

US Department of Housing and Urban Development's  
Rural Housing & Economic Development Program

Collecting Poverty and Unemployment Data for Rating Factor 2,  
Need and Extent of the Problem

Things to Consider

According to the NOFA,

“This factor addresses the extent to which there is a need for funding the proposed activities based on levels distress, and the urgency of meeting the need/distress in the applicant’s target area. In responding to this factor, applications will be evaluated on the extent to which the level of need for the proposed activity and the urgency in meeting the need are documented and compared to target area and national data.”

You should provide your data in both absolute and percentage form (i.e. whole numbers and percents) for the target area(s). For example, the following table includes both the percentage and actual number of persons in poverty for the two target areas and compares them to the national average.

**TABLE 1: Poverty Rate**

<b>Poverty Status</b>	<b>Bennettsville</b>		<b>Marlboro County</b>		<b>USA</b>
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Percent</b>
Individuals	2,175	27%	5,882	22%	12%
Families	467	22%	1,301	18%	9%

*Source: 2000 US Census*

Your application should compare the current levels of need in the area versus the national average.

You should provide data for the target area immediately surrounding the proposed project site or the target area to be served. For example, if your application proposes to build homes on a particular street you should consider obtaining census tract or block group data. On the other hand, if you propose to rehabilitate substandard units in a particular county, then you would provide countywide data.

Include the source of your data.

Points will be awarded where the poverty rate for the target area is:

- (a) Less than the national average = 0 points;
- (b) Equal to but less than twice the national average = 1 points;
- (c) Twice but less than three times the national average = 3 points;
- (d) Three or more times the national average = 5 points.

Points will be awarded where the unemployment rate for the target area is:

- (a) Less than the national average = 0 points;
- (b) Equal to but less than twice the national average = 1 points;
- (c) Twice but less than three times the national average = 2 points;
- (d) Three but less than four times the national average = 3 points;
- (e) Four but less than five times the national average = 4 points;
- (f) Five or more times the national average = 5 points.

When demonstrating other indicators of social or economic decline, reference the documents used to prepare your response. Data that could be provided under this section include:

- Information on the community's stagnant or falling tax base,
- Recent industrial or commercial closings,
- Housing conditions, such as the number and percentage of substandard or overcrowded units,
- Rent burden for the target area,
- Local crime statistics,
- Falling property values, and
- Distress and/or need addressed in the Consolidated Plan, Analysis of Impediments to Fair Housing Choice (AI), or Indian housing plan.

#### Potential Sources for Data

<http://www.census.gov>

<http://www.ffiec.gov>

<http://www.bls.gov>

[http://www.dol.gov/esa/contacts/state\\_of.htm](http://www.dol.gov/esa/contacts/state_of.htm)

<http://www.dataplace.org>