
From: Terry Maynard <terrmayn@yahoo.com>
Sent: Monday, April 01, 2013 12:45 PM
To: Merkel, Heidi T.
Cc: Patty Nicoson
Subject: Further RCA Comments on the Draft Areawide Plan
Attachments: Estimating_Office_Space_Requirements_March_5_2013_PDF_by_Miller.pdf; Changing Office Trends Implications--CoStar.pdf; CMBS_Insights_n-8-10_12.pdf

Good afternoon Heidi—

I hope you had an enjoyable holiday with family and friends.

I thought I would take this opportunity to follow up on last Tuesday's Task Force meeting in connection with the points RCA made in its earlier response to the draft areawide plan.

Jobs:Housing Balance

Most importantly, I'm glad to see that DPZ's re-calculation of the current and prospective 2030 J:HH ratio works out to 2.5-2.6:1. It was a relief not to have to argue about facts, never mind forecasts.

Just for the record, I will add that I checked the US Census numbers for 2010 which are pretty consistent with your latest MWCOG-based estimate (although they cover the larger CDP vs. PRC area). Of course, we all pretty much know that the census put Reston CDP population at 58,404 and households (vice DUs) at 24,528, but the just released 2012 U.S. Economic Census also provides data on local employment. Employment in the Reston CDP in 2010 (per [the "OnTheMap" Census webpage](#)) was 64,538. That puts the 2010 J:HH ratio at 2.63:1—close enough for planning purposes. (Note: I found the Census OnTheMap site very complete, interesting, and useful. You may want to share it with FC's economic forecasters. It is a much improved approach over the old "establishment" employment survey for estimating jobs, etc.)

Space per Office Worker

The question of jobs in Reston brings me to RCA's second big concern: The GSF per office worker estimate. Without a doubt, current averages are on the order of 200GSF per office worker (or less) and declining as companies try to use their office space more efficiently to cut costs, encourage teleworking, establish more collaborative office arrangements, etc. But please don't take my word for it. Although I've already sent and given you a few articles on the topic, I would like to offer a few more for your consideration. The following are attached:

- Standard & Poors August 2012 look at the lack of improvement in the office market and its impact on commercial mortgage-based securities (CMBS). The essence: Little new hiring, worker space reductions, “shadow space”, etc., are preventing improvement in the weak financial picture for office CMBS.
- Commercial RE company CoStar provides a pretty thorough analysis of the trend and its implications in an issue of its “The Watch List” newsletter.
- The most thorough, balanced, and current examination of the downsizing trend in office space per worker appears to have been done by a Univ. of San Diego Professor of Real Estate, Dr. Norman Miller. He really looks at the issue from every angle (& more) I can divine. His conclusion, “Moving forward, we will see some firms achieve square feet per worker of less than 100 square feet, but given the cultural impediments and the challenges of predicting growth rates, **we are more likely to see figures average 150 to 185 square feet per worker phasing slowly towards even lower figures at the end of the decade.**”

And without further beating this dead horse, I can tell you that there are numerous other articles, analyses, and forecasts that *all say the same thing*. Absolutely none support a space allowance of either 300GSF or even 250GSF of space per office worker now or in the foreseeable future. Despite the howling that will no doubt ensue, we need to lower our assumption about office space per office worker—or we will end up with 50%-100% more workers in Reston that we are planning for (markets permitting). That would not be good for congestion, nor would it be good for Reston. (Side note: Let’s not repeat the mistake already made at Tysons!)

Dulles Corridor Air Rights

On the matter of air rights over the Dulles Corridor, I see that Supervisor Herrity is asking the County staff to look at the issue. He is interested in using the development therefrom to ease toll increases (we also are hoping for that), but it is a perfect complement to our interest in completing a grid of streets. I know it’s complicated, but if we don’t start now it will only get more complicated and more expensive. We certainly would like to see CP language that says that.

Balancing Community and Corridor Landowner Interests

I’m still looking for CP language that puts the current Reston community’s property rights on the same footing as the few dozen landowners/developers in the Dulles Corridor. This does not require the use of the words “must” or “require” in every instance, but it does mean avoiding “encourage” and “should” to a great degree. Simple future tense descriptions quite often serve the purpose, e.g.—“The area will include 35% open space” vice must have/requires/should have/ encouraged to provide. I don’t understand the problem here. Together, Restonians own property valued pretty much the same (or more) than developers—and they end up paying far higher taxes on that valuation than their commercial counterparts (because of differences in calculation methods).

Thanks again for considering this further information. I look forward to reviewing your next draft of the areawide plan.

Sincerely,
Terry Maynard
RCA Reston Task Force Representative