



APPENDIX D – MARKET ANALYSIS

DRAFT November 17, 2022

# Centerville Village Market Assessment

## 1. Introduction

A market analysis was conducted for Goochland County, focusing on Centerville 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.

## 2. Trade Area Definition

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

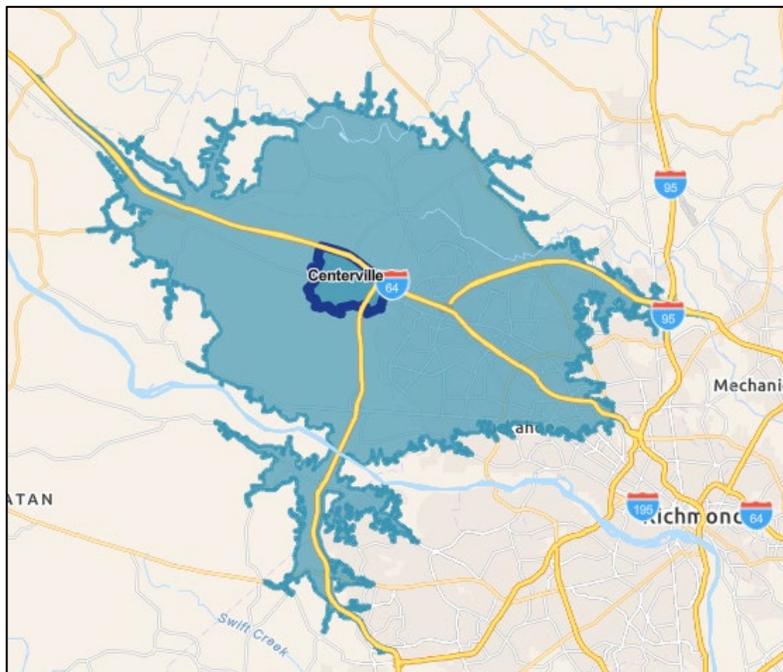


Figure 1: Centerville Village Study Area (Shown in Dark Blue) and 15-Minute Drivetime Trade Area (Shown in Shaded Blue)

### 3. 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.

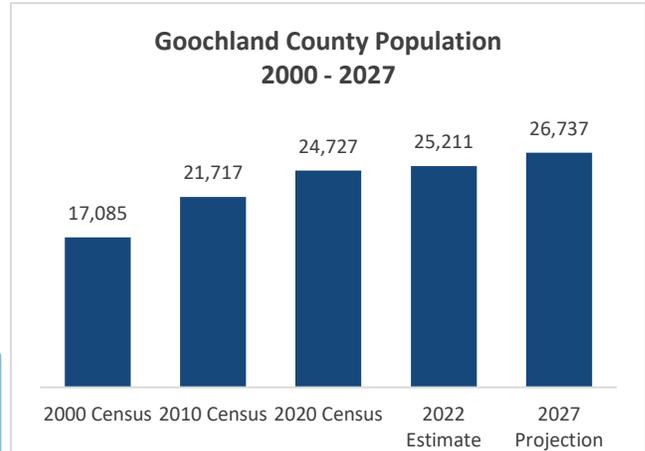


Figure 2: Goochland County Population, 2020-2027 (Sources: US Census, Claritas/EnviroNics Analytics)

##### Centerville Village

About 2,047 people live in the Centerville Village study area, but approximately 192,350 live within the 15-minute drivetime trade area. This is a significant population that is relevant to Centerville businesses, employers, and activities.

#### 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. The population is highly educated, with 42% of the population age 25 years or older having at least a Bachelor’s degree.

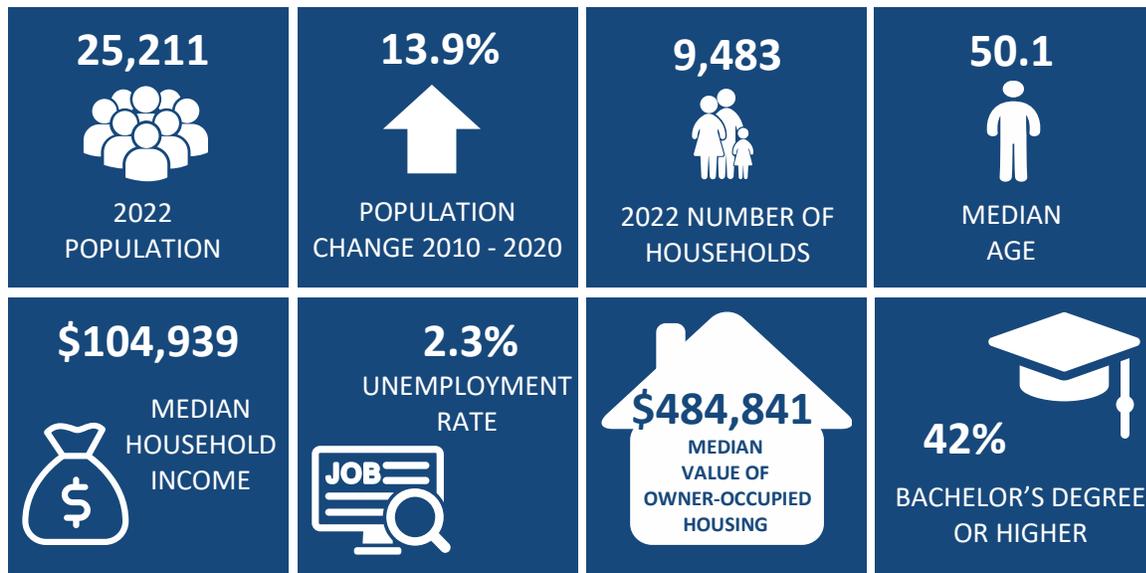


Figure 3: Key Demographic Indicators in Goochland County (Source: Claritas/EnviroNics Analytics)

**Median Household Income**

The median household income in the Centerville Village 15-minute drivetime trade area is \$92,236, below the median income of the Goochland County, but still higher than much of the region.

**Age**

Being closer to Richmond, the Centerville Village 15-minute drivetime area has a lower median age than the County overall. The median age in the Centerville Village drivetime area is 40, compared to 50.1 in Goochland County.

The age distribution chart to the right shows that the Centerville Village drivetime area has a higher percentage of residents Age 0-17 and Age 18-34 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.

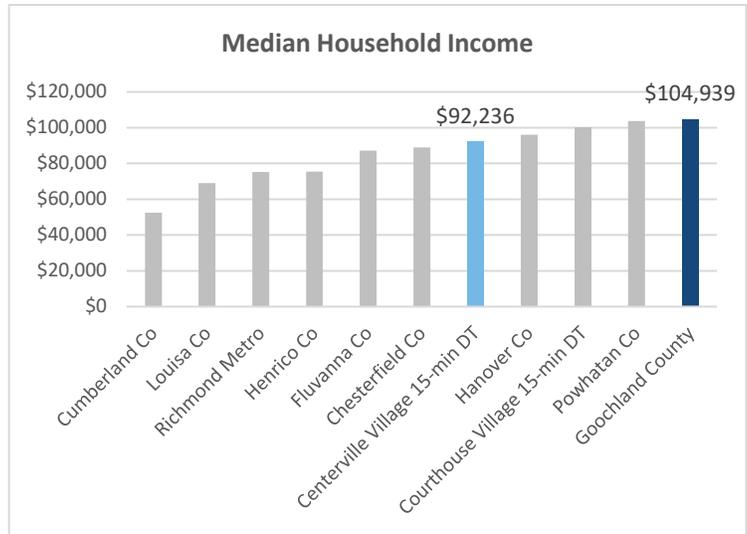


Figure 4: Median Household Income in Goochland County, Centerville Village 15-Minute Drivetime Area, and Surrounding Region, 2022 (Source: Claritas/Environics Analytics)

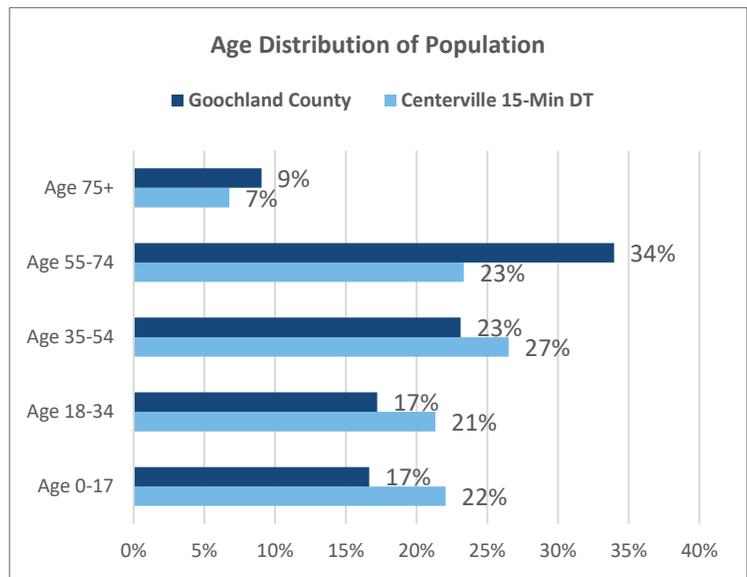


Figure 5: Age Distribution of the Population in Goochland County and the Centerville Village 15-Minute Drivetime Area, 2022 (Source: Claritas/Environics Analytics)

## 4. 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.

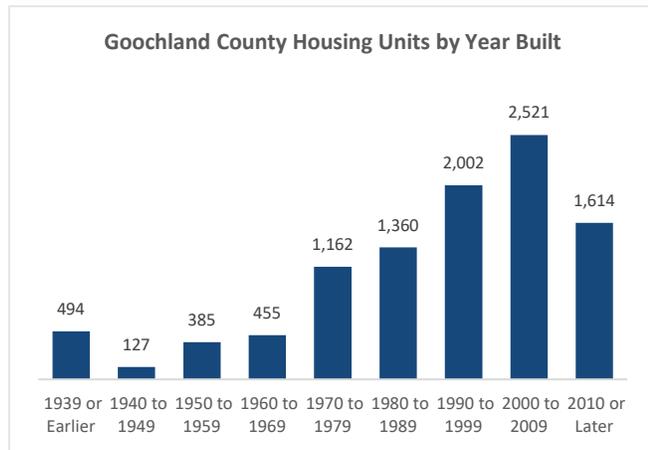


Figure 6: Goochland County Housing Units by Year Built (Source: Envionics Analytics, 2022)

#### Centerville Village

The Centerville Village drivetime area stretches towards Richmond and therefore incorporates a broader variety of housing types. Housing units in the Centerville Village drivetime area are 65% owner-occupied and 35% renter-occupied. 61% are single-family detached housing, 13% single-family attached (townhomes), and 26% multifamily.

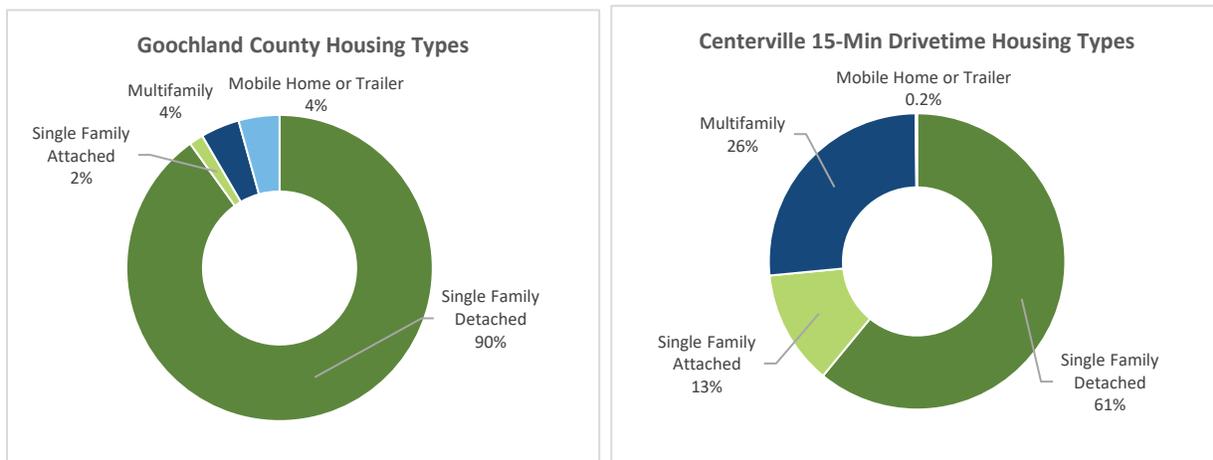


Figure 7: Housing Types in Goochland County (Left) and the Centerville Village 15-Minute Drivetime Area (Right) (Source: Envionics Analytics, 2022)

### 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.

#### Centerville Village

The median value of owner-occupied housing in Centerville Village is higher at \$610,969. The median value in the 15-minute drivetime area is \$386,675.

### 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.

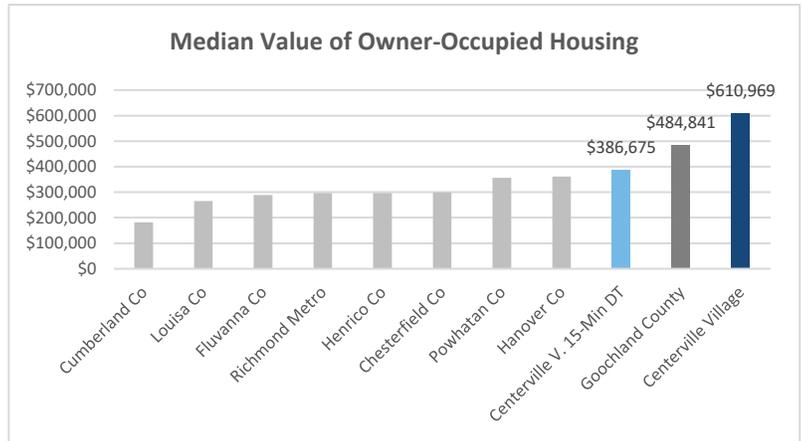


Figure 8: Median Value of Owner-Occupied Housing in Goochland County, the Study Areas and the Surrounding Region, 2022 (Source: Environics Analytics)

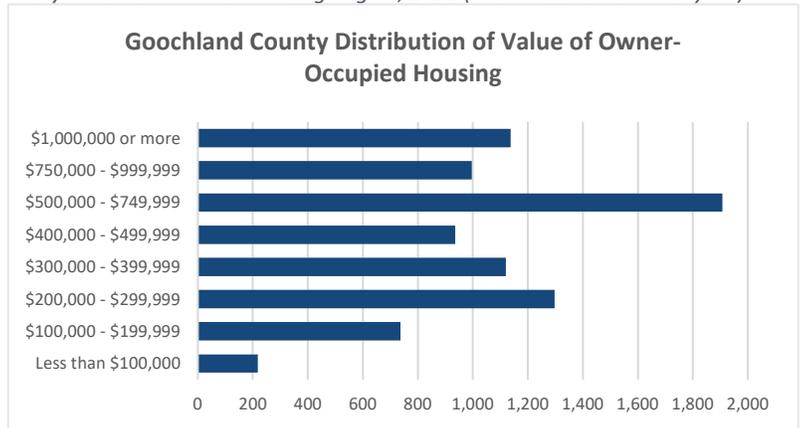


Figure 9: Distribution of the Values of Owner-Occupied Housing in Goochland County, 2022 (Source: Environics Analytics)

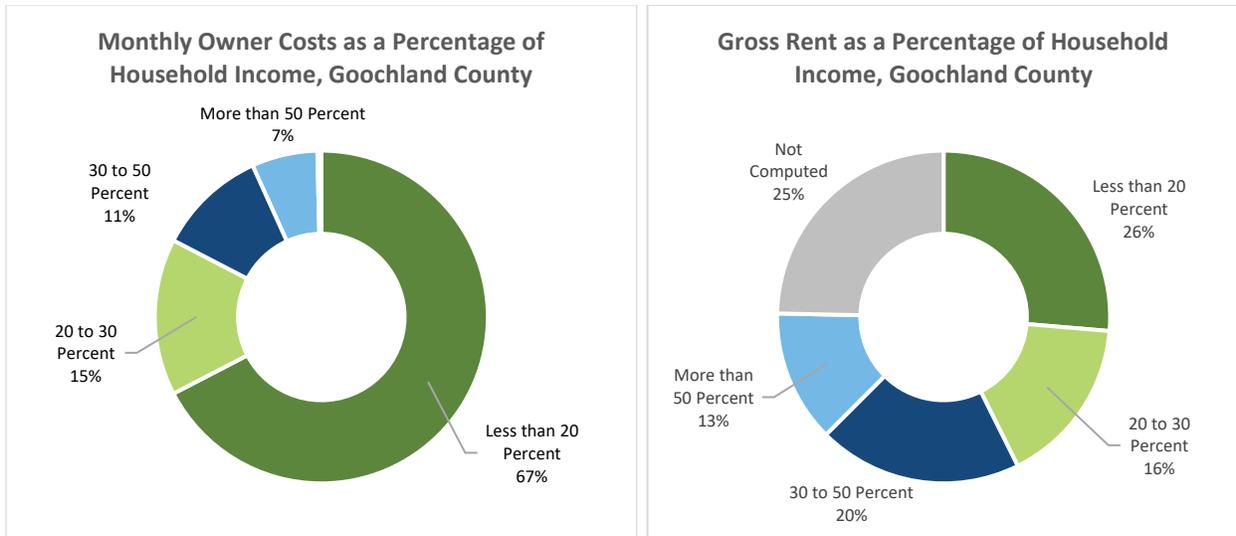
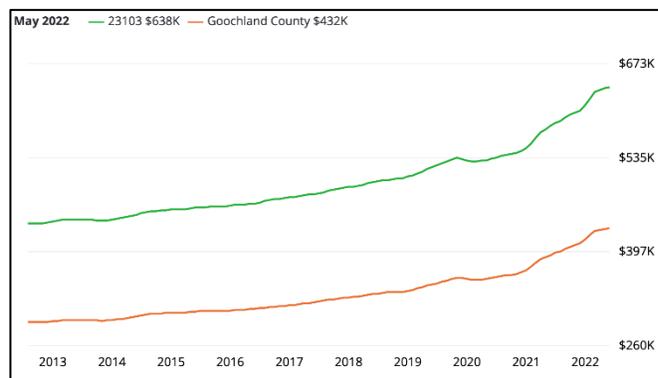


Figure 10 Housing Affordability in Goochland County as Determined by Housing Costs as a Percentage of Household Income (Source: US Census American Community Survey 2016-2020 5-Year Estimates)

### 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 May 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.



23103 Zip Code, 2013-2022 (Source: Zillow)

In the 23103 zip code (which covers the Centerville area and south to the James River, The Zillow Home Value Index was \$638,612, significantly higher than the County and entire region.

### 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. Most of these newer units in Goochland County are within the Centerville Village.



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)

## 5. 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.

#### Centerville Village

The 23103 zip code, which encompasses an area around the Centerville Village has approximately 13,412 jobs. This is 66% of all the jobs in the County. The largest sectors in this area are Finance and Insurance (72%) and Management of Companies and Enterprises (11%)

#### 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.

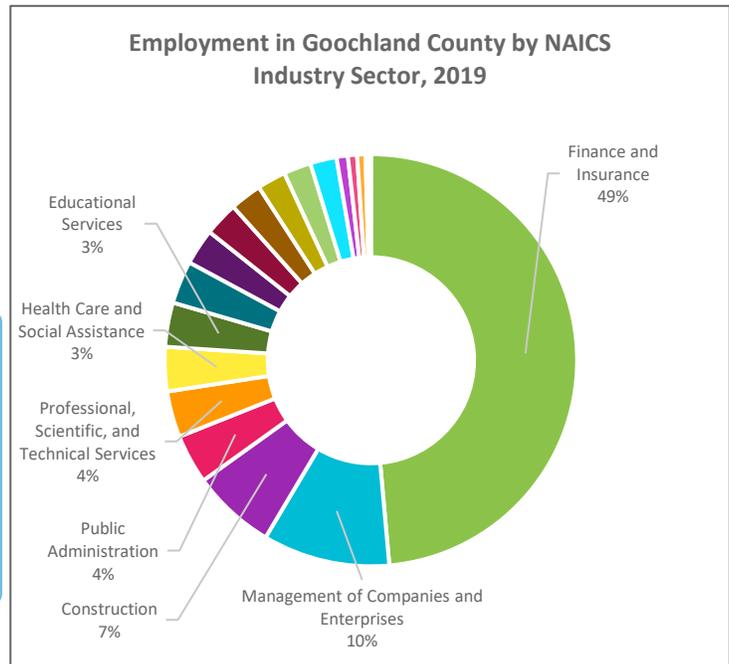


Figure 14: Employment in Goochland county by NAICS Industry Sector, 2019 (Source: US Census On the Map)

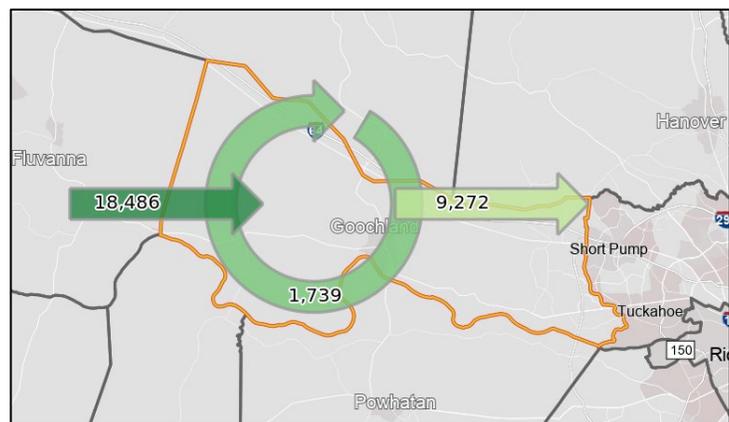


Figure 15: Inflow and Outflow of Jobs in Goochland County, 2019 (Source: US Census On the Map)

## 6. 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 Centerville Village 15-minute drivetime trade area and identify key retail opportunities for future development.

#### Goochland County

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.

#### Centerville Village

Stores located within the Centerville Village 15-minute drivetime area had retail sales of \$8.1 billion while residents living in the area spent \$8.4 billion. Therefore, the area leaked \$316.1 million in retail sales.

	Goochland County	Centerville Village	Centerville 15-Minute
<b>Consumer Expenditures</b>	\$650,771,475	\$14,941,171	\$8,444,060,292
<b>Retail Sales</b>	\$225,766,283	\$15,390,476	\$8,127,943,459
<b>Retail Leakage (Gain)</b>	\$425,005,192	(\$449,305)	\$316,116,832

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

### Centerville Village Retail Opportunities

Market opportunity for future retail development in Centerville 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 Centerville Village area. This scenario indicates that there is existing unmet demand for 99,743 to 166,238 square feet of retail.
- **Demand from New Residents:** Future retail demand will result from the additional 5,072 residents in Centerville Village by 2045. These new residents will generate demand for an additional 60,864 square feet of retail.

Existing demand capture combined with demand generated by future residents indicates an opportunity for 160,608 to 227,102 square feet of new retail in Centerville Village.

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

- Restaurants: \$38.3 million in leakage
- Beer & Wine Stores: \$32 million in leakage
- Hardware Stores: \$8.7 million in leakage
- Specialty Food Stores: \$6.6 million in leakage
- Pharmacies and Drug Stores: \$6.2 million in leakage

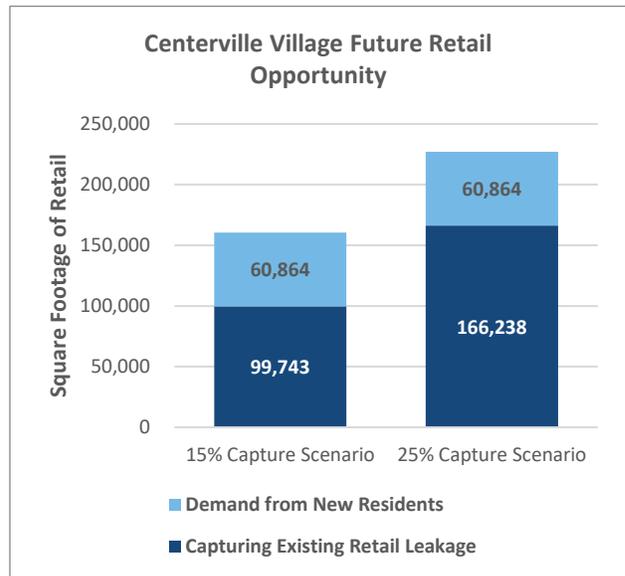


Figure 17: Square Footage of Future Retail Opportunity in Centerville Village based on Capturing Existing Retail Leakage (Dark Blue) and New Demand Created by Future Residents Assuming 70% of All Future Village Growth (Light Blue)

## 7. Economic Development Strategies

1. Pursue Business District Revitalization Grant from DHCD to help fund projects of master plan, façade grants, enhance marketing, etc. Pursue Community Business Launch Grant from DHCD and use its incentives to target desired businesses identified as needed in market analysis.
2. 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.
3. 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.),
4. 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.
5. 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.
6. Recruit employers who provide rent, work from home options, or other private-sector workforce incentives.