Reston Citizens Association

May 24, 2013

The Honorable Sharon Bulova, Chairman
Fairfax County Board of Supervisors
12000 Government Center Parkway, Suite 530
Fairfax, Virginia 22035

Dear Chairman Bulova,

A month ago today, I sent you a letter asking for an explanation of why the County staff decided to raise the space per office worker in the Reston planning process from 250 GSF to 300 GSF when, according to a variety of academic, industry, and media reporting the current space allotted is about 200 GSF and plunging, possibly as low as 100 GSF, within the next five years. As I noted, the assumed size of office worker space has huge implications for the jobs:housing balance—and attendant impacts—in the newly urbanizing areas of the County. If we want to achieve an appropriate jobs:housing balance, we absolutely must use the best underlying numbers regarding the square footage of work space and housing units. I know that other County community leaders have now also raised the concern.

I have not yet received a response from your office or the County planning staff. I do not find this surprising since I am sure the County wants to review my information and be confident in any response it makes. I am confident, however, that the County staff will not find any authoritative information that suggests the space per office worker is increasing or that it should be anywhere near 300 GSF. I appreciate that there is a natural bureaucratic resistance to change and—even when desired—takes quite a bit of time. Moreover, influential development industry interests that would not like to see the planning number reduced, shrinking their development potential.

Since I wrote, there have been a number of items reported in the local media that reinforce my concern that the current Reston office space per worker planning assumption is way off base. Here is a brief sampling:

- The County says so. In the County's first oblique acknowledgement of the shrinkage in office space per worker, Fairfax County's Economic Development Authority (FCEDA) stated in its just-released 2012 year-end real estate report:

"*One trend among office users is to consolidate operations closer to where employees live to reduce travel time and maximize productivity.* ***Many companies' emphasis is toward more cubicles or an open floor plan.*** *In certain industry sectors, the focus is on hoteling. . ."*
Ergo, it must be true.

- The trend is over two years old. A December 15, **2010**, Los Angeles Times report states:
  "Businesses used to provide 500 to 700 square feet of work space per employee, but the average is down to 200 square feet — and shrinking. The recession and an emphasis on teamwork accelerated the trend, and younger staffers prefer less."
  Cost cutting. And while I have emphasized the technological revolution as a key driver in work space reduction, the LA Times highlights that: *"**Part of the reason is economics**. Although cubicles have shrunk from an average of 64 feet to 49 feet in recent years, Rivard said, companies are looking for more ways to compress their real estate footprint. . ."*
  Bottom line: "*Nevertheless, **the more compact, collaborative workplace is here to stay**, industry observers said. Space is becoming less of a status symbol."*
  And that was all more than two years ago.

- More parking required. A commercial real estate broker with Cushman-Wakefield/Lund wrote that the reduction in space per worker is likely to mean more parking will be required for office buildings. He writes:
  "If the number of workers at a company does not change, but the company is now able to fit more people into less space, the parking lot is full before the building is fully leased. . . The reality for building owners with a parking ratio that will not support the density of today's office user is that there is little they can do to correct the problem. If the trend of a smaller work space prevails, landlords will be left with space that is either unleaseable, or left as common space for additional building amenities."
  Or, in mixed-use areas like Reston Town Center, office employees will occupy parking meant for retail customers or in nearby residential neighborhoods.

- Recent news reports indicate that local office space per worker is well under 200GSF per worker and shrinking:

  - Computer Sciences Corporation (CSC), a major County and NoVa employer, is reducing its staff by 8,000 and its footprint by one million square feet worldwide, according to a May 15 Washington Business Journal article. The result: 167 square feet per worker.

  - The Washington Post reported (May 5) that even Washington business leaders are acknowledging the shrinkage in office space per worker.
    "*A chief concern, it seems, is something called "densification," which is a fancy term to mean that companies, law firms, banks and residents are settling for less space than they once occupied. The local lexicon is full of talk about "micro" apartments and office*

"hoteling," where workers share desks and common spaces. . . And yet the move to go small messes with our assumptions about how development should proceed, given current employment and population projections. By the downtown BID's account, just maintaining the status quo could still result in an increase in vacancies. Where once 5,400 workers might be needed to bring the vacancy rate in 2012 down to 9 percent, assuming each worker accounted for 250 square of space, now 9,000 workers would be required if they wind up only needing 150 square feet a person."

- According to the Washington Business Journal (April 14), Red River, a small Reston IT firm, expanded its Town Center space to 6,000 square feet for 60 employees or 100 square feet per employee—and that includes space for training clients.

While I emphasized the impact of this trend on the jobs:housing balance in my last letter, I would note that permitting office development at 300GSF per employee vs. (say) 150GSF per employee could mean a huge additional demand for County infrastructure improvements—most notably transportation—while tax revenues rise much less than anticipated because there is (in this hypothetical example) half as much new office space to tax and existing office building valuations are smaller. Given the current tight circumstances of the County's budget and uncertain growth in the current federal budget environment, allowing too much office space "headroom" while limiting future County revenue growth as worker space shrinks can only mean steeper real property tax rates for Fairfax County's residents. The County risks ignoring this growing reality at its—and its citizens—growing fiscal peril.

I appreciate that the County is no doubt dealing with this difficult conundrum and I will continue to wait for an explanation of the current office space per worker allowance proposed for Reston. I will also keep you updated on key developments in this matter until an explanation or a change is forthcoming.

Thank you for your patience and all your efforts on behalf of Fairfax County. I hope you have the opportunity to enjoy the beautiful Memorial Day weekend ahead with your family and friends, and take a moment to say a prayer for those who gave the last true measure of devotion for their country.

Sincerely,
Terry Maynard
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CC:
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Patty Nicoson, Chairman, Reston Master Plan Task Force
The Reston Master Plan Task Force (via DPZ)
Fairfax County Federation of Civic Associations, Board of Directors
The Reston Citizens Association Board of Directors
The RCA Reston 2020 Committee
Sally Horn, President, McLean Citizens Association
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