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FROM: Tom Loftus  
President, Equitable Housing Institute (EHI)

SUBJECT: NEAC draft recommendations for public input—Follow-up comments on  
effect of jobs-housing ratios in Metrorail areas

Thanks to you and the rest of NEAC for an outstanding public meeting on March 14<sup>th</sup>! Below are follow-up comments regarding NEAC's draft recommendations for enhancing Loudoun's nighttime economy. (EHI submitted its previous comments to you on February 19 (copy attached).)

Questions have been raised about what geographic areas are appropriate for pursuing jobs-housing balance (that is, suitable housing opportunities in an area for roughly as many workers as hold jobs there). According to a major report by the American Planning Association: "Jobs-housing balance policies . . . can apply to *many geographic areas depending on local needs*." APA Advisory Service Report 516, *Jobs-Housing Balance* ("APA Report"), p. 20 (2003) (emphasis added).

Ewing (1996)<sup>1</sup> recommends considering jobs-housing balance within a three- to five-mile radius of any given location of interest. . . . *Policies that seek to mix land uses to achieve a jobs-housing balance can apply to individual buildings, single development sites, planned unit developments, individual neighborhoods, or subareas of the jurisdiction. Jobs-housing balancing policies can also apply citywide, countywide, or regionally.*

(APA Report, pp. 19-20 (emphasis added)). Local governments should "first prepare a broad—citywide or countywide—estimate of jobs-housing balance," and then determine which subareas (if any) warrant jobs-housing balancing policies, based on their local needs. *Id.*

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<sup>1</sup> Reid Ewing, *Best Development Practices: Doing the Right Thing and Making Money at the Same Time* (Chicago: Planners Press, 1996).

We think the distinctive, local needs of Loudoun’s Metrorail corridor deserve their own jobs-housing analysis. In fact, Loudoun County’s consultants have analyzed jobs-housing ratios in that area, under various development scenarios. *See, e.g., Stantec, Loudoun County Land Use Scenario Planning Study, Board of Supervisors Presentation* (September 16, 2015), p.48 (scenario with jobs-housing ratio closest to balance is community-generated scenario (“CW”)); posted at: <http://silverlinescenarioPlanning.com/wp-content/uploads/2015/05/LCSPS-BOS-Presentation-FINAL-REVISED.pdf>.

The corridor’s local needs include balancing its new, urbanized commercial growth with housing opportunities for as many as possible of the area’s workers (and Metrorail commuters) who wish to live there. As we have mentioned, unless that is done, there will be more commuter traffic and congestion; less retail, nighttime economic development, and after-hours vitality; greater urban sprawl pressures on Loudoun’s open space, and higher housing prices (including increased poverty in the County).

The APA Report notes that there is no single, generally accepted geographic scale within which to assess the match or mismatch of jobs and housing, but it clearly points toward the importance of balance in each “community,” or commuter-shed. The report assesses the adequacy of jobs-housing ratios within numerous communities that are much smaller than Loudoun County.

- **Coburg, Oregon**—“a small, rural *community* approximately seven miles north of Eugene”—had a “*mismatch of jobs and residences.*” Coburg had 1,704 jobs and 388 housing units in 1998; its jobs-to-housing units ratio was therefore 4.39 to 1. Even though there were numerous, predominantly residential towns in the same county (Lane), within about a 30-minute commute, the APA report considered that Coburg had a mismatch. Almost all the workers in its industrial and highway commercial areas lived outside of it due to lack of sufficient affordable housing there. (APA Report, p. 6 (emphasis added)).
- **Suburban “edge cities”** bring together “a mix of activities at a scale somewhere between central cities and low-density suburbs.” (APA Report, p. 7) They are major employment hubs and entertainment nodes and “*are also supposed to be self-contained, allowing people to live, work, and consume in the same place . . .*” (*Id.* (emphasis added)) Places such as the Ashburn-Route 606 Metrorail corridor, as it is envisioned, clearly fit the definition of an edge city—just as do other Silver Line communities in Tysons Corner and the Reston area. “The most pressing question that edge cities face . . . is whether they can overcome” their typical jobs-housing imbalance, which results from being job-rich but short on housing opportunities and affordability for their workforces. *Id.*
- **“Developments of regional impact” (DRI’s) (Atlanta, Georgia, region)**—Applicants for developments of more than 400,000 gross square feet of floor space in that region have been required to study their development’s impact on its “Area of Influence” (AOI), or an area extending *six road miles from the*

*development in all directions.* “The DRI rules are complex, and the AOI requirements require *elaborate investigations of jobs-housing qualitative relationships.*” (APA Report, p. 29 (emphasis added))

Transit-oriented developments (TOD’s) that are fairly well balanced between residential and nonresidential development, or even predominantly residential, have been quite successful—in Northern Virginia and across the United States. (TOD’s generally are areas within about one-half mile of transit stations.)

Examples of such TOD’s in Northern Virginia are the Clarendon and Court House Metrorail areas in Arlington. Both of those areas had jobs-housing ratios below 1.6:1 within a half-mile radius of the stations (as of 2009). Those TOD’s are true mixed-use centers.

In fact, a goodly percentage of TODs in the Washington, DC, area are termed “residential” by the authoritative Center for Transit-Oriented Development (CTOD). *E.g.*, CTOD, *Performance-Based Transit-Oriented Development Typology Guidebook*, p. 75 (graphic) (2010), posted at:

<http://ctod.org/pdfs/2010PerformanceBasedTODTypologyGuidebook.pdf>. To CTOD, a “residential neighborhood” is one with up to one-third as many jobs as jobs + residents (including children and nonworking adults). *E.g.*, *id.* at 45 (discussing predominantly residential TOD in Los Angeles (at subway stop), with relatively low vehicle miles travelled (VMT) by residents—and noting 10 similar TOD’s nationwide).

The success of such TOD’s in the Washington, DC, area is consistent with the experience nationwide. A high percentage of TOD’s studied by CTOD—are termed “residential,” and they generally appear to be successful. Among many examples, the guidebook terms most TODs in the Chicago, New York City, and Pittsburgh areas as predominantly “residential places.” (*Id.*, pp. 47, 55, and 67 (graphics))

As to plans for future TOD’s in our region:

- In Reston, the local citizen task force appointed to make planning recommendations regarding redevelopment near its three Metrorail stations embraced Reston’s commitment to being a live/work/play community. The task force recommended that enough new housing be included to actually balance the tremendous amount of planned job growth. The Fairfax County Board of Supervisors adopted the Task Force recommendations as an amendment to the County’s Comprehensive Plan in February 2014. As a result, Reston’s current, overall jobs-housing ratio of approximately 2.5 jobs per household will be maintained.
- The Shady Grove and Woodmont/Bethesda Metrorail station areas have been planned for predominantly residential redevelopment. Further, Montgomery County plans for an overall 2.05:1 jobs-households ratio for its Red Line Metrorail station areas in the I-270 corridor at full buildout.

We'll also note that the term "balance" is used in different land use contexts which should not be confused with jobs-housing balance. For example:

- Areas with roughly equal ("balanced") amounts of residential and nonresidential square footage generally do not produce jobs-housing balance. It generally takes much more square footage to house workers (and their families) than to provide offices or other workplaces for them (data centers excepted).

For example, Loudoun County's latest estimate of average "Long-Run Gross Square Feet per Employee" for new, high-density office development is 235 square feet (sf). Loudoun County, *2015 Fiscal Impact Committee Guidelines*, p. 16, Table 1 (posted at:

<http://lfportal.loudoun.gov/LFPortalinternet/0/doc/193921/Electronic.aspx>.

All new office development in the Metrorail area is expected to be high-density. (The County's estimate for new, low-density office development is 251 sf per employee ("worker"). The same table gives estimates per worker for other forms of commercial development.)

We have found no Loudoun County estimate of the average square footage of a multi-family housing unit. However, Fairfax County and the Town of Herndon recently estimated an average of 1,200 square feet for a new, multi-family residential unit in those jurisdictions. At that rate, there would be about five office workers in the same amount of floor space as one multi-family housing unit near Metrorail in Loudoun.

Considering the average of about 1.5 workers per housing unit, it would take more than three average, multi-family housing units (a total of about 4,000 sf) to house five office workers. (An average housing unit would be equivalent floor space to that needed in commercial establishments for 2-3 retail or industrial workers.) Among other forms of balance that do not amount to jobs-housing balance:

- As mentioned, CTOD describes a "balanced use place" as a TOD in which there is a roughly as many residents as there are workers. That is a quite different concept from jobs-housing balance, which consists of roughly one *household* (many of which include children and non-working adults) for every 1.5 workers.
- Housing supply that is "balanced" with "low market demand" for housing near an employment hub generally works against—not in favor of—true jobs-housing balance.<sup>2</sup> The reason for "low market demand" in a job-rich area is generally the

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<sup>2</sup> In real estate terminology, there may be a technical "oversupply" of a particular type of housing, compared to market demand, for a period of time. Such was the case in many areas regarding upscale, single-family housing for sale, during the severe recent recession and its aftermath. But there was a huge "undersupply" of modestly-priced housing (especially rental housing) during

unaffordable cost of housing near it, due to the inadequate housing supply in that area. And that inadequate supply usually is the result of the local government's failure to plan and zone for enough housing.

For further information on jobs-housing balance, *see, e.g.*, EHI, *Jobs-housing ratios and the Fairfax County (Virginia) report* (pp. 9-12), posted at: <http://www.equitablehousing.org/images/PDFs/Jobs-Housing-Analysis.EHI-2013-corr.pdf>.

We wish you and your committee every success in enhancing Loudoun's nighttime economy—which is crucial to achieving the County's goals for its Metrorail areas. Please feel free to contact us with any further questions or comments you may have.

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that same period. There is no reason to think that housing overall might be “oversupplied” in our region at any foreseeable time.