

## Floyd County

### Household Profile

Floyd is a rural, mountainous county of 382 square miles with a network of roads spanning 600 miles, about half of which are unpaved. There are 6,434 households in Floyd County. The Town of Floyd is the only incorporated town within the county, which is one-half of a square mile and has 241 households. The median income in Floyd is \$48,396, which is slightly below the median income for the region. Nearly 60% of households earn less than \$60,000 per year, and over 1,800 households have incomes less than \$30,000 (see table 6, next page).

Floyd has the highest homeownership rate in the region, and 81 percent of units are owner-occupied. Floyd comprises 9 percent of the region's household population but 11 percent of owner-occupied households, indicating a disproportionately high number of homeowners. The Town of Floyd has a larger proportion of renters than that in the county, with one third of the units occupied by rental tenants. Median rent is also higher in the town than in the county at \$653 a month.

About 2,661 households (41%) are headed by individuals between 45 and 64, and 27% of households were headed by individuals age 44 or younger. An estimated 2,913 households are families with children under 18, and all parents in the household work in 2,009 of these (both parents or single parent). An estimated 2,100 households in Floyd County have a householder aged 65+, with about half of these senior residents in family households (1,043) and half representing seniors living alone (1,050 households, or 16% of total households in Floyd County).

### Housing Stock Profile

Approximately 77% of housing units in Floyd County are stick-built, single-family detached units, with less than 4% in multifamily buildings. With most stock in single-family homes, 51% of all housing stock in Floyd County has three bedrooms (4,706 units), and about 27% of units have two bedrooms (2,165 units). Floyd has very few one bedroom or studio units (fewer than 650 units), and a lower proportion of units with 4 or more bedrooms than the regional average, which may be due in part to the larger array of rental and apartment options elsewhere in the region. Nonetheless, Floyd's very limited options for smaller units or shared apartments mean there are likely few low-cost housing options available for prospective residents.

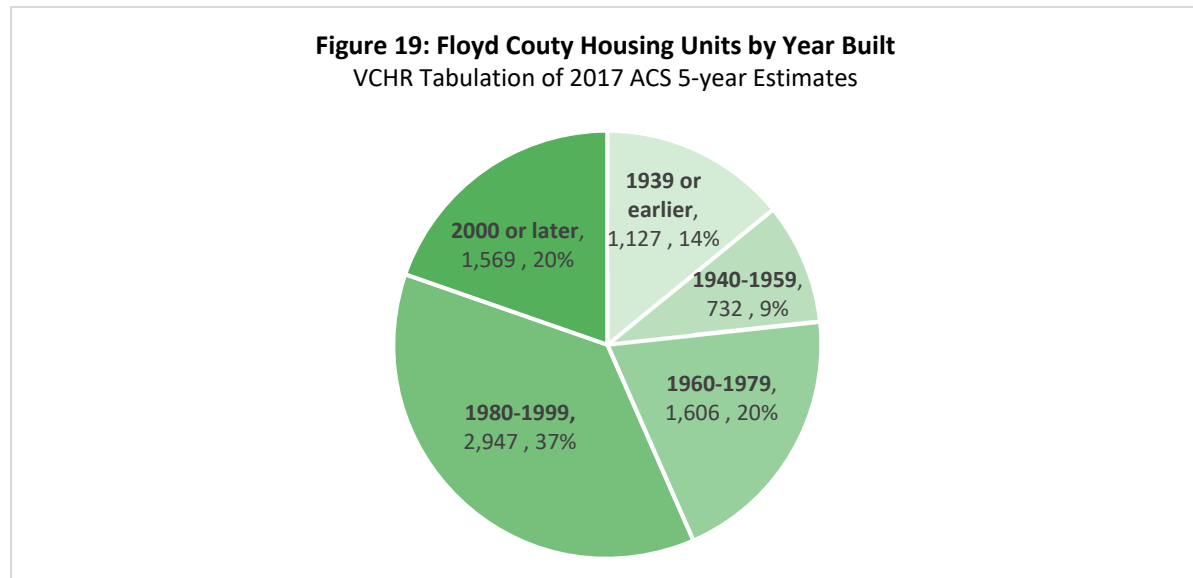
Floyd County has the highest percentage of mobile homes in the region, with 18% of its stock comprised of manufactured or mobile homes (1,471 units), and the County allows them to be placed more freely than in other localities in the region. Manufactured housing is an affordable and practical housing option for many residents, however, pre-1976 mobile homes are substandard stock and should be replaced in order to provide safe, healthy housing for residents. (The County does not allow additional pre-1976 mobile homes to be placed in the County.) There are nearly 2,000 pre-1976 mobile homes throughout the

New River Valley, approximately 21% of all manufactured and mobile home units. If this proportion is similar in Floyd, approximately 316 pre-1976 mobile homes likely exist in Floyd County and will need replacement.

Floyd County has the lowest gross rent in the region at \$611, but also the fewest rental units with only 1,154 renter households in the County. Median rent is higher in the Town (\$748), above median rent in the Town of Pulaski (\$628) and Giles County (\$713), although there are estimated to be only 100 rental units in the Town. At least 160 units in the County have no cash rent, which typically indicates arrangements of service in exchange for housing (caretakers, pastors, etc.) or families allowing relatives to live in a unit at no cost.

The median estimated home value for Floyd County is \$170,000, and \$210,900 in the town limits of Floyd according to ACS estimates. In recent years, median sales prices reported in the MLS sales data have been consistently higher than the median (owner estimated) value reported in the American Community Survey, with a median sale price of \$179,500 in 2018 and \$187,750 for Floyd County in 2019. Median days on the market and sale price indicate higher demand for housing in the Town of Floyd compared to the county.

Floyd and Montgomery counties have the highest percentage of homes aged less than 30 years old, with 41 percent of units built since 1990 and a median year built of 1984. Floyd also has a relatively high percentage of homes built prior to 1939 compared to the rest of the region and 14 percent.



Overall market vacancy in Floyd County falls within the 'healthy' range of 2-7%, which usually means property owners and prospective residents can feel confident about successfully buying or selling a home in the county without the market moving too quickly or too slowly. Median days on market in 2019 was

36, which is also a healthy level similar to other areas of Virginia, although significantly higher than that for the extremely tight markets in other NRV localities.

Floyd County properties are highly varied from large tracts of mountain land with hunting cabins, to doublewides on remote 5-10 acres, to older brick ranches; these non-traditional properties can probably skew the Floyd County median days on market upward. Floyd County had the largest number of land sales of 25 or more acres in 2019, nearly double the transactions of the other localities in the NRV. According to the 2017 Census of Agriculture, there are 741 farms in Floyd County, made up of more than 110,000 acres. Forty-two percent of farms in the County are between 50-179 acres. These high-acreage land sales, made up in part by active farm land, require a particular type of buyer, and can therefore transact more slowly than typical single-family homes.

Floyd's public utilities play a critical role in housing development, as newly-created lots not served by public utilities must be at least two acres in size. Homebuyers seeking smaller lots or the proximity of Town amenities will have a smaller pool of options. Floyd's Public Utility Area (PUA) offers homes with smaller lot sizes, access to public utilities, and proximity to town amenities. The median sale price is 47% higher in areas served by public water than in the rest of the county. Median days on market is 36.5 for all properties served by public water, which includes all of town limits and a small portion outside the town.

### Housing Pipeline & Plans

Recent building permit data (2018-20) indicate Floyd has added roughly 30-40 new stick-built housing units per year, and an additional 30-40 modular and manufactured homes per year (including replacements), a relatively consistent pace since the 2008 recession. Although no major subdivision or multi-family unit projects are currently planned, Floyd County is exploring several options for infill projects, housing rehab, and other initiatives to add a variety of housing options to the current stock of units.

### Housing Need

This section highlights the most prominent housing challenges and opportunities, but is not exhaustive. The types of challenges discussed in this local profile are not limited to Floyd and influence communities throughout the region. As such, many of the opportunities and strategies are addressed by regional and partnership approaches. The Local, Partnership and Regional Strategies (separate document) detail opportunities and actions each jurisdiction can undertake to promote the health of our region's housing market and submarkets.

### Challenges

Floyd's economy is largely service based, with retail, hospitality, and food service comprising over 18 percent of jobs in the county. These jobs are historically low paying, with average annual pay under \$20,000. Workers in four of the top five job sectors within the county (Health Care and Social Assistance, Educational Services, Retail Trade, and Accommodation and Food Services) earn less than \$30,000

annually. Many workers in these industries are unable to afford the median rent or homeownership costs without becoming cost-burdened (i.e., spending more than 30% of income on housing, which limits ability spend on other necessities

Floyd County has a relatively low percentage of “cost-burdened” households (14%), nonetheless cost-burdened households represent demand from current households for appropriate, affordable housing. Households are considered cost burdened when they spend more than 30% of their income on housing. Cost-burdened households often have to make choices between housing and other needs, e.g. food, clothing, medical care, transportation. The County’s low rate of cost burden is due in part to its high rate of homeownership. Inherently, homeownership has more regulatory safeguards that prevent homebuyers from becoming cost-burdened at the time of purchase. Homeowners also face less housing cost increase over time and increases are more predictable. As many as 28% of County renters are cost burdened, compared to 15% of owners. Low-income households with housing cost burdens will likely need income-restricted housing since they are often “crowded out” when they compete with higher income households for appropriate, affordable housing.

There are too few vacant rental units in Floyd to provide an exact vacancy rate; however, it is likely less than two percent, meaning that households seeking to rent struggle to find an appropriate, affordable unit. Floyd comprises 9% of the region’s household population, but 11% of the owner-occupied households and 5% of renter households, which could indicate a shortage of rental units. Although student households ‘inflate’ the regional renter population, Floyd has a lower proportion of renters than localities without large student populations (Pulaski and Giles).

There are nearly 1,530 vacant units in Floyd. Most vacant units (77.5%) are either held for seasonal, recreational or occasional use, or are long-term vacancies, as opposed to vacant for-sale or for-rent properties. Floyd County may have as many as several hundred long-term vacant units, which can pose a challenge for the County since abandoned units can become a health and safety risk. Nonetheless, identification of these units may uncover an opportunity to improve them through CDBG Rehab funds as well as local tax incentives.

### Opportunities

Locally based Citizens Telephone Cooperative started work on a county-wide gigabit fiber installation project in 2019. Citizens projects that by the end of 2021, nearly 97 percent of Floyd County homes will have fiber access. High-speed broadband will significantly impact the county’s ability to attract businesses as well as residents who are able to work from home in a rural setting.

A recently passed Townhome Ordinance enables the development of up to 12 housing units per acre on land served by public utilities if 50 percent open space is maintained. Habitat for Humanity was the first to take advantage of this new ordinance and will be constructing seven new townhomes just outside of

the Town of Floyd and slated for completion in 2021. The county can partner with other developers to identify other viable parcels in the PSA service area.

The county has reached out to developers, realtors, lenders, and property owners to share information about the need for more residential and commercial options in the county. Partnering with the town, the county held a Development Conversation in early 2019 to create an open dialogue for the county to share information and to hear from stakeholders about their needs, questions, and concerns. These types of conversations allow the county to stay connected to the players in the development field, listen to their needs, dispel misinformation, and collectively work towards the goal of serving Floyd citizens.

A housing rehabilitation grant was recently awarded to Floyd County through the Department of Housing and Community Development. Some vacant homes may be eligible for this program. The county can actively target areas with vacant and blighted homes, encouraging absentee owners to either sell the homes or make them usable by participating in the program. Pairing this with a tax abatement program may help incentivize the rehabilitation of these homes and provide needed housing for Floyd residents. In addition to repairing vacant homes, the county can engage in critical repair and modifications for homes occupied by low-income and aging residents.

The county is pursuing a planning grant through Virginia Housing to engage local economic developers, real estate and development professionals, businesses, and county officials to determine the relevant residential market geography for Floyd. From this input, a target demographic for new residents and housing products will be identified. The county has identified an existing 140-acre undeveloped parcel for the development of a mixed-use, mixed-income project while using the remainder for long-term community needs.