ULI Washington
Technical Assistance Panel

Harvesting the Value of Metrorail in Loudoun County

Loudoun County, VA
May 7-8, 2014
Harvesting the Value of Metrorail in Loudoun County
ULI – the Urban Land Institute

Who we are…

- Research and Education Institute
- 30,000 members worldwide
- Offices in Washington, DC, London, and Hong Kong
- 52 District Councils in the Americas
- 14 District Councils in Europe
- Multi-Disciplinary
- Multi-Professional
- Members from 90 Countries
ULI Washington

A District Council of the Urban Land Institute

ULI at the local level: 1,900+ Members: developers, architects, planners, public officials, financiers, students...

Emphasis on sharing best practices and providing outreach to communities

- Technical Assistance Panels
- Regional Land Use Leadership Institute
- UrbanPlan Program
- Washington Real Estate Trends Conference
- Case Studies
- Regionalism and Housing Initiative Councils

http://washington.uli.org
Recent TAPs:

- Indian Head Rail Trail, Charles County, MD
- Workhouse Arts Center, Lorton, VA
- Bowie State MARC Station
- Prince George’s County: Metro Green Line Corridor
- MDOT: Public Safety Training Academy/Shady Grove Life Sciences Center
- Manassas, VA: Mathis Avenue Corridor
- City of Annapolis: Annapolis City Dock
- D.C. Dept. of Housing and Community Development: Anacostia Gateway
- Maryland Dept. of Transportation: Wheaton CBD
- Interim Uses at the former Walter Reed Army Medical Center
- Revitalization and Development in East Frederick

http://washington.uli.org/TAPs
Today’s Assignment

Panel Chair: Richard Perlmutter
Argo Development Company
Today's Assignment

- This study represents a bold step
- Engage independent, market-based advice
- Provide a Reality Check – where are we today, and where are we going?
Loudoun County TAP Panelists

Panel Members:

- Bob Brosnan, Arlington County, Department of Community Planning
- Andy Brown, Stanford Properties
- Mark Jinks, City of Alexandria
- Chris Leinberger, LOCUS: Responsible Real Estate Developers and Investors; The George Washington University
- Anita Morrison, Partners for Economic Solutions
- Stephanie Pankiewicz, LandDesign
- Laura Rydland, The Louis Berger Group
- Jamie Weinbaum, The JBG Companies
Market Realities

- Original RCLCo report completed in 2011
- Based on continued rapid growth in the office market
- Office use assumptions have subsequently changed
Square Feet per Employee

- Formerly 225 rentable square feet per employee in early 2000s
- Now closer to 175 square feet
- Going to 150 square feet or lower

Source: 2011 GSA Workplace Utilization and Allocation Benchmark
Slower Employment Growth

- Recession
- Federal budget cutbacks
- Diminished expectations for Federal government contracting

Loudoun County Office Space Construction and Absorption Trends

<table>
<thead>
<tr>
<th>Period</th>
<th>Construction</th>
<th>Absorption</th>
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<tbody>
<tr>
<td>1994-1998</td>
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<tr>
<td>1999-2003</td>
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<td>5</td>
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<td>2004-2008</td>
<td>4</td>
<td>3</td>
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<tr>
<td>2009-2013</td>
<td>1</td>
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Employers’ Preference for Urban Locations

- Accessing the young labor force
  - Millennials’ preference for urban locations
- Appeal of mixed uses and walkable urban environments
- 75% of office absorption is going to walkable urban locations
- Investment market is showing a strong preference for walkable urban office space
Office Development Potential

- Going forward, office development is likely half that projected by RCLCo
  - 19 million square feet currently exists countywide
  - 21 million additional square feet projected in report
  - 10 to 14 million square feet more likely
- Reduced reliance on office development
only two general ways to build
the built environment

The Pendulum Swings in How America Invests

Post 1946

Walkable Urban

Drivable Sub-Urban

Option of Either
The beginning of another structural shift

The Pendulum Swings in How America Invests

Walkable Urban

Option of Either

Mid-1990s on

Drivable Sub-Urban
6 types of walk ups: green field

- Office: 45%
- Residential Rent: 17%
- Retail: 16%
- For-Sale Housing: 6%
- Other: 6%
suburban town center & strip commercial redevelopment

- Office: 46%
- Residential Rent: 11%
- Retail: 16%
- For-Sale Housing: 19%
- Other: 4%
Country Club Plaza: One-of-a-Kind Walkable Urban Pioneer
Green Field: National Harbor, Prince George’s County, MD
Suburban Green Field: Reston Town Center - Reston, VA
Arlington Starts Transformation in 1980s: Rail Transit, Overlay Zoning & Mgmt

1980s: Ex-Sears Stores  

Same Place Today

Two blocks north and south, single family housing that is highest priced in Arlington on $/foot basis: Best of Two Worlds

10% of the land=50%+ of government revenues

Among best schools in Country
Where are We?

- Adopted a vision for each station area
- Planned for high density, mixed-use development
- Conflicts over the vision of amount and timing of office
- Concerns about additional residential
Recommendations
A New Plan

- Update Comprehensive Plan
- Create a more detailed small area plan for each station area
Flexibility in Zoning

- FAR vs. DU/acre
- Flexibility on timing (phasing)
- Ability to shift uses
- Easier Process
Patience and Balance

- Places develop over an extended period of time – take the long view
- Be ready to monitor and adjust for longer term trends
- Markets move differently
Invest in Infrastructure

- Fill in missing pieces of road network (before proffers)
- Assist in creating place
- Incentivize highest and best use closest to metro (don’t place garages at touchdown points)
Create a Sense of Urgency to Implement

- Invest in adequate staff resources to actively implement
- Establish a BID at each station area to assist in implementation
  – Ex: DC ballpark
Supporting Transportation

- Coordinate between agencies on plans and develop a complete map of existing/proposed facilities (in process)
- Plan for and construct a network of streets
Supporting Transportation

• Include a connected system of pedestrian and bicycle facilities
• Create Complete Streets (Multi-modal network with variety of transportation options & high quality design)
• Start with surface parking, transition to garage parking shared between uses
• Accommodate all modes of transportation and create high quality pedestrian environment
Concentration and Location of Uses

- Creation of Place
- Where’s the “there” there?
- Mix of uses, including residential and retail, is key to creating any high quality destination environment
- Keynote out, data centers in Route 28 Corridor
Integrated Planning = economic benefit

Essential Component of the Metropolitan Context
- Environment different from streetscape
- Not just a sidewalk and street trees
- Green Infrastructure System
- Part of a larger system

Close to Transit – Easy Access for
- Residents, Workers, Visitors
- Provides Social Mixing
- Clear Circulation
- Well Orchestrated Access
Small Area Plan
Blue Ridge Gateway Station
Questions?