



**WORK FORCE & AFFORDABLE
HOUSING:
Meeting Loudoun's Unmet Needs**

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There is considerable interest in providing work force and affordable housing to a wide range of both present and future Loudoun residents. There are many factors to be considered both positive and negative in establishing the appropriate public policy response which will lead to achievable progress at an affordable cost to the taxpayers.

The draft plan in the Housing Chapter (Policy 3, Strategy 3.1, Action A) recognizes this as it states: *“Develop an affordable housing strategic plan that specifically identifies strategies, actions, programs, and best practices to address the County’s current and future unmet housing needs. The Plan would include estimates on unmet housing needs, establish development targets, and evaluate how housing programs address those needs every five years.”*

This Strategy should become a priority and be completed before any major changes are made to the zoning ordinance or Comprehensive Plan that leads to opening-up Loudoun to meet unconstrained housing demand in hopes the private sector will provide workforce and affordable housing. This was the idea in the 2002 Revised General Plan. It led to massive housing growth but little in the way of work force and affordable housing.

CONSTRAINTS TO BE CONSIDERED

1. Work Force and Affordable housing are nationwide issues affecting every Metropolitan Area.
2. The GMU Housing Needs Study noted that DC Metropolitan jurisdictions all have roughly the same 30% of the households cost burdened.
3. Half the employed population nationwide makes less than \$18 per hour according to the Washington Post.
4. Wages have been lagging productivity for several decades while the cost of housing has been steadily increasing creating an affordability gap.
5. The Feb. 1, 2019 Tischler/Bise Fiscal Impact Study notes that new housing generates service jobs needed to support the new households which tend to be below Area Median Income (AMI), and therefore add to the shortage of work force housing.

6. Federal Housing Programs have been under budget cutting pressure even though it is a national issue.
7. Any work force or affordable housing built by the private sector cannot be restricted to just Loudoun residents in need, but will be open to regional buyers and renters.
8. Any County funding provided is fungible; increased allocations to subsidize work force housing can only be achieved by obtaining grants from outside sources, raising taxes, or shifting funds from other important County budget items.

ANALYZING THE ISSUES: Implementable Strategies flow from analyzing the issues.

1. Review the extensive work force policies of the Revised General Plan and discuss why they were not implemented for the last 18 years.
2. Review the existing work force and affordable housing programs of Loudoun County and determine their effectiveness and potential for expansion.
3. Review all Federal and State funding programs and ascertain whether Loudoun is, or can be become, a qualified recipient.
4. Conduct a literature search to find out how other jurisdictions are dealing with this issue and how various academic centers are contributing to design solutions.
5. Analyze the existing portfolio of work force and affordable housing by location and type to form a base line using property assessment records.
6. Calculate the “minimum cost of a legal house” in Loudoun County for the basic types of housing and the component costs (land, design, approval process, construction, cost of water and sewer, roads, and infrastructure, and the fiscal impact) in order to understand the most effective areas for incentives and support.
7. Identify the social characteristics of the population holding jobs below the AMI: age distribution, marital status, mobility, and location of their present residence.

WORKFORCE AND AFFORDABLE HOUSING RECOMMENDATIONS

1. Loudoun needs to create a sustainable set of policies and actions which will impact the unmet housing needs over the long term, recognizing the constraints and responding to realistic solutions.
2. The present policies, strategies, and actions recommended in the March 13, 2019 Draft Comprehensive Plan are untested and unanalyzed and should be rolled into the development of the Strategic Plan study.

3. Given the nationwide deficits and other constraints, the Draft Plan need not be so negative as to Loudoun's situation, but instead recognize the County's successful programs and intentions.
4. The current County programs should be continued and enhanced while longer range proposals are considered:
 - 4.1 Continue to provide support for the work force housing program for the County's employees, first responders, and school teachers. It is clearly within the public interest to use this program to attract quality candidates to come to the County and to increase their productivity by living in the County near their work places.
 - 4.2 Continue to utilize and expand the Housing Revolving Loan Fund to assist private and non-profit organizations to facilitate the provision of affordable housing.
 - 4.3 Continue to implement the ADU program.
 - 4.4 Consider targeted incentive programs that are affordable to the County which directly lead to the provision of work force and affordable housing.
5. Work with the Council of Governments (COG) to seek Metropolitan-wide solutions that will provide an increase in affordable housing region wide and focus Loudoun's program to achieve our fair share.

CONCLUSION

It is important to recognize that Loudoun has effective on-going programs which are making an impact. At the same time, there is a need to create a long-term strategy based on analysis and best practices, which will provide a sustainable, fiscally affordable, public/private partnership to impact the issue on a long-term basis.

Until such a Strategy is in place, the County should resist unproven proposals to vaguely relate workforce and affordable housing to permission for large increases in permitted housing volume as this approach has failed Loudoun in the past.