



COURTHOUSE VILLAGE

The Heart of Goochland

APPENDIX D – MARKET ANALYSIS

DRAFT November 17, 2022

Courthouse Village Market Assessment

Introduction

A market analysis was conducted for Goochland County, focusing on Courthouse Village and its market trade area, to inform the physical planning strategy and identify opportunities for market demand. Elements of the market analysis included

- Trade area definition;
- Demographic profile;
- Market assessment focusing on retail, housing and employment; and
- Economic strategies.

Trade Area Definition

In order to capture the market base for Courthouse Village, the market assessment examines trends in a 15-minute drivetime area from the center of the study area. The map below illustrates the Courthouse Village study areas (shown in dark green) as well as the 15-minute drivetime area (shown in shaded green). The population in the 15-minute drivetime area represents the primary market base for retail developed within Courthouse Village. Therefore, demographic and retail trends in the 15-minute drivetime trade area will inform the market potential for Courthouse Village.

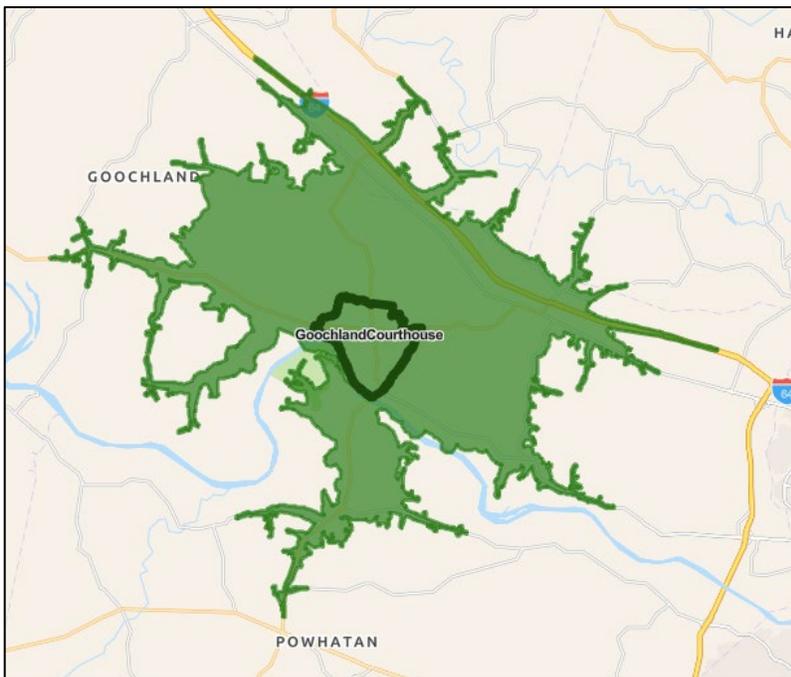


Figure 1: Courthouse Village Study Area (Shown in Dark Green) and 15-Minute Drivetime Trade Area (Shown in Shaded Green)

Demographics

Population

Goochland County

Goochland County is home to approximately 25,200 people. The county experienced significant population growth over the past several decades, growing by 27% from 2000-2010 and an additional 13.9% from 2010 to 2020. Although the overall region is experiencing growth, population growth in Goochland County outpaced the region from 2010-2020. In addition, the county is estimated to continue to grow, reaching a population of 33,000 by 2045.

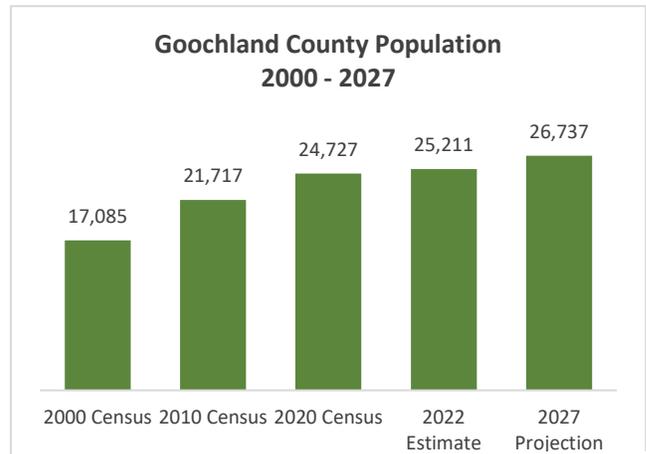


Figure 2: Goochland County Population, 2020-2027 (Sources: US Census, Claritas/EnviroNics Analytics)

Courthouse Village

About 1,799 people live in the Courthouse Village study area and approximately 10,407 people live within its 15-minute drivetime trade area. This is the local population that is relevant to the Village.

Key Demographic Indicators

The median household income in Goochland County is \$104,939, which is higher than all surrounding counties. For reference, the median household income in the Richmond metropolitan area is \$75,353. Goochland County also has a more mature population, with a median age of 50.1 compared to 39.8 the Richmond metro. About a third of the county's population is between the ages of 55 and 74. The population is highly educated, with 42% of the population age 25 years or older having at least a Bachelor's degree.

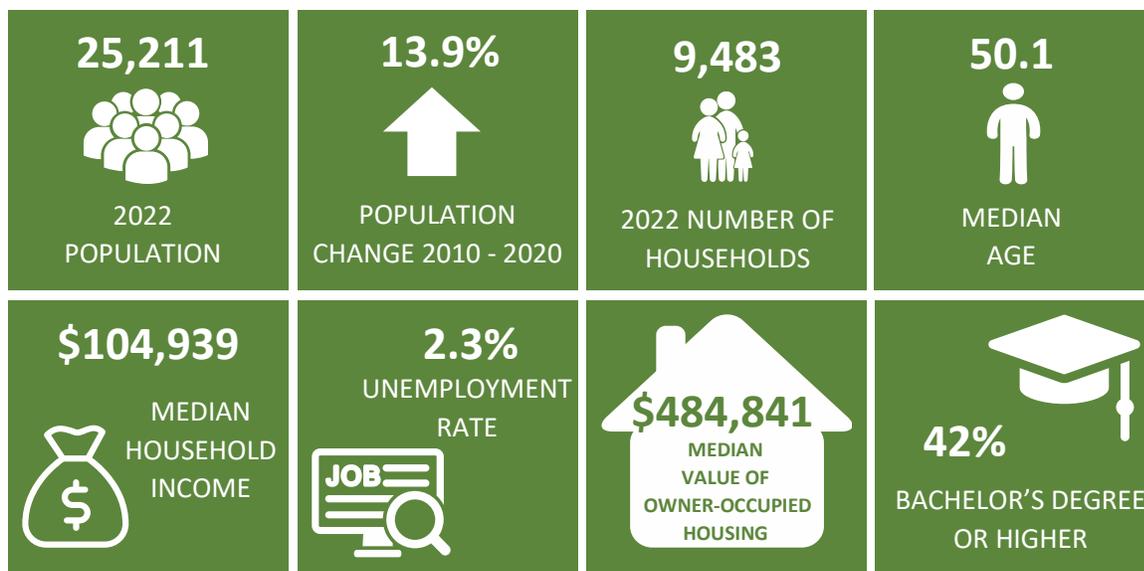


Figure 3: Key Demographic Indicators in Goochland County (Source: Claritas/EnviroNics Analytics)

Median Household Income

The median household income in the Courthouse Village 15-minute drivetime trade area is \$100,147, on par with Goochland County and higher than much of the region.

Age

The median age in the Courthouse Village 15-minute drivetime area is 46.3, lower than the County age at 50.1

The age distribution chart to the right shows that the Courthouse Village drivetime area has a higher percentage of residents age 18-34 and age 35-54 than Goochland County, and a lower percentage of residents over age 55. About a third of the county’s population is between the ages of 55 and 74.

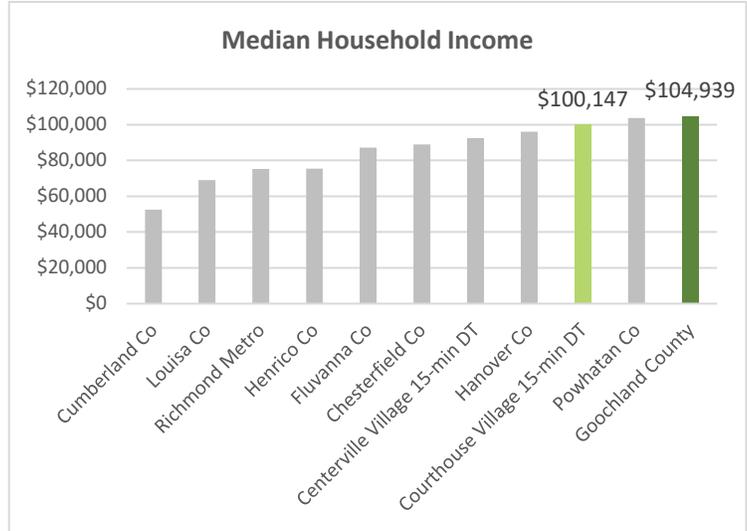


Figure 4: Median Household Income in Goochland County, Courthouse Village 15-Minute Drivetime Area, and Surrounding Region, 2022 (Source: Claritas/Environics Analytics)

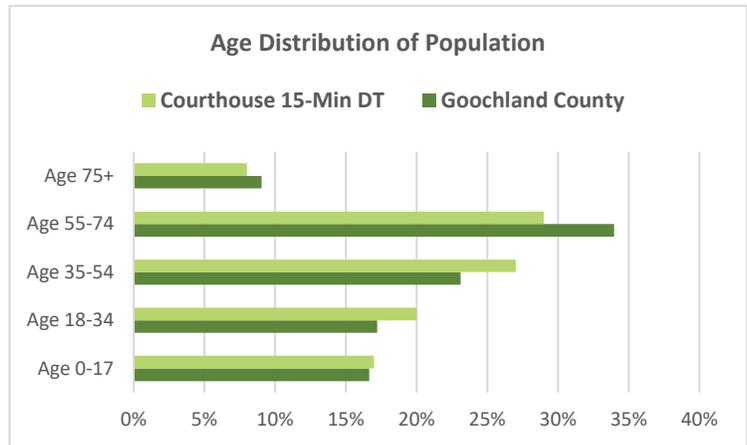


Figure 5: Age Distribution of the Population in Goochland County and the CourthouseVillage 15-Minute Drivetime Area, 2022 (Source: Claritas/Environics Analytics)

Housing

Housing Stock: Age, Type and Tenure

Goochland County

There are approximately 10,120 housing units in Goochland County. The housing stock has increased significantly over the past few decades to accommodate the county’s growing population. Nearly 40% of the county’s housing stock was built between 2000 and 2020.

The housing stock in Goochland County is predominantly owner-occupied, single-family housing with a limited number of townhomes and multifamily homes. Approximately 88% of housing units are owner-occupied and 90% are single-family detached homes.

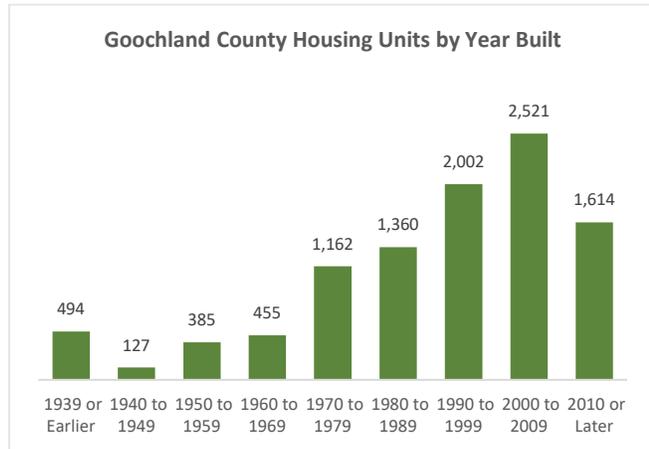


Figure 6: Goochland County Housing Units by Year Built (Source: Envionics Analytics, 2022)

Courthouse Village

Housing type and tenure in the Courthouse Village 15-minute drivetime area is similar to that of Goochland County overall, with a majority single-family (91%), owner-occupied (88%) housing. There are limited multifamily options in the Village.

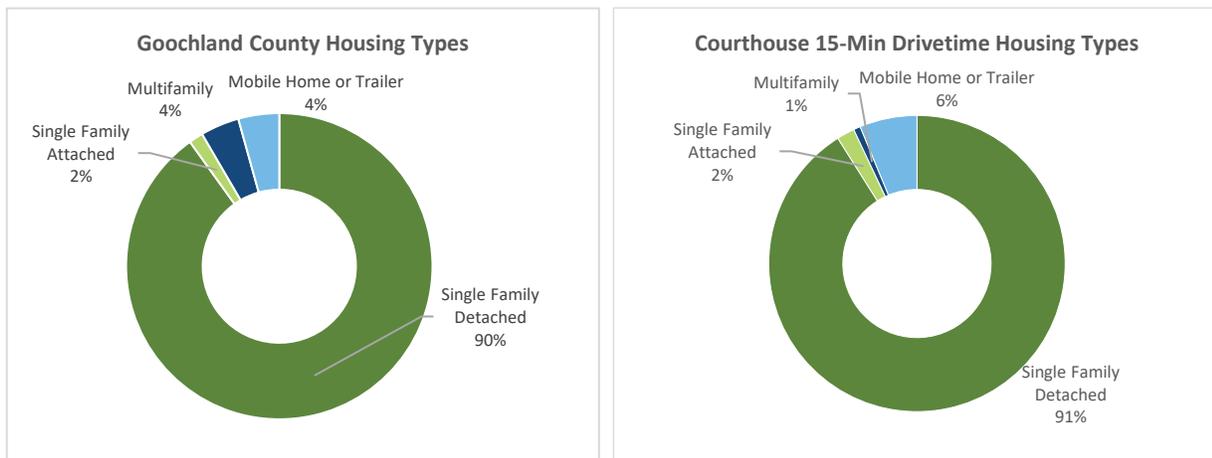


Figure 7: Housing Types in Goochland County (Left) and the Courthouse Village 15-Minute Drivetime Area (Right) (Source: Envionics Analytics, 2022)

Housing Values

The median value of owner-occupied housing in Goochland County is \$484,841, the highest in the region and nearly \$200,000 higher than the median value of the Richmond metropolitan area (\$296,185). Nearly a quarter of the owner-occupied housing stock in the county is valued between \$500,000 and \$750,000.

Courthouse Village

The median value of owner-occupied housing in Courthouse Village is \$400,000, and the median value in the 15-minute drivetime area is \$397,960.

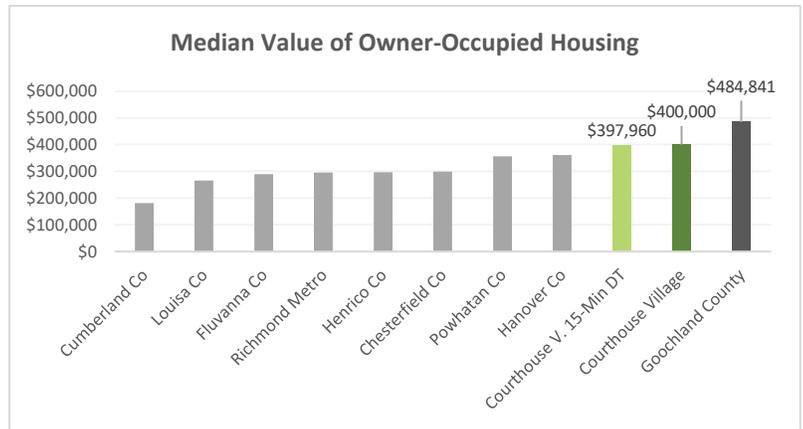


Figure 8: Median Value of Owner-Occupied Housing in Goochland County, the Study Areas and the Surrounding Region, 2022 (Source: Envirionics Analytics)

Housing Affordability

Housing is considered affordable if the occupants spend less than 30% of their household income on housing. Households spending more than 30% of their income on housing are considered to be cost-burdened. In Goochland County, approximately 18% of owners are cost-burdened. The situation is more stark for renters. 33% of renters in Goochland County are cost-burdened, an at least 13% of renter households spend more than 50% of their household income on housing.

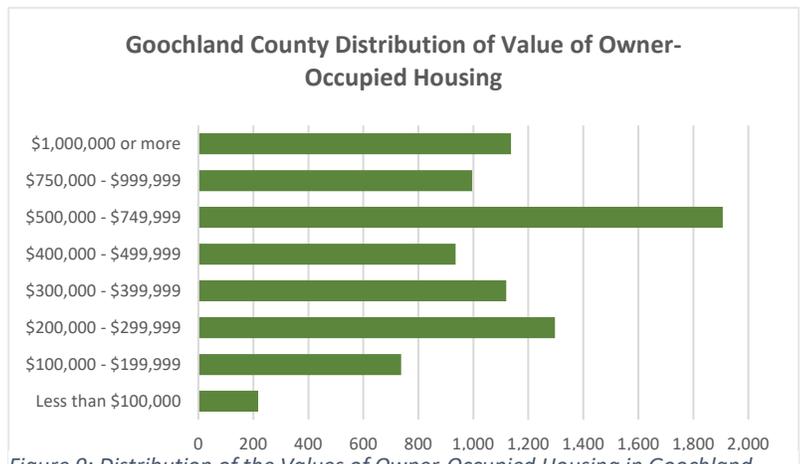


Figure 9: Distribution of the Values of Owner-Occupied Housing in Goochland County, 2022 (Source: Envirionics Analytics)

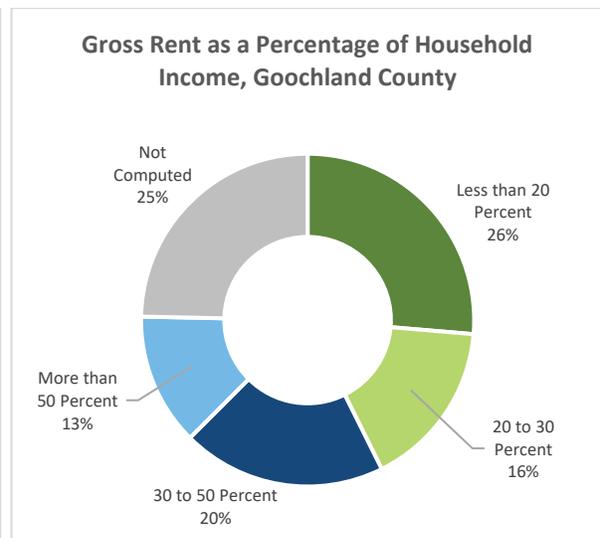
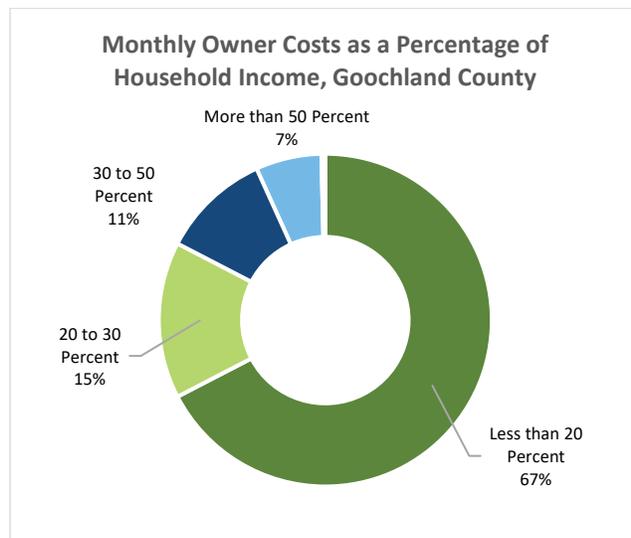


Figure 10 Housing Affordability in Goochland County as Determined by Housing Costs as a Percentage of Household Income (Source: US Census American Community Survey 2016-2020 5-Year Estimates)

For Sale Market

The market value of homes in Goochland County is increasing. According to Virginia Realtors, the median sales price of homes in Goochland County was \$483,000 in December of 2021, higher than the median sales price in all surrounding counties.

The Zillow Home Value Index measures home values in a given area over time. In April of 2022, the Zillow Home Value Index was \$431,000 in Goochland County, a 10.5% increase over April of 2021. While the majority of homes on the market in Goochland County are single-family detached homes, there is a growing market for 55+ communities that include patio homes and townhomes.

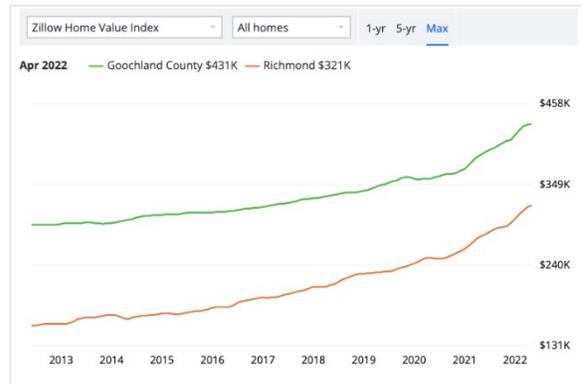


Figure 11: Zillow Home Value Index for Goochland County and Richmond, 2013-2022 (Source: Zillow)

In the 23063 zip code (which covers the Courthouse Village area), The Zillow Home Value Index was \$312,984, more affordable than the county overall.

Rental Market

Goochland County’s overall housing stock contains a limited amount of rental and multifamily housing, with the majority of the multifamily housing concentrated on the eastern edge of the county. According to Census Bureau’s 2020 American Community Survey, the median gross rent in Goochland County is \$1,129. Newer multifamily units are being marketed at a higher price point, with one-bedroom units renting for over \$1,500 a month and two-bedroom units renting for over \$2,100 a month.



Figure 13: Examples of housing on the market in 2022 in Goochland County (Sources: Zillow and Realtor.com)



Figure 12: Retreat at West Creek (top): 1-bedrooms start at \$1,700 and 2-bedrooms start at \$2,100. 2000 West Creek (bottom)

Employment

Goochland County Jobs

According to the latest data available from the US Census, there are approximately 20,225 jobs in Goochland County. As Goochland County is home to several large company headquarters, nearly half of the jobs in the county are in the Finance and Insurance sector and 10% are in Management of Companies and Enterprises.

Courthouse Village

The 23063 zip code, which encompasses an area around the Courthouse Village has approximately 2,134 jobs. The largest sectors in this area are Public Administration (30%), Education (29%), Healthcare (13%) and Retail (9%).

Commuting Patterns

Goochland County serves as a net importer of jobs, with twice as many people commuting in as commuting out. The county has a low unemployment rate of 2.3%, according to BLS data from March 2022.

Of the 9,272 Goochland County residents that commute outside the county for work, 33% commute to Henrico County, 18% to Richmond, 11% to Chesterfield County, and 67% to Hanover County and 30% commute elsewhere.

Of the 18,486 workers that commute into Goochland County for employment, 29% commute from Henrico County, 19% from Chesterfield County, 11% from Richmond, 8% from Hanover County and 33% from elsewhere.

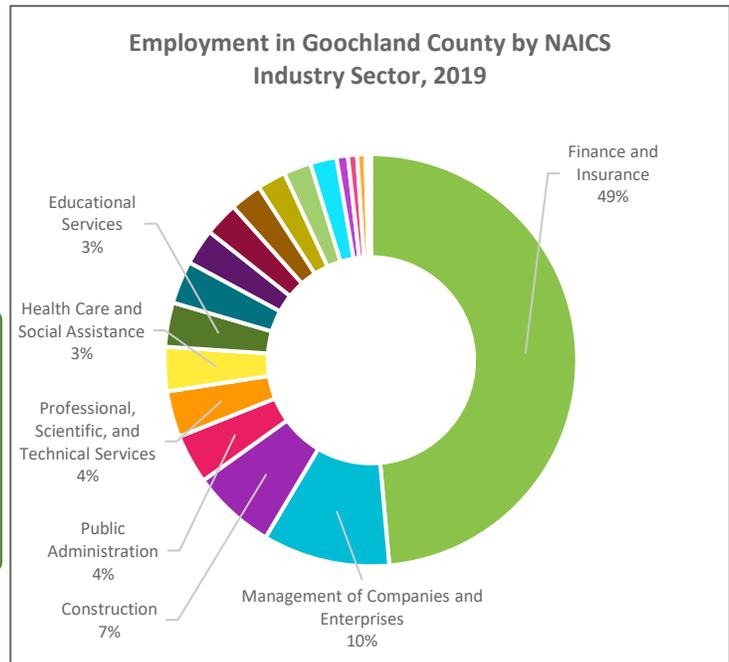


Figure 14: Employment in Goochland county by NAICS Industry Sector, 2019 (Source: US Census On the Map)

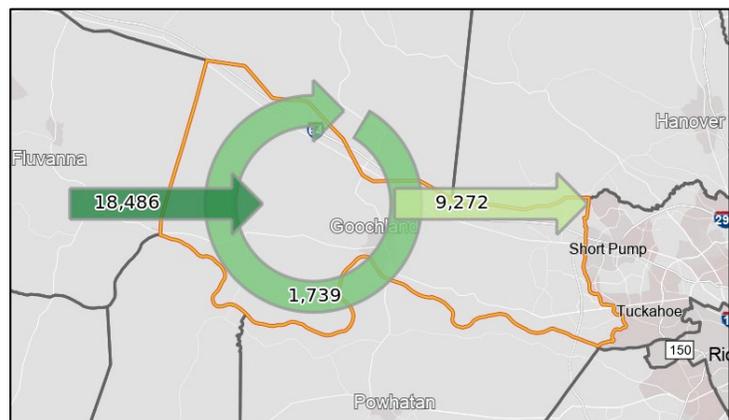


Figure 15: Inflow and Outflow of Jobs in Goochland County, 2019 (Source: US Census On the Map)

Retail Market

Retail Leakage Analysis

The retail leakage analysis examines the difference between retail sales made by stores in a particular area and retail expenditures of residents living in the same. If desired products are not available within that area, consumers will travel to other places or use different methods to obtain those products. Consequently, residents are purchasing more than the stores are selling, and the dollars spent outside of the area are said to be “leaking.” Conversely, if stores in the area are selling more than residents are spending, then the retail in the area is serving a greater market and the market is said to be “gaining.”

Retail leakage translates into consumer demand that is unmet in the area and can mean opportunities for future retail expansion. Although a community should not expect to capture 100% of its retail leakage, there are often key opportunities in select retail categories. The following sections detail the findings of the retail leakage analysis performed on the Courthouse Village 15-minute drivetime trade area and identify key retail opportunities for future development.

In 2022, stores in Goochland County had retail sales of \$225.8 million. During the same time period, residents living in the area spent \$650.8 million, indicating that \$425 million in retail sales leaked from Goochland County.

Stores located within the Courthouse Village 15-minute drivetime area had retail sales of \$74.2 million while residents living in the area spent \$220.9 million. Therefore, the area leaked \$146.7 million in retail sales.

	Goochland County	Courthouse Village	Courthouse 15-Minute
Consumer Expenditures	\$650,771,475	\$32,146,011	\$220,940,321
Retail Sales	\$225,766,283	\$14,138,746	\$74,191,195
Retail Leakage (Gain)	\$425,005,192	\$18,007,266	\$146,749,126

Figure 16: Consumer Expenditures, Retail Sales, and Retail Leakage/Gain in Goochland County, Courthouse Village, and the 15-Minute Drivetime Trade Area (Source: Claritas/Environics Analytics)

Courthouse Village Retail Opportunities

Market opportunity for future retail development in Courthouse Village comes from two main sources:

- **Existing Retail Leakage Capture:** A capture scenario of 15% to 25% of existing retail leakage from the 15-minute drivetime area is reasonable for the Courthouse Village area. This scenario indicates that there is existing unmet demand for 61,919 to 103,199 square feet of retail.
- **Demand from New Residents:** Future retail demand will result from the additional 2,123 residents in Courthouse Village by 2045. These new residents will generate demand for an additional 25,476 square feet of retail.

Existing demand capture combined with demand generated by future residents indicates an opportunity for 87,395 to 128,675 square feet of new retail in Courthouse Village.

Key retail opportunities in the 15-minute drivetime area of Courthouse Village include:

- Food and beverages stores: \$24.7 million in leakage
- General merchandise: \$21.5 million in leakage
- Restaurants: \$17.3 million in leakage
- Health and personal care stores: \$8 million in leakage
- Clothing and clothing accessories stores: \$6.7 million in leakage

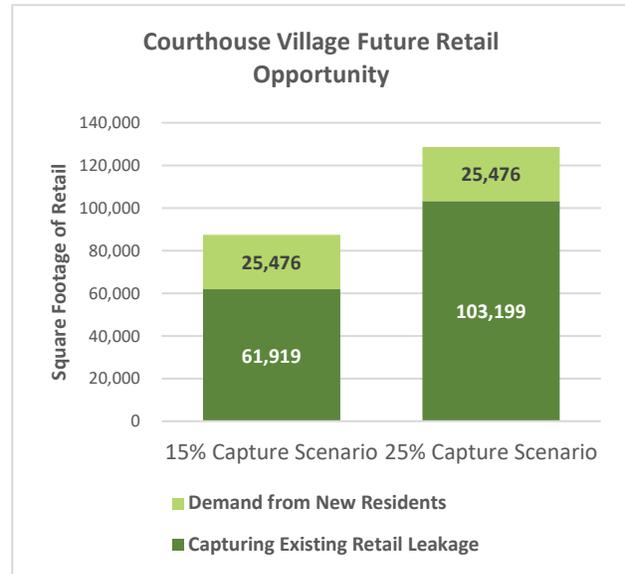


Figure 17: Square Footage of Future Retail Opportunity in Courthouse Village based on Capturing Existing Retail Leakage (Dark Green) and New Demand Created by Future Residents Assuming 70% of All Future Village Growth (Light Green)

Economic Development Strategies

1. Consider establishing a downtown development organization and pursuing Main Street designation for the core historic portion of the Courthouse Village. Main Street is a national economic development initiative to revitalize and enhance historic downtowns. Virginia Main Street has designated County-based organizations in the past.
2. Recruit destination business to Courthouse Village that will draw activity to the district as part of a specialty cluster serving the Village and entire county. This could include businesses showing opportunity in the market analysis such as a destination restaurant, river outfitter, brewery, galleries, etc.
3. Program local events in Courthouse Village that are targeted at all residents of Goochland County.
4. Work with Community College to identify appropriate additional village uses for its campus such as health care, sustainable agriculture training, housing, mixed use development, etc.
5. Recruit development of housing that allows County's seniors to age in place and downsize to remain in Goochland County. This could include senior living facility, active adult communities, patio homes, etc.
6. Work with development community to remove impediments that may be hindering desired investment. Consider public private partnerships to incentivize private investment via provision of grant programs, tax abatement, development of a public amenity (public park, parking facility, etc.), Could be used in partnership with Community College, incentivizing senior housing, workforce housing, etc.
7. Review existing code to provide flexibility. Consider amending retail before housing requirement providing flexibility in ordinances, etc. Consider "Incubator housing" In some lower level spaces, until market adjusts to make retail viable.
8. Identify opportunity sites for more attainable housing developments for workforce who cannot afford to live in Goochland County including (educators, public safety, government workers, etc. who commute from adjacent counties each day. Work with developer through incentives or public-private-partnerships to recruit desired development.
9. Recruit employers who provide rent, work from home options, or other private-sector workforce incentives.