

Housing Needs Assessment of the City of Winnemucca and its Surrounding Areas

Chapter II: Demographic, Employment and Housing Data

Introduction

In this chapter, we review demographic, employment and housing trends in Winnemucca and Humboldt County and their implications for housing planning and development in the Winnemucca area. For comparison purposes, we have included selected data for Elko County, which shares similar economic and demographic characteristics with Humboldt County and for the State of Nevada as a whole.

The information in this chapter is meant to complement the qualitative data in other chapters based upon the Employer Survey and the one-on-one key informant interviews conducted in February 2008.

Unfortunately, current housing data about rural Nevada is very limited. The main source of information about housing and population in Humboldt County is the decennial U.S. Census, which was last conducted in 1999. We have supplemented this data with population, economic and housing information from a variety of sources, including the State Demographer, HUD annual projections of income and rents, local home sale statistics, tallies of residential building permits, interviews with local realtors and property managers, and jobs data from the State Department of Employment Training and Rehabilitation. We would especially like to acknowledge the Humboldt County Assessors Office, which provided current housing counts and home sales statistics.

Summary of Findings

Population Characteristics

- *Population* – Between 1990 and 2000, Humboldt County grew by 3,086 people to 16,106 people, a 23.7% increase. It is estimated that an additional 1,319 people will reside in the county by 2010 for a total of 17,425, an 8.2% increase. Similarly, between 1990 and 2000, the city of Winnemucca increased by almost 1,000 people, a 16.1% gain. During this decade, the County population increased at a quicker pace than the City (23.7% versus 16.1%). Much of this new growth occurred just outside the City boundaries, in the Grass Valley area.
- The 2007 population of Humboldt County is estimated at 18,052. The State Demographer actually projected a decline of 627 persons between 2007 and 2010. The 2010 population projections, however, were published in July 2006. At that time the 2007 projection for Humboldt County was 17,402, 650 less than the estimate of 18,052 published in 2007. It is therefore possible that the Humboldt County 2010 projection of 17,425 is low.

- *Race/Ethnicity* – Between 1990 and 2000, the greatest increases in minority groups as a percentage of the population in both the State and in Humboldt County were in the Hispanic and Asian populations. The Hispanic/Latino population is the largest ethnic group in the County, 19.3% of the population in 2005. By 2010 the percentage is expected to increase to 21.0%. In 2005, 23.3% of the State’s population was Hispanic/Latino, projected to climb to 27.8% by 2010.
- *Income* – Humboldt County’s HUD Median Family Income (AMI) for a family of four currently stands at \$66,100, which is an 18.9% increase since 2000, while Elko County’s AMI increased 11.4% to \$66,500
- *Household Size* – The household size increased slightly in Humboldt County from 2.76 to 2.77 and more significantly in Elko County from 2.79 to 2.85. The City of Winnemucca remained stable at 2.60 persons per household.
- *Age* – In Humboldt County there was a 30% increase in both the number of children and elderly people. In the city of Winnemucca, however, there was a higher growth rate among elderly residents. Elko County shows a larger percentage increase in the under-18 age group.

As a percentage of the population, Humboldt County has seen a 1.1% increase in the <18 population from 30.3% in 1990 to 31.4% in 2000. The percent of the population age 65+ has increased more slowly in the county from 7.3% to 7.5%. In the city of Winnemucca, 30.2% of the population was <18 years in 2000 and 9.0% was age 65+.

- *Disability* – The percent of the population in Humboldt County with a physical disability alone accounted for 6.7% of the population over age five, equating to 995 people. In Winnemucca, the percentage is lower at 4.9%, 325 people. Based upon this data, and again, on our one-on-one interviews with key informants, we believe that there is a great need for more barrier-free housing to serve this population in Humboldt County.

Employment Characteristics

- *Employment* – Humboldt County’s employment base is primarily in the natural resources and mining industry (24.2%) followed by trade, transportation and utilities (19.2%), government (18.5%) and leisure and hospitality (15.0%).
- *Unemployment* – In 2007, the United States unemployment rate was 4.6% compared to the State at 4.8%, 3.9% for Humboldt County, and 3.5% in Elko County. First quarter 2008 unemployment rates are averaging 4.7% for Humboldt County, 4.3% for Elko County, 5.8% for the State, and 4.9% nationwide.

Housing Characteristics

- *Vacancy Rates* – Vacancy rates have changed significantly since 2000, reflecting the recent surge in mining activity in Humboldt County. Although updated statistical data for overall housing units is not available, information from Winnemucca realtors and property managers reveals that the current inventory of for-purchase and for-rent housing is relatively low.
- *Housing Units* – Humboldt County population increased by 1,946 persons from 2000 to 2007, or a 12.1% increase. With an average household size in Humboldt County of 2.77, there was an increase of approximately 702 households during this period. However, only 195 units were added to the County's inventory during this period, representing a 3.0% increase in the housing stock.
- *Owner Occupied and Rental Occupied Housing Units* – Homeownership rates in Humboldt County increased from 67.3% to 73.2%, resulting in 1,143 additional homeowners by 2000. Homeownership in Winnemucca increased from 62.2% to 66.6% over this period, for a total of 390 new homeowners.
- *Housing Types and Age* – Mobile homes comprised 42.3% of the housing stock in Humboldt County (2,943 units) in 2000. Single-family, detached units comprised 45.7% of the housing stock (3,175 units) in 2000, compared with 50.6% in Elko County and 52.3% in the State of Nevada as a whole. Multiple-Family/Other units comprised only 12.0% of the total housing stock in Humboldt County (or 836 units), compared with 18.9% in Elko County and 38.1% across the State.
- Between 2000 and 2007, there was only a 3.0% increase in the number of housing units in Humboldt County, much lower than the 37.9% increase in the 1990s. The vast majority (183 units) of new residences were single-family detached, for a 6.9% gain over 2000. The largest percentage gain was among multi-family housing at 8.1% with 40 units added. Declines were seen in the number of manufactured homes and single-family attached residences. A similar overall pattern is evident in the city of Winnemucca. The number of manufactured homes, however, dropped more significantly (-110 units, -16.8%), offset by 131 new single-family detached residences.
- Humboldt County, and particularly the City of Winnemucca, suffer from a relatively aged housing stock as compared to Elko County and the State as a whole. Based upon 2000 Census data, the median year of structures in Humboldt County was 1982, over 25 years old. This is compared to 1984 for Elko County and 1986 for the State. The median age housing structure in the City of Winnemucca was 1978, or 30 years old. In fact, over one-third (36.0%) of the housing stock in the City in 2000 was built before 1970, compared to 22.6% in Elko and 17.5% for the State.

- *Affordable Housing Inventory* – Humboldt County’s subsidized affordable housing inventory comprises 240 rental units in seven developments, all located in the City of Winnemucca. The total number of renter-occupied units in 2000 was 1,554. Therefore subsidized housing constitutes approximately 10.6% of the County’s total rental housing stock.
- *Building Permits* – From 2000 to 2007, 344 permits were issued, 264 (76.7%) for single-family homes and 80 (23.3%) for multi-family units.

Rental Housing Affordability

- *Rental Housing Rates* – Median rent in Humboldt County increased \$82 from \$449 in 1990 to \$531 in 2000, compared to the city of Winnemucca with an increase of \$136 from \$364 to \$500. The percent of household income spent on rent in the County increased slightly from 18.4% to 19.0% whereas the percent dropped from 20.7% to 19.2% in the City.
- From 2000 to 2008, the HUD Fair Market Rents for a two-bedroom unit in Humboldt County increased from \$603 to \$745, or 23.5%. Median Family Income from 2000 to 2008 only increased by 18.9% over this same period. Therefore rent levels outpaced income over the last 8 years, suggesting a higher housing cost burden for renters in Humboldt County.
- *Rental Housing Affordability* - 21.0% of Humboldt County’s households in 2000 paid 30% or more of their income on rent. Of these households 5.5% spent 50% or more of their income on rent, considered a severe rent burden by HUD.
- *Percent of Renter Household With Any Housing Problems* – Between 1990 and 2000, the percentage of renter households with any housing problems increased in Humboldt and across the State. Humboldt County showed an almost five percentage point gain from 24.9% in 1990 to 29.8% in 2000. Winnemucca was comparable in 2000 at 30.1%

Between 1990 and 2000, the percentage of very low-income households with any housing problem increased from 57.6% to 67.2%, or over two-thirds of very low-income households. The percentage with any housing problem in the City of Winnemucca was lower in 2000 at 62.0%.

- *Wages Needed to Afford Apartment Rents* – In 2007, we estimate that the hourly wage required to afford a 2-bedroom unit in Humboldt County was \$13.79. This is well above the hourly wage of many Humboldt County occupations, including retail and service employment and agriculture.

Ownership Housing Affordability

- *Ownership Housing Affordability* – 15.6% of Humboldt County’s and 18.0% of Winnemucca’s owner households in 2000 paid 30% or more of their income on housing costs. Of these ownership households, 3.3% in the county and 3.6% in the city spent 50% or more of their income on housing, considered a severe housing burden by HUD.
- *Percent Owner Households With Any Housing Problems* – In Humboldt and Elko Counties the percentage of owner households with any housing problems increased—with Humboldt County rising from 21.8% in 1990 to 28.0% in 2000.
 - A substantial number of those owner households in Humboldt County with incomes at 50% or less of HUD’s AMI have housing problems. Between 1990 and 2000, the percentage of very low-income households with any housing problem increased over five percentage points from 56.3% to 61.9%.
- *Owner-Occupied Housing Values* – Humboldt County’s home values were lower than the State averages at \$74,000 in 1990 and \$117,400 in 2000. However, this illustrates an increase of 58.6 % in Humboldt County’s home values, which is higher than the State of Nevada’s 10-year increase. Winnemucca’s home values increased even more dramatically, rising 67.3% from \$74,100 in 1990 to \$124,000 in 2000.
- From 2000 to 2007, single-family home sale prices rose a notable 68.0% from a median of \$100,000 to \$168,000. The 2008 data shows a median asking price of \$239,900 for single-family homes, 42.8% higher than the 2007 median sales price. So, while the 2008 median sales price will probably be lower than the current asking price, we still expect a significant increase in home sale prices this year.
- From 2000 to 2007, the median sales price of manufactured homes almost tripled (187.5%) from \$40,000 to \$115,000. The asking price for manufactured homes in 2008 is \$137,750, 19.8% over the 2007 median sales price.
- *Homeownership Affordability Gap* – Homeownership in the Winnemucca area became less affordable from 2000 to 2007. A household earning 80% of area median income in 2007, or \$49,040, would need a subsidy of about \$10,244 in order to afford median priced single family home at \$168,000.
- *Annual Income Needed to Afford a Home* – The annual income needed in 2007 to afford a single-family home in Humboldt County was \$64,695. The income needed to afford a manufactured home in 2007 was \$47,665. The median annual income for employees in all occupations Humboldt County in 2007 was \$34,944,

about one-half of the income needed to purchase a single-family home without a significant burden.

Methodology

The data summarized in this chapter comes from a variety of sources including:

- 1990 and 2000 US Census (population and housing characteristics);
- Nevada State Demographer (current population estimates and projections, race/ethnicity estimates and projections, housing counts by type);
- Nevada Department of Employment, Training & Rehabilitation (current employment and wage data, major employers);
- US Department of Housing and Urban Development (HUD) (area median family income data [AMI], Fair Market Rents [FMR]);
- HUD State of the Cities Database (housing affordability measures, building permit data);
- Humboldt County Assessor (housing counts, current home sales data, vacant land data);
- Humboldt Realty LLC and Century 21 Sonoma Realty (current rental and housing sales data);
- Nevada Housing Division, Nevada Rural Housing Authority, and Weststates Property Management Company (subsidized rental housing data);

From the information listed above, we have created tables and a graph to accompany the narrative.

Population

The State of Nevada experienced tremendous population growth in the 1990s and is expected to continue to grow at a fast but decreasing rate through 2010. This mirrors the trend observed in many of the western states. As seen in **Table 1**, from 1990-2000, the State grew 61.7%, the highest growth rate in the nation; it is projected to grow 54.5% between 2000 and 2010. The majority of this growth is occurring in Clark County (Las Vegas) with Washoe County (Reno/Sparks) also experiencing strong growth, but at a slower pace than Clark County.

Nevada's rural counties also added population during this period, but at a much slower pace. Between 1990 and 2000, Humboldt County grew by 3,086 people to 16,106 people, a 23.7% increase. It is estimated that an additional 1,319 people will reside in the county by 2010 for a total of 17,425, an 8.2% increase. Similarly, between 1990 and 2000, the city of Winnemucca increased by almost 1,000 people, a 16.1% gain. During this decade, the County population increased at a quicker pace than the City (23.7% versus 16.1%). Much of this new growth occurred just outside the City boundaries, in the Grass Valley area.

By 2007, an additional 471 people were estimated to reside in Winnemucca. About 42% of the county's 2007 population was estimated to live in the city of Winnemucca.

Projections for Winnemucca for 2010 are not available.

Elko County experienced stronger growth (34.1% gain) than Humboldt County in the 1990's, but was projected to grow at a slower rate than Humboldt County between 2000 and 2010 (1.9%).

County	1990	2000	2007	2010
Humboldt County	13,020	16,106	18,052	17,425
Winnemucca	6,180	7,175	7,646	n/a
Elko County	33,770	45,291	50,434	46,139
State of Nevada	1,236,130	1,998,257	2,718,337	3,087,428
County	% Chg 90-00	% Chg 00-10	% Chg 00-07	% Chg 07-10
Humboldt County	23.7%	8.2%	12.1%	-3.5%
Winnemucca	16.1%	n/a	6.6%	n/a
Elko County	34.1%	1.9%	11.4%	-8.5%
State of Nevada	61.7%	54.5%	36.0%	13.6%
County	# Chg 90-00	# Chg 00-10	# Chg 00-07	# Chg 07-10
Humboldt County	3,086	1,319	1,946	-627
Winnemucca	995	n/a	471	n/a
Elko County	11,521	848	5,143	-4,295
State of Nevada	762,127	1,089,171	720,080	369,091

Source: US Census and Nevada State Demographer

The 2007 population of Humboldt County is estimated at 18,052. The State Demographer actually projected a decline of 627 persons between 2007 and 2010. The 2010 population projections, however, were published in July 2006. At that time the 2007 projection for Humboldt County was 17,402, 650 less than the estimate of 18,052 published in 2007. It is therefore possible that the Humboldt County 2010 projection of 17,425 is low.

Humboldt County is heavily dependent on the mining industry, with its boom/bust cycles. In the last year, the mining industry has once again experienced a resurgence in

Humboldt County fueled by gold prices, which topped \$1,000 an ounce in early 2008. As will follow below, housing production, especially affordable multi-family units, typically lags behind population growth, resulting in low vacancy rates and higher housing costs.

Race/Ethnicity

The state of Nevada is becoming more diverse. **Table 2** shows that the white/non-Hispanic population declined from 84.3% of the population in 1990 to 62.1% in 2005. By 2010, the percentage of white/non-Hispanic persons in the state is projected to further drop to 58.5%.

In Humboldt County, however, the percentage of the population that is white/non-Hispanic has remained relatively constant, from 74.6% in 1990 to 75.1% in 2005. By 2010, the percentage is expected to drop slightly to 73.3%.

Between 1990 and 2000, the greatest increases in minority groups as a percentage of the population in both the State and in Humboldt County were in the Hispanic and Asian populations. Between 2000 and 2010, a similar pattern is expected with Humboldt County also showing an increase in its American Indian population.

Table 2: Race/Ethnicity Humboldt County and State 1990, 2000, 2005, 2010				
Humboldt County	1990	2000	2005	2010
White Population	9,719	12,171	12,995	12,773
% White	74.6%	75.1%	75.1%	73.3%
Black Population	71	98	104	97
% Black	0.5%	0.6%	0.6%	0.6%
American Indian Population	716	691	696	760
% American Indian	5.5%	4.3%	4.0%	4.4%
Asian/Pacific Islander Pop	57	128	151	140
% Asian/Pacific Islander	0.4%	0.8%	0.9%	0.8%
Hispanic/Latino Population	2,457	3,110	3,346	3,654
% Hispanic/Latino	18.9%	19.2%	19.3%	21.0%

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State	1990	2000	2005	2010
White Population	1,012,695	1,339,515	1,557,109	1,801,846
% White	84.3%	66.4%	62.1%	58.5%
Black Population	78,771	138,406	172,898	221,762
% Black	6.6%	6.9%	6.9%	7.2%
American Indian Population	19,637	27,780	33,459	40,940
% American Indian	1.6%	1.4%	1.3%	1.3%
Asian/Pacific Islander Pop	38,127	110,626	159,363	226,306
% Asian/Pacific Islander	3.2%	5.5%	6.4%	7.3%
Hispanic/Latino Population	124,419	399,688	585,326	856,778
% Hispanic/Latino	10.4%	19.8%	23.3%	27.8%
	% Chg	% Chg	% Chg	% Chg
Humboldt County	90-00	00-10	00-05	05-10
White Population	25.2%	4.9%	6.8%	-1.7%
% White	0.7%	-2.4%	0.0%	-2.5%
Black Population	38.0%	-1.0%	6.1%	-6.7%
% Black	10.9%	-8.0%	-0.6%	-7.4%
American Indian Population	-3.5%	10.0%	0.7%	9.2%
% American Indian	-22.4%	2.2%	-5.7%	8.4%
Asian/Pacific Islander Pop	124.6%	9.4%	18.0%	-7.3%
% Asian/Pacific Islander	80.5%	1.7%	10.5%	-8.0%
Hispanic/Latino Population	26.6%	17.5%	7.6%	9.2%
% Hispanic/Latino	1.7%	9.2%	0.8%	8.4%
	% Chg	% Chg	% Chg	% Chg
State	90-00	00-10	00-05	05-10
White Population	32.3%	34.5%	16.2%	15.7%
% White	-21.1%	-12.0%	-6.6%	-5.8%
Black Population	75.7%	60.2%	24.9%	28.3%
% Black	4.7%	4.9%	0.4%	4.4%
American Indian Population	41.5%	47.4%	20.4%	22.4%
% American Indian	-15.7%	-3.5%	-3.2%	-0.4%
Asian/Pacific Islander Pop	190.2%	104.6%	44.1%	42.0%
% Asian/Pacific Islander	73.0%	33.9%	15.8%	15.6%
Hispanic/Latino Population	221.2%	114.4%	46.4%	46.4%
% Hispanic/Latino	91.5%	40.3%	17.7%	19.2%

Source: US Census and Nevada State Demographer

The Hispanic/Latino population is the largest ethnic group in the County, 19.3% of the population in 2005. By 2010 the percentage is expected to increase to 21.0%. In 2005, 23.3% of the State's population was Hispanic/Latino, projected to climb to 27.8% by 2010.

As Humboldt County becomes more diverse, there will be some implications for housing, including new housing preferences and occupancy patterns, affordability for low-wage employees, and issues with fair housing access and lending practices.

Income

Median family incomes in Humboldt County are among the highest in rural Nevada, lagging only slightly behind Elko County, and Douglas and Storey County in Western Nevada. As will be noted below, Humboldt County exhibits disproportionate employment in a number of higher paying industries, including Natural Resources and Mining, Government, and Trade, Transportation and Utilities.

Table 3: HUD Area Median Family Incomes (AMIs)						
Humboldt County and Elko County 1990, 2000, 2005-2008						
County	1990	2000	2005	2006	2007	2008
	\$	\$	\$	\$	\$	\$
Humboldt County	\$29,800	\$55,600	\$60,600	\$59,700	\$61,300	\$66,100
Elko County	\$31,200	\$59,700	\$61,050	\$60,100	\$61,700	\$66,500
County	% Chg 90-00	% Chg 00-05	% Chg 05-08	% Chg 00-08		
Humboldt County	86.6%	9.0%	9.1%	18.9%		
Elko County	91.3%	2.3%	8.9%	11.4%		

Source: US Department of Housing and Urban Development (HUD)

As seen in **Table 3**, Humboldt County's HUD Median Family Income (AMI) for a family of four currently stands at \$66,100, which is an 18.9% increase since 2000, while Elko County's AMI increased 11.4% to \$66,500.

HUD AMIs increased significantly in the 1990s, almost doubling in both Humboldt and Elko counties. Between 2005 and 2007, household income was stagnant. However, it increased nearly 8% in both counties from 2007 to 2008.

HUD AMI data is not available for the State of Nevada as a whole. Generally, the urban counties show higher median family incomes than the rural counties. In 2008, the HUD AMI for the Las Vegas-Paradise, NV MSA was \$63,900 and for the Reno-Sparks, NV MSA, \$69,500. Most of Nevada's rural counties, with the exception of Douglas, Storey, Elko and Humboldt, exhibit relatively low annual AMIs.

Table 4 presents an overview of poverty status. While incomes have increased in Humboldt County in the last decade, the percentage of the population living below the poverty line has remained about the same.

The poverty threshold for a family of four persons was \$12,674 in 1989 and \$17,029 in 1999. Poverty thresholds are applied on a national basis and are not adjusted for regional, state or local variations in the cost of living.

Table 4: Individuals Below Poverty Level Humboldt County, Winnemucca, Elko County, and State 1990 and 2000						
County/City	1990		2000		% Chg	# Chg
	#	%	#	%	90-00	90-00
Humboldt County	1,294	10.3%	1,539	9.7%	18.9%	245
Winnemucca	493	8.1%	682	9.5%	38.3%	189
Elko County	3,089	9.4%	3,947	8.9%	27.8%	858
State of Nevada	119,660	10.2%	205,685	10.5%	71.9%	86,025

Source: US Census

Despite increases in incomes and population growth during the 1990s, the percentage of the population in the State who fall under the poverty level did not go down during the decade, but rather increased slightly from 10.2% to 10.5% of the population. The total number of people living in poverty in Nevada increased by 86,025 over the decade.

In both Humboldt and Elko Counties, the number of people living below the poverty line also increased, by 245 persons in Humboldt County and 858 persons in Elko County. However, the percentage of the population living in poverty dropped slightly, approximately one-half a percentage point to 9.7% for Humboldt County, 8.9% for Elko County. In Humboldt County this equates to 1,539 individuals who fell below the poverty level in 2000. In the city of Winnemucca, the percent of the population with poverty status increased in the 1990s from 8.1% of the population to 9.5%. Some of the newcomers may be of lower income and/or cost of living increases may have pushed people below the poverty level.

As will follow, housing availability and affordability in Humboldt County and the City of Winnemucca have a disproportionate impact upon the area's low-income residents.