MSA Designation Possibilities for Raleigh County West Virginia

By

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Scope of Work and Key Conclusions

The Raleigh County Commission has contracted with the Bureau of Business and Economic Research, College of Business and Economics, West Virginia University, to conduct a study to determine if Raleigh County meets the population density requirements in order to form a metro government and to clarify its status as a micropolitan statistical area. This study presents the results of the two major tasks undertaken in the study:

- Task 1 Determine the requirements for classification of an area or governmental unit as a metropolitan statistical area (MSA) as defined by the federal Office of Management and Budget.
- Task 2 Given the results from Task 1 determine whether or not Beckley or Raleigh County can be classified as an MSA.

Metropolitan designation is considered important to many regions in the United States. When the U.S. Office of Management and Budget (OMB) releases updated metropolitan statistical area (MSA) definitions, local officials take interest. New MSA designations are believed by some to spur regional economic development and growth, due to its possible impact on the region’s ability to attract federal mass transit and economic development funds, its ability to successfully market itself as a destination for business location, and improve statistical reporting. However, Hammond and Gregory (2007) demonstrate that in fact there is limited, if any, regional economic development and growth associated with areas being classified as MSAs. The Office of Management and Budget (1998) indicate that MSA’s are designed solely for the preparation, presentation and comparison of data and thus being classified increases the area’s economic information and statistics.

This report will define how regions are classified as urban or rural and metropolitan or non-metropolitan using the standards set forth by the federal Office of Management and Budget. The report will examine the question of whether metropolitan classification matters for metro government consolidation and home rule in West Virginia. The report also examines Raleigh County to see how its current population and commuting patterns result in its classification as a micropolitan, rather than a metropolitan statistical area.

Highlights on Raleigh County from this report include:
- Raleigh County’s population in 2006 was 78,708, which is a decline of 0.6% from 2000.
- Beckley is the largest city in the county with an estimated population of 16,828 in 2006.
- Beckley’s population classifies it as a Class II city for municipal home rule purposes under West Virginia code.
- In 2000, the population included within an urban cluster in Raleigh County totaled 46,935.
- Raleigh County with its core city of Beckley is classified as a micropolitan statistical area by the U.S. Census Bureau.

Finally, this report concludes that while Beckley is classified as a micropolitan statistical area, the issue of population density is not a requirement for the formation of a metro government in West Virginia.
What is Metro Government in West Virginia?

Two major pieces of legislation recently passed in West Virginia have spurred debate regarding metropolitan areas within the state. Senate Bill 245, which passed during the 2006 legislative session, created the Consolidated Local Government Act. This act gave authority to municipal, county or metro governments to form a consolidated local government with another municipality, county or metro government. This act granted consolidated governments various powers including the following: levy and collect taxes on all taxable property; license, tax, charge fees, and regulate privileges, occupations, trades, and professions; and issue bonds and use other debt instruments.

Article 6–39A of the West Virginia Constitution has also recently been passed. This amendment, known as the Municipal Home Rule Amendment, gave a home rule option for municipalities, which granted municipalities whose populations exceeded 2,000 to form a municipal corporation which would have the power and authority to frame, adopt, and amend a charter and pass all laws and ordinances relating to its municipal affairs. This act was restricted to municipalities and classified them into the following categories: Class I city (population greater than 50,000), Class II city (population between 10,000 – 50,000), and Class III city (population between 2,000-10,000) and Class IV town or village (population less than 2,000). The first application period for this legislation expired in January 2008 with four municipalities (Bridgeport, Charleston, Huntington and Wheeling) receiving home rule powers in May 2008.

These two major pieces of legislation do not refer to the designation of metropolitan areas by the OMB. The next section of this report will examine how areas are classified with special attention given to the definition of metropolitan areas established by the federal government.

What is the Federal Classification of Urban/Rural and Metropolitan/Non-metropolitan Areas?

The U.S. Census Bureau and the U.S. Office of Management and Budget (OMB) each classify or define areas according to their population, commuting patterns and other critical variables, as shown in Figure 1. The Census determines whether an area is urban or rural and the OMB uses this determination as the first step in classifying urban areas as metropolitan or non-metropolitan.

In determining whether an area is urban or rural, the Census Bureau starts by looking at small geographic areas that consist of more than 2,500 resident and at least 500 people per square mile and label these areas as blocks.

Census then examines the areas surrounding these blocks to identify other qualifying blocks within 2.5 miles of the core (or first) block. Blocks are then grouped and the Census Bureau then classifies the region based upon the urban population level.

If the population level of the grouped blocks or urban area is between 10,000 and 49,999 then it is classified as an ‘urban cluster.’ If the population level exceeds 50,000 then the region is labeled an ‘urbanized area.’ If an area does not meet any of these qualifications then it is labeled
rural by the Census Bureau. Note that these areas do not always follow county or political boundaries.

The OMB then takes the classifications of the Census Bureau to determine if a county is metropolitan or non-metropolitan. A county including an urban cluster becomes the core county of a micropolitan statistical area. A county including an urbanized area becomes the core county of a metropolitan statistical area.

Counties surrounding the core county are added to the metropolitan/micropolitan area if (1) at least 25% of employed residents work in the metropolitan/micropolitan area or (2) at least 25% of jobs in that county are filled by commuters from the metropolitan/micropolitan area. Counties surrounding these newly included counties are also added to the metropolitan/micropolitan area if they meet the 25% limit [U.S. Office of Management and Budget (2000)].
Are there 2,500 residents and greater than 500 people per square mile?

Yes  No

Block  Rural Area

Are there surrounding (or within 2.5 miles) blocks with 2,500 residents and greater than 500 people per square mile?

Yes  No

Blocks are grouped.  Block is classified alone.

# of residents: less than 10,000  # of residents: 10,000 - 49,999  # of residents: greater than 50,000

Rural Area  Urban Cluster With Core County  Urbanized Area With Core County

Micropolitan Statistical Area  Metropolitan Statistical Area

Are there surrounding counties where:
(1) > 25% of employed residents work in core county or
(2) > 25% of jobs in county are filled by commuters from core county?

Yes  No

Statistical area consists of core county & any qualifying counties.  Statistical area consists of only the core county.
How is Raleigh County Classified?

Population of an area is the first step in classifying it as urban or rural. Table 1 shows the population for Raleigh County and the incorporated cities within the county during the 2000 Census and estimates for 2006. For the most recent year data, Raleigh County had 78,708 residents with 25% of them living within the five incorporated cities. Beckley\(^1\) was the largest populated city with 16,828 residents.

<table>
<thead>
<tr>
<th>Political Jurisdiction</th>
<th>Total Population</th>
<th>2000 Census Population Location</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2000 Census</td>
<td>2006 Estimate</td>
</tr>
<tr>
<td></td>
<td>Raleigh County</td>
<td></td>
</tr>
<tr>
<td></td>
<td>79,220</td>
<td>78,708</td>
</tr>
<tr>
<td></td>
<td>0</td>
<td>46,935</td>
</tr>
<tr>
<td></td>
<td>32,285</td>
<td></td>
</tr>
<tr>
<td>Beckley</td>
<td>17,254</td>
<td>16,828</td>
</tr>
<tr>
<td></td>
<td>0</td>
<td>17,224</td>
</tr>
<tr>
<td></td>
<td>30</td>
<td></td>
</tr>
<tr>
<td>Lester</td>
<td>322</td>
<td>315</td>
</tr>
<tr>
<td></td>
<td>0</td>
<td>232</td>
</tr>
<tr>
<td></td>
<td>90</td>
<td></td>
</tr>
<tr>
<td>Mabscott</td>
<td>1,403</td>
<td>1,351</td>
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<tr>
<td></td>
<td>0</td>
<td>1,403</td>
</tr>
<tr>
<td></td>
<td>0</td>
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</tr>
<tr>
<td>Rhodell</td>
<td>234</td>
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<tr>
<td></td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>234</td>
<td></td>
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<tr>
<td>Sophia</td>
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<tr>
<td></td>
<td>0</td>
<td>1,301</td>
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</tr>
</tbody>
</table>

Source: U.S. Census Bureau

Table 1 also indicates whether residents of the county and cities live inside either an urbanized area, an urban cluster, or a rural area, as defined by the U.S. Census Bureau during the 2000 Census. For Raleigh County, 46,935 residents or 59% of residents lived inside an urban cluster. Figure 2 maps out where the urban clusters are located within the county. An important point to notice is that no area within the county qualifies as an urbanized area. Also note that at least a percentage of residents of Beckley and Lester and all of the residents of Rhodell were located in rural areas.

With the population levels as detailed above, Raleigh County with its core city of Beckley is classified as a micropolitan statistical area. This classification as a micropolitan statistical area by the U.S. Census Bureau is due to Beckley being an urban cluster with a population between 10,000 and 49,999.

\(^1\) Note that under the city classifications defined by the Municipal Home Rule Amendment, Beckley is a Class II city with a population between 10,000 and 50,000 residents.
With Raleigh County being classified as a micropolitan statistical area according to its population, the commuting patterns to and from surrounding counties is important in configuring the boundaries of the statistical area. Figure 3 shows commuters to Raleigh County from bordering counties in 2000. This map shows that 17% of jobs within Raleigh County are held by residents from surrounding counties while 78% of jobs are held by residents of Raleigh County. The remaining 4.2% of Raleigh County jobs are held by commuters from other West Virginia counties as well as residents from other states. Approximately 81.7% of working Raleigh County residents held jobs in the county while 13.3% held jobs in bordering counties. These commuter statistics indicate that when being classified as a metropolitan or non-metropolitan, only Raleigh County will be considered since no bordering counties meet the 25% commuter qualification.
Impact of Beckley-Raleigh County Being Classified as a Micropolitan Area

Being classified as a micropolitan statistical area allows Raleigh County to be easily compared to similar regions throughout the nation. However, this designation as a micropolitan area does not have an impact on metro government consolidation. As previously mentioned, any municipality or county government in West Virginia can merge with another municipality or county to form a metro government. If a consolidation of governments occurs between the cities within Raleigh County and Raleigh County itself, the merger would not affect the urban population size. A metro government merger would also not affect the density statistics of the cities or county.

![Figure 2: Commuters to Raleigh County 2000](source: U.S. Census Bureau)

- Total number of jobs = 29,810
- Total number of commuters from bordering counties = 5,058
- Total number of commuters from outside the county and bordering counties = 1,270
References


