



HAC

Housing Assistance Council

**WHAT IS "RURAL"?
WORKING TOWARDS
A BETTER
PROGRAMMATIC
DEFINITION**

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HAC, founded in 1971, is a nonprofit corporation that supports the development of rural low-income housing nationwide. HAC provides technical housing services, loans from a revolving fund, housing program and policy analysis, research and demonstration projects, and training and information services. HAC is an equal opportunity lender.

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EXECUTIVE SUMMARY

What is rural? In a government policy context, the definition used can determine what places receive what assistance. In general, rural areas share the common characteristics of comparatively few people living in an area, limited access to large cities (and sometimes even to smaller towns), and considerable traveling distances to “market areas” for work and everyday living activities. But rurality, like most other things in society, exists along a continuum and varies extensively based on proximity to a central place, community size, population density, total population, and various social and economic factors.

The study provides an overview of various definitions of rural and how they align with programmatic definitions used by government agencies and other funding sources. It analyzes how social, economic, and housing characteristics differ between different classifications of rural, noting which definitions capture various economic and housing needs in rural areas. It analyzes the policy implications of differing definitions of rural, and provides a location analysis of actual housing program usage, employing the Department of Housing and Urban Development’s Rural Housing and Economic Development (RHED) program as an example of the complexities of incorporating differing definitions of rural.

Commonly Used Definitions

Among the more commonly used definitions of rural are the following.¹

1. *Nonmetropolitan Areas.* The Office of Management and Budget defines a Metropolitan or Micropolitan Statistical Area as a core area containing a population nucleus of 50,000 or more (Metro) or between 10,000 and 50,000 (Micro), together with adjacent communities having a high degree of economic and social integration with that core. Areas that are not in Metropolitan or Micropolitan Areas are Outside Core Based Statistical Areas (OCBSAs). The Housing Assistance Council (HAC), like numerous others, generally combines Micropolitan and OCBSAs into Nonmetropolitan Statistical Areas. Based on counties (or county equivalents), the Metro/Nonmetro classification is easy to understand and use. It can, however, mask residential patterns, particularly in the Western United States where counties are large.
2. *Nonurbanized Areas.* Defined by the U.S. Bureau of the Census, an Urbanized Area consists of densely settled territory that contains 50,000 or more people. All population, territory, and housing units outside of Urbanized Areas are considered to be in Nonurbanized Areas.
3. *Census Defined Rural Areas.* The Census Bureau defines Rural Areas, a subset of Nonurbanized Areas, as open country and settlements with fewer than 2,500 residents.

¹ The rural housing programs administered by U.S. Department of Agriculture Rural Development are available in places that meet a statutory definition of rural areas based in part on Metropolitan/Nonmetropolitan classifications. The delineations do not follow any political boundaries – such as county or town lines – for which data are collected, making it extremely difficult to use this definition for research or other purposes.

These classification definitions are neither synonymous nor mutually exclusive concepts. For example, 48.8 percent of the Census Defined Rural population and 9 percent of the Census Defined Urban population resides in Nonmetropolitan Areas.

Among these three definitions, Nonurbanized Areas encompass the largest population and landmass. They contain over 89 million persons – nearly 32 percent of the population – and make up 98 percent of the U.S. land mass. Census Defined Rural places are similar to Nonurbanized Areas in land mass (97 percent) but contain only a little over 59 million persons or 21 percent of the population. Nonmetropolitan Areas encompass only 75 percent of the country’s land mass and about 49 million persons or 17 percent of the U.S. population.

A review of social, economic, and housing characteristics among the classification definitions reveals mixed findings. Some characteristics almost indistinguishable among definitions – for example, household crowding rates vary only from 2.9 percent to 3.4 percent. Others are very different among the classifications; median housing values in 2000, for instance, ranged from \$81,000 in Nonmetropolitan Areas to \$97,600 in Census Defined Rural Areas.

Variations do not follow consistent patterns across the definitions. There are more Native Americans in Nonurbanized Areas, for example, but they make up a greater proportion of the population in Nonmetropolitan Areas. Nonmetropolitan Areas generally have the highest rates of minorities, along with a higher poverty rate and higher proportion of renters than the other categories. Census Defined Rural areas have the highest rate of homeownership, along with the highest median income and highest median home value among the definitions. But they also have the highest inadequate plumbing rate among the three definitions, nearly twice the national rate.

Federal Housing Program Usage

HAC conducted an analysis using HUD’s Rural Housing and Economic Development (RHED) program as an example of how the use of these classification definitions *could* impact federal program usage. To be eligible for RHED funds, a place must fall into any one of five different definitions of rural, using components of all three major classification definitions: 1) a place having fewer than 2,500 inhabitants; 2) a county with an urban population of 20,000 inhabitants or less; 3) territory, persons, and housing units in the rural portions of “extended cities”; 4) open country that is not a part of or associated with an urban area; 5) any place with a population not in excess of 20,000 inhabitants and not located in a Metropolitan Statistical Area.

Examining recipients of RHED funds between 1999 and 2004, HAC found that the majority of them (67 percent) were located in Nonurbanized Areas and, of the Nonurbanized recipients, less than half (46 percent) were in Census Defined Rural Areas. Approximately 55 percent of RHED recipients were located in Nonmetropolitan counties. Of the Nonmetro recipients, just over half were located in Micropolitan counties; the other 49 percent were in Outside Core Based Statistical Area counties, far more rural in nature.

Any limitation on RHED eligibility would impact the assistance going to a particular type of area. For example, if only Nonmetropolitan Areas were eligible for RHED, many organizations in

California, Florida, Texas, and Washington would be ineligible for the program. These states have a large proportion of places that are rural in character but fall within Metropolitan boundaries, and also have significant farmworker and colonias populations living in those places. Thus the definition used could exclude or target a particular kind of place or a particular population.

Overview/Conclusion

The differing social, economic, and housing characteristics across the three classification definitions examined in this report complicate decisions about what definition to use for what purpose. It could be argued that the Nonurbanized definition has certain advantages for maximizing funding to rural areas because it includes the most persons and territory. Research and empirical evidence overwhelming suggests, however, that social, economic, and housing conditions worsen as the level of rurality increases. A wholesale incorporation of locales with denser populations could result in diverting scarce rural housing funds away from remote rural areas to more affluent suburban communities.

The RHED example demonstrates how a combination of several different classification definitions can create a more refined and inclusive definition that draws on the positives and advantages of these respective programs. If a single definition were used, the program would be limited to only 68 percent of the recipients under the most liberal scenario (Nonurbanized Area), or only 32 percent of recipients under the Census Defined Rural definition. Instead the combination of definition criteria, drawing from all three classification definitions identified, allows a much larger range of participants than any one definition alone.

In sum, there is no single definition of rural that will work for all federal programs. Policy makers can use the differences in the characteristics of the places in each classification to help target assistance to its intended recipients.

INTRODUCTION

What is rural? This question confuses, perplexes, and confounds nearly everyone who works in rural areas or with rural populations of the United States. Establishing a universal definition of rural poses many challenges. Nearly everyone can come up with a definition, but they are rarely in agreement. In general, rural areas share the common characteristics of comparatively few people living in an area, limited access to large cities (and sometimes even to smaller towns), and considerable traveling distances to “market areas” for work and everyday living activities. But rurality, like most other things in society, exists along a continuum and varies extensively based on proximity to a central place, community size, population density, total population, and various social and economic factors.

A number of government agencies and private sector organizations, including the Housing Assistance Council (HAC), define rural using differing measures. HAC has reviewed and summarized these definitions in previous reports (HAC 2002, HAC 2004). This study updates recent and significant changes in several of these definitions. In addition, the report analyzes the policy implications of differing definitions of rural that are employed by government agencies and funding sources. Policy makers often view the concept of rural through an urban-centric perspective. Thus many definitions focus on urban and metropolitan areas, and other territory is classified as rural by default. This type of analysis relegates rural areas and population to the background and treats them as secondary.

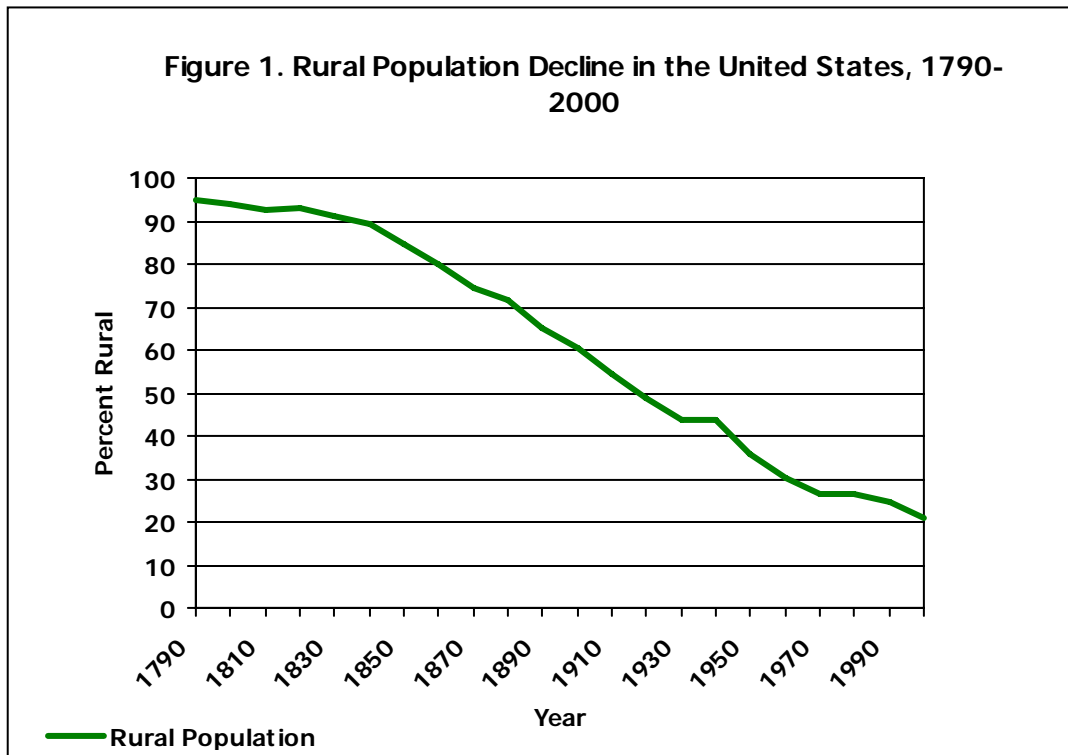
Within this report, rural concepts and issues are brought to the forefront and are the focus of the analysis. This study investigates the intersection between large-scale classification definitions and programmatic definitions of rural as they relate to the provision of affordable housing. The study also strives to present the various concepts and definitions of rural in an understandable format so that rural housing practitioners and the general public may easily digest and utilize them.

Rural Identity and Change

For most of its history the United States has been a predominately rural place. Our government structure, rooted in Jeffersonian democracy, is predicated on the concept of a predominately rural and agrarian society (Howarth 1996). Thomas Jefferson envisioned America as a republic of independent farmers, a concept that at the time was radically different from the stratified systems prevalent throughout much of Europe. Even long before the arrival of Europeans on this continent, the first Amer-Indians resided across North and South America in sparsely settled and, in some cases, highly advanced enclaves. The onset of European colonization brought a residential pattern of small towns and villages in the Northeast that eventually spread south down the Atlantic coast. While some large cities emerged in the colonial period, the population was almost predominately agrarian, widely dispersed, and culturally isolated (Howarth 1996).

The first United States census in 1790 revealed that 95 percent of the newly formed country’s population resided in rural areas (generally, places with populations under 2,500) (Gibson 1998). Throughout the first century of a new nation, interspersed with wars and westward expansion, the populace was still vastly rural. But in the late 19th Century, settlement patterns started to shift radically. The Industrial Revolution altered the paradigm towards a more urban-

oriented economy. In 1920 the census revealed, for the first time, that more than half the U.S. population lived in urban areas. From this point until today the trend towards urbanization in this nation has been unabated. Urban America now dominates much of our industry, commerce, and culture.



In the eyes of our mostly urban majority, rural America is often cast as primitive, rugged, and lacking sophistication (Howarth 1996). At the same time, rural attributes are often still sought after. As William Howarth (1996) notes, “[Rural] influence is still seen in city parks, suburban yards and the recreational activities of urban people.” Within this notion, “rural” embodies a sense of the pristine, untainted by the ravaging demands of a modern, urban world. Rural people are perceived as nice, trustworthy, and community oriented (Danboom 1996).

Likewise, residents of rural areas are often conflicted over the urban environment. There is a common view in literature and mass media that rural values such as conservatism, distrust of outsiders, and familism are in contrast to urban values (Ciarlo et al. 1996). While neither of these perceptions is fully true, there is arguably a distinct ethos in rural areas that is often systemically and noticeably different from that of cities and urban enclaves.

Rural America cannot be dismissed merely as idyllic window dressing to make urban areas more livable. Much of the wealth and might of the United States was forged from vast natural resources and labor in rural places like Appalachia, the rural South, the Midwestern bread basket, and the agricultural and resource-rich West. While rural America’s population is now a

minority in this country, it still has a significant stake in this nation and its policy directives. Therefore, who and what comprises rural are extremely salient concepts with great importance to millions of American across a vastly diverse landmass.

About This Report

The study provides an overview of various definitions of rural and how they align with programmatic definitions used by government agencies and other funding sources. The report analyzes how social, economic, and housing characteristics differ between different classifications of rural. This aspect of the research helps to illustrate which definitions capture various economic and housing needs in rural areas.

The research also incorporates a location analysis of actual housing program usage, employing the Department of Housing and Urban Development's Rural Housing and Economic Development (RHED) program as an example of the complexities of incorporating differing definitions of rural. Grantee data are used to illustrate the location of recipients based on the definitions currently used as well as alternative classification and programmatic definitions. This research examines which components of the larger classification (or meta) definitions are optimal for making programmatic decisions that may be ultimately applied to an array of federal housing programs. This analysis is not a critique of the current rural programmatic definition of the RHED program.

This study relies primarily on diverse data sources including the 2000 Census of Population and Housing, and various HUD data sets and technologies. Extensive use of geographic information system (GIS) and mapping technologies are also incorporated into the analysis. For more information on the data and methodologies used in this report please consult Appendix A.

Terminology

Merriam-Webster's online dictionary defines rural as "of or relating to the country, country people or life, or agriculture." Within the public policy discourse, the word rural is used without ever defining it. For example, the word rural is often used interchangeably with the term nonmetropolitan. In this report, several different concepts and definitions generally relating to rural areas are introduced and discussed in detail. To avoid confusion, each of the major concepts of rural will be capitalized throughout the report (i.e., Nonurbanized, Census Defined Rural, and Nonmetropolitan). The word rural (not capitalized) also appears throughout the report, and is not attributed to any specific definition, but is used to convey the general concept of rural life, population, culture, etc. For more information on the specifics of rural definitions please consult Appendix A.

CLASSIFICATION (META) DEFINITIONS

While larger concepts and philosophical ideas of rurality are vital to public discourse and debate, more practical and specific definitions must be established and utilized within the course of policy and governmental programs. Public agencies and researchers have used combinations of factors to define “rural” and designate geographic areas as “rural.” Among the more commonly used of these “classification” definitions, presented below in greater detail, are:

- 1) the Office of Management and Budget’s Nonmetropolitan definition;
- 2) the U.S. Census Bureau’s Nonurbanized Area definition; and
- 3) the Census Bureau’s Rural definition.

OMB Nonmetropolitan (Micropolitan and Outside Core Based Statistical Areas)

Current Usage

Among the more widely used classification definitions of rural is the designation of Nonmetropolitan. The U.S. Office of Management and Budget (OMB) defines Metropolitan and Micropolitan Statistical Areas according to published standards that are applied to Census Bureau data. The general concept of a Metropolitan or Micropolitan Statistical Area is that of a core area containing a substantial population nucleus, together with adjacent communities having a high degree of economic and social integration with that core (OMB 2000). In this respect, Metropolitan Areas differ from Census Defined Urban and Rural Areas, which are classified on the basis of residential patterns and population density alone.

Like Census Defined Rural and Urban criteria, which changed in 2000, the Nonmetropolitan and Metropolitan Areas definition changed radically in 2003. After a nearly decade-long analysis and recommendations from the Metropolitan Areas Standards Review Project, new definitions were designed in part to simplify the criteria of the previous system which had become complex and unwieldy. Among the more significant changes was the establishment of a “commuting criteria” under which an adjacent county is included if at least 25 percent of its workers commute to or from a core area. This replaced a more complicated and multifaceted residential and commuting criterion in the 1990s definition.

Another significant change in 2003 was the introduction of the new designation of Micropolitan Statistical Areas. Under the previous 1990 Metropolitan standards, there was just one classification of Metropolitan

Figure 2. Old and New OMB Classifications	
1999 Classification	2003 Classification
Metropolitan (MSA, CMSA, PMSA)	Metropolitan Statistical Area
Nonmetropolitan	Micropolitan Statistical Area Outside Core Based Statistical Areas

Statistical Areas, with subclassifications such as Consolidated Metropolitan Statistical Areas (CMSAs) and Primary Metropolitan Statistical Areas (PMSAs). All other areas (counties) were considered Nonmetropolitan by omission. The 2003 OMB designation added a new classification of Micropolitan, essentially transforming the previous bifurcated system (Metropolitan and Nonmetropolitan) into a three-tiered classification of Metropolitan Statistical Area, Micropolitan Statistical Area, and Outside Core Based Statistical Area.

The new Metropolitan and Micropolitan Statistical Areas are based on application of year 2000 standards to 2000 decennial census data. The updated Metropolitan and Micropolitan Statistical Area definitions were announced by OMB on June 6, 2003. The designations were as follows:

Nonmetropolitan Statistical Areas. Includes the new OMB concepts of Micropolitan Statistical Areas and Outside Core Based Statistical Areas. In general, Nonmetropolitan areas are counties not located in a Metropolitan Statistical Area.

Micropolitan Statistical Areas. A new set of statistical areas having at least one urban cluster of at least 10,000 but less than 50,000 population, plus adjacent territory that has a high degree of social and economic integration with the core as measured by commuting ties.

Outside Core Based Statistical Areas. Areas not included in Metropolitan or Micropolitan Statistical Areas.

Metropolitan Statistical Areas. Metropolitan Statistical Areas have at least one urbanized area of 50,000 or more population, plus adjacent territory that has a high degree of social and economic integration with the core as measured by commuting ties. (OMB 2003)

The Nonmetropolitan Areas definition is popular for several reasons. First, this classification is often perceived as clearer and easier to understand than the more complex Census Urban and Rural definitions. Secondly, it uses the county (or county equivalent) as the primary geographic unit. In many rural areas, the county is often most identified with in terms of political, social, and economic contexts. For example, many rural counties have only one high school and it often takes the name of the county, reinforcing residents' identification with the county.¹

The definition also has its disadvantages, however. While simple to understand, it can become too simplified, masking actual residential patterns within an area. This is particularly problematic in the Western United States where counties are large. For example, San Bernardino County, California – which has a larger land mass than New Jersey and Maryland combined – is classified as Metropolitan although several areas within the county would otherwise be considered rural in character.

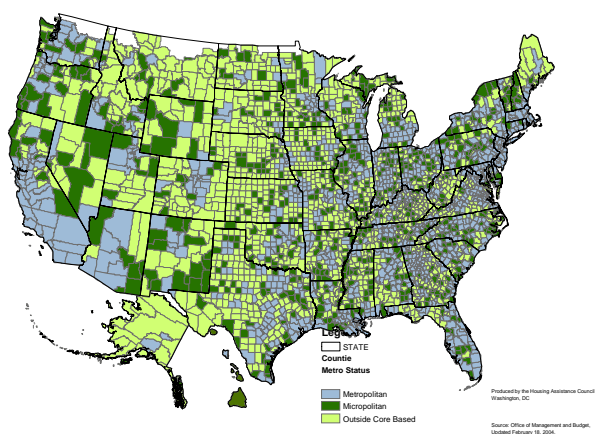
This new three-tiered system has also caused some complication and confusion. Some assert that Micropolitan Areas are analogous to, and in essence are another form of, Metropolitan Areas. Others view Micropolitan Areas and Outside Core Based Statistical Areas as more similar to one another, and entirely distinct from Metropolitan areas. Yet others view all three classifications as

¹ For more information on counties and county equivalents, please consult Appendix A.

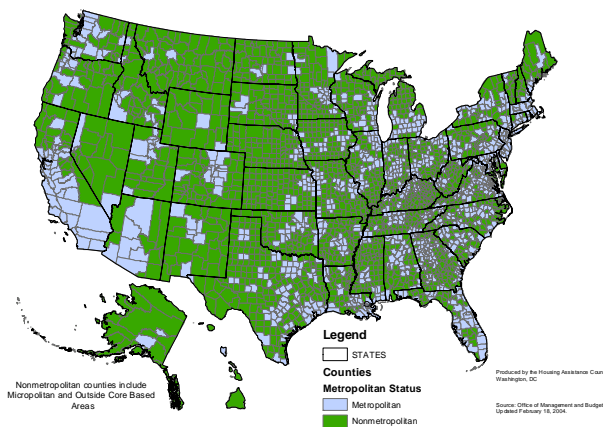
independent of one another. Micropolitan Areas are defined by OMB in a manner similar to Metropolitan Areas – they both have core counties with an urban nucleus and are linked to adjacent counties by commuting patterns (Isaac 2004).

Like several other policy organizations, the Housing Assistance Council (HAC) generally combines the OMB designations of Micropolitan Areas and Outside Core Based Statistical Areas into the single classification of “Nonmetropolitan.” The new Micropolitan Areas are useful in analyzing and classifying remote rural areas and small town areas. But maintaining the Metropolitan/Nonmetropolitan dichotomy eliminates confusion, is simple to use and understand, and is imperative for longitudinal analyses and classifications of Metropolitan Areas.¹

Figure 3. Metropolitan/Micropolitan Areas, 2003



Nonmetropolitan Status by County, 2003



As of June 6, 2003, there are 2,052 Nonmetropolitan counties containing approximately 49 million residents, or 17.4 percent of the population. These Nonmetro counties cover 2.6 million square miles, 75 percent of the nation’s landmass. Within these Nonmetro Areas, 675 counties are classified as Micropolitan, comprising 10.4 percent of the nation’s population with 29,431,297* persons. Also within the Nonmetro classification are 1,377 Outside Core Based Statistical Area (OCBSA) counties. These OCBSAs contain 19,429,666² persons or approximately 7 percent of the U.S. population.

¹ The 2003 Metropolitan Area classification maintains the 50,000 person threshold and thus is virtually the same as the 1990s threshold, allowing for a high degree of continuity in longitudinal analyses across decades. For more detailed information on changes in the OMB definition over time, please consult Appendix A.

²Updated February 18, 2004.

The 362 Metropolitan Statistical Areas consist of 1,090 Metropolitan counties containing 82.6 percent of the population (232,560,941 persons). This is an increase from 80 percent under the 1999 standards.¹

Principal Cities and New England City and Town Areas*

Principal Cities within Metropolitan and Micropolitan Statistical Area Titles

The largest city in each Metropolitan or Micropolitan Statistical Area is designated as the “principal city.” Additional cities qualify if specified requirements are met concerning population size and employment. The title of each Metropolitan or Micropolitan Statistical Area consists of the names of up to three of its principal cities and the name of each state into which the Metropolitan or Micropolitan Statistical Area extends. Titles of Metropolitan divisions also typically are based on principal city names but in certain cases consist of county names.

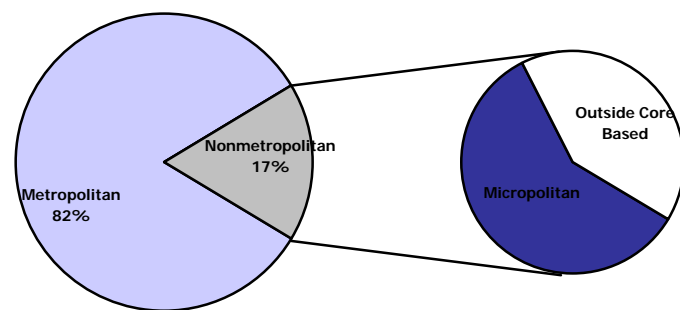
Defining New England City and Town Areas

In view of the importance of cities and towns in New England, the 2000 standards also provide for a set of geographic areas that are defined using cities and towns in the six New England states. The New England city and town areas (NECTAs) are defined using the same criteria as Metropolitan and Micropolitan Statistical Areas and are identified as either Metropolitan or Micropolitan based, respectively, on the presence of either an Urbanized Area of 50,000 or more population or an Urban Cluster of at least 10,000 but less than 50,000 population. If the specified criteria are met, a NECTA containing a single core with a population of at least 2.5 million may be subdivided to form smaller groupings of cities and towns referred to as New England city and town area divisions.

*Excerpted from Census Bureau 2005.

There were 289 counties (with a total population of 9,576,571 persons) classified as Nonmetropolitan under the 1999 standards that are now Metropolitan under the 2003 standards. Conversely there were 42 counties (with a total population of 2,985,589) classified as Metropolitan under the 1999 standards that are now Micropolitan (Nonmetropolitan) under the 2003 standards.

Figure 4. 2003 OMB Metropolitan Area Classification



¹ In addition, there are eight Metropolitan Statistical Areas and five Micropolitan Statistical Areas in Puerto Rico.

Historical Contexts of Nonmetropolitan Areas

Standard definitions of metropolitan areas were first issued in 1949 by the then Bureau of the Budget (predecessor of OMB), under the designation “Standard Metropolitan Area” (SMA). The term was changed to “Standard Metropolitan Statistical Area” (SMSA) in 1959 and to “Metropolitan Statistical Area” (MSA) in 1983. The term “Metropolitan Area” (MA) was adopted in 1990 and referred collectively to Metropolitan Statistical Areas (MSAs), Consolidated Metropolitan Statistical Areas (CMSAs), and Primary Metropolitan Statistical Areas (PMSAs). The term “Core Based Statistical Area” (CBSA) became effective in 2000 and refers collectively to Metropolitan and Micropolitan Statistical Areas (Census Bureau 2003).

OMB has been responsible for designating the official Metropolitan Areas since they were first defined, except for the period 1977 to 1981, when they were the responsibility of the Office of Federal Statistical Policy and Standards, Department of Commerce. The standards for defining metropolitan areas were modified in 1958, 1971, 1975, 1980, 1990, and 2000 (Census Bureau 2003).

Nonurbanized Areas

Current Usage

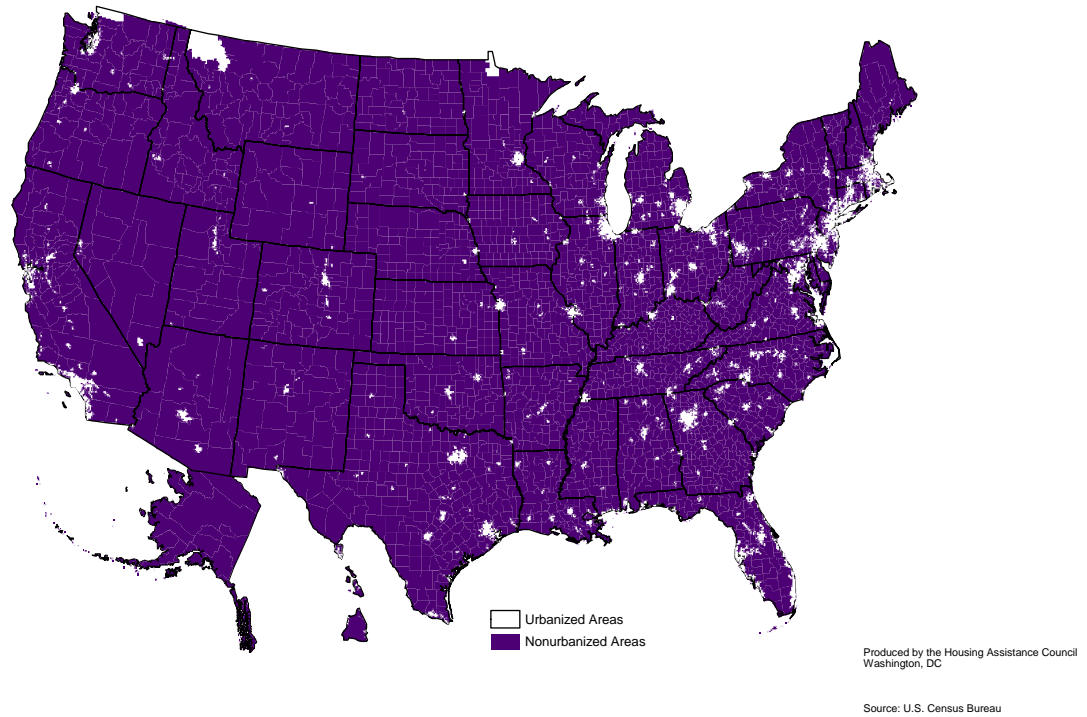
The U.S. Census Bureau delineates Urbanized Areas and Nonurbanized Areas to provide a better separation of urban and rural territory, population, and housing in the vicinity of large places. An Urbanized Area consists of densely settled territory that contains 50,000 or more people. All population, territory, and housing units outside of Urbanized Areas are considered Nonurbanized Areas. The Nonurbanized Area definition is generally among the broadest concepts of rurality (Beale 2001). Nonurbanized Areas encompass the most extensive land mass and the greatest number of people among the presented classification definitions of rural.

Census Defined Rural Areas (discussed below) are a subset of Nonurbanized Areas. However, Nonurbanized Areas are often used, either alone or in combination with many components of federal and research definitions, as a proxy for rural.

For Census 2000, the Urbanized Area criteria were extensively revised. Because of more stringent density requirements, some territory that was classified as Urbanized for the 1990 census was reclassified as Rural. In addition, some areas that were identified as Urbanized Areas for the 1990 census were reclassified as Urban Clusters (Census Bureau 2001).

Urbanized Areas may or may not contain any individual cities of 50,000 or more. In general, they must have a core with a population density of 1,000 persons per square mile and may contain adjoining territory with at least 500 persons per square mile. Urbanized Areas have been delineated using the same basic threshold (50,000 population) for each decennial census since 1950, but procedures for delineating the urban fringe are more liberal today. In 2000, 32 percent of the U.S. population resided in Nonurbanized Areas. In contrast, 68 percent of Americans live in the 452 Urbanized Areas (Figure 5).

Figure 5. Nonurbanized Areas



Historical Context of Urbanized Areas

To improve its measure of urban territory, population, and housing units, the Census Bureau adopted the concept of the Urbanized Area and delineated boundaries for unincorporated places (now, Census Designated Places) for the 1950 census. Urban was defined as territory, persons, and housing units in Urbanized Areas and, outside Urbanized Areas, in all places, incorporated or unincorporated, that had 2,500 or more persons (Census Bureau 1995). With a few exceptions, the 1950 census definition of urban remained substantially unchanged until the 2000 Urbanized Areas classification.

Census Defined Rural Areas

Current Usage

The Census Bureau defines Rural Areas as open country and settlements with fewer than 2,500 residents. Urban Areas generally make up larger and more densely settled areas interspersed among these Rural Areas. In contrast to Rural Areas, the U.S. Census Bureau classifies as Urban all territory, population, and housing units located within Urbanized Areas and Urban Clusters. Stated another way, Census Defined Rural Areas consist of all territory located outside of Urbanized Areas and Urban Clusters.

The Census Bureau delineates Urbanized Areas and Urbanized Cluster boundaries to encompass densely settled territory, which generally consists of:

A cluster of one or more block groups or census blocks each of which has a population density of at least 1,000 people per square mile at the time.

Surrounding block groups and census blocks each of which has a population density of at least 500 people per square mile at the time. (Census Bureau 2001)

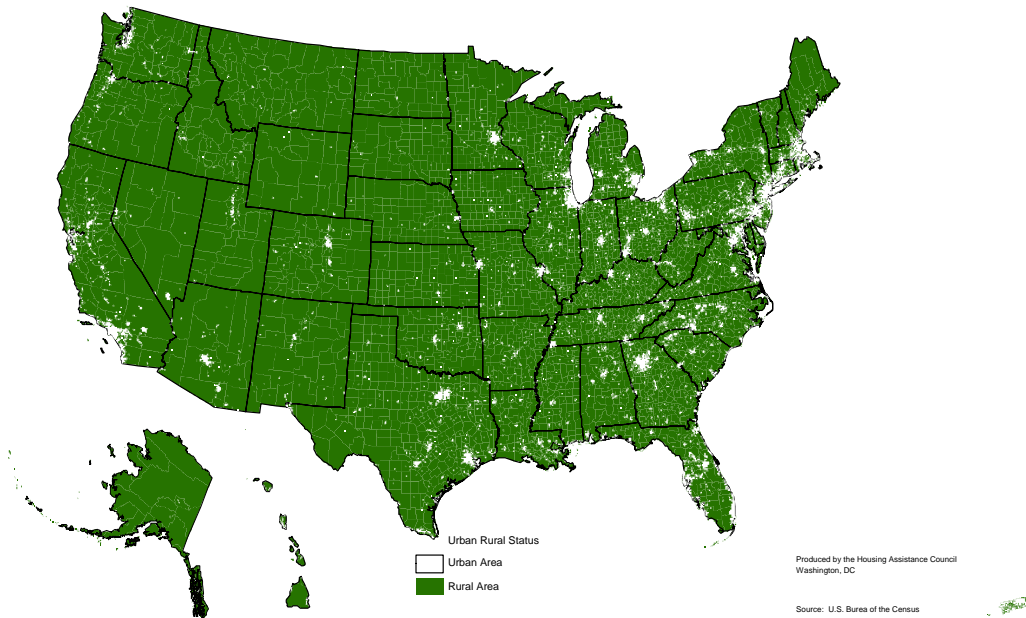
The Census Bureau defines an Urbanized Area wherever it finds an urban nucleus of 50,000 or more people. The same criteria are applied to the definition of Urban Clusters that include population of least 2,500 but less than 50,000 persons. This concept of Urban Clusters was new for the 2000 census. In 2000, 11 percent of the U.S. population lived in 3,158 Urban Clusters (USDA ERS 2005).

As of 2000, Census Defined Urban Areas do not necessarily follow municipal boundaries, which is a significant shift in the delineation of Urban and Rural Areas on the basis of geographical patterns.¹ The Census has generally abandoned the use of political boundaries with respect to Urban Area classifications, asserting that advances in GIS allow it to reflect population patterns more accurately on the basis of Census blocks and block groups. It is also extremely important to note that Census Defined Rural populations are located in both Metropolitan and Nonmetropolitan counties.

In summation, Census Defined Rural Areas consist of all territory located outside of Urbanized Areas and Urban Clusters. Under this definition, rural areas comprise 97 percent of the nation's landmass. The Census Defined Rural population was approximately 59 million persons or 21 percent of the population in the year 2000.

¹ For more detailed information on Census Defined Rural Areas and the most important differences between the Urban Areas for the 1990 census and the 2000 census, please consult Appendix A.

Figure 6. Census Defined Rural Areas in the United States



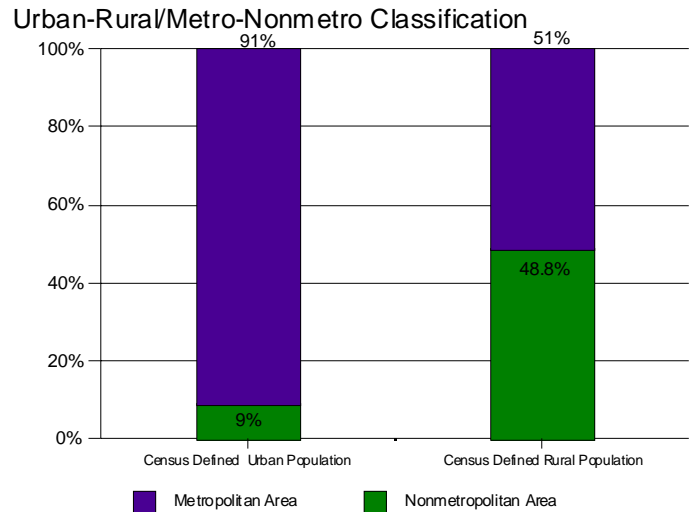
Historical Context of Census Defined Rural and Urban Areas

In censuses prior to 1950, “urban” comprised all territory, persons, and housing units in incorporated places of 2,500 or more persons, and in areas (usually minor civil divisions) classified as urban under special rules relating to population size and density. The definition of urban restricted to incorporated places having 2,500 or more persons excluded many large, densely settled areas merely because they were not incorporated. Prior to the 1950 census, the Census Bureau attempted to avoid some of the more obvious omissions by classifying selected areas as “urban under special rules” (Census Bureau 1995). Even with these rules, however, many large, closely built-up areas were excluded from the urban category and considered rural. These situations also prompted the Census Bureau to eliminate political boundaries in classifying rural and urban areas in 2000.

Overlap/Incongruity of Rural Classification Definitions

All the presented classification definitions have unique components, and are far from synonymous or mutually exclusive concepts. For example, less than half (48.8 percent) of the Census Defined Rural population resides in Nonmetropolitan Areas under the 2003 MSA reclassification. Likewise, approximately 9 percent of the Census Defined Urban population lives in Nonmetropolitan Areas. Therefore a programmatic definition that relies solely on Nonmetropolitan Areas would exclude more than half of the Census Defined Rural population or over 30 million persons. This example illustrates the complexity of relying on varying definitions for programmatic purposes.

Figure 7. 2003 OMB Classification



	Census Defined Rural Areas	OMB Non-metropolitan Areas	Census Non-urbanized Areas
Percent of U.S. Population	21%	17%	32%
Percent of U.S. Land Mass	97%	75%	98%
Geographic Unit	Blocks, block groups	Counties	Blocks, block groups
Major Change from Previous Definitions	No longer classified on political boundaries. Inclusion of Urban Cluster classification	Inclusion of Micropolitan Area. Emphasis for adjacent communities on commuting	No longer classified on political boundaries

SOCIAL, ECONOMIC, AND HOUSING CHARACTERISTICS AMONG THE CLASSIFICATION DEFINITIONS OF RURAL

As the definitions of rural vary, so do the social and economic and housing conditions within their respective boundaries. Therefore this report presents selected demographic features in relation to the differing classifications of rural to determine how sociodemographic characteristics vary among the different classifications and what impact this variation has in constructing programmatic definitions of rural.

Social Characteristics

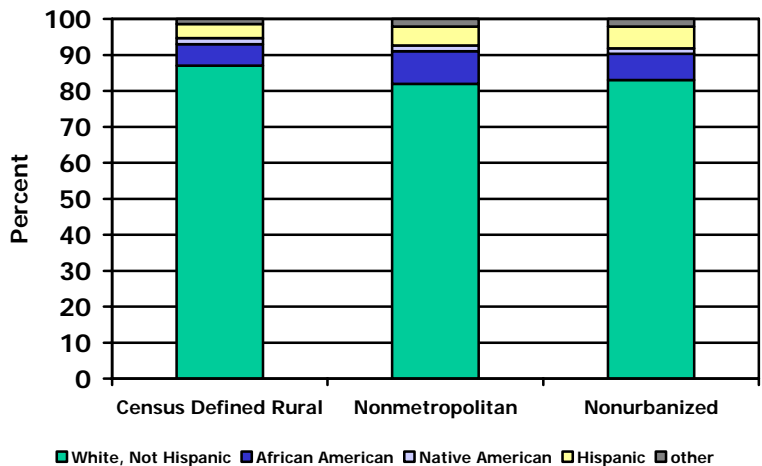
Due to their expanded geographic base, Nonurbanized Areas encompass the largest population and landmass of the three classification definitions. Nonurbanized Areas contain over 89 million persons – nearly 32 percent of the population – and make up 98 percent of the U.S. land mass. Census Defined Rural places are similar to Nonurbanized Areas in land mass (97 percent) but contain only a little over 59 million persons or 21 percent of the population. With its unit of analysis as the county, the Nonmetropolitan Area classification encompasses significantly less land mass (75 percent) and about 49 million persons or 17 percent of the U.S. population.

In general, rural areas of the U.S. tend to be less racially and ethnically diverse than the nation as a whole. Race and ethnic composition vary slightly, however, by definitions of rural. In Nonurbanized Areas, 83 percent of the population is white and not of Hispanic origin. In Census Defined Rural Areas, the white non-Hispanic population increases to 87 percent while the Nonmetropolitan population is 82 percent white and not Hispanic. Nationwide, Hispanics now outnumber African Americans, but in rural areas African Americans are still the largest minority group. African Americans comprise about 7.3 percent of the Nonurbanized population, 6 percent of the Census Defined Rural population, and 9 percent of the Nonmetropolitan population, compared to 12 percent of the national population as a whole.

Hispanics¹ make up a seemingly small proportion of rural America's population. But one of the more significant trends in rural areas over the last decade is the explosive growth in the Hispanic population. It is estimated that approximately one-quarter of all rural population growth in the 1990s was attributable to Hispanics. This rural Hispanic population growth was most profound in the Southeast and upper Midwest portions of the nation. Among the classification definitions, the Hispanic proportion of the population is greatest in Nonurbanized Areas at 6.1 percent, and lowest in Census Defined Rural places at 3.9 percent. This finding suggests that in many areas, Hispanic populations are more prevalent in Urban Clusters. In fact, the Hispanic population in Urban Clusters is 10.3 percent, and those individuals likely make up a significant proportion of the Nonurbanized Latino population. In Nonmetropolitan Areas, Hispanics comprise 5.3 percent of the population. Nationally, Hispanics make up approximately 13 percent of the population.

¹Hispanic is an ethnic origin and not a race. Ethnic origin can be viewed as the heritage, nationality group, lineage, or country of birth of a person or person's parents or ancestors before his or her arrival in the United States. Hispanics may be of any race. Hispanics are compared to other racial groups in this report to illustrate the significance of major racial and ethnic groups in the nation.

Figure 9. Race & Ethnicity

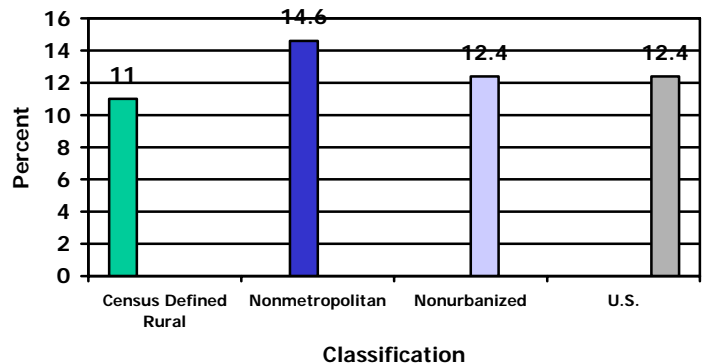


Native Americans are a very diverse group, consisting of members of over 500 tribes in disparate locations across the United States.¹ But some important commonalities, such as high poverty rates and inadequate housing conditions, are often endemic to the largely rural Native American lands. According to the 2000 Census, approximately 1 percent of the total U.S. population reported their race as Native American (American Indian or Alaska Native) alone. In Nonurbanized Areas that level increases to 1.5 percent. Nonmetropolitan and Census Defined Rural Areas had similar rates of Native Americans at 1.9 and 1.7 percent respectively. While the rate of Native American population among the rural classifications was consistent, 1.3 million or 54 percent of all Native Americans lived in Nonurbanized Areas compared to 39 percent in Census Defined Rural and Nonmetropolitan areas.

Economic Characteristics

Historically, incomes have been lower in rural areas than in the rest of the country. This gap is due primarily to the high proportion of low-skill and low-paying jobs in rural areas, combined with lower educational attainment levels in rural areas. Rural workers are also more likely to be underemployed and less likely to improve their job circumstances over time (HAC 2002). The national median household income of \$41,994 in 1999 was

Figure 10. Poverty Among Classification Definitions



¹ The term Native American refers to Census designated American Indian/Alaska Native racial groups. American Indians/Alaska Natives are people having origins in any of the original peoples of North and South America (including Central America), and who maintain tribal affiliation or community attachment.

higher than the median amount for all three defined rural populations. Among the three, the median household income was highest in Census Defined Rural Areas at \$40,041 and lowest in Nonmetropolitan Areas at \$33,458. The median in Nonurbanized Areas was \$37,739.

Rural poverty rates generally follow the same direction as poverty levels in urban areas, but the problem of poverty is greatest in rural America and in central cities. Poverty rates also vary slightly by different definitions of rural. According to the Census, 14.6 percent of the Nonmetropolitan population was poor in 1999, as opposed to 12.4 percent of the Nonurbanized population and 11 percent of the Census Defined Rural population. The poverty rate for the U.S. was 12.4 percent.

Persistent Rural Poverty: The Case for County Level Analysis

As this report demonstrates, there are positive and negative aspects to the utilization of almost any definition of "rural." Notably, one indicator of economic distress, the *Persistent Poverty Classification*, is most compatible with county level information such as that of the Nonmetropolitan definition, particularly because this specific analysis relies on longitudinal or time series data. While some county boundaries change over time, counties tend to be more stable geographic entities than Census defined "blocks" and "tracts," which can change substantially from decade to decade, making longitudinal analysis a complex and time-consuming undertaking.

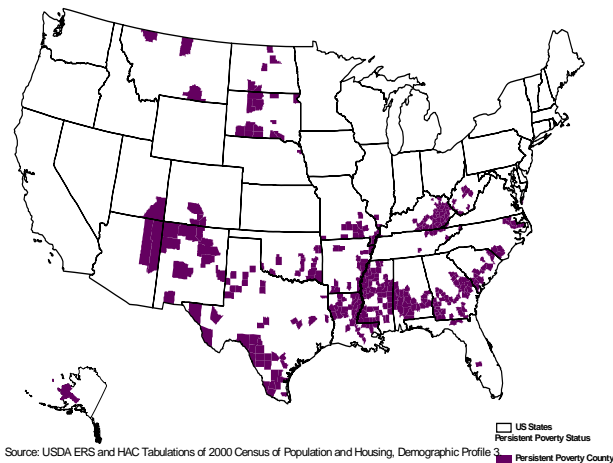
The Housing Assistance Council's persistently poor classification, based on the USDA Economic Research Service's definition, identifies Nonmetropolitan counties with poverty rates of 20 percent or higher in 1960, 1970, 1980, 1990, and 2000. Many of the nation's poor residents are concentrated in rural areas that experience traditionally or persistently high rates of poverty and are often invisible to the rest of the nation.

One-third of the Nonmetropolitan counties that were considered persistently poor as of 1990 no longer had poverty rates of 20 percent or more in 2000, but 363

Nonmetropolitan counties continue to experience persistent poverty. These counties accounted for 13 percent of Nonmetropolitan people and 23 percent of Nonmetropolitan poor people in 2000.

Persistent poverty counties are disproportionately located among the nation's high need rural areas such as central Appalachia, the Lower Mississippi Delta, the southern Black Belt, border colonias areas, and Native American lands. The vast

majority of persistent poverty counties are located in the South and also have high rates of minority populations and depressed economies.



Housing Characteristics

Among the nearly 106 million occupied housing units enumerated by the Census in 2000, approximately 33 million homes – or 31 percent of all housing units – were located in Nonurbanized Areas. In Census Defined Rural Areas there were nearly 22 million occupied housing units comprising 20.8 percent of the housing stock, while Nonmetropolitan counties had 18.7 million units or 17.7 percent of occupied units.

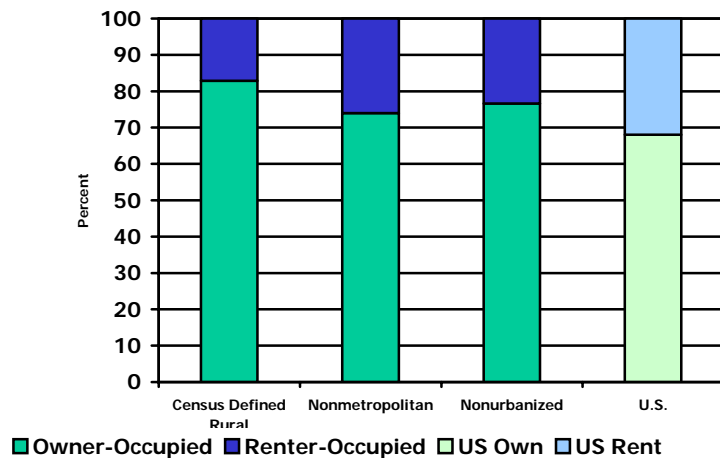
Tenure

Homeownership is the overwhelmingly preferred form of tenure in rural America. In addition to providing greater levels of satisfaction, homeownership also bestows certain economic advantages upon owners. Economic well-being is an important by-product of decent homes and neighborhoods. While several barriers to quality and affordable mortgage access are problematic in rural areas, asset accumulation through homeownership is still a significant economic factor for many rural residents.

Homeownership was at record high levels in the United States as 68 percent of nation's households owned their homes. In rural areas, homeownership has traditionally been even stronger. The homeownership rate in Census Defined Rural Areas was highest at 82.9 percent followed by the Nonurbanized Areas homeownership rate of 76.6 percent. Among rural classifications, Nonmetropolitan Areas had the lowest ownership rate at 74 percent.

Nonmetropolitan Areas therefore had the highest proportion of renters. The predominance of homeownership in many rural areas has overshadowed the importance of the rental housing stock and the needs of rural renters. Rural rental households, who also tend to have lower incomes, experience some of the most significant housing problems in the United States. Renter-occupied households in rural areas are much more likely to live in substandard housing than their owner counterparts. Affordability is also a major problem for rural renters. Despite the fact that housing costs are lower in rural areas than in many cities, many rural households, particularly renters, find it difficult to meet these expenses.

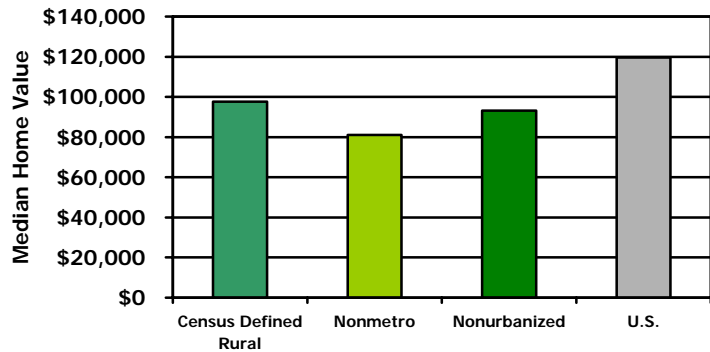
Figure 11. Tenure by Classification Definition



Value

A home is the most valuable asset most Americans will ever own. This is particularly true for low- and moderate-income households. While more rural than urban households own their homes, the equity they accumulate is likely to be less than that for homes in urban locales because rural houses are generally less expensive. Factors such as distance from employment opportunities, markets, and amenities contribute to the lower value of houses in rural areas. Nationwide, the median value of a home was \$119,600 in 2000. Nonmetropolitan Areas had the lowest median value of homes among rural classifications, \$81,000. The highest was in Census Defined Rural Areas at \$97,600, slightly higher than the Nonurbanized median of \$93,210.

Figure 12. Housing Value by Classification Definition



Manufactured Housing

As is the case in the nation as a whole, conventionally constructed, single-family homes are by far the predominate type of housing in rural areas. But manufactured housing is an important and growing type of housing in the U.S. Manufactured homes are a significant contributor to the high homeownership rate in rural areas. The entire manufactured housing industry has gone through a dramatic transformation over the past few decades. Attributes of quality, safety, and size have dramatically improved, and some manufactured units are virtually indistinguishable from conventionally constructed single-family units.

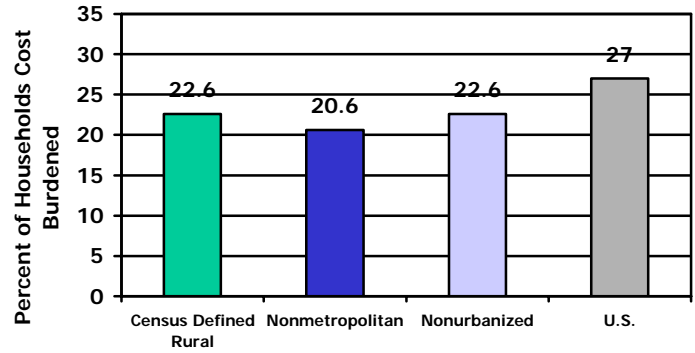
The financing of manufactured housing has not advanced as well, however. The vast majority of new manufactured homes are still financed as personal property loans through subprime lenders and companies specializing in manufactured housing credit. This form of financing is generally less beneficial for the consumer than more conventional lending mechanisms.

While manufactured housing has made dramatic progress in urban and suburban America, the majority of this type of housing is still located in rural areas. Among rural classifications, Nonmetropolitan Areas have the highest rate of manufactured housing at 15.6 percent of the occupied housing stock. Manufactured homes make up 15.2 percent of the occupied housing stock in Census Defined Rural Areas and 12.2 percent in Nonurbanized Areas. Manufactured homes are often the most feasible form of housing in poor and remote areas. Manufactured homes are also convenient in situations where there are few contractors or developers, building supply stores are distant, and site-built housing is prohibitively expensive (HAC 2002).

Affordability

Affordability has replaced poor housing conditions as the greatest problem for low-income rural households. While housing conditions have improved, housing costs have increased drastically and incomes have not kept pace. In general, housing costs tend to be lower in rural areas than in more urbanized locales. Still, a large number of rural households find it difficult to meet these expenses. One indicator of unaffordable housing is “housing cost burden.” Cost-burdened households pay more than 30 percent of their monthly income towards housing costs. In Nonurbanized Areas, 22.6 percent of households are cost burdened compared to 20.6 of Census Defined Rural households. The Nonmetropolitan rate of cost burden is 22.6 percent as well.

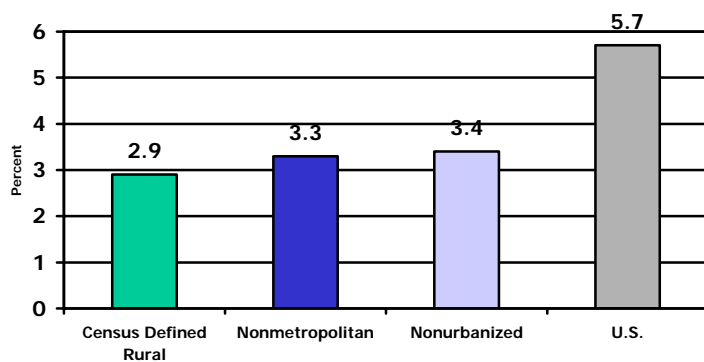
Figure 13. Housing Affordability by Classification Definitions



Housing Quality and Crowding

In the past few decades progress has been made in improving the quality of housing in rural America. Despite this progress, housing problems persist in the United States and tend to be most common in rural areas and central cities. One basic indicator of housing quality is a home with complete plumbing. The differences in incomplete plumbing occurrences among rural

Figure 14. Household Crowding



definitions are nearly indistinguishable. Overall, 1.03 percent of Census Defined Rural units lack adequate plumbing, compared to .95 percent of Nonmetropolitan units and .85 percent of Nonurbanized units. A significant portion of these substandard housing conditions such as inadequate plumbing are in minority communities. For example, an analysis of Rural Minority Communities (RMCs)¹ found that a staggering 20.7 percent of Native

¹ HAC defines Rural Minority Counties as counties that are either Nonmetropolitan, or Metropolitan with no Urbanized population, and that had a specific racial or ethnic minority population of one-third or more in 1980, 1990, and 2000. For example, African-American RMCs are rural counties that have had an African-American population of one-third or more for the past three decades – 1980, 1990, 2000. (HAC 2004)

American households living in Native American RMCs lacked adequate plumbing – more than 20 times the national level of 0.6 percent (HAC 2004).

Household crowding is primarily an urban housing problem. The problem of crowding in rural America has grown since 1990, however. Crowded living conditions – more than one person per room – are a source of stress for many families. Crowding has long been associated with negative social conditions such as crime and strained family relations. In rural areas, crowding is often an invisible form of homelessness as some rural households “double up” with friends or relatives in reaction to adverse economic or social situations, or to escape substandard housing conditions. Household crowding is particularly a problem among Hispanic and Native American households in these areas.

Crowding rates are similar among places meeting the three definitions of rural. In Nonurbanized Areas, 3.4 percent of homes are crowded, followed closely by Nonmetropolitan Areas at 3.3 percent and Census Defined Rural areas at 2.9 percent. Nationwide the crowding rate is 5.7 percent for all occupied units.

Overview

A review of social, economic, and housing characteristics among the classification definitions reveals mixed findings. Some characteristics are almost indistinguishable among definitions while others vary widely. For example, household crowding rates are all within less than a percentage point of one another. But median housing values are very different, as are some percents of racial and ethnic minorities.

Variations do not follow consistent patterns across the definitions. There are more Native Americans in Nonurbanized Areas, for example, but they make up a greater proportion of the population in Nonmetropolitan Areas. Nonmetropolitan Areas generally have the highest rates of minorities, along with a higher poverty rate and higher proportion of renters than the other definitions. Census Defined Rural areas have the highest rate of homeownership, along with the highest median income and highest median home value among the definitions. But they also have the highest inadequate plumbing rate among the three definitions, nearly twice the national rate.

RURAL DEFINITIONS IN OPERATION

Federal Housing Program Usage

When OMB reclassified the Metropolitan Statistical Areas in 2003, it cautioned against using these classifications for programmatic purposes. It is widely understood, however, that geographical classifications like the OMB MSA standards often serve as a basis for the implementation of numerous federal programs and policies and the allocation and distribution of program funds. Realizing this situation, OMB noted, “In cases where there is no statutory requirement and an agency elects to use the Metropolitan ... Area definitions in nonstatistical programs, it is the sponsoring agency’s responsibility to ensure that the definitions are appropriate for such use.” The OMB notice continued, “An agency using the statistical definitions in a nonstatistical program may *modify* the definitions, but only for the purposes of that program” (OMB 2003). The Brookings Institution estimates that formula-based housing funds and other transfers to cities and states top \$200 billion per year (Isaac 2004). Therefore concern abounds over applicability of these general classification systems to programs.

One example of the impact of classification definitions on federal programs is the Community Development Block Grant (CDBG) program. HUD’s CDBG program provides cities and counties with funds they can use to revitalize neighborhoods, rehabilitate housing, expand economic opportunities, and/or improve community facilities and services to benefit low- and moderate-income persons. Under current law, HUD uses designated Metropolitan Statistical Areas, in part, to determine the eligibility of city and county governments to receive CDBG formula entitlement funds (GAO 2004a).

According to HUD calculations, the 2003 OMB criteria resulted in CDBG entitlement eligibility for an additional 60 areas.¹ Under the CDBG formulas this would provide these new entitlement jurisdictions with \$36.2 million in CDBG funds. Because the amount of money appropriated for the CDBG program did not take expanded grantee eligibility into account, under the CDBG share formula all existing entitlement grantees saw a 1.2 percent reduction in their CDBG funding (GAO 2004a).

In addition, the change in the MSA definition also impacts definitions of rural for various other housing programs such as the Low Income Housing Tax Credit (LIHTC), HUD’s colonias set-aside, the Rural Homelessness Grant Program, the HOME Investments Partnerships Program, and the Housing Opportunities for Persons With Aids program (GAO 2004a).

USDA Rural Development (RD) housing programs are available in places that meet a statutory definition of rural areas: open country that is not part of or associated with an urban area, and any town, village, city or place, including a place that is not part of or associated with an urban area but immediately adjacent to a densely settled area, with a population not in excess of 10,000 and rural in character. Such a place may be either in an MSA or in a Nonmetropolitan Area. In addition, a Nonmetropolitan place with a population in excess of 10,000 but not in

¹ According to HUD, seven cities and five counties of the 60 new areas would have become eligible under the 1990s criteria anyway due to population increase alone.

excess of 20,000 is eligible if it has a serious lack of mortgage credit as determined by the Departments of Agriculture and Housing and Urban Development.

A Government Accountability Office (GAO) report illustrated coverage problems and inequities in the USDA RD rural eligibility criteria for most of its housing programs. RD's rural eligibility definition relies heavily on MSA classifications (GAO 2004b). One of the report's primary recommendations was to eliminate use of the current MSA criterion and instead use density-based measures for RD's eligibility decisions. In response, a number of policy organizations and local housing practitioners voiced opposition to the changes proposed by GAO. In the words of one practitioner, "the new GAO recommendations solve some old problems and inequities, but also create new ones."

Defining rural has become a salient issue for several other federal organizations crafting housing policy. For example, in 2004-2005 when the Office of Comptroller of the Currency (OCC), the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation (FDIC) collectively developed updates to their regulations under the Community Reinvestment Act (CRA), in order to give lenders credit for loans and investments in "distressed or underserved rural" census tracts they had to decide how such places would be identified. They chose to define rural as Nonmetropolitan and to use USDA's "urban influence codes" as one factor in determining what rural places are distressed or underserved. (OCC et al. 2005)

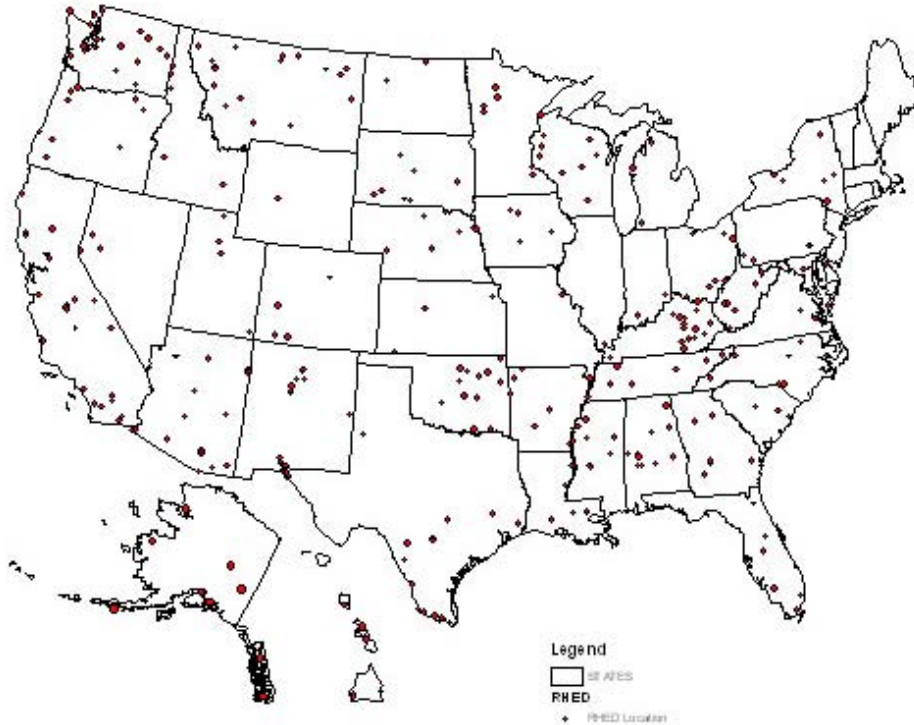
An Example: The Rural Housing and Economic Development Program

As an example of how the use of these classification definitions *could* impact federal program usage, a brief and cursory analysis is presented using HUD's Rural Housing and Economic Development (RHED) program. RHED's rural emphasis makes it a prime subject to investigate the intersection of various rural definitions within the context of a federal housing program. It is important to note, however, that the analysis is simply an example and is presented solely for illustrative purposes. The analysis does not specifically address or affect the RHED program's definition of rural eligibility.

First funded in 1999, RHED provides funding and information resources to support innovative affordable housing and economic development activities in economically distressed rural communities. Fund allocation is based on community need, measured by poverty and unemployment rates, as well as by other indicators such as substandard housing or housing affordability problems. Emphasis is placed on Central Appalachia, the Lower Mississippi Delta, the border colonias, farmworkers, Native Americans, and places with populations of 2,500 or less.

For the RHED program, HUD uses five different definitions of rural: 1) a place having fewer than 2,500 inhabitants; 2) a county with an urban population of 20,000 inhabitants or less; 3) territory, persons, and housing units in the rural portions of "extended cities"; 4) open country that is not a part of or associated with an urban area; 5) any place with a population not in excess of 20,000 inhabitants and not located in a Metropolitan Statistical Area. The RHED definition includes components of all three major Classification Definitions. This factor, combined with the program's emphasis on rural housing, makes it an optimal example to investigate the intersection of various rural definitions on a federal housing program.

Figure 15. RHED Program Recipients



HUD awards RHED funding annually on a competitive basis. Eligible applicants include local rural nonprofit organizations, community development corporations, federally recognized Indian Tribes, state housing finance agencies, and state economic development and/or community development agencies. Applicants respond to an annual Notice of Funding Availability by submitting specific information about a proposed project or activity.

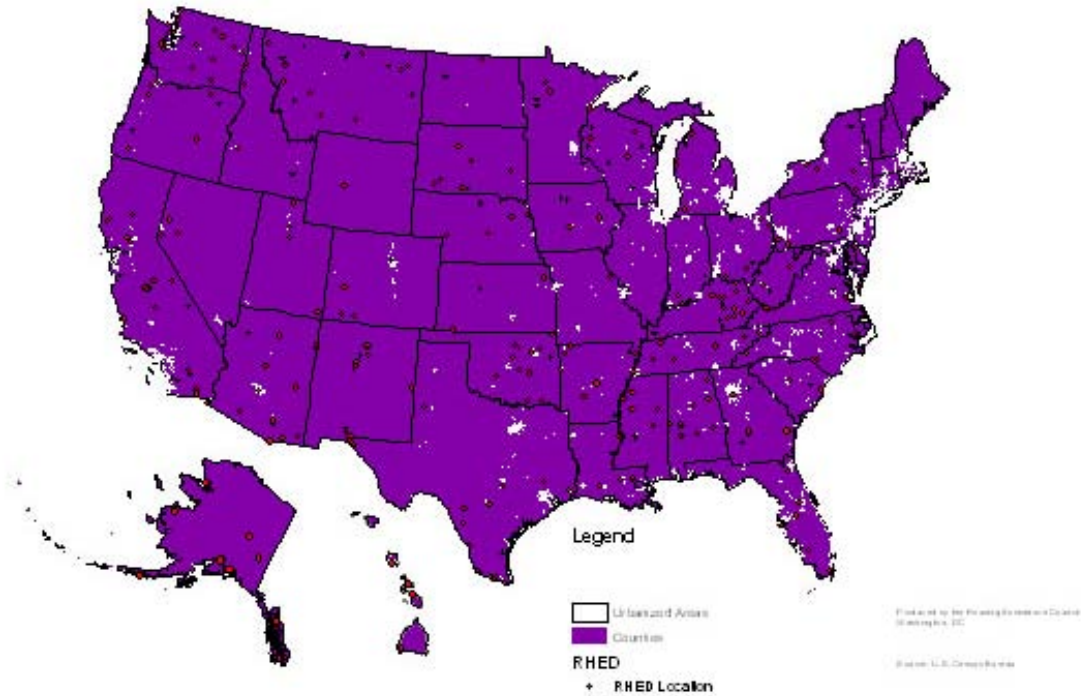
HAC examined the 393 local organizations in 45 states, Puerto Rico, and American Samoa funded by RHED from the program's inception through 2004.

As the Nonurbanized Area definition is the broadest of the three classification definitions, it is not surprising that the majority of RHED recipients (67 percent) were located within Nonurbanized Areas. Of these Nonurbanized recipients, slightly more than half (54 percent) were located within Urban Clusters. The remaining 46 percent were in Census Defined Rural Areas.

Regionally, Nonurbanized RHED recipients varied. Only 42 percent of RHED recipients in the Northeast were in Nonurbanized Areas compared to 89 percent in the Midwest.

Practically speaking, if location in Nonurbanized Areas were the sole criterion for defining rural in this program, many groups would be adversely affected. For example, there were a substantial number of RHED groups located in Urbanized Areas, particularly in the states of Texas, California, and Washington that served predominately colonias and farmworker populations.

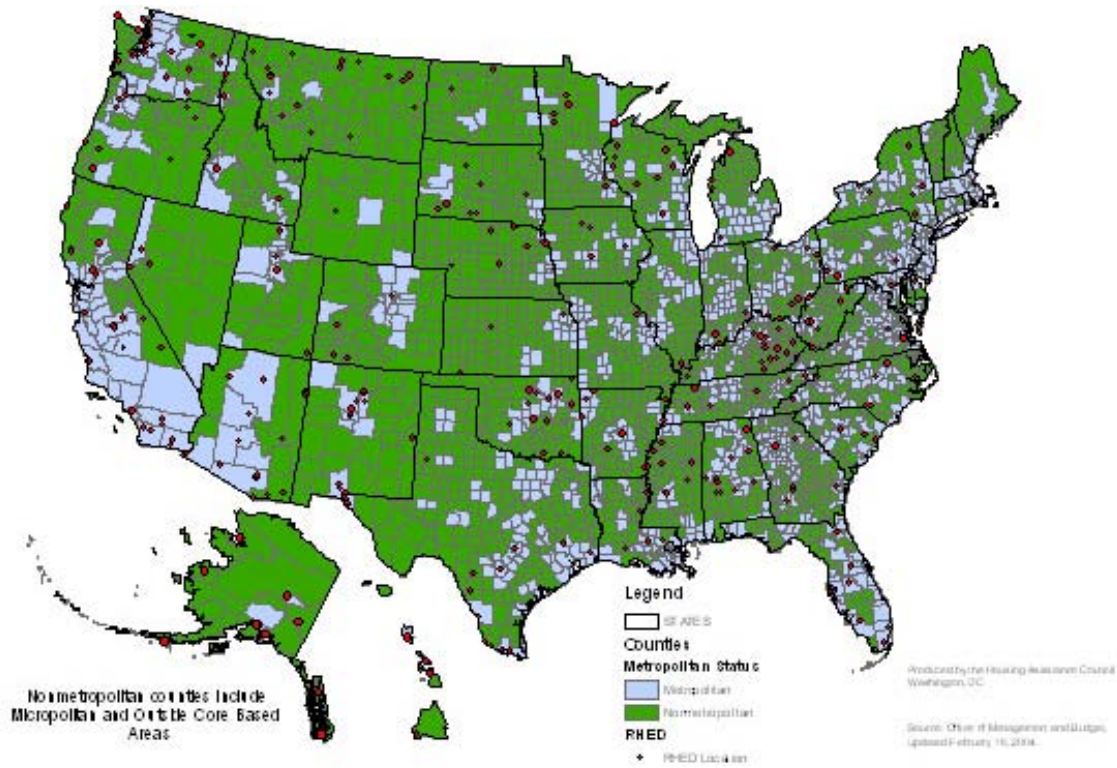
Figure 16. RHED Activity in Nonurbanized Areas



Approximately 55 percent of RHED recipients were located in counties that were Nonmetropolitan as of 2004. Of these Nonmetro recipients, just over half were located in Micropolitan Counties and the other 49 percent were in Outside Core Based Statistical Area counties, signaling they were much more rural in nature. The 2003 changes in OMB's Metropolitan Statistical Areas definition impacted how RHED recipients were classified. As an example, 11 recipients were in places classified as Nonmetropolitan under the 1999 OMB scheme and Metropolitan in 2003.

Again, if Nonmetropolitan Areas were the sole criterion for a programmatic definition many groups, most notably in California, Florida, Texas, and Washington, would be ineligible for the program. Such a change would impact states that have a large proportion of Metropolitan Areas and a disproportionate number that serve farmworker and colonias populations.

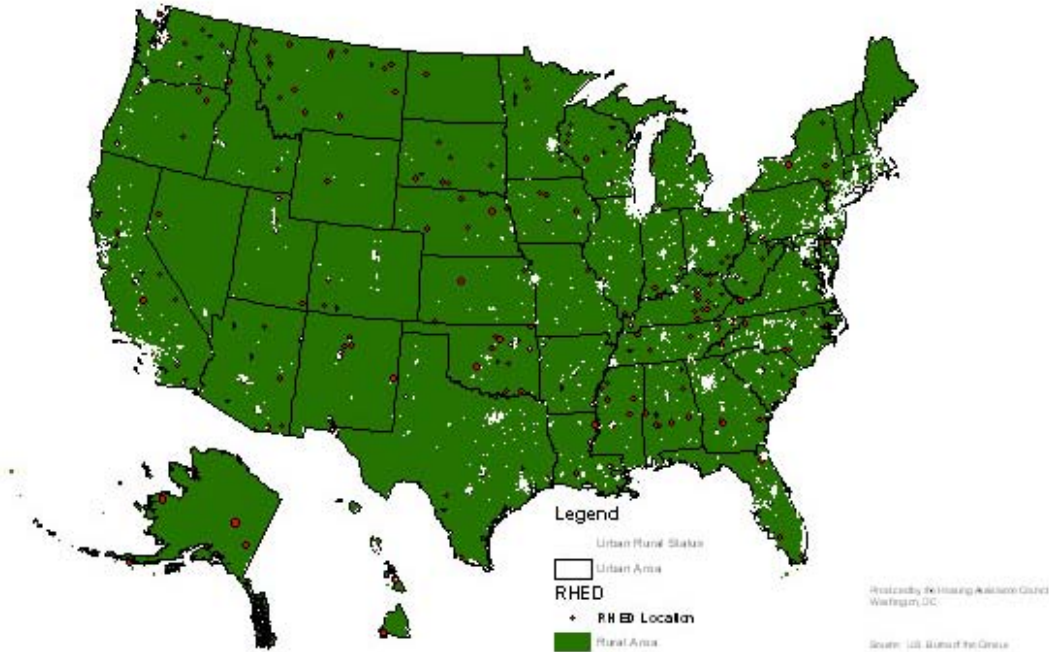
Figure 17. RHED Activity in Nonmetropolitan Areas



Only 32 percent of RHED recipients were located in Census Defined Rural Areas, fewer than in places meeting any other rural classification definition. This is likely because many of these recipient organizations were located in county seats and small towns.

One major caveat of this location analysis is that HAC's data source provides the location of the recipient as a proxy for the area it serves, but many rural nonprofits serve a larger area than the town in which they are based. In fact, several of these organizations have a multi-county or regional service area. These organizations' offices are often located in the most populated portions of their service area, but a majority of their actual development activities might take place in more rural areas of the surrounding counties. While this is a major limitation to the analysis, but it also underscores the complexity of assigning a definition of rural.

Figure 18. RHED Activity in Census Defined Rural Areas



OVERVIEW/CONCLUSION

The differing social, economic, and housing characteristics across the three classification definitions examined in this report further complicate decisions about what definition to use for what purpose. Some would assert that the Nonurbanized definition has certain advantages for maximizing funding to rural areas because it incorporates the most persons and territory. Research and empirical evidence overwhelming suggests, however, that social, economic, and housing conditions worsen as the level of rurality increases. A wholesale incorporation of locales with denser populations could result in diverting scarce rural housing funds away from remote rural areas to more affluent suburban communities. For example, the 2003 American Housing Survey revealed that 3.7 percent of Census Defined Rural households living inside Metropolitan Statistical Areas occupied substandard housing, compared to 5.9 percent of those living outside MSAs.

The RHED example demonstrates how a combination of several different classification definitions can create a more refined and inclusive definition that draws on the positives and advantages of these respective programs. If a single definition were used, the program would be limited to only 68 percent of the recipients under the most liberal scenario (Nonurbanized Area), or only 32 percent of recipients under the Census Defined Rural definition. Instead the combination of definition criteria, drawing from all three classification definitions identified, allows a much larger range of participants than any one definition alone.

Another example of combined classifications is the research definition of “Rural Counties” developed by the Housing Assistance Council. To measure rural character more precisely, HAC devised a county-based designation that incorporates both residential patterns, as found in the definition of Census Defined Urban and Rural Areas, and economic connection patterns, as found in OMB’s definition of Metropolitan Areas. Thus, rural counties as defined by HAC include all counties outside Metropolitan Areas, and counties in Metropolitan Areas that have no Urbanized population. Likewise, urban counties are those located in a Metropolitan Area with some Urbanized population.

Based on HAC’s findings on the differing social, economic, and housing characteristics combined with the range of locations found in the RHED analysis, HAC suggests developing definitions of rural that favor or are weighted towards specific populations and their needs. For example, a program that targets Hispanics might want to favor the Nonurbanized Areas definition among its selection criteria because this definition includes the most Hispanics. Similarly, a program that focuses on the most basic needs such as plumbing, or on the needs of rural Native Americans, might want to use a definition weighted to favor Census Defined Rural Areas where these populations and issues are more prevalent.

In sum, there is no perfect definition of rural. The important task of delineating rural areas for social programmatic purposes ultimately rests with practitioners and policy makers. It is imperative that these interested and invested persons familiarize themselves with the pros and cons of competing concepts to craft definitions of rural that are both methodologically sound and conceptually practical in scope and influence.

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APPENDIX A. ABOUT THE DATA

Geographic Terms and Concepts

U.S. Bureau of the Census Urban and Rural Classification¹

The Census Bureau identifies and tabulates data for the urban and rural populations and their associated areas solely for the presentation and comparison of census statistical data. If a federal, state, local, or tribal agency uses these urban and rural criteria in a nonstatistical program, it is that agency's responsibility to ensure that the results are appropriate for such use. It also is that agency's responsibility to ensure that it has provided the necessary tools for use in that agency's programs.

For Census 2000, the Census Bureau classifies as "urban" all territory, population, and housing units located within an urbanized area (UA) or an urban cluster (UC). It delineates UA and UC boundaries to encompass densely settled territory, which consists of:

- core census block groups or blocks that have a population density of at least 1,000 people per square mile and
- surrounding census blocks that have an overall density of at least 500 people per square mile

In addition, under certain conditions, less densely settled territory may be part of each UA or UC.

The Census Bureau's classification of "rural" consists of all territory, population, and housing units located outside of UAs and UCs. The rural component contains both place and nonplace territory. Geographic entities, such as census tracts, counties, metropolitan areas, and the territory outside metropolitan areas, often are "split" between urban and rural territory, and the population and housing units they contain often are partly classified as urban and partly classified as rural.

Differences between the 1990 and 2000 Urban Area Definitions

The Census Bureau did not automatically recognize previously existing UA territory as part of the Census 2000 UA delineation process. There was no "grandfathering" of areas that qualified based on the results of earlier censuses.

For Census 2000, the Census Bureau used the territory designated as UCs, rather than the entity of places that have a specified population, to determine the total urban population outside of UAs. Previously, place boundaries generally were used to determine the urban or rural classification of territory outside of UAs. With the creation of UCs, place boundaries became "invisible" when creating and classifying the cores of densely settled population agglomerations.

Technological advances in the field of geographic information systems (GIS) during the last 10 years allowed the Census Bureau to automate the urban and rural delineation process for the first time in Census Bureau history.

The extended city criteria were modified extensively for Census 2000. Any place that is split by a UA or UC boundary is referred to as an extended place. Previously, the extended city criteria included only sparsely

¹ Excerpted from U.S. Bureau of the Census, *Census 2000 Urban and Rural Classification* (2001), http://www.census.gov/geo/www/ua/ua_2k.html.

settled territory within incorporated places and relied on density and area measurements to determine whether or not portions of an incorporated place were excluded from the UA. The new urban area criteria, based solely on the population density of census Block Groups (BGs) and census blocks, provide a continuum of urban areas for Census 2000.

The Census 2000 criteria increased the allowable jump distance from 1.5 to 2.5 miles. The increase in the jump distance was proposed as a means to recognize improvements in the transportation network, and the associated changes in development patterns that reflect these improvements, coupled with governmental influence to provide additional “green space” between developments.

The Census Bureau developed the concept of “hops” to extend the urban definition across small nonqualifying census blocks, and thereby avoid the need to designate the break in qualifying blocks as a jump. Hops between qualifying areas are less than or equal to 0.5 mile.

For Census 2000, the area of an indentation in qualifying territory had to be four times the area of a circle with a diameter equal to the closure line of the indentation for the territory to be included in a UA or UC. Previously, an indentation only had to be two times longer than the distance across the mouth. The new criteria enabled the Census Bureau to use an automated methodology that reduced the chances of incorrectly classifying as urban, sparsely settled territory along the fringe of a core.

The uninhabitable jump criteria were revised for Census 2000 to be more restrictive regarding the types of terrain over which an uninhabitable jump could be made. For Census 2000 only water, military reservations, national parks, and qualifying floodplains were deemed to be “exempted territory,” which replaced undevelopable as the term applied to these areas.

The UA central place and title criteria no longer follow standards predefined by other federal agencies. Previously, many UA central places and titles were based on metropolitan area (MA) central city definitions set forth by the Office of Management and Budget.

The new MA criteria will be, and always have been, applied later than the UA criteria. To avoid creating a situation in which the 2000 UA or UC central places and titles would need to follow MA central city definitions that were established in the early 1990s, the Census 2000 criteria create an objective, zero-based approach.

Metropolitan and Micropolitan Statistical Areas¹

The United States Office of Management and Budget (OMB) defines metropolitan and micropolitan statistical areas according to published standards that are applied to Census Bureau data. The general concept of a metropolitan or micropolitan statistical area is that of a core area containing a substantial population nucleus, together with adjacent communities having a high degree of economic and social integration with that core. Currently defined metropolitan and micropolitan statistical areas are based on application of 2000 standards (which appeared in the *Federal Register* on December 27, 2000) to 2000 decennial census data. Current metropolitan and micropolitan statistical area definitions were announced by OMB effective June 6, 2003.

Standard definitions of metropolitan areas were first issued in 1949 by the then Bureau of the Budget (predecessor of OMB), under the designation “standard metropolitan area” (SMA). The term was changed to “standard metropolitan statistical area” (SMSA) in 1959, and to “metropolitan statistical area” (MSA) in

¹ Excerpted from the U.S. Bureau of the Census, *About Metropolitan and Micropolitan Statistical Areas* (2003), <http://www.census.gov/population/www/estimates/aboutmetro.html>.

1983. The term “metropolitan area” (MA) was adopted in 1990 and referred collectively to metropolitan statistical areas (MSAs), consolidated metropolitan statistical areas (CMSAs), and primary metropolitan statistical areas (PMSAs). The term “core based statistical area” (CBSA) became effective in 2000 and refers collectively to metropolitan and micropolitan statistical areas.

OMB has been responsible for the official metropolitan areas since they were first defined, except for the period 1977 to 1981, when they were the responsibility of the Office of Federal Statistical Policy and Standards, Department of Commerce. The standards for defining metropolitan areas were modified in 1958, 1971, 1975, 1980, 1990, and 2000.

Defining Metropolitan and Micropolitan Statistical Areas

The 2000 standards provide that each CBSA must contain at least one urban area of 10,000 or more population. Each metropolitan statistical area must have at least one urbanized area of 50,000 or more inhabitants. Each micropolitan statistical area must have at least one urban cluster of at least 10,000 but less than 50,000 population.

Under the standards, the county (or counties) in which at least 50 percent of the population resides within urban areas of 10,000 or more population, or that contain at least 5,000 people residing within a single urban area of 10,000 or more population, is identified as a “central county” (counties). Additional “outlying counties” are included in the CBSA if they meet specified requirements of commuting to or from the central counties. Counties or equivalent entities form the geographic “building blocks” for metropolitan and micropolitan statistical areas throughout the United States and Puerto Rico.

If specified criteria are met, a metropolitan statistical area containing a single core with a population of 2.5 million or more may be subdivided to form smaller groupings of counties referred to as “metropolitan divisions.”

As of June 6, 2000, there are 362 metropolitan statistical areas and 560 micropolitan statistical areas in the United States. In addition, there are 8 metropolitan statistical areas and 5 micropolitan statistical areas in Puerto Rico.

Principal Cities and Metropolitan and Micropolitan Statistical Area Titles

The largest city in each metropolitan or micropolitan statistical area is designated a “principal city.” Additional cities qualify if specified requirements are met concerning population size and employment. The title of each metropolitan or micropolitan statistical area consists of the names of up to three of its principal cities and the name of each state into which the metropolitan or micropolitan statistical area extends. Titles of metropolitan divisions also typically are based on principal city names but in certain cases consist of county names.

Defining New England City and Town Areas

In view of the importance of cities and town in New England, the 2000 standards also provide for a set of geographic areas that are defined using cities and towns in the six New England states. The New England city and town areas (NECTAs) are defined using the same criteria as metropolitan and micropolitan statistical areas and are identified as either metropolitan or micropolitan, based, respectively, on the presence of either an urbanized area of 50,000 or more population or an urban cluster of at least 10,000 but less than 50,000 population. If the specified criteria are met, a NECTA containing a single core with a population of at least 2.5 million may be subdivided to form smaller groupings of cities and towns referred to as New England city and town area divisions.

Changes in Definitions over Time

Changes in the definitions of these statistical areas since the 1950 census have consisted chiefly of:

- the recognition of new areas as they reached the minimum required city or urbanized area population, and
- the addition of counties (or cities and towns in New England) to existing areas as new decennial census data showed them to qualify.

In some instances, formerly separate areas have been merged, components of an area have been transferred from one area to another, or components have been dropped from an area. The large majority of changes have taken place on the basis of decennial census data. However, Census Bureau data serve as the basis for intercensal updates in specified circumstances.

Because of these historical changes in geographic definitions, users must be cautious in comparing data for these statistical areas from different dates. For some purposes, comparisons of data for areas as defined at given dates may be appropriate; for other purposes, it may be preferable to maintain consistent area definitions. Historical metropolitan area definitions are available for 1999, 1993, 1990, 1983, 1981, 1973, 1970, 1963, 1960, and 1950.

County (or Statistically Equivalent Entity)

The primary legal divisions of most states are termed “counties.” In Louisiana, these divisions are known as parishes. In Alaska, which has no counties, the statistically equivalent entities are census areas, city and boroughs (as in Juneau City and Borough), a municipality (Anchorage), and organized boroughs. Census areas are delineated cooperatively for data presentation purposes by the state of Alaska and the U.S. Census Bureau. In four states (Maryland, Missouri, Nevada, and Virginia), there are one or more incorporated places that are independent of any county organization and thus constitute primary divisions of their states; these incorporated places are known as “independent cities” and are treated as equivalent to counties for data presentation purposes. (In some data presentations, they may be treated as county subdivisions and places.) The District of Columbia has no primary divisions, and the entire area is considered equivalent to a county for data presentation purposes. In American Samoa, the primary divisions are districts and islands; in the Northern Mariana Islands, municipalities; in the Virgin Islands of the United States, the principal islands of St. Croix, St. John, and St. Thomas. Guam has no primary divisions, and the entire area is considered equivalent to a county for data presentation purposes.

Data Sources

The information in this report derives from HAC tabulations of the 2000 Census of Population and Housing public use data sets. Census 2000 was conducted by the U.S. Department of Commerce’s Bureau of the Census, which collected information on 281.4 million people and 115.9 million housing units across the United States between March and August 2000. Most of the Census 2000 information utilized in this report derives from one of two data sets. The first is Summary File 1, containing information from what is commonly referred to as the “short form,” on which a limited number of questions were asked about every person and every housing unit in the United States. Secondly, Summary File 3 or “long form” data provide more detailed information on population and housing characteristics. These data came from a sample (generally one in six) of persons and housing units.

For detailed information about Census 2000 data used in this report please consult these Census Bureau reports:

- U.S. Department of Commerce, Economics and Statistics Administration, *Technical Documentation: Summary File 1, 2000 Census of Population and Housing* (Washington, D.C.: U.S. Bureau of the Census, 2001).
- U.S. Department of Commerce, Economics and Statistics Administration, *Technical Documentation: Summary File 3: 2000 Census of Population and Housing* (Washington, D.C.: U.S. Bureau of the Census, 2002).
- U.S. Department of Commerce, Economics and Statistics Administration, *Technical Documentation: Demographic Profile 2000* (Washington, D.C.: U.S. Bureau of the Census, 2002).

Definitions²

Earnings. Earnings is defined as the sum of wage and salary income and net income from self-employment. Earnings represent the amount of income received regularly before deductions for personal income taxes, social security, bond purchases, union dues, Medicare deductions, etc.

Household. A household includes all of the people who occupy a housing unit. People not living in households are classified as living in group quarters.

Housing Cost Burden. Housing cost burdens are generally measured as a percentage of income, on what has become a slowly sliding scale. In the early days of the public housing program, housing costs above 20 percent of income were considered burdensome. During the late 1960s and early 1970s, 25 percent of income became the threshold for cost burden. In the early 1980s, the cost burden threshold was raised to 30 percent of income. Since then, the Department of Housing and Urban Development (HUD) has defined moderate cost burdens as those between 30 percent and 50 percent of income, and severe cost burdens as those above 50 percent of income. Percent of income paid for housing is, at best, a rough measure of affordability, but its use has become widespread for several reasons. First, it is relatively simple to grasp and to calculate. Second, 30 percent of income has become the norm that housing subsidy programs require households to pay when living in subsidized housing. In this report housing cost burden is defined as households that pay 30 percent or more of their monthly income towards housing costs.

Housing unit. A housing unit may be a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied (or if vacant, is intended for occupancy) as separate living quarters. Separate living quarters are those in which the occupants live separately from any other individuals in the building and which have direct access from outside the building or through a common hall.

Income in 1999. Information on money income received in calendar year 1999 was requested from individuals 15 years and over. "Total income" is the sum of the amounts reported separately for wage or salary income; net self-employment income; interest, dividends, or net rental or royalty income; social security or railroad retirement income; supplemental security income (SSI); public assistance or welfare payments; retirement or disability income; and all other income.

² Most of these definitions are excerpted from U.S. Department of Commerce, Economics and Statistics Administration, *Technical Documentation: Demographic Profile 2000* (Washington, D.C.: U.S. Bureau of the Census, 2002). The definitions of housing cost burden (a term not used by the Census Bureau) and manufactured/mobile home were written by the Housing Assistance Council.

Receipts from the following sources are not included as income: money received from the sale of property (unless the recipient was engaged in the business of selling such property); capital gains; the value of income “in kind” from food stamps, public housing subsidies, medical care, employer contributions for individuals, etc.; withdrawal of bank deposits; money borrowed; tax refunds; exchange of money between relatives living in the same household; and gifts and lump-sum inheritances, insurance payments, and other types of lump-sum receipts.

Although the income statistics cover calendar year 1999, the characteristics of individuals and the composition of households/families refer to the time of enumeration. Thus, the income of the household or family does not include amounts received by individuals who were members of the household/family during all or part of the calendar year 1999 if these individuals no longer resided with the household/family at the time of enumeration. Similarly, income amounts reported by individuals who did not reside with the household/family during 1999 but who were members of the household/family at the time of enumeration are included. However, the composition of most households/families was the same during 1999 as at the time of enumeration.

Kitchen facilities. Complete kitchen facilities include all of the following: a sink with piped water, a range or cook top and oven, and a refrigerator. All kitchen facilities must be located in the house, apartment, or mobile home, but they need not be in the same room.

Manufactured/Mobile Home. A manufactured/mobile home is defined as a housing unit that was originally constructed to be towed on its own chassis. Manufactured/mobile homes with to which one or more permanent rooms have been added are classified as a detached single family home and not a manufactured/mobile home.

Median income. The median divides the income distribution into two equal parts: one-half of the cases falling below the median income and one-half above the median. For households and families, the median income is based on the distribution of the total number of households or families including those with no income. The median for individuals is based on individuals 15 years and over with income. This measure is rounded to the nearest whole dollar. State aggregated “rural and urban” median income figures in this report were further estimated using weighting procedures.

Race [and Ethnicity in the 2000 Census]. The concept of race as used by the Census Bureau reflects self-identification by people according to the race or races with which they most closely identify. The categories are sociopolitical constructs and should not be interpreted as being scientific or anthropological in nature. Furthermore, the race categories include both racial and national-origin groups.

The racial classifications used by the Census Bureau adhere to the October 30, 1997, *Federal Register Notice* entitled, “Revisions to the Standards for the Classification of Federal Data on Race and Ethnicity” issued by the Office of Management and Budget (OMB). These standards govern the categories used to collect and present federal data on race and ethnicity. The OMB requires five minimum categories (White, Black or African American, American Indian and Alaska Native, Asian, and Native Hawaiian and Other Pacific Islander) for race. The race categories are described below with a sixth category, “Some other race,” added with OMB approval. In addition to the five race groups, the OMB also states that respondents should be offered the option of selecting one or more races.

If an individual could not provide a race response, the race or races of the householder or other household members were assigned by the computer using specific rules of precedence of household relationship. For example, if race was missing for a natural-born child in the household, then either the race or races of the

householder, another natural-born child, or the spouse of the householder were assigned. If race was not reported for anyone in the household, the race or races of a householder in a previously processed household were assigned.

White. A person having origins in any of the original peoples of Europe, the Middle East, or North Africa. It includes people who indicate their race as “White” or report entries such as Irish, German, Italian, Lebanese, Near Easterner, Arab, or Polish.

Black or African American. A person having origins in any of the Black racial groups of Africa. It includes people who indicate their race as “Black, African Am., or Negro,” or who provide written entries such as African American, Afro American, Kenyan, Nigerian, or Haitian.

American Indian and Alaska Native. A person having origins in any of the original peoples of North and South America (including Central America), and who maintain tribal affiliation or community attachment. . . .

Asian. A person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent including, for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam. It includes “Asian Indian,” “Chinese,” “Filipino,” “Korean,” “Japanese,” “Vietnamese,” and “Other Asian.” . . .

Native Hawaiian and Other Pacific Islander. A person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands. It includes people who indicate their race as “Native Hawaiian,” “Guamanian or Chamorro,” “Samoan,” and “Other Pacific Islander.” . . .

Some other race. Includes all other responses not included in the “White,” “Black or African American,” “American Indian and Alaska Native,” “Asian,” and the “Native Hawaiian and Other Pacific Islander” race categories described above. Respondents providing write-in entries such as multiracial, mixed, interracial, or a Hispanic/Latino group (for example, Mexican, Puerto Rican, or Cuban) in the “Some other race” category are included in this category.

. . .

Hispanic or Latino. People who identify with the terms “Hispanic” or “Latino” are those who classify themselves in one of the specific Hispanic or Latino categories listed on the questionnaire - “Mexican,” “Puerto Rican,” or “Cuban” -- as well as those who indicate that they are “other Spanish, Hispanic, or Latino.” Origin can be viewed as the heritage, nationality group, lineage, or country of birth of the person or the person’s parents or ancestors before their arrival in the United States. People who identify their origin as Spanish, Hispanic, or Latino may be of any race.

Occupants per room [household crowding]. Occupants per room is obtained by dividing the number of people in each occupied housing unit by the number of rooms in the unit. Occupants per room is rounded to the nearest hundredth. Although the Census Bureau has no official definition of crowded units, many users consider units with more than one occupant per room to be crowded. [For this report crowded units are those with more than one occupant per room.]

Occupied housing unit. A housing unit is classified as occupied if it is the usual place of residence of the person or group of people living in it at the time of enumeration, or if the occupants are only temporarily absent; that is, away on vacation or business.

Plumbing facilities. The data on plumbing facilities are obtained from both occupied and vacant housing units. Complete plumbing facilities include: (1) hot and cold piped water, (2) a flush toilet, and (3) a bathtub or shower. All three facilities must be located in the housing unit.

Poverty status in 1999. Poverty is measured by using 48 thresholds that vary by family size and number of children within the family and age of the householder. To determine whether a person is poor, one compares the total income of that person's family with the threshold appropriate for that family. If the total family income is less than the threshold, then the person is considered poor, together with every member of his or her family. Not every person is included in the poverty universe: institutionalized people, people in military group quarters, people living in college dormitories, and unrelated individuals under 15 years old are considered neither as "poor" nor as "nonpoor," and are excluded from both the numerator and the denominator when calculating poverty rates. The Office of Management and Budget (OMB) mandates that all federal agencies (including the Census Bureau) use this poverty definition for statistical purposes (OMB Statistical Policy Directive 14, May 1978).

Rooms. The data on rooms were obtained from both occupied and vacant housing units. The intent of this question is to count the number of whole rooms used for living purposes.

For each unit, rooms include living rooms, dining rooms, kitchens, bedrooms, finished recreation rooms, enclosed porches suitable for year-round use, and lodger's rooms. Excluded are strip or pullman kitchens, bathrooms, open porches, balconies, halls or foyers, half-rooms, utility rooms, unfinished attics or basements, or other unfinished space used for storage. A partially divided room is a separate room only if there is a partition from floor to ceiling, but not if the partition consists solely of shelves or cabinets.

Telephone. Households with telephone service have a telephone in working order and are able to make and receive calls.

Tenure. All occupied housing units are classified as either owner occupied or renter occupied. A housing unit is owner occupied if the owner or co-owner lives in the unit even if it is mortgaged or not fully paid for. All occupied housing units that are not owner occupied, whether they are rented for cash rent or occupied without payment of cash rent, are classified as renter occupied.

Value. Value is the respondent's estimate of how much the property (house and lot, mobile home and lot, or condominium unit) would sell for if it were for sale. [State aggregated "rural and urban" median housing value figures in this report were further estimated using weighting procedures.]

Limitations of the Data

*Nonsampling Error*³

In any large-scale statistical operation, such as Census 2000, human and computer-related errors occur. These errors are commonly referred to as nonsampling errors. Such errors include not enumerating every household or every person in the population, not obtaining all required information from the respondents, obtaining incorrect or inconsistent information, and recording information incorrectly. In addition, errors

³ Excerpted from U.S. Department of Commerce, Economics and Statistics Administration, *Technical Documentation: Summary File 1, 2000 Census of Population and Housing*. (Washington, D.C.: U.S. Bureau of the Census, 2001), 8-3 to 8-4.

can occur during the field review of the enumerators' work, during clerical handling of the census questionnaires, or during the electronic processing of the questionnaires.

While it is impossible to completely eliminate nonsampling error from an operation as large and complex as the decennial census, the Census Bureau attempts to control the sources of such error during the collection and processing operations. . . . The success of these [attempts], however, was contingent upon how well the instructions actually were carried out during the census.

Sampling Error⁴

Statistics in this data product are based on a sample. Therefore, they may differ somewhat from 100-percent figures that would have been obtained if all housing units, people within those housing units, and people living in group quarters had been enumerated using the same questionnaires, instructions, enumerators, and so forth. The sample estimate also would differ from other samples of housing units, people within those housing units, and people living in group quarters. The deviation of a sample estimate from the average of all possible samples is called the *sampling error*. The *standard error* of a sample estimate is a measure of the variation among the estimates from all possible samples. Thus, it measures the precision with which an estimate from a particular sample approximates the average result of all possible samples. The sample estimate and its estimated standard error permit the construction of interval estimates with prescribed confidence that the interval includes the average result of all possible samples.

Derived Measures

Mean. This measure represents an arithmetic average of a set of values. It is derived by dividing the sum (or aggregate) of a group of numerical items by the total number of items in that group. For example, mean household earnings is obtained by dividing the aggregate of all earnings reported by individuals with earnings in households by the total number of households with earnings. (Additional information on means is included in the separate explanations of many population and housing subjects.)

Median. This measure represents the middle value (if n is odd) or the average of the two middle values (if n is even) in an ordered list of n data values. The median divides the total frequency distribution into two equal parts: one-half of the cases falling below the median and one half above the median. The median is computed on the basis of the distribution as tabulated which is sometimes more detailed than the distribution shown in specific census publications and other data products. (See also "Interpolation.") [State aggregated "rural and urban" medians in this report were further estimated using weighting procedures.]

Interpolation. Interpolation frequently is used in calculating medians or quartiles based on interval data and in approximating standard errors from tables. Linear interpolation is used to estimate values of a function between two known values. "Pareto interpolation" is an alternative to linear interpolation. In Pareto interpolation, the median is derived by interpolating between the logarithms of the upper and lower income limits of the median category. It is used by the Census Bureau in calculating median income within intervals wider than \$2,500.

⁴ Excerpted from U.S. Department of Commerce, Economics and Statistics Administration, *Technical Documentation: Summary File 3, 2000 Census of Population and Housing* (Washington, D.C.: U.S. Bureau of the Census, 2002), 8-5.

Percentage. This measure is calculated by taking the number of items in a group possessing a characteristic of interest and dividing by the total number of items in that group and then multiplying by 100.

Rate. This is a measure of occurrences in a given period of time divided by the possible number of occurrences during that period. Rates are sometimes presented as percentages.

APPENDIX B. SECONDARY DEFINITIONS OF “RURAL”

Rural Urban Continuum (Beale) Codes¹

The USDA Economic Research Service²

The Beale codes form a classification scheme that distinguishes metropolitan (metro) counties by the population size of their metro area, and nonmetropolitan (nonmetro) counties by degree of urbanization and adjacency to a metro area or areas. The metro and nonmetro categories have been subdivided into three metro and six nonmetro groupings, resulting in a nine-part county codification. The codes allow researchers working with county data to break such data into finer residential groups beyond a simple metro-nonmetro dichotomy, particularly for the analysis of trends in nonmetro areas that may be related to degree of rurality and metro proximity.

All U.S. counties and county equivalents are grouped according to their official metro-nonmetro status announced by the Office of Management and Budget (OMB) in June 2003, when the population and worker commuting criteria used to identify metro counties were applied to results of the 2000 Census. Metro counties are distinguished by population size of the Metropolitan Statistical Area of which they are part. Nonmetro counties are classified according to the aggregate size of their urban population. Within the three urban size categories, nonmetro counties are further identified by whether or not they have some functional adjacency to a metro area or areas. A nonmetro county is defined as adjacent if it physically adjoins one or more metro areas, and has at least 2 percent of its employed labor force commuting to central metro counties. Nonmetro counties that do not meet these criteria are classed as nonadjacent.

In concept, the 2003 version of the Rural-Urban Continuum Codes is comparable with that of earlier decades. However, OMB made major changes in its metro area delineation procedures for the 2000 Census, and the Census Bureau changed the way in which rural and urban are measured. Therefore, the new Rural-Urban

Rural Urban Continuum Codes	
Metro counties:	
1	Counties in metro areas of 1 million population or more
2	Counties in metro areas of 250,000 to 1 million population
3	Counties in metro areas of fewer than 250,000 population
Nonmetro counties:	
4	Urban population of 20,000 or more, adjacent to a metro area
5	Urban population of 20,000 or more, not adjacent to a metro area
6	Urban population of 2,500 to 19,999, adjacent to a metro area
7	Urban population of 2,500 to 19,999, not adjacent to a metro area
8	Completely rural or less than 2,500 urban population, adjacent to a metro area
9	Completely rural or less than 2,500 urban population, not adjacent to a metro area

¹ This coding scheme was originated in 1975 by David L. Brown, Fred K. Hines, and John M. Zimmer, then of the Economic Research Service, for a report entitled *Social and Economic Characteristics of the Population in Metro and Nonmetro Counties: 1970*. It was updated after both the 1980 and 1990 censuses, with a somewhat more restrictive procedure for determining metro adjacency.

² Excerpted from U.S. Department of Agriculture Economic Research Service (ERS), *Measuring Rurality: Rural-Urban Continuum Codes*, <http://www.ers.usda.gov/Briefing/Rurality/RuralUrbCon/>.

Continuum Codes are not fully comparable with those of earlier years. OMB's changes added some additional metro areas by no longer requiring that a metro area must have at least 100,000 population if its urbanized area has no place of at least 50,000 people. More importantly, simplifying the worker commuting criteria that determine outlying metro counties had the effect of both adding numerous new outlying counties to metro status while deleting a smaller number that were previously metro.

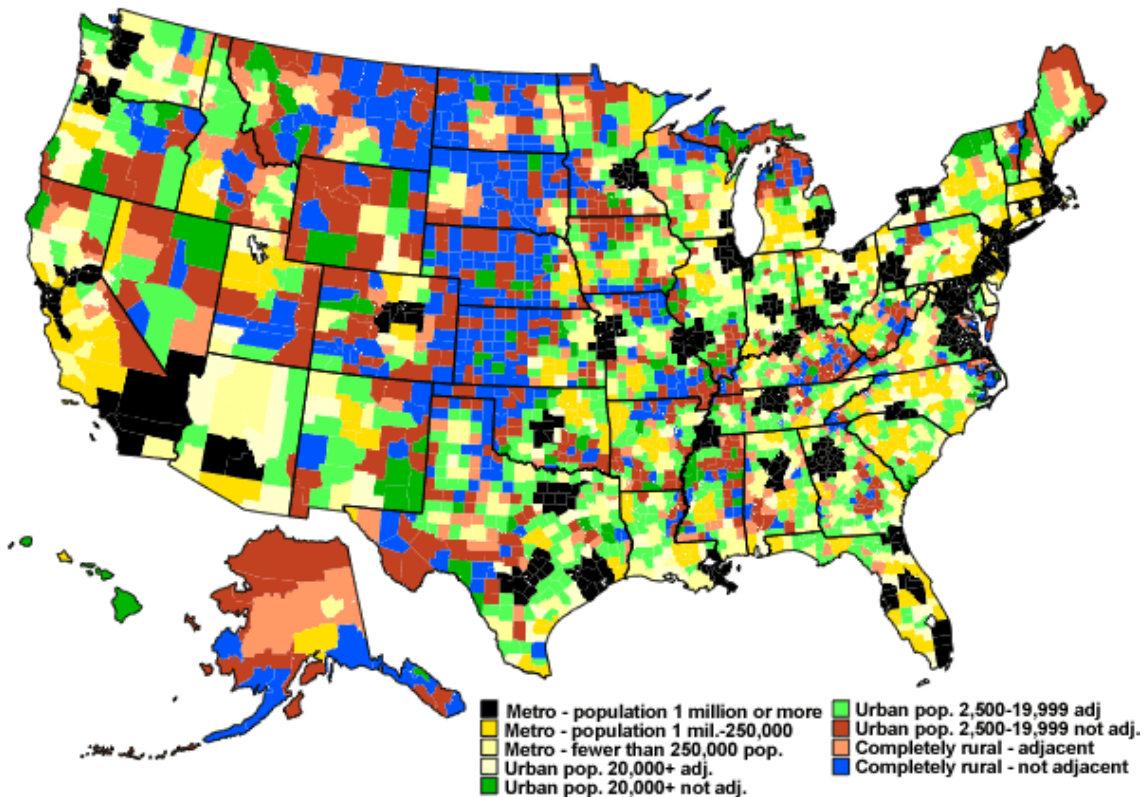
The Census Bureau made a radical shift in determining rural-urban boundaries by changing and liberalizing the procedures for delineating urbanized areas of 50,000 or more people, and abandoning place boundaries in measuring urban or rural population. The procedures used in defining Urbanized Areas were extended down to clusters of 2,500 or more people, based solely on population density per square mile. In this manner, lightly settled sections of municipalities were treated as rural and densely settled areas adjoining urban cores were treated as urban, regardless of whether they were incorporated or not. Thus "urban clusters" need not necessarily have at least one incorporated or unincorporated place of 2,500 population, and not all incorporated or unincorporated places of 2,500 population constitute urban clusters. On balance, these completely computerized techniques for identifying and bounding urban areas have enlarged the urban population. It is not possible to redefine Rural-Urban Continuum Codes for prior censuses in a manner consistent with those of 2003.

Code	Number of counties	2000 Population
Metro counties:		
1	413	149,224,067
2	325	55,514,159
3	351	27,841,714
Nonmetro counties:		
4	218	14,442,161
5	105	5,573,273
6	609	15,134,357
7	450	8,463,700
8	235	2,425,743
9	435	2,802,732
U.S. total	3,141	281,421,906

In earlier versions of the Rural-Urban Continuum Codes, metro areas with 1 million population or more were subdivided between central counties (Code 0) and fringe counties (Code 1). The Code 1 group has become much less meaningful in the last two censuses as more and more counties of large metro areas have been rated as central counties by OMB procedures. In 2000, only 1.6 percent of the population of large metro areas was in fringe counties. Therefore, this distinction has been dropped. Codes 0 and 1 have been combined, and the new code 1 represents all counties in metro areas of 1 million or more population.

All told, the 2003 rural-urban continuum code scheme includes 1,089 metro counties and 2,052 nonmetro counties. Independent cities of Virginia have been combined with their counties of origin.

Rural-urban continuum codes, 2003



Source: USDA, Economic Research Service.

The Center for Rural Pennsylvania's Definition of Rural Counties

*The Center for Rural Pennsylvania*¹

The Center for Rural Pennsylvania is a legislative agency in the state of Pennsylvania that works to promote and sustain the vitality of Pennsylvania's rural and small communities. During the 1990s, the Center used a modified U.S. Census Bureau definition to identify rural and urban areas. The definition read that when more than 50 percent of the population in a county, school district, or municipality is identified as "rural" by the Census Bureau, the Center for Rural Pennsylvania considered an entity to be predominantly rural. Entities less than 50 percent rural were identified as predominantly urban.

After the Census Bureau issued its new rural/urban definition, the Center applied its 1990 classification system to Pennsylvania but noticed some strange things: some counties with very small populations were being flagged as urban since most of their populations lived in a small town that was classified as an urban cluster. Oddities like these and others are what encouraged the Center for Rural Pennsylvania's Board of Directors to consider formulating a rural definition for Pennsylvania that would no longer be based on the Census Bureau's definition.

¹ Excerpted from Center for Rural Pennsylvania. "Rural Is . . . A New Definition," *Rural Perspectives*, 12 (March/April 2003).

Since many state and local government agencies and private and nonprofit organizations use Center data or rely on the data for their programs and projects, the Center's board held forums across the state in October 2002 to get input from users. At the forums, the new Census definition was discussed and other definitions were examined. Overall, participants at the sessions agreed that using the Center's 1990 classification system with the Census Bureau's 2000 rural/urban definition would be too broad since it classified many areas with rural characteristics as urban. Also, forum input concluded that the definition should be applicable to counties, municipalities, and school districts, be easy to understand, and be based on population density or the number of people per square mile.

After the statewide meetings, the Center's board formed a committee to review the forum findings and to make a recommendation for a rural/urban definition for Pennsylvania. The committee focused some of its review on the following terms:

- **Population Density:** The average number of persons per square mile, population density is calculated by dividing the total population by the total number of square land miles. In 2000, the population of Pennsylvania was 12,281,054. The number of square miles of land was 44,820. The population density was 274 persons per square mile.
- **Square Land Miles:** The number of square miles of land in a county, municipality, or school district. Square miles of water are excluded.
- **Urbanized Area:** An area consisting of a densely settled core and adjacent densely settled Census blocks. The entire area must encompass a population of at least 50,000 people.

Considering these factors the Center for Rural Pennsylvania adopted an updated definition of rural areas based on their population density. A county or school district is rural when its population density is less than the statewide figure of 274 persons per square mile. Counties and school districts with 274 or more persons per square mile are considered urban.

A municipality is rural when its population density is less than 274 persons per square mile or the municipality's total population is less than 2,500 unless more than 50 percent of the population lives in an urbanized area, as defined by the U.S. Census Bureau. All other municipalities are considered urban. The board accepted the committee's recommendations and the definition will now be used by the Center for its research and data gathering activities

Definition of Rural, Frontier America

*The Frontier Mental Health Services Resource Network*¹

The Frontier Mental Health Services Resource Network, under a contract with the Center for Mental Health Services of the Substance Abuse and Mental Health Services Administration, was created to gather, analyze and disseminate information about mental health and substance abuse needs and services in "isolated rural areas" in the US. These isolated rural areas, defined for purposes of this contract as having fewer than 7 persons per square mile, are very nearly identical with what has been termed "frontier rural areas" by a number of scholars and federal agencies. For this reason, and because almost all of these areas are found in the western states and Alaska, we have adopted the term "frontier rural area" to better identify those rural areas with which this project is concerned. . . .

The word "frontier" itself conjures up a special set of images for most of us. Indeed, historians have argued the frontier shaped American character. One associates the frontier with such terms as pioneers, hunters,

¹ Excerpted from Frontier Mental Health Services Resource Network, "Focusing on 'Frontier': Isolated Rural America," Letter to the Field No. 2 (April 1996) (references have been omitted).

trappers, ranchers, and Indians. While the frontier of historic imagination no longer exists, the frontier does live on in the western US and Alaska. It is protected from large-scale settlement by harsh climate, difficult terrain, lack of water, distance from metropolitan areas, lack of exploitable resources, and various access restrictions on large federal land tracts. As one might expect, providing any type of human services to this rural population presents formidable geographic, cultural, and human resource problems.

The type of rural area of primary interest to this project is that designated as “isolated” or “frontier.” Frontier areas have usually been defined exclusively by low population density, most often fewer than 6 (sometimes 7) persons per square mile. The consequences of this more restricted definition of rural are striking. Applied to US counties, an upper limit of 6 persons per square mile reduces the number of rural counties by the nonmetro definition from 2,357 using 1980 census data to roughly 400 frontier rural counties—a reduction of 83% in the list of nonmetro counties. This restriction to only low-density frontier rural areas removes from discussion many nonmetropolitan “rural” counties having sizable towns or small cities. However, using density alone as a defining factor can also be deceiving, especially in large western counties. An extremely large county land mass may mask the existence of higher density urban populations by unrepresentatively low county-wide density figures.

In contrast to the nonmetropolitan (OMB) and rural (Census) definitions, essentially all frontier counties are in western states (including Alaska), lying West of a north-south line running from the middle of North Dakota through the middle of Texas. They are characterized by considerable distances from central places, by poor access to market areas, and by people’s relative isolation from each other in large geographic areas—some of the cardinal characteristics of a “rural” area. Even some of the higher-population western states have substantial numbers of such counties within their borders; for example, about half (31) of Colorado’s 63 counties had 6 or fewer persons per square mile in 1990. For less populous states like North Dakota and Wyoming, the proportion of frontier counties is even higher.

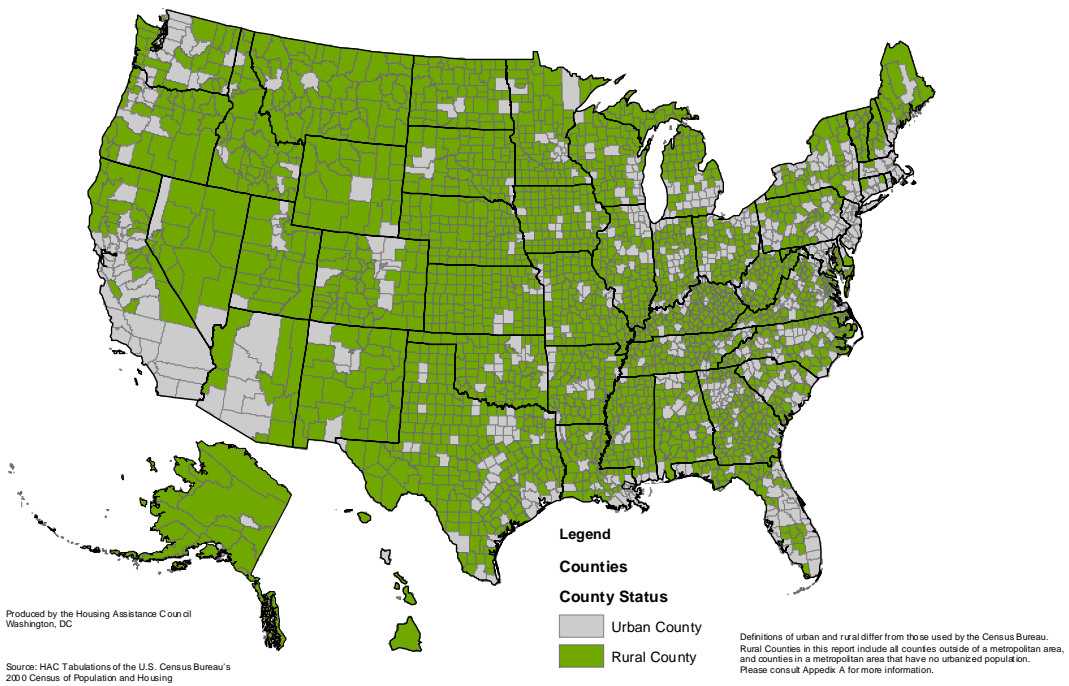
Frontier rural areas, distinguished primarily by low population density and great isolation, exist at the furthest end of the urban/rural continuum. Understanding and serving their mental health needs requires distinguishing them from the large number of rural communities closer to the urban end of the continuum. As most health and demographic data exist in the simplified binary classifications of metro/nonmetro and rural/urban, this task can be challenging.

Rural and Urban Counties

The Housing Assistance Council

Given the 2003 changes in the definitions of OMB metropolitan areas and Census defined Urban and Rural areas, HAC devised a county based designation of urban and rural counties that incorporates both residential patterns, as found in the Census definition, and economic connection patterns, as found in the OMB definition, to establish a more precise measure of rural character. Thus, HAC defines rural counties as all counties outside Metropolitan Areas, and counties in Metropolitan Areas that have no Urbanized population. Likewise, urban counties are those located in Metropolitan Areas with some Urbanized population.

HAC Defined Rural and Urban Counties



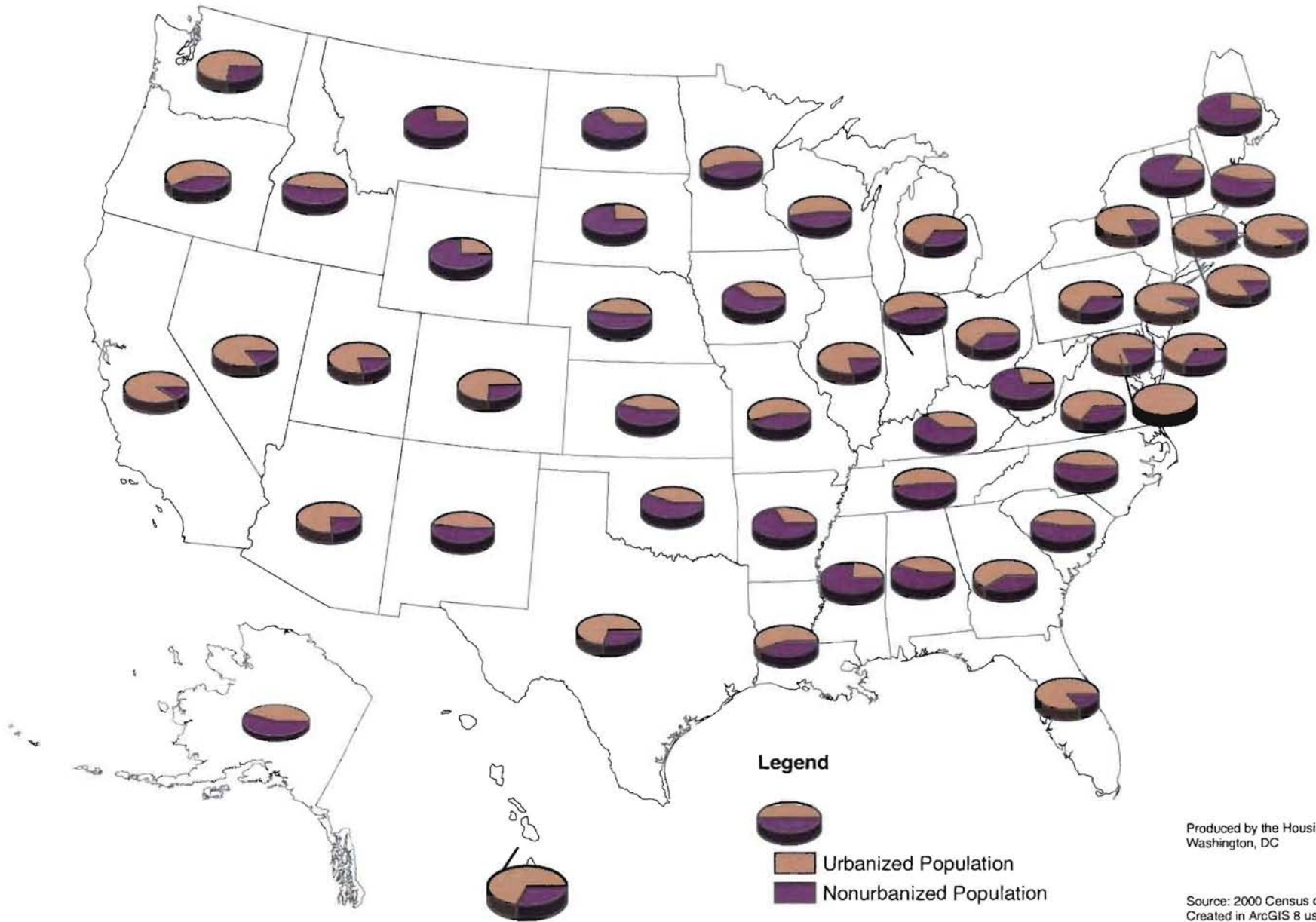
APPENDIX C. DATA TABLES AND MAPS

TABLE 1. NONURBANIZED POPULATION by STATE

State	Urbanized Population	%	Nonurbanized Population	%	Total Population	%
Alabama	1,940,382	43.6	2,506,718	56.4	4,447,100	100.0
Alaska	278,013	44.3	348,919	55.7	626,932	100.0
Arizona	3,907,368	76.2	1,223,264	23.8	5,130,632	100.0
Arkansas	859,385	32.1	1,814,015	67.9	2,673,400	100.0
California	29,953,439	88.4	3,918,209	11.6	33,871,648	100.0
Colorado	3,213,253	74.7	1,088,008	25.3	4,301,261	100.0
Connecticut	2,847,453	83.6	558,112	16.4	3,405,565	100.0
Delaware	531,127	67.8	252,473	32.2	783,600	100.0
District of Columbia	572,059	100.0	0	0	572,059	100.0
Florida	13,473,228	84.3	2,509,150	15.7	15,982,378	100.0
Georgia	5,013,850	61.2	3,172,603	38.8	8,186,453	100.0
Hawaii	836,318	69.0	375,219	31	1,211,537	100.0
Idaho	604,138	46.7	689,815	53.3	1,293,953	100.0
Illinois	9,738,574	78.4	2,680,719	21.6	12,419,293	100.0
Indiana	3,411,484	56.1	2,669,001	43.9	6,080,485	100.0
Iowa	1,114,949	38.1	1,811,375	61.9	2,926,324	100.0
Kansas	1,207,640	44.9	1,480,778	55.1	2,688,418	100.0
Kentucky	1,566,110	38.7	2,475,659	61.3	4,041,769	100.0
Louisiana	2,536,016	56.7	1,932,960	43.3	4,468,976	100.0
Maine	313,975	24.6	960,948	75.4	1,274,923	100.0
Maryland	4,247,431	80.2	1,049,055	19.8	5,296,486	100.0
Massachusetts	5,637,103	88.8	711,994	11.2	6,349,097	100.0
Michigan	6,580,632	66.2	3,357,812	33.8	9,938,444	100.0
Minnesota	2,711,592	55.1	2,207,887	44.9	4,919,479	100.0
Mississippi	679,697	23.9	2,164,961	76.1	2,844,658	100.0
Missouri	3,090,893	55.2	2,504,318	44.8	5,595,211	100.0
Montana	233,969	25.9	668,226	74.1	902,195	100.0
Nebraska	804,826	47.0	906,437	53	1,711,263	100.0
Nevada	1,676,359	83.9	321,898	16.1	1,998,257	100.0
New Hampshire	550,940	44.6	684,846	55.4	1,235,786	100.0
New Jersey	7,753,948	92.2	660,402	7.8	8,414,350	100.0
New Mexico	863,316	47.5	955,730	52.5	1,819,046	100.0
New York	15,504,482	81.7	3,471,975	18.3	18,976,457	100.0
North Carolina	3,759,457	46.7	4,289,856	53.3	8,049,313	100.0
North Dakota	230,217	35.8	411,983	64.2	642,200	100.0
Ohio	7,309,854	64.4	4,043,286	35.6	11,353,140	100.0
Oklahoma	1,483,385	43.0	1,967,269	57	3,450,654	100.0
Oregon	1,975,622	57.7	1,445,777	42.3	3,421,399	100.0
Pennsylvania	8,210,703	66.9	4,070,351	33.1	12,281,054	100.0
Rhode Island	928,180	88.5	120,139	11.5	1,048,319	100.0
South Carolina	1,874,384	46.7	2,137,628	53.3	4,012,012	100.0
South Dakota	194,382	25.8	560,462	74.2	754,844	100.0
Tennessee	2,964,841	52.1	2,724,442	47.9	5,689,283	100.0
Texas	14,799,481	71.0	6,052,339	29	20,851,820	100.0
Utah	1,748,363	78.3	484,806	21.7	2,233,169	100.0
Vermont	105,573	17.3	503,254	82.7	608,827	100.0
Virginia	4,713,195	66.6	2,365,320	33.4	7,078,515	100.0
Washington	4,304,789	73.0	1,589,332	27	5,894,121	100.0
West Virginia	512,343	28.3	1,296,001	71.7	1,808,344	100.0
Wisconsin	2,843,697	53.0	2,519,978	47	5,363,675	100.0
Wyoming	125,706	25.5	368,076	74.5	493,782	100.0
Total	192,338,121	68.3	89,083,785	31.6	281,421,906	100.0

Source: HAC Tabulations of the 2000 Census of Population and Housing

Nonurbanized Population by State



Produced by the Housing Assistance Council
Washington, DC

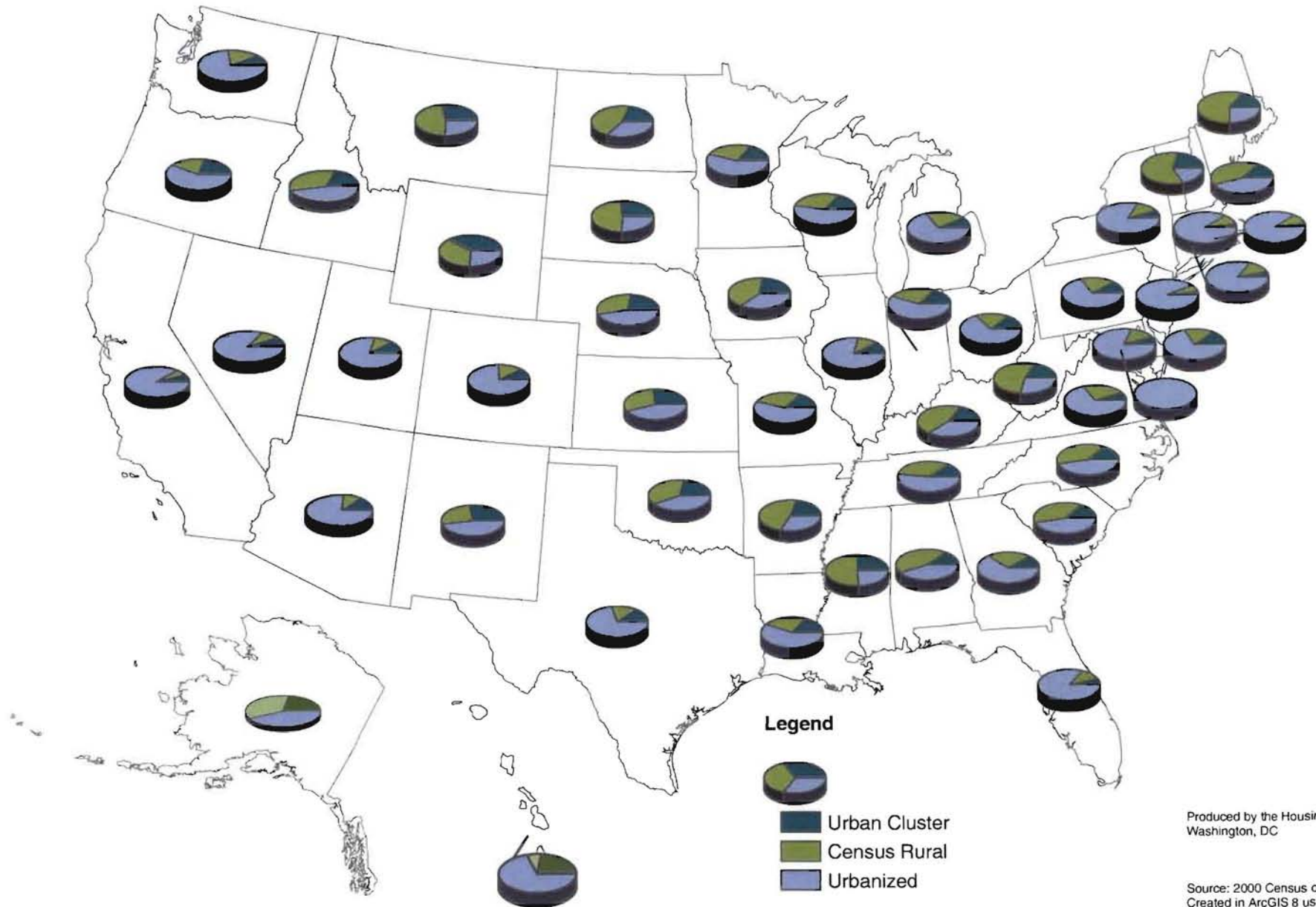
Source: 2000 Census of Population and Housing
Created in ArcGIS 8 using ArcMap

TABLE 2. URBAN CLUSTER AND CENSUS RURAL AS A PERCENT OF THE NONURBANIZED* POPULATION

State	Urban Cluster		Census Defined Rural		Total Nonurbanized Population	
		%		%		%
Alabama	525,157	20.9	1,981,561.0	79.1	2,506,718	100.0
Alaska	133,942	38.4	214,977.0	61.6	348,919	100.0
Arizona	616,145	50.4	607,119.0	49.6	1,223,264	100.0
Arkansas	542,455	29.9	1,271,560.0	70.1	1,814,015	100.0
California	2,041,456	52.1	1,876,753.0	47.9	3,918,209	100.0
Colorado	421,493	38.7	666,515.0	61.3	1,088,008	100.0
Connecticut	139,397	25.0	418,715.0	75.0	558,112	100.0
Delaware	95,918	38.0	156,555.0	62.0	252,473	100.0
District of Columbia	0	0.0	0.0	0.0	0	100.0
Florida	801,164	31.9	1,707,986.0	68.1	2,509,150	100.0
Georgia	852,717	26.9	2,319,886.0	73.1	3,172,603	100.0
Hawaii	272,861	72.7	102,358.0	27.3	375,219	100.0
Idaho	254,966	37.0	434,849.0	63.0	689,815	100.0
Illinois	1,171,758	43.7	1,508,961.0	56.3	2,680,719	100.0
Indiana	891,696	33.4	1,777,305.0	66.6	2,669,001	100.0
Iowa	671,734	37.1	1,139,641.0	62.9	1,811,375	100.0
Kansas	712,441	48.1	768,337.0	51.9	1,480,778	100.0
Kentucky	685,857	27.7	1,789,802.0	72.3	2,475,659	100.0
Louisiana	710,978	36.8	1,221,982.0	63.2	1,932,960	100.0
Maine	198,617	20.7	762,331.0	79.3	960,948	100.0
Maryland	311,017	29.6	738,038.0	70.4	1,049,055	100.0
Massachusetts	166,348	23.4	545,646.0	76.6	711,994	100.0
Michigan	838,892	25.0	2,518,920.0	75.0	3,357,812	100.0
Minnesota	777,727	35.2	1,430,160.0	64.8	2,207,887	100.0
Mississippi	708,863	32.7	1,456,098.0	67.3	2,164,961	100.0
Missouri	790,240	31.6	1,714,078.0	68.4	2,504,318	100.0
Montana	253,496	37.9	414,730.0	62.1	668,226	100.0
Nebraska	387,880	42.8	518,557.0	57.2	906,437	100.0
Nevada	153,422	47.7	168,476.0	52.3	321,898	100.0
New Hampshire	180,412	26.3	504,434.0	73.7	684,846	100.0
New Jersey	184,902	28.0	475,500.0	72.0	660,402	100.0
New Mexico	501,519	52.5	454,211.0	47.5	955,730	100.0
New York	1,096,644	31.6	2,375,331.0	68.4	3,471,975	100.0
North Carolina	1,087,618	25.4	3,202,238.0	74.6	4,289,856	100.0
North Dakota	128,177	31.1	283,806.0	68.9	411,983	100.0
Ohio	1,470,383	36.4	2,572,903.0	63.6	4,043,286	100.0
Oklahoma	771,181	39.2	1,196,088.0	60.8	1,967,269	100.0
Oregon	717,058	49.6	728,719.0	50.4	1,445,777	100.0
Pennsylvania	1,250,383	30.7	2,819,968.0	69.3	4,070,351	100.0
Rhode Island	25,115	20.9	95,024.0	79.1	120,139	100.0
South Carolina	552,637	25.9	1,584,991.0	74.1	2,137,628	100.0
South Dakota	197,554	35.2	362,908.0	64.8	560,462	100.0
Tennessee	654,127	24.0	2,070,315.0	76.0	2,724,442	100.0
Texas	2,404,592	39.7	3,647,747.0	60.3	6,052,339	100.0
Utah	222,572	45.9	262,234.0	54.1	484,806	100.0
Vermont	126,977	25.2	376,277.0	74.8	503,254	100.0
Virginia	453,232	19.2	1,912,088.0	80.8	2,365,320	100.0
Washington	527,626	33.2	1,061,706.0	66.8	1,589,332	100.0
West Virginia	321,035	24.8	974,966.0	75.2	1,296,001	100.0
Wisconsin	821,440	32.6	1,698,538.0	67.4	2,519,978	100.0
Wyoming	196,367	53.3	171,709.0	46.7	368,076	100.0
Total	30,020,188	33.7	59,063,597.0	66.3	89,083,785	100.0

*Nonurbanized Areas include Census Defined Rural Areas and Urban Clusters

Census Rural and Urban Cluster Population by State



Census Defined Rural Areas and Urban Clusters Comprise Nonurbanized Areas

Produced by the Housing Assistance Council
Washington, DC

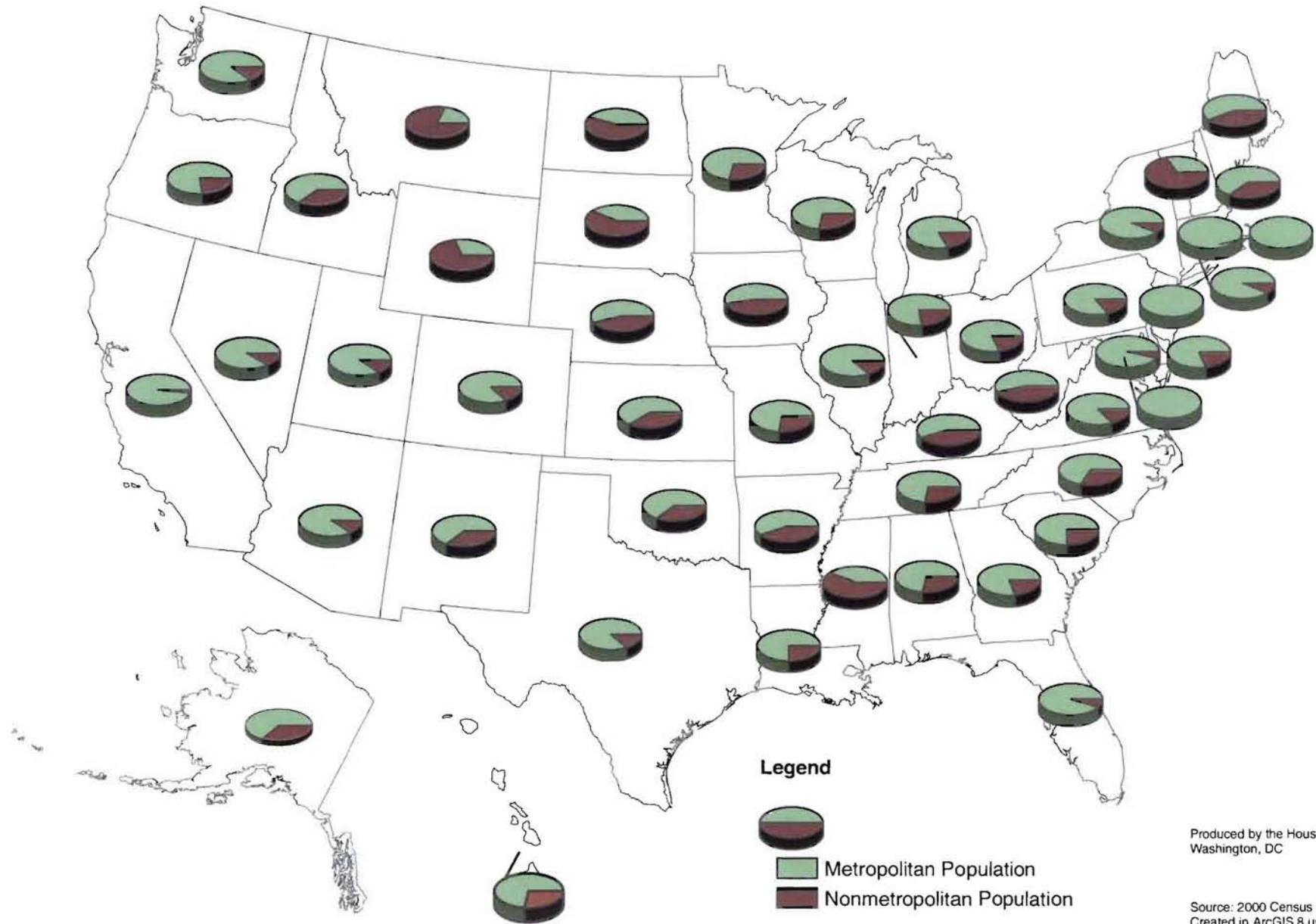
Source: 2000 Census of Population and Housing
Created in ArcGIS 8 using ArcMap

TABLE 3. NONMETROPOLITAN AND METROPOLITAN POPULATION by STATE

State	Metropolitan	%	Non-Metropolitan	%	Total Population	%
Alabama	3,215,484	72.3	1,231,616	27.7	4,447,100	100.0
Alaska	402,445	64.2	224,487	35.8	626,932	100.0
Arizona	4,539,485	88.5	591,147	11.5	5,130,632	100.0
Arkansas	1,516,451	56.7	1,156,949	43.3	2,673,400	100.0
California	33,075,450	97.6	796,198	2.4	33,871,648	100.0
Colorado	3,676,685	85.5	624,576	14.5	4,301,261	100.0
Connecticut	3,114,281	91.4	291,284	8.6	3,405,565	100.0
Delaware	626,962	80.0	156,638	20.0	783,600	100.0
District of Columbia	572,059	100.0	0	0.0	572,059	100.0
Florida	14,973,073	93.7	1,009,305	6.3	15,982,378	100.0
Georgia	6,526,455	79.7	1,659,998	20.3	8,186,453	100.0
Hawaii	876,156	72.3	335,381	27.7	1,211,537	100.0
Idaho	807,044	62.4	486,909	37.6	1,293,953	100.0
Illinois	10,713,406	86.3	1,705,887	13.7	12,419,293	100.0
Indiana	4,686,372	77.1	1,394,113	22.9	6,080,485	100.0
Iowa	1,563,592	53.4	1,362,732	46.6	2,926,324	100.0
Kansas	1,644,292	61.2	1,044,126	38.8	2,688,418	100.0
Kentucky	2,272,494	56.2	1,769,275	43.8	4,041,769	100.0
Louisiana	3,340,667	74.8	1,128,309	25.2	4,468,976	100.0
Maine	736,280	57.8	538,643	42.2	1,274,923	100.0
Maryland	5,020,431	94.8	276,055	5.2	5,296,486	100.0
Massachusetts	6,324,590	99.6	24,507	0.4	6,349,097	100.0
Michigan	8,099,288	81.5	1,839,156	18.5	9,938,444	100.0
Minnesota	3,534,372	71.8	1,385,107	28.2	4,919,479	100.0
Mississippi	1,194,552	42.0	1,650,106	58.0	2,844,658	100.0
Missouri	4,069,962	72.7	1,525,249	27.3	5,595,211	100.0
Montana	176,159	19.5	726,036	80.5	902,195	100.0
Nebraska	942,503	55.1	768,760	44.9	1,711,263	100.0
Nevada	1,771,107	88.6	227,150	11.4	1,998,257	100.0
New Hampshire	770,433	62.3	465,353	37.7	1,235,786	100.0
New Jersey	8,414,350	100.0	0	0.0	8,414,350	100.0
New Mexico	1,147,424	63.1	671,622	36.9	1,819,046	100.0
New York	17,415,517	91.8	1,560,940	8.2	18,976,457	100.0
North Carolina	5,485,424	68.1	2,563,889	31.9	8,049,313	100.0
North Dakota	283,966	44.2	358,234	55.8	642,200	100.0
Ohio	9,140,806	80.5	2,212,334	19.5	11,353,140	100.0
Oklahoma	2,157,030	62.5	1,293,624	37.5	3,450,654	100.0
Oregon	2,617,733	76.5	803,666	23.5	3,421,399	100.0
Pennsylvania	10,319,747	84.0	1,961,307	16.0	12,281,054	100.0
Rhode Island	1,048,319	100.0	0	0.0	1,048,319	100.0
South Carolina	3,001,853	74.8	1,010,159	25.2	4,012,012	100.0
South Dakota	312,495	41.4	442,349	58.6	754,844	100.0
Tennessee	4,122,288	72.5	1,566,995	27.5	5,689,283	100.0
Texas	17,982,222	86.2	2,869,598	13.8	20,851,820	100.0
Utah	1,970,033	88.2	263,136	11.8	2,233,169	100.0
Vermont	198,889	32.7	409,938	67.3	608,827	100.0
Virginia	6,007,063	84.9	1,071,452	15.1	7,078,515	100.0
Washington	5,153,165	87.4	740,956	12.6	5,894,121	100.0
West Virginia	983,274	54.4	825,070	45.6	1,808,344	100.0
Wisconsin	3,868,673	72.1	1,495,002	27.9	5,363,675	100.0
Wyoming	148,140	30.0	345,642	70.0	493,782	100.0
Totals	232,560,941	82.6	48,860,965	17.3	281,421,906	100.0

Source: HAC Tabulations of 2000 Census of Population and Housing OMB Data

Nonmetropolitan Population by State



Produced by the Housing Assistance Council
Washington, DC

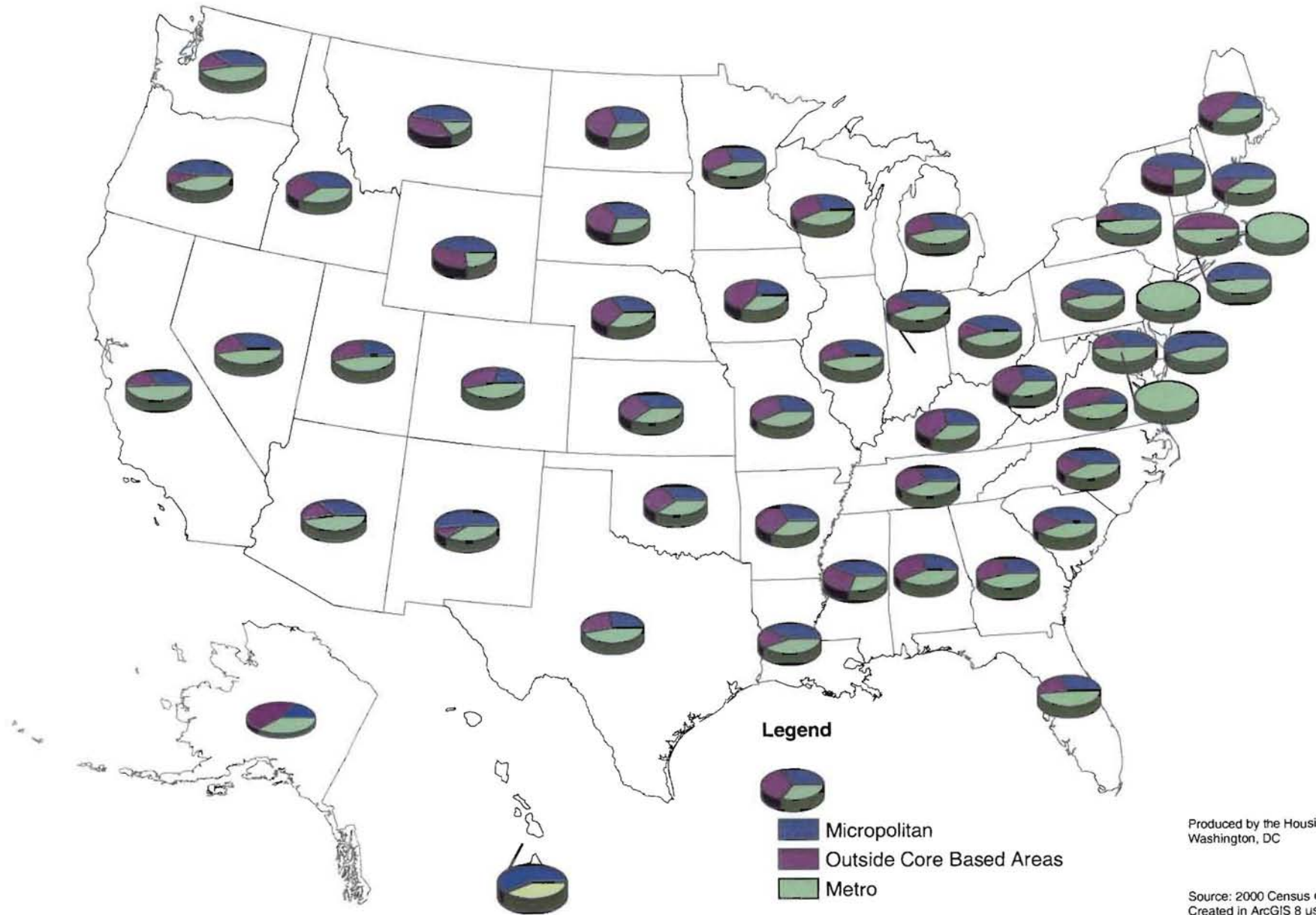
Source: 2000 Census of Population and Housing
Created in ArcGIS 8 using ArcMap

TABLE 4. MICROPOLITAN AND OUTSIDE CORE BASED AS A PERCENT OF THE NONMETROPLITAN*

State	Micropolitan	%	Outside Core Based	%	Total Non-Metropolitan	%
Alabama	581,547	47.2	650,069	52.8	1,231,616	100.0
Alaska	58,694	26.1	165,793	73.9	224,487	100.0
Arizona	404,539	68.4	186,608	31.6	591,147	100.0
Arkansas	565,886	48.9	591,063	51.1	1,156,949	100.0
California	519,117	65.2	277,081	34.8	796,198	100.0
Colorado	244,212	39.1	380,364	60.9	624,576	100.0
Connecticut	291,284	100.0	0	0.0	291,284	100.0
Delaware	156,638	100.0	0	0.0	156,638	100.0
District of Columbia	0	0.0	0	0.0	0	100.0
Florida	646,420	64.0	362,885	36.0	1,009,305	100.0
Georgia	847,459	51.1	812,539	48.9	1,659,998	100.0
Hawaii	335,234	100.0	147	0.0	335,381	100.0
Idaho	295,879	60.8	191,030	39.2	486,909	100.0
Illinois	1,081,896	63.4	623,991	36.6	1,705,887	100.0
Indiana	1,028,340	73.8	365,773	26.2	1,394,113	100.0
Iowa	494,389	36.3	868,343	63.7	1,362,732	100.0
Kansas	603,665	57.8	440,461	42.2	1,044,126	100.0
Kentucky	763,170	43.1	1,006,105	56.9	1,769,275	100.0
Louisiana	815,801	72.3	312,508	27.7	1,128,309	100.0
Maine	156,732	29.1	381,911	70.9	538,643	100.0
Maryland	197,240	71.4	78,815	28.6	276,055	100.0
Massachusetts	0	0.0	24,507	100.0	24,507	100.0
Michigan	1,053,944	57.3	785,212	42.7	1,839,156	100.0
Minnesota	731,444	52.8	653,663	47.2	1,385,107	100.0
Mississippi	979,756	59.4	670,350	40.6	1,650,106	100.0
Missouri	738,726	48.4	786,523	51.6	1,525,249	100.0
Montana	398,250	54.9	327,786	45.1	726,036	100.0
Nebraska	396,206	51.5	372,554	48.5	768,760	100.0
Nevada	144,668	63.7	82,482	36.3	227,150	100.0
New Hampshire	381,229	81.9	84,124	18.1	465,353	100.0
New Jersey	0	0.0	0	0.0	0	100.0
New Mexico	569,960	84.9	101,662	15.1	671,622	100.0
New York	1,130,953	72.5	429,987	27.5	1,560,940	100.0
North Carolina	1,869,008	72.9	694,881	27.1	2,563,889	100.0
North Dakota	150,583	42.0	207,651	58.0	358,234	100.0
Ohio	1,708,392	77.2	503,942	22.8	2,212,334	100.0
Oklahoma	714,062	55.2	579,562	44.8	1,293,624	100.0
Oregon	663,587	82.6	140,079	17.4	803,666	100.0
Pennsylvania	1,578,983	80.5	382,324	19.5	1,961,307	100.0
Rhode Island	0	0.0	0	0.0	0	100.0
South Carolina	733,229	72.6	276,930	27.4	1,010,159	100.0
South Dakota	214,631	48.5	227,718	51.5	442,349	100.0
Tennessee	847,593	54.1	719,402	45.9	1,566,995	100.0
Texas	1,451,903	50.6	1,417,695	49.4	2,869,598	100.0
Utah	122,170	46.4	140,966	53.6	263,136	100.0
Vermont	250,536	61.1	159,402	38.9	409,938	100.0
Virginia	226,932	21.2	844,520	78.8	1,071,452	100.0
Washington	525,262	70.9	215,694	29.1	740,956	100.0
West Virginia	364,478	44.2	460,592	55.8	825,070	100.0
Wisconsin	735,741	49.2	759,261	50.8	1,495,002	100.0
Wyoming	203,682	58.9	141,960	41.1	345,642	100.0
Totals	28,974,050	59.3	19,886,915	40.7	48,860,965	100.0

* Nonmetropolitan areas include Micropolitan and OutsideCorebased Areas

Micropolitan and OCBSA Population by State



Micropolitan and Outside Core Based Areas comprise Nonmetropolitan Areas

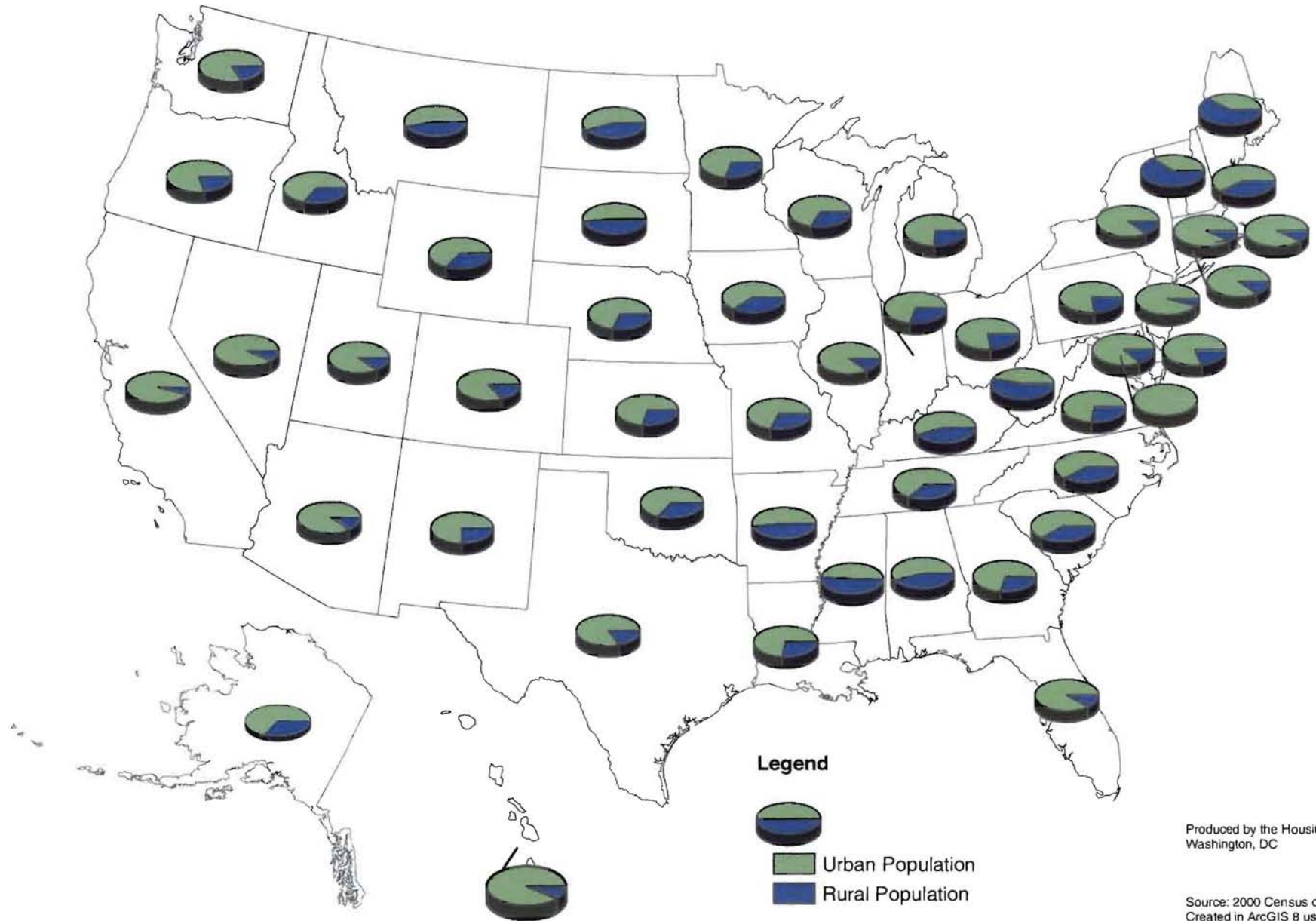
Produced by the Housing Assistance Council
Washington, DC

Source: 2000 Census of Population and Housing
Created in ArcGIS 8 using ArcMap

TABLE 5. CENSUS DEFINED RURAL POPULATION by STATE

State	Census Defined Urban	%	Census Defined Rural	%	Total Population	%
Alabama	2,465,539	55.4	1,981,561	44.6	4,447,100	100.0
Alaska	411,955	65.7	214,977	34.3	626,932	100.0
Arizona	4,523,513	88.2	607,119	11.8	5,130,632	100.0
Arkansas	1,401,840	52.4	1,271,560	47.6	2,673,400	100.0
California	31,994,895	94.5	1,876,753	5.5	33,871,648	100.0
Colorado	3,634,746	84.5	666,515	15.5	4,301,261	100.0
Connecticut	2,986,850	87.7	418,715	12.3	3,405,565	100.0
Delaware	627,045	80	156,555	20	783,600	100.0
District of Columbia	572,059	100	0	0	572,059	100.0
Florida	14,274,392	89.3	1,707,986	10.7	15,982,378	100.0
Georgia	5,866,567	71.7	2,319,886	28.3	8,186,453	100.0
Hawaii	1,109,179	91.6	102,358	8.4	1,211,537	100.0
Idaho	859,104	66.4	434,849	33.6	1,293,953	100.0
Illinois	10,910,332	87.8	1,508,961	12.2	12,419,293	100.0
Indiana	4,303,180	70.8	1,777,305	29.2	6,080,485	100.0
Iowa	1,786,683	61.1	1,139,641	38.9	2,926,324	100.0
Kansas	1,920,081	71.4	768,337	28.6	2,688,418	100.0
Kentucky	2,251,967	55.7	1,789,802	44.3	4,041,769	100.0
Louisiana	3,246,994	72.7	1,221,982	27.3	4,468,976	100.0
Maine	512,592	40.2	762,331	59.8	1,274,923	100.0
Maryland	4,558,448	86.1	738,038	13.9	5,296,486	100.0
Massachusetts	5,803,451	91.4	545,646	8.6	6,349,097	100.0
Michigan	7,419,524	74.7	2,518,920	25.3	9,938,444	100.0
Minnesota	3,489,319	70.9	1,430,160	29.1	4,919,479	100.0
Mississippi	1,388,560	48.8	1,456,098	51.2	2,844,658	100.0
Missouri	3,881,133	69.4	1,714,078	30.6	5,595,211	100.0
Montana	487,465	54	414,730	46	902,195	100.0
Nebraska	1,192,706	69.7	518,557	30.3	1,711,263	100.0
Nevada	1,829,781	91.6	168,476	8.4	1,998,257	100.0
New Hampshire	731,352	59.2	504,434	40.8	1,235,786	100.0
New Jersey	7,938,850	94.3	475,500	5.7	8,414,350	100.0
New Mexico	1,364,835	75	454,211	25	1,819,046	100.0
New York	16,601,126	87.5	2,375,331	12.5	18,976,457	100.0
North Carolina	4,847,075	60.2	3,202,238	39.8	8,049,313	100.0
North Dakota	358,394	55.8	283,806	44.2	642,200	100.0
Ohio	8,780,237	77.3	2,572,903	22.7	11,353,140	100.0
Oklahoma	2,254,566	65.3	1,196,088	34.7	3,450,654	100.0
Oregon	2,692,680	78.7	728,719	21.3	3,421,399	100.0
Pennsylvania	9,461,086	77	2,819,968	23	12,281,054	100.0
Rhode Island	953,295	90.9	95,024	9.1	1,048,319	100.0
South Carolina	2,427,021	60.5	1,584,991	39.5	4,012,012	100.0
South Dakota	391,936	51.9	362,908	48.1	754,844	100.0
Tennessee	3,618,968	63.6	2,070,315	36.4	5,689,283	100.0
Texas	17,204,073	82.5	3,647,747	17.5	20,851,820	100.0
Utah	1,970,935	88.3	262,234	11.7	2,233,169	100.0
Vermont	232,550	38.2	376,277	61.8	608,827	100.0
Virginia	5,166,427	73	1,912,088	27	7,078,515	100.0
Washington	4,832,415	82	1,061,706	18	5,894,121	100.0
West Virginia	833,378	46.1	974,966	53.9	1,808,344	100.0
Wisconsin	3,665,137	68.3	1,698,538	31.7	5,363,675	100.0
Wyoming	322,073	65.2	171,709	34.8	493,782	100.0
Total	222,358,309	79.1	59,063,597	20.9	281,421,906	100.0

Census Defined Rural Population by State



Produced by the Housing Assistance Council
Washington, DC

Source: 2000 Census of Population and Housing
Created in ArcGIS 8 using ArcMap

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The question of “what is rural?” perplexes nearly everyone who works in rural areas or with rural populations of the United States. A number of government agencies and researchers define rural using differing measures. This report provides an overview of the most commonly used definitions and how they impact the programmatic definitions used by government agencies and funding sources for affordable housing. The report also analyzes how various social, economic, and housing characteristics differ in different classifications of rural.

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