. Mary's Hospital and other physicians' offices.

Table 9 Top Occupations by Average Earnings, 2010

SOC Code	Title	Average Annual Wages
29-1069	Physicians and Surgeons	$207,620
29-1062	Family and General Practitioners	$185,010
29-1066	Psychiatrists	$171,930
11-1011	Chief Executives	$154,030
29-1021	Dentists, General	$115,480
11-9041	Architectural and Engineering Management	$108,550
29-1051	Pharmacists	$107,430
11-3021	Computer and Information Systems Managers	$89,780
29-1123	Physical Therapists	$85,920
13-2051	Financial Analysts	$85,800

Source: U.S. Census Bureau, 2010

Business Characteristics

The AWP area contains nearly 10 percent of the city's Banking, Finance and Insurance businesses, and accounts for almost one-third of employment among the city's wholesalers. The AWP area demonstrates significant potential ties to the larger region's healthcare sector not only through the likely occupation of many residents but also through occupancy of commercial space.

Huntington Business Mix

Throughout the City, with the presence of Cabell Huntington and St. Mary's Hospital, Health Care and Social services represents the largest sector, with 313 total businesses and an estimated 12,935 employees. However, wholesalers generate almost $2 billion in estimated sales which is substantially higher than all businesses other than health care and social services ($1.5 billion). Banking, Finance and Insurance is also significant in the City accounting for 248 businesses and almost 1,700 employees.

Table 10 Establishments, Sales and Employment, Citywide

Sector	Total Businesses	Estimated Sales	Estimated Employees
Health Care and Social Services	313	$1,543,763,000	12,935
Other Services Repair, Personal Care, Laundry, Religious, etc.	305	$56,737,000	1,617
Banking, Finance and Insurance	248	$505,834,000	1,676
Professional, Scientific, and Technical Services	193	$216,189,000	1,597
Retail: Home, Food, Automobiles, Personal Care	188	$574,646,000	2,139
Accommodation and Food Services	178	$122,814,000	2,817
Public Administration	136	$0,000	2,060
Construction	132	$219,503,000	1,511
Real Estate and Rentals	120	$90,008,000	486
Wholesalers	99	$1,966,598,000	1,600
Administrative and Support and Waste Management and Remediation Services	88	$143,464,000	1,642
Retail: Hobby, Media, General Merchandise	87	$131,779,000	810
Education	64	$1,852,000	3,720
Unclassified	60	$0,000	25
Manufacturing Electronics, Furniture, Machinery, Metal, Transportation, Misc.	55	$343,335,000	1,077
Information	55	$321,647,000	1,143
Arts, Sports, Entertainment, and Recreation	36	$14,677,000	278
Transportation and Warehousing: Private and Public Transportation, Oil and Gas Pipelines, Sightseeing	28	$76,656,000	425
Manufacturing Chemical, Fuel, Paper, Plastic, Wood	21	$121,240,000	724
Utility Services: Power, Gas, Steam, Water, and Sewage	10	$234,668,000	163
Manufacturing Processed Food, Textiles, Clothing	10	$68,633,000	143
Transportation and Warehousing: Couriers and Messengers, Warehousing and Storage	8	$358,000	320
Holding Companies and Managing Offices	8	$35,111,000	134
Agriculture, Forestry, Fishing and Hunting	1	$1,038,000	1
Mineral, Oil and Gas Extraction	1	$2,365,000	6
Total	2,444	$6,792,915,000	39,049

Source: Info USA, 2016, West Virginia Department of Commerce, Development Office

AWP Area Business Mix

The business mix in the AWP Area mirrors the city as a whole. Banking, finance and insurance represents largest number of total businesses. The wholesalers sector employs the most individuals (617) and produces substantially higher yearly sales ($295,795,000) than other businesses in the AWP. Health care and social services is also significant, consisting of the second largest number of employees and more than $30 million in estimated sales.

Table 11 Establishments, Sales and Employment, AWP Area

Sector	Total Businesses	Estimated Sales	Estimated Employees
Banking, Finance and Insurance	23	$18,993,000	70
Health Care and Social Services	16	$30,597,000	349
Other Services	16	$5,799,000	166
Wholesalers	13	$295,795,000	617
Retail: Home, Food, Automobiles, Personal Care	10	$52,522,000	167
Accommodations and Food Services	10	$5,233,000	126
Manufacturing: Electronics, Furniture, Machinery, Metal, Etc.	7	$71,373,000	163
Real Estate and Rentals	7	$6,434,000	41
Professional, Scientific and Technical	5	$9,143,000	42
Manufacturing: Chemical, Fuel, Paper, Plastic, Wood	3	Not Disclosed	485
Education	3	$366,000	58
Transportation and Warehousing: Private and Public Transportation, Oil and Gas, Sightseeing	2	Not Disclosed	39
Administrative and Support and Waste Management/Remediation	2	$1,502,000	31
Transportation and Warehousing: Couriers and Messengers, Warehousing and Storage	1	Not Disclosed	20
Arts, Sports, Entertainment and Recreation	1	$1,444,000	3
Unclassified	1	Not Disclosed	0
Total	120	$499,201,000	2,377

Source: Info USA, 2016, West Virginia Department of Commerce, Development Office

Retail Market and Potential

Retail Sales

The AWP Area contains 55 Retail Trade establishments (not including food and beverage), approximately 14 percent of the city's total and are responsible for 36 percent ($223,818,866) of all Retail Trade sales in Huntington. When including food and beverage sales, the number of retail establishments in the Study Area increases to 98, or 19 percent of the city's total. Approximately 26 percent of Huntington's retail employment occurs in the AWP study area with 46 percent occurring in Census Tract 6.

Table 12 Retail Establishments and Employment, 2013

Census Area	Retail (no food & beverage)	Including food & beverage	Total Employment (including food & beverage)
Census Tract 03	11	16	75
Census Tract 04	20	38	594
Census Tract 05	4	6	181
Census Tract 06	20	38	431
Total	55	98	1,281
Huntington	396	522	4,975

Source: ESRI, 2013 Retail Marketplace

Retail Sales Potential

ESRI's Retail Sales Potential helps measure the amount expected to be spent by consumers on products in the retail market.[3] Consistent with containing the highest household income in the AWP Area, Census Tract 03 also holds the largest amount of retail sales potential ($19,643,589), with the entire AWP Area representing 16% of the city's potential. When including food and drink, again Census Tract 03 manifests as the largest ($23,698,042) and the AWP Area possessing 16% of the city's total potential.

Overall, however, the census tracts associated the AWP area have estimated retail sales in significant excess to the local sales potential. The pattern varies by tract. Consistent with being largely residential, Census Tract 03 contains potential three times that of estimated sales. In contrast, sales in Census Tract 04 outpace potential by more than four times suggestive of a large commercial presence and relatively low residential population.

Thus, the data suggest that while the residents associated with the AWP area represent a source of retail demand for the city, the neighborhood already has a well-developed retail base that serves consumers well beyond the neighborhood. A sustainable redevelopment strategy may be focused more on modifying the mix of retailers within the AWP area with targeted recruitment rather than simply adding to the retail capacity of the area.

[3] https://www.esri.com/library/whitepapers/pdfs/esri-data-retail-marketplace.pdf

Table 13 Retail Sales Potential, 2013

Census Area	**Retail (no food & beverage)**		**Including food & beverage**	
	Sales Potential	**Estimated Sales**	**Sales Potential**	**Estimated Sales**
Census Tract 03	$19,643,589	$6,059,089	$23,698,042	$7,666,737
Census Tract 04	$14,874,540	$82,624,367	$16,537,282	$96,967,481
Census Tract 05	$9,411,049	$15,206,118	$10,568,210	$31,917,938
Census Tract 06	$15,173,906	$24,600,701	$17,039,656	$34,309,270
Total	$59,103,589	$223,818,866	$67,843,190	$279,141,242
City of Huntington	$439,514,970	$615,797,744	$485,207,743	$710,411,879

Source: ESRI, 2013 Retail Marketplace

Real Estate and Parcel Analysis

Parcel Distribution

The AWP Area contains 3 percent of all the parcels within the city. Similar to the city as a whole, the majority of parcels within the AWP area are residential, followed by commercial usage. While 82 percent of the parcels within the city overall are for residential use, only 65 percent within the AWP are residential. Throughout the city, 11 percent of the parcels are for commercial use. Within the AWP area, however, commercial property constitutes 22 percent of the parcels. Additionally, while few in number the AWP area contains about one-quarter of all the city's industrial parcels.

Table 14 Land Use Distribution, 2016

Land Use	**Citywide**	**In AWP Area**
Apartment	262	18
Commercial	2,304	156
Exempt	1,153	43
Industrial	86	22
Residential	17,654	463
Utilities	108	7
Total	21,639	709

Source: Cabell County Assessor

Total Acreage

In terms of acreage, the city as whole is approximately half residential, one-quarter of the city acreage is in a tax exempt category. Only 16 percent of the city acreage is commercial and 4 percent industrial use. Within the AWP, about 18 percent of the acreage is for residential use. Commercial acreage is the most significant at 45 percent, followed by industrial land which accounts for 26 percent of acreage within the AWP area. Land within the AWP area accounts for 31 percent of all the industrial acreage in the city. Thus, while commercial and residential land uses are significant to the AWP area, the AWP area is an important location for the city's industrial land.

Table 15 Total Acreage by Land Use Category, 2016

Land Use	Citywide	In AWP Area	Share in AWP
Apartment	107.7	6.3	6%
Commercial	1133.9	145.7	13%
Exempt	1,717.5	29.0	2%
Industrial	280.6	86.4	31%
Residential	3,731.8	57.7	2%
Utilities	196.3	1.6	1%
Total	7,167.8	326.6	-

Source: Cabell County Assessor

Further substantiating the significance of the AWP to the City, average parcel sizes are slightly larger for Commercial and Industrial land within the AWP area, compared with the city as a whole. Thus, not only does the AWP contain a significant share of these parcels, they also tend to be larger.

Table 16 Average Parcel Size by Land Use Category, 2016

Land Use	Citywide	In AWP Area
Apartment	0.4	0.3
Commercial	0.5	0.9
Exempt	1.5	0.7
Industrial	3.3	3.9
Residential	0.2	0.1
Utilities	1.8	0.2
Total	0.3	0.5

Source: Cabell County Assessor

Examination of detailed land use codes further illustrates the current composition of the AWP area. The AWP area houses the city's steel mill establishment, containing 34 of the 36 such allocated acres in the city. Additionally, the AWP area accounts for one-third of the warehousing land in the city. See the appendix for a table of detailed land uses.

Sales Activity and Turnover

Number of Sales

Throughout both the city, and within the AWP area, just under half of the parcels have a recorded sale associated with them. The vast majority of sales are of residential properties, 80 percent of sales in the AWP area and 92 percent in the city overall. Commercial parcels account for 16 percent of sales within the AWP and about 7 percent of citywide sales. Only two industrial parcels have a recorded sale, both of these properties are located within the AWP area.

Table 17 Recorded Sales by Land Use Category

Land Use	Citywide	In AWP Area
Apartment	102	9
Commercial	658	49
Exempt	31	1
Industrial	2	2
Residential	8,988	247
Utilities	3	-
Total	9,784	308

Source: Cabell County Assessor

Average Time since Last Sale

On average, sale dates throughout the city and within the AWP area are about 20 years old, suggesting a slow rate of turnover. The most recent sales in the city are the Industrial properties, which occurred about 16 years ago. Thus, ownership tends to be persistent throughout the city.

Table 18 Time Since Most Recent Sale (years)

Land Use	Citywide	In AWP Area
Apartment	17.8	20.1
Commercial	20.6	20.3
Exempt	20.9	20.8
Industrial	16.0	16.0
Residential	16.7	17.8
Utilities	32.8	-
Total	17.0	18.3

Source: Cabell County Assessor

To better illustrate property turnover dynamics, sales were categorized into five year increments. Through the city, about 10 percent of all recorded sales occurred within the last 5 years.

Table 19 Number of Sales by Time Since Last Sale, Citywide

Land Use	All	< 5 years	5-10 years	10+ years
Apartment	102	9	16	77
Commercial	658	30	53	575
Exempt	31	9	4	27
Industrial	2	0	0	2
Residential	8,988	925	1,456	6,607
Utilities	3	0	0	3
Total	9,784	964	1,529	7,291

Source: Cabell County Assessor

Within the AWP Area, about 7 percent of recorded sales occurred within the last 5 years. Similar to the city as a whole, the majority of these sales were residential in nature. Thus residential turnover exhibits the highest rate of all property types within the city and AWP, and among the most recent sales. Commercial properties comprise a distant second.

Table 20 Number of Sales by Time Since Last Sale, AWP Area

Land Use	All	< 5 years	5-10 years	10+ years
Apartment	9	0	1	8
Commercial	49	3	1	45
Exempt	1	0	0	1
Industrial	2	0	0	2
Residential	247	18	24	205
Utilities	0	0	0	0
Total	308	21	26	261

Source: Cabell County Assessor

Most recent average sale prices for properties with a recorded sale are slightly lower within the AWP area than for the city as a whole. The exception to this pattern is Commercial property, which has a higher average sale price for relevant properties than citywide.

Table 21 Average Sale Price

Land Use	Citywide	In AWP Area
Apartment	$ 161,717	$ 132,944
Commercial	$ 120,926	$ 145,653
Exempt	$ 77,999	$ 48,000
Industrial	$ 177,500	$ 177,500
Residential	$ 73,548	$ 55,156
Utilities	$ 35,385	-
Total	$ 77,677	$ 72,597

Source: Cabell County Assessor

In general, properties with a recorded sale are slightly smaller than those without a sale history. Within the AWP area, commercial properties that have sold are slightly larger than those throughout the city as a whole. The largest industrial properties both citywide and in the AWP area have not turned over according to the sale history.

Table 22 Size of Sold Properties and Non- (Average Acreage)

Land Use	Citywide		In AWP Area	
	Recorded Sale	None	Recorded Sale	None
Apartment	0.2	0.5	0.3	0.4
Commercial	0.3	0.6	0.4	1.2
Exempt	0.9	1.5	0.1	0.7
Industrial	0.5	3.3	0.5	4.3
Residential	0.2	0.2	0.1	0.1
Utilities	2.6	1.8	0.3	0.2
Total	0.2	0.4	0.2	0.7

Source: Cabell County Assessor

Annual Sales Activity

Through July of the 2015 calendar year, a total of 77 sales were recorded throughout the city largely residential properties. Only one of these sales occurred within the AWP area.

Table 23 Recent Sale Information, 2015

Land Use	Citywide		In AWP Area	
	Number	Average Price	Number	Average Price
Commercial	3	$ 176,500	-	-
Residential	74	$ 121,576	1	$ 56,000
Total	77	$ 123,716	1	$ 56,000

Source: Cabell County Assessor

Annual sales data for 2011 through 2014 indicate about 250 parcels on average sold throughout the city, about 4 of which were within the AWP area. Based on the recorded sales for the first half of 2015, twice as many transactions need to have occurred in the latter half of 2015 to maintain the pace of sales for the previous 4 years.

Table 24 Recent Sale Information, 2014

Land Use	Citywide		In AWP Area	
	Number	Average Price	Number	Average Price
Apartment	2	$ 276,850	-	-
Commercial	7	$ 113,713	-	-
Residential	251	$ 123,487	4	$ 81,750
Total	260	$ 124,404	4	$ 81,750

Source: Cabell County Assessor

Table 25 Recent Sale Information, 2013

Land Use	Citywide		In AWP Area	
	Number	Average Price	Number	Average Price
Apartment	3	$ 230,000	-	-
Commercial	11	$ 200,182	2	$ 193,500
Residential	254	$ 134,779	3	$ 58,333
Total	268	$ 138,529	5	$ 112,400

Source: Cabell County Assessor

Table 26 Recent Sale Information, 2012

Land Use	Citywide		In AWP Area	
	Number	Average Price	Number	Average Price
Apartment	2	$ 121,500	-	-
Commercial	7	$ 112,093	-	-
Residential	235	$ 118,246	4	$ 112,250
Total	244	$ 118,096	4	$ 112,250

Source: Cabell County Assessor

Table 27 Recent Sale Information, 2011

Land Use	Citywide		In AWP Area	
	Number	Average Price	Number	Average Price
Apartment	3	$ 127,500	-	-
Commercial	4	$ 148,750	-	-
Residential	240	$ 115,590	5	$ 93,000
Total	247	$ 118,096	5	$ 93,000

Source: Cabell County Assessor

Key Local Interviews

Interviews with local development professionals and major employers illustrated key items for consideration. To assist the City with formalizing its development strategy, responses were synthesized and then categorized using a Strength, Weaknesses, Opportunities and Threats (SWOT) format. Concepts were prioritized based on the frequency of mention from respondents. For example, partnerships for redevelopment, particularly with Marshall University, was articulated by several respondents. Figure 5 illustrates the results. The subsequent section provides greater detail on each category of responses.

Figure 5 Full Response Results

Interview Method and Results

To augment the data collected by the market analysis, CBER contacted local stakeholders consisting of real estate developers and property managers, major employers and construction firms to better understand local dynamics.

A topical outline was constructed to guide the interviews. Interviews indicated elements of opportunity and strength, as well as challenges, for local development in the AWP area specifically as well as the Huntington area overall.

TOPICS FOR REAL ESTATE DEVELOPMENT INTERVIEWS:

- Types of properties with which generally involved (e.g. residential, commercial)
- How long have you (or your group) been doing this kind of work?
- Are your properties generally inside the city? Where? Beyond Huntington?
- How has your business and the landscape for development changed in the last few years (up to 10 years)?
    - More or less activity
    - Has mix of development changed?
- What has motivated these changes?
    - Population growth? People moving in or out?
    - Types of businesses?
    - City/County/State policies (e.g. land use, code enforcement, tax abatements or incentives)?
- Impression of pursuing real estate development inside city limits versus outside?
    - What are key differences?
        - Enablers vs barriers to being within the city
- Looking forward, what do you see on the horizon in the next 5 and 10 years:
    - For your business?
    - Regarding real estate developments for the city?
    - Opportunities
    - Challenges

TOPICS FOR MAJOR EMPLOYER INTERVIEWS:

- Size of company – e.g. number of employees, physical facilities located locally
- Are all local operations within (or all outside) the city?
- How has your business/operations locally changed within the last few years?
- What has motivated these changes?
    - Regional economic dynamics?
    - Larger industry dynamics?
    - City/County/State policies? (No specific examples to mention, just thinking if anything from a policy perspective has been viewed as more or less favorable to local growth)
- Experience in recruiting and hiring to local area
    - Any challenges?
    - What do you feel are the "selling points"?
- Experience in expanding/modifying physical facilities
    - Ease of finding appropriate properties
    - Impression of finding locations inside city limits vs outside?
        - Enablers vs barriers to being within the city
- Looking forward, what do you see on the horizon in the next 5 and 10 years:
    - For your business?
    - For your operations within the city?
    - Opportunities
    - Challenges

CBER spoke with eight local stakeholders to collect information regarding historical patterns and prospective outlooks for recruitment of people and expansion of physical facilities within Huntington. Interview responses were then synthesized and categorized in a Strength, Weakness, Opportunities and Threats (SWOT) format.

Synthesis and Results

Figure 6 Strengths

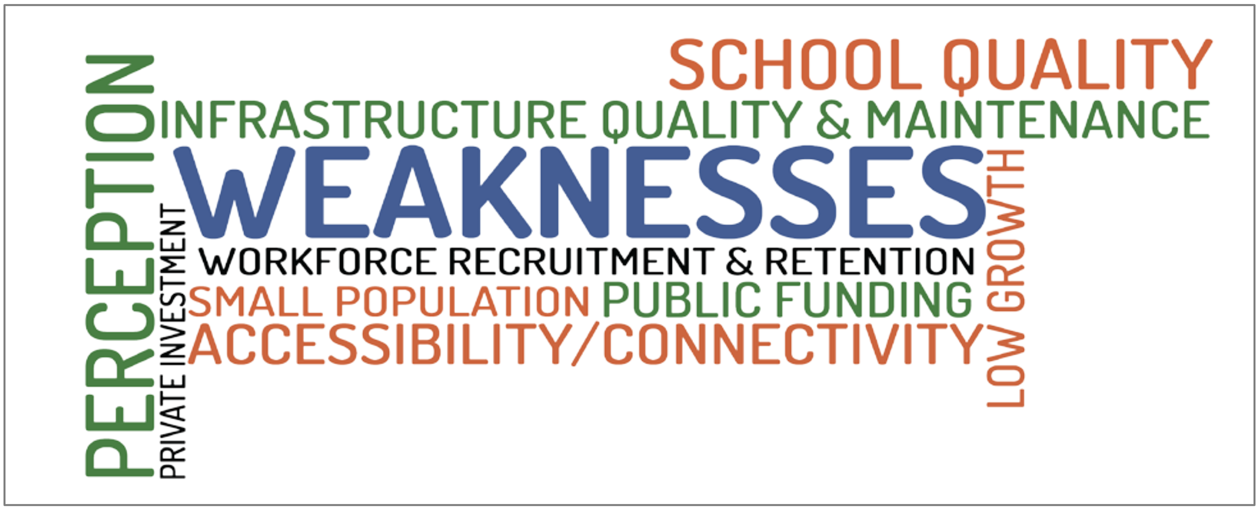
In general, respondents echoed the importance of partnerships for local development projects. One specific example is the presence of Marshall University in the downtown business district. Similarly, the local hospitals were noted as important drivers of economic activity and potential spinoff development opportunities. As the largest entities and employers in the city, Marshall University and the hospital are instrumental in generating demand for commercial space for offices as well as residential demand for housing students and professionals.

Specific to the Highlawn neighborhood proximity to Marshall University was cited as a particular strength. The presence of industrial property and the riverfront may provide opportunities for research facilities for the university. Additionally, proximity to rail and the river were cited as assets for industrial uses.

Respondents discussed specific neighborhoods and areas of the city – Highlawn, Fairfield, West End, Downtown – and how each has its own character, challenges and possibilities. A targeted approach to each of these distinct areas was noted as a strength of the City's recent redevelopment efforts.

Other common themes in the interviews included the community interest in redevelopment of downtown neighborhoods. Additionally, respondents noted other positive characteristics pertaining to livability such as low congestion, low cost of living and the presence of cultural amenities.

Figure 7 Weaknesses



Corroborating data in the market analysis, respondents also cited the small resident population and slow growth as potential weaknesses affecting future development. Other potential weaknesses influencing future real estate development in the city include the quality and maintenance of local infrastructure. While accessibility and roads may pose a challenge, particularly in the Highlawn neighborhood, a lack of adequate sidewalks, lighting and greenspace were also noted by respondents as weaknesses. Public funding for these items, as well as other priorities, also present a potential weakness in the current fiscal environment.

Respondents also indicated that the region possesses weaknesses in recruiting and retaining residents. All major employers engage in heavy out-of-area recruitment as the local labor pool does not provide all of the requisite skills and credentials, nor in sufficient quantity. Quality of the local schools and housing stock, particularly lack of new construction and suitable mixed-income housing, arose as challenges to recruitment and retention.

Figure 8 Opportunities

Overall, respondents felt that having a vision and a plan presented the greatest opportunity for redevelopment efforts. A flexible vision for redevelopment is crucial for engaging stakeholders and securing necessary resources to mitigate weaknesses such as a lack of public funding and threats including lack of coordination among partners. Respondents also indicated that residential demand is high considering the out-of-area recruitment efforts of large employers in the Huntington area. In particular respondents indicated that recruitment of young professionals to the area provides demand for new construction and mixed income housing.

Leveraging Marshall University and the hospitals, opportunities exist for locations geared toward research facilities and related light industrial activity. Others expressed the notion that there is pent up capital demand, private investment is available for redevelopment which should be creatively marketed to the area. Understanding potential tenant needs and engaging in thoughtful, targeted marketing is important. Again, creating a plan to communicate the possibilities and also demonstrating progress towards goals is an important tool for working with local economic drivers.

Figure 9 Threats

Relatively higher costs of construction and development were cited as threats to the Highlawn area and the city as a whole. Respondents also considered the quality and maintenance local infrastructure to be a threat, particularly citing needs for improved lighting and sidewalks. Respondents also indicated that the negative stigma of West Virginia and the Huntington area could hinder development, as the current drug abuse climate makes it difficult to attract industry and employees to the area.

The reliance on public funding for most development, coupled with the current fiscal environment was noted as a threat to future development. Additionally, respondents noted that there are many priorities for the City in a period of waning resources, financial and otherwise. Consequently, loss of focus or momentum on a particular initiative threatens the realization of potential.

Similarly, individual stakeholders and private property owners may have disparate priorities that are not coordinated. Lack of shared vision or priority for adjacent and nearby properties may hamper redevelopment efforts overall. Piecemeal redevelopment could potentially be counterproductive overall, whether speaking of properties within the AWP area specifically or attention to neighborhoods across the city.

Conclusions

The AWP is largely residential and these areas are composed of smaller households, (1 to 2 individuals), smaller houses (1 to 2 bedrooms), and incomes below the citywide average in three of four census tracts. Additionally, the AWP area contains a large proportion of renter households (74 percent) most of whom (94.1 percent) have only lived in their houses since the year 2000 or later. These demographics are highly indicative of student housing, and also young professionals, particularly within Census Tract 03.

While a large portion of AWP parcels are classified as residential, the analysis identified large parcels and considerable acreage for industrial and commercial use. The AWP contains a substantial amount of the city's industrial parcels. Analysis of real estate sales indicates that turnover rates are low for the AWP area as only 21 sales have occurred in the last 5 years.

Discussions with local real estate experts and major employers indicate potential for the city as a whole, highlighting that each neighborhood focus may differ across the city. Implications for the AWP area include pursuing future developments that are complementary to existing assets and efforts in other city neighborhoods. For example, commercial development focused on retail has been a main driver of downtown revitalization around Pullman Square. The Fairfield neighborhood of the city along Hal Greer Boulevard represents opportunities for development related to growth of the hospital.

Leveraging proximity to local drivers such as the University and the hospitals were repeated themes of conversations, suggesting that university growth objectives and needs can support development opportunities in the AWP area. Research facilities and mixed-income housing for graduate students, visiting faculty and researchers present additional opportunities. Limited retail opportunities may also be available in the AWP area particularly to serve residents and employees in a mixed use environment, provided these establishments do not compete directly with downtown businesses.

Appendix

Detailed Land Use

Table 28 Acreage by Detailed Land Use Description

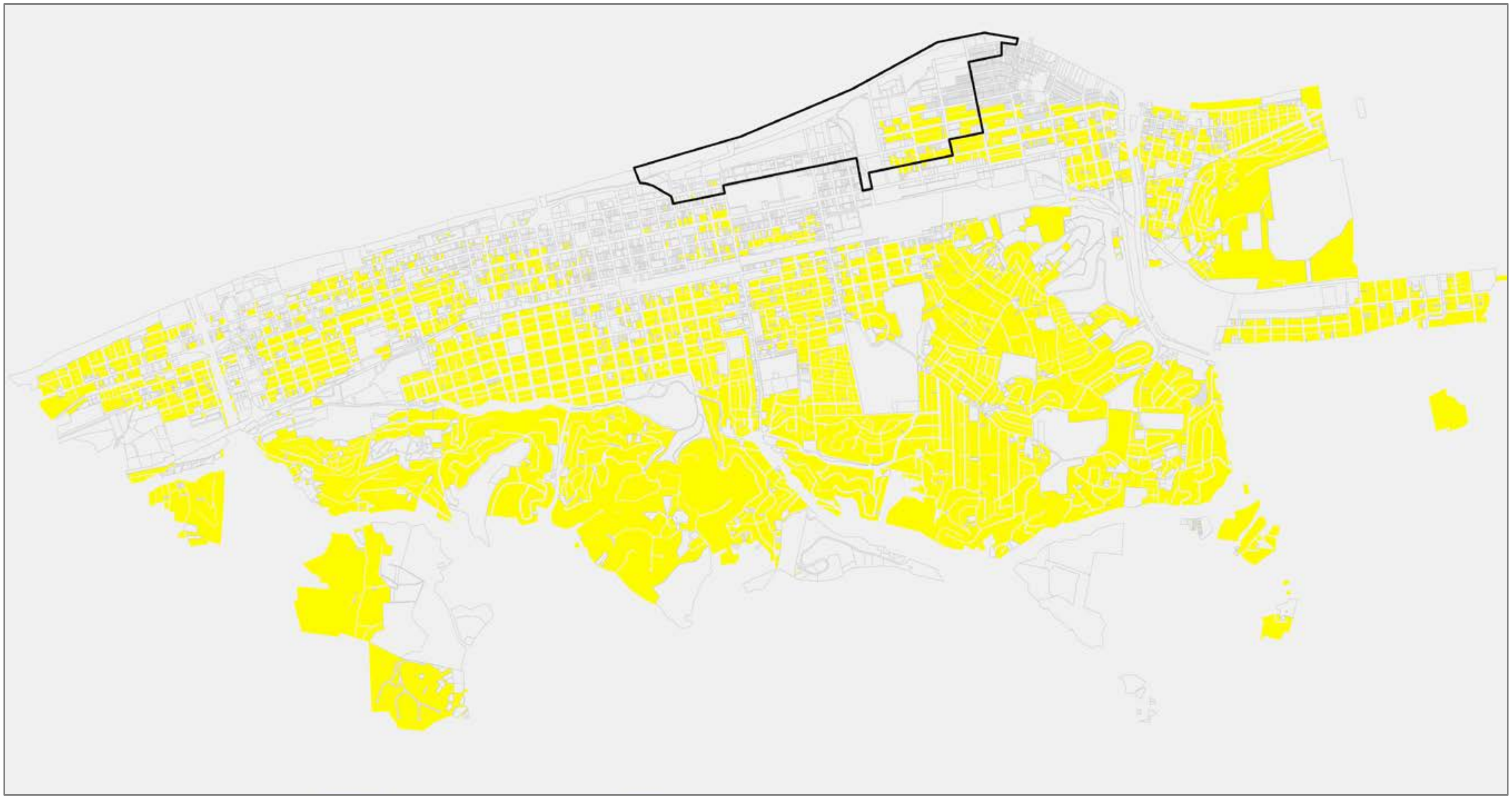
Land Use Category	Land Use Description	Citywide	In AWP Area
Residential	Active Farm	19.1	
Apartment	Apartment Gardens (1-3 stories)	82.4	5.1
Apartment	Apartment Vacant Land	4.4	
Exempt	Auditorium	2.3	
Commercial	Auto Dealer - Full Service	13.3	2.4
Commercial	Auto Service Garage	16.4	3.7
Commercial	Auxiliary Improvement	5.2	
Residential	Auxiliary Improvements	25.4	0.1
Industrial	Bakery	3.0	
Commercial	Bank	13.0	2.0
Commercial	Bar/Lounge	3.8	0.2
Commercial	Boarding/Rooming House	1.5	
Commercial	Bowling Alley	1.4	
Commercial	Car Wash – Automatic	1.9	0.5
Commercial	Car Wash – Manual	1.0	0.3
Exempt	Cemetery	179.5	
Industrial	Chemical Plant	27.3	
Commercial	Cinema/Theater	4.7	
Commercial	Club House	4.0	
Commercial	Cold Storage Facility	1.5	
Exempt	College or University	62.6	2.1
Commercial	Community Shopping Center	19.1	
Residential	Condominium	2.0	
Commercial	Convenience Food Market	16.6	1.3
Exempt	Correctional	0.2	
Exempt	Cultural	1.5	
Commercial	Day Care Center	0.7	
Commercial	Department Store	0.8	
Commercial	Discount Department Store	12.0	
Commercial	Downtown Row Type	7.5	0.9
Commercial	Fast Food	16.7	1.7
Exempt	Federal/State Building	2.6	
Commercial	Food Stand	2.2	
Commercial	Funeral Home	2.7	
Commercial	General Commercial Vacant Land	281.3	46.7

Industrial	Glass Manufacturing	30.0	
Commercial	Greenhouse/Florist	1.6	
Apartment	High rise Apartments	12.1	1.2
Exempt	Hospital	59.7	
Commercial	Hotel/Motel - High Rise	3.0	
Commercial	Legitimate Theater	0.5	
Exempt	Library	2.0	
Industrial	Machinery and Equipment Manufacturing	6.7	
Industrial	Manufacturing	72.4	9.9
Industrial	Meat Packing & Slaughterhouse	3.2	3.2
Commercial	Medical Office	21.7	1.2
Industrial	Metal Working	27.4	27.4
Commercial	Mini Warehouse	5.1	
Residential	Mixed Residential/Commercial	27.7	2.6
Commercial	Mobile Home	16.8	
Residential	Mobile Home Park	7.3	
Apartment	Motel Low - Rise	5.0	
Commercial	Motion Picture Theater	0.6	
Commercial	Neighborhood Shopping Center	5.5	
Commercial	Nickel Manufacturing	49.0	
Industrial	Nursing Home	106.9	2.6
Commercial	Office Building High Rise (>4 stories)	3.6	
Commercial	Office Building Low Rise (1-4 stories)	69.9	2.6
Commercial	Office Condominium	0.9	
Commercial	Office/Warehouse	48.2	14.7
Commercial	Other Miscellaneous Exempt	35.4	
Exempt	Paint Manufacturing	1.7	
Industrial	Parking Garage/Deck	0.9	
Commercial	Parking Miscellaneous	96.9	5.1
Commercial	Police or Fire Station	7.4	
Exempt	Post Office	3.0	2.6
Exempt	Radio TV or Motion Picture Studio	1.4	
Commercial	Rail/Bus/Air Terminal	104.1	8.3
Utilities	Recreational/Health	142.5	1.3
Exempt	Regional Shopping Mall	1.2	
Exempt	Religious	130.6	2.4
Commercial	Residential Four Family	22.3	0.6
Exempt	Residential House on Apt Valued Land	1.5	
Residential	Residential House on Comm Valued Land	0.2	0.1
Apartment	Residential Single Family	2,631.9	47.3

Commercial	Residential Three Family	18.9	1.8
Residential	Residential Two Family	98.6	5.0
Residential	Residential Vacant Land	887.6	2.0
Residential	Restaurant	8.0	
Residential	Retail - Multiple Occupancy	15.3	0.4
Commercial	Retail - Single Occupancy	78.4	4.3
Commercial	Savings Institution	3.1	0.2
Commercial	School	108.4	3.1
Commercial	Service Station with Bays	3.3	
Exempt	Service Station without Bays	3.0	
Commercial	Skating Rink	0.5	
Commercial	Social/Fraternal Hall	6.0	1.3
Commercial	Steel Mill	36.5	34.1
Commercial	Strip Shopping Center	1.2	
Industrial	Super Regional Shopping Mall	0.6	
Commercial	Supermarket	12.3	
Commercial	Telephone Equipment Building	0.7	
Commercial	Truck Terminal	6.0	
Utilities	Unsound Commercial Structure	0.3	
Commercial	Unsound Residential Structure	0.4	
Commercial	Utilities Vacant Land	183.3	1.6
Residential	Vacant Exempt Land	875.7	9.2
Utilities	Vacant Land	21.6	11.8
Exempt	Veterinary Clinic	12.6	
Industrial	Warehouse	161.9	50.4
Commercial	Warehouse Prefabricated	2.1	1.5
Commercial	Woodworking Shop	1.8	
Commercial	(blank)		
Industrial	Radio/TV Transmitter Building	12.2	
	Total	7,167.8	326.6

Land Use Maps

Figure 10 Residential Parcels

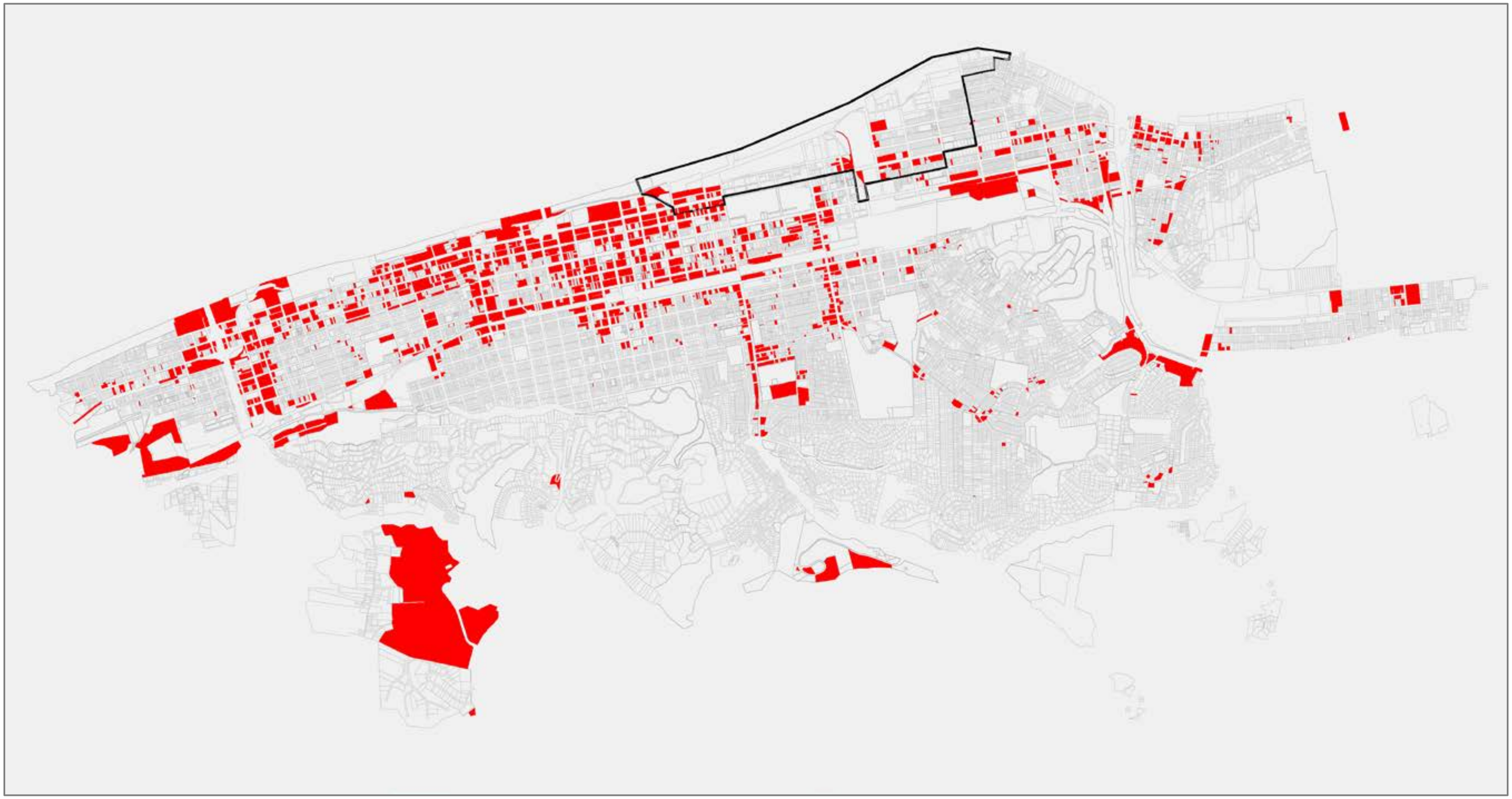


Source: Cabell County Assessor, 2016

Figure 11 Industrial Parcels

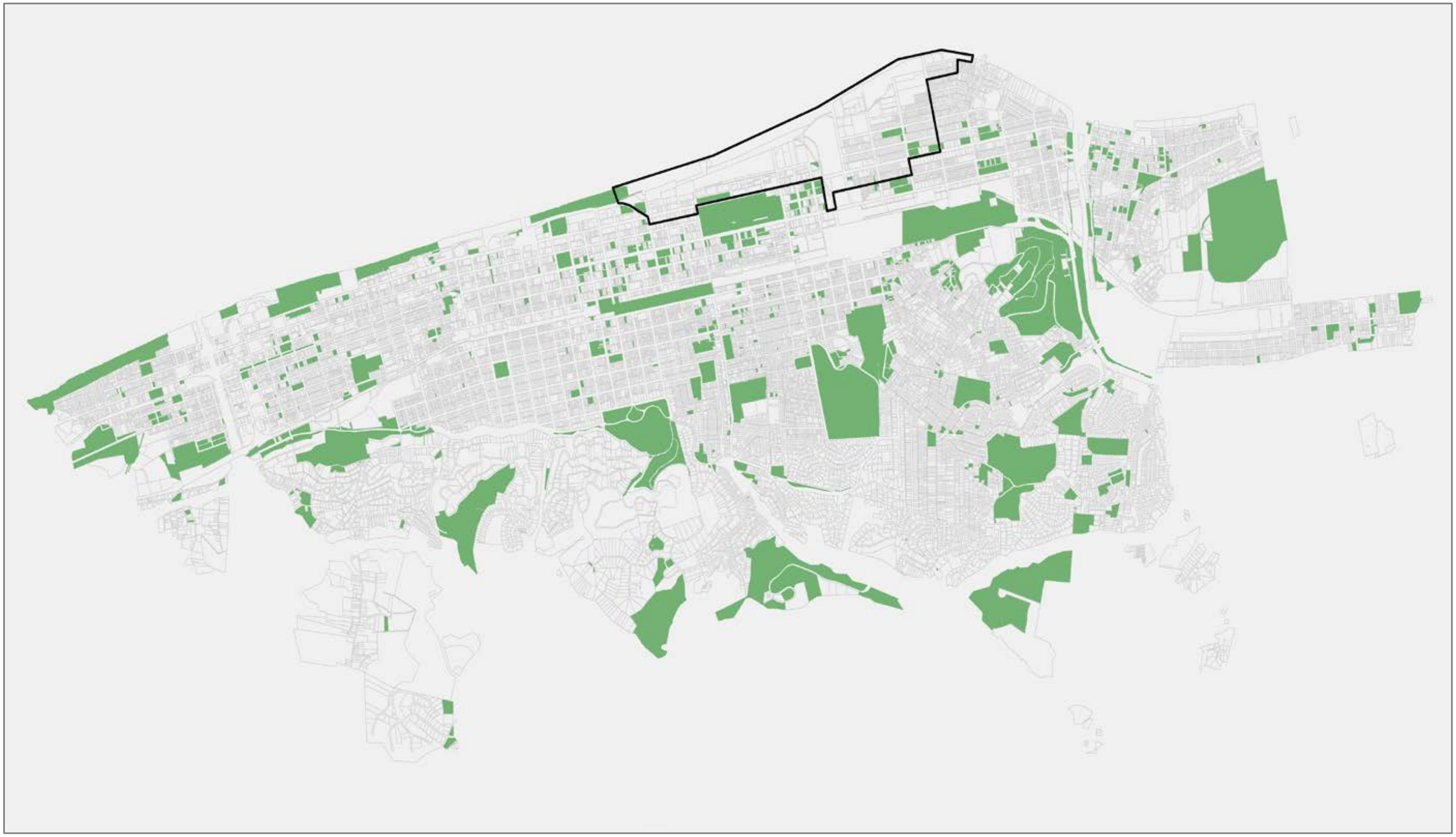
Source: Cabell County Assessor, 2016

Figure 12 Commercial Parcels



Source: Cabell County Assessor, 2016

Figure 13 Exempt Parcels



Source: Cabell County Assessor, 2016

Key Stakeholder Interviews

Contact Name	Organization
Matt Stickler	Touma Real Estate Holdings, LLC
Joseph Touma	Marshall University
Jim Weiler	ReMax
Charlie Neighborgall	Neighborgall Construction
Beth Hammers	Marshall University, Joan C Edwards School of Medicine
Michelle Dixon	Alcon Research, Ltd
Patty Hickman	West Virginia Department of Environmental Protection
Shane Radcliff	Realty Exchange