

APPENDIX A: ROANOKE'S ECONOMY

❖ A.1 Overview

Objective. The economic impacts of the alternative alignments for I-73 through the Roanoke Valley hinge on the industrial structure of the region and the location of key industries within the city and the wider region. In order to forecast differential impacts of alternatives on the city, it is important to evaluate past trends in growth, decline, and concentration of industries. This Appendix provides a summary of the current state and trends of Roanoke's economy.

In this chapter, economic conditions in the city of Roanoke are compared with those of the wider Roanoke Valley and the State. We begin by reviewing broad demographic shifts among the city and the surrounding counties. Employment trends in 10 major sectors in the city are then compared with their performance in the rest of the metropolitan statistical area (MSA). Detailed industrial clusters that are highly concentrated in the City and in the MSA are then analyzed. Trends in growth and decline of prominent industrial clusters are reviewed. Trends in growth and decline in detailed industrial clusters are compared among the city, the MSA, and the state.

Major Findings. This review of the state of the local economy is particularly important given the substantial changes now occurring. Jobs in the City have grown by 10% over the past decade, compared with 30% job growth in the rest of the MSA. Due to the limited size of the city, its inability to expand by annexation, and the depletion of most large sites, it is to be expected that manufacturing and distribution job growth would be centered in suburban locations. But the city is losing its position as the center of several key financial services and tourist-serving industries. The Central Business District (CBD) has struggled to maintain dominance as a center of producer services but the city still retains its dominance in retailing and most other service industries. It is essential that the alignment chosen for I-73 support and protect this role.

❖ A.2 Demographic Trends

Since 1980, the population of the city has been relatively stable, with a slight decline due to the shrinking size of households – a national trend. There are some 230,000 people in the Roanoke MSA (see Table A-1). The majority – some