

2. About the Study

The Virginia Center for Housing Research (VCHR) at Virginia Tech, HousingForward Virginia, and the New River Valley Regional Commission (NRVRC) designed this study and collaborated to complete regional and local housing market analyses and housing needs assessment for the NRV and localities therein. This study benefitted from subject matter expertise in housing markets, affordable housing, workforce housing, housing policy, and planning as well as local expertise in housing, planning, economic development, community services (e.g., education, social, housing), and community development. Collaboration allowed for a two-way knowledge transfer: VCHR provided in-depth training on housing data and analysis to local stakeholders; in turn, local stakeholders oriented the research team to help them understand the NRV market, critical goals, and challenges. HousingForward Virginia collaborated with VCHR, NRVRC, local government staff, and stakeholders to provide detailed information about strategies to address local and regional housing challenges and opportunities.

The team had three primary objectives:

- Understand market-wide housing dynamics and the market role(s) played by each locality.
- Assess housing needs regionally and locally.
- Provide information and example strategies to help local governments and communities address housing challenges and opportunities.

This report discusses the study team's analysis and findings. In addition, it describes the importance of these findings for individuals, businesses, communities, and the region to emphasize the interconnectedness of housing issues and their implications.

2.1 About NRVRC, VCHR, and HousingForward Virginia

The NRVRC is an organization comprised of 13 local governments and 3 higher-education institutions formed to encourage collaboration to address regionally significant issues and opportunities. For over 50 years, the NRVRC has served Floyd, Giles, Montgomery, and Pulaski counties as well as the City of Radford to build relationships and capacity across the region, convene community leaders around regional topics, and serve as a liaison between local, state, and federal governments. Jennifer Wilsie, Senior Planner, was the project lead for the Regional Commission and has been involved in housing and community development projects within the region since 2007.

The Virginia General Assembly and Virginia Tech created VCHR in 1989 to respond to the housing research needs of Virginia and the nation. In its 25-year performance record, VCHR has established an unparalleled reputation for high-quality research on affordable housing that integrates policy, building technology, and the housing industry. Mel Jones, Research Scientist and Associate Director, led the project team on this report. As a faculty member at VCHR, Mel has conducted housing studies for communities and regions throughout Virginia and beyond. Mel has developed a unique expertise in assessing housing data and applying it to help communities tackle housing affordability, community development, and economic development goals.

HousingForward Virginia is the Commonwealth’s trusted resource for affordable housing data and actionable insights. Advocates, planners, developers, and mission-aligned organizations rely on HousingForward to help them build connections and advance their work. With their support, these local and state leaders can better identify needs, influence decision makers, and ultimately increase access to affordable housing for all. HousingForward Virginia is a 501(c)3 nonprofit organization based in Richmond, Virginia. For more information, visit housingforwardva.org

2.2 Data and Methodological Notes

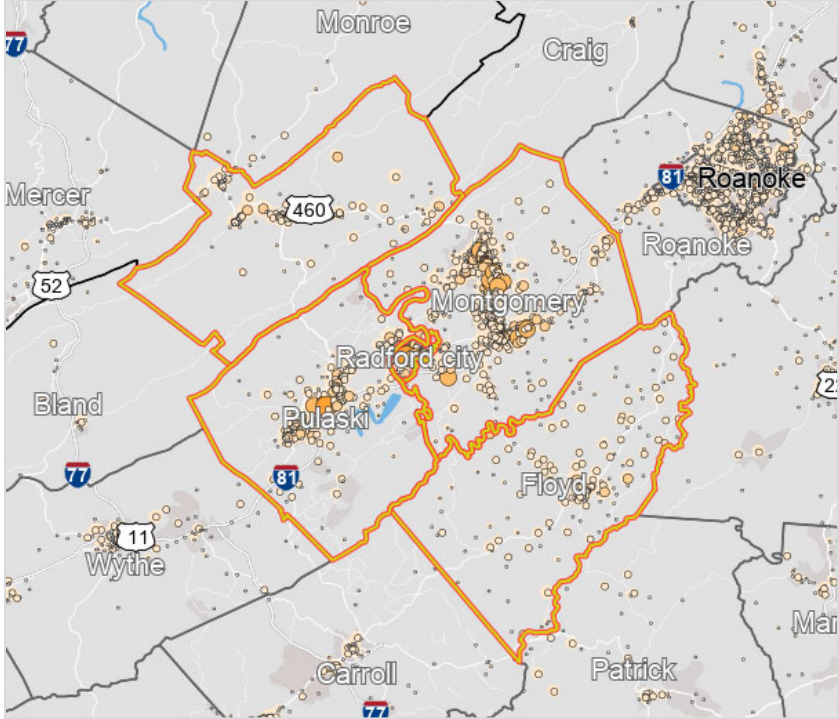
The study team analyzed market-wide housing data to understand supply and demand dynamics in the region as well as submarkets to understand the role(s) played by each locality in the region.

Study Geography

The team used the Blacksburg–Christiansburg–Radford metropolitan statistical area (MSA) to approximate the NRV housing market. MSAs are a good approximation of housing markets because they are defined based on the strength of commuting patterns. Households generally choose a home within an acceptable commuting distance from their job or look for a job within an acceptable commuting distance of their home. In addition to the MSA, the team examined data for each of the counties (and equivalent) and towns therein.

Figure 1: NRV Resident Commute Destinations

U.S. Census Bureau, Center for Economic Studies, LEHD



Data Analysis

The study team used data from four main sources: American Community Survey (ACS) published tables, ACS Public Use Microdata Sample (PUMS) files, the Department of Housing and Urban Development's (HUD) Comprehensive Housing Affordability Strategy (CHAS) data, and the New River Valley Association of REALTORS® multiple listing service (MLS) data. The study team supplemented these resources with economic and transportation data described later. VCHR used locality assessment data where it was appropriate and reliable. NRVRC collected anecdotal survey data to complement quantitative data and expert qualitative data provided by focus group participants.

The reliability of ACS estimates was calculated, and only reliable estimates were used for the analysis. Although reliable 1-year ACS estimates are available for the MSA and some localities within the study area, they are not available for all localities; therefore, the study team used 5-year estimates when comparing localities and the general MSA. The latest ACS estimates available during the initial data collection by VCHR are from 2017. The latest estimates available from the PUMS files are from 2013–2017, and those for CHAS data are from 2012–2016.

To evaluate whether workers can afford prevailing market rents, the team used 2019 US Bureau of Labor Statistics (BLS) earnings by occupation data, Jobs EQ 2020Q1 employment by occupation data, and 2017 OnTheMap data from the US Census Bureau Center for Economic Studies. The team used OnTheMap to further assess interjurisdictional commuting. Finally, 2012–2016 Location Affordability Index (LAI) data, which are the latest available, were used to demonstrate location efficiencies of living close to employment centers and places with multimodal transportation networks.

Focus Groups

The study team conducted 10 focus groups to better understand the market. Stakeholders including realtors, lenders, developers, builders, housing providers, local government staff, elected officials, K–12 educators, industry groups, faith-based service providers, and healthcare providers offered detailed insights that helped the team understand the complexities of the market. Focus group data complemented quantitative data and helped test its validity. Insights from focus groups are included throughout this report, providing real-life examples that improve the concreteness and comprehensibility of the data conclusions.

Public Survey

NRVRC offered an online public survey between October 2018 and June 2019, receiving 1,158 responses from residents across the region. Respondents were asked to share information regarding both their current housing situation and any experiences searching for new housing. More than half of the respondents (54 percent) live in Montgomery County. Furthermore, 27 percent are from Pulaski County, 8 percent from Radford City, 6 percent from Floyd County, and 5 percent from Giles County. Nearly 72 percent of respondents were homeowners and 22 percent were renters. Of those actively searching for new housing (32 percent), over half (55 percent) indicated that they were searching within their existing locality, whereas 45 percent were looking to move to another county or out of the region.

Radford Housing Conditions Field Survey

VCHR, NRVRC, and Virginia Tech students and faculty volunteers evaluated 3,191 residential exteriors, (single- and multifamily units) on a five-point scale to determine the approximate condition of homes throughout Radford. Property condition scores reflect the level of investment in major areas of each home, including the porch, roof, siding, landscaping, and entryway of the surveyed property. The City of Radford can use survey results to target funding for rehabilitation and reinvestment in neighborhoods.