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**Loudoun County Board of Supervisors
Housing Summit
Monday, October 16, 2017**

**Statement of the
Dulles Area Association of REALTORS®
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Government Affairs and Communications Manager**

On behalf of the Dulles Area Association of REALTORS® (DAAR), and our 1,400 REALTOR® and Affiliate members in Loudoun County, thank you for hosting Loudoun County's Housing Summit. We appreciate the opportunity to present our views on the housing needs in Loudoun County.

DAAR, founded in 1962 and located in Ashburn, works to safeguard and advance the mutual interests of the public, property owners, and real estate professionals for real estate-related matters. Many of our REALTOR® and Affiliate members choose to locate their businesses within the county limits. Our members serve the real estate-related needs of both current and future Loudoun County residents. Our members have volunteered their time by serving on various county committees and advisory boards, such as the Housing Advisory Board, Affordable Dwelling Unit Advisory Board, Affordable Housing Stakeholders Group, Zoning Ordinance Action Group, and the Envision Loudoun Stakeholders Committee. Additionally, since 1992, DAAR has contributed \$300,000 to local charities serving the housing needs of Loudoun County residents. We are committed to the future of Loudoun County. Tonight, I will discuss an issue that is important to DAAR and Loudoun County – the lack of housing that is affordable.

If you ask people who are trying to buy or rent in Loudoun County, they will tell you that housing is expensive. Current businesses have cited the lack of housing that is affordable as a detriment to their efforts to attract and retain employees. Prospective businesses seeking to locate in the county are calling for – if not demanding – housing that is affordable for their workforce.



The 2017 area median income level for a family of four in Loudoun County is \$134,464¹. A family at this income level could afford to purchase a home priced up to three (3) times their income level - \$403,392². In September 2017, the average home price in Loudoun County was \$512,884³. DAAR believes that this amount edges out of the market many individuals who do not make an above-average salary.

According to the 2017 Housing Needs Assessment (HNA) commissioned by Loudoun County, 29.6% of all households in Loudoun County are cost burdened⁴. The HNA also concluded that the demand for new housing units in Loudoun County will exceed the number of housing units planned to be developed in the future. This will result in a potential gap of 18,300 housing units, primarily single-family detached and single-family attached units⁵. While home ownership rates are low, there is a potential need for 3,400 additional home ownership units, including 1,400 affordable to households with incomes below the area median income⁶.

DAAR supports the availability of a wide-range of urban, suburban, and rural housing choices at all price levels for those who wish to purchase or rent property in Loudoun County. We are focused on supporting housing for those who earn less than the median household income. Additionally, DAAR is committed to the development and preservation of this area's housing stock and to preserving the dream of home ownership by helping working families find homes.

DAAR is pleased to join with officials and leaders in Loudoun County to help draft a new Comprehensive Plan. We offer the following recommendations for increasing the availability of housing that is affordable.

¹ Loudoun County "Facts & Figures," www.loudoun.gov

² Families who pay more than 30 percent of their income for housing are considered cost burdened. Department of Housing and Urban Development, https://www.hud.gov/program_offices/comm_planning/affordablehousing/

³ RealEstate Business Intelligence, LLC. MRIS, Statistics calculated October 4, 2017

⁴ 2017 Housing Needs Assessment (HNA), commissioned by Loudoun County and conducted by George Mason University Center for Regional Analysis and Lisa Sturtevant & Associates, LLC. See page 5.

⁵ HNA, page 8.

⁶ HNA used the 2015 area median income level of \$109,200, page 6.



The county should establish additional incentives to: 1) encourage developers to produce more units that are affordable; and 2) offset the cost of developing new affordable units. An expedited permit process should be established to advance permit applications to the front-of-the-line for developers who offer additional affordable units. Developers should be allowed to convert existing market rate units to more affordable ones, rather than constructing new units. Application and review fees should be reduced or waived to help offset the cost of development.

Some of the county's current zoning requirements may contribute to the high cost of housing in this area. The county could adopt policies to encourage smaller units and denser development. This would allow the land costs to be distributed over more units, which in turn would allow units to be sold at lower prices. By reducing some zoning requirements, or even adopting maximum lot sizes, setbacks, and floor areas, the county could encourage lower cost housing products.

Establishing innovative land-use policies could also encourage the development of housing that is affordable. More units could be developed near retail centers in order to support existing and future retail and other commercial services. The creation of flexible policies could result in mixed-use and pedestrian-friendly developments that are financially viable to support Metrorail. Providing lower cost housing in these areas could also help those businesses find and retain workers locally.

Changing demographics are creating a market for different housing types and development patterns. There is an increasing desire for compact, walkable neighborhoods near a mix of uses. Although mixed-use development has been accepted for some time, other types of development are emerging and should have a place within the county. Multi-generational living is increasing due to children delaying establishing their own households, seniors being cared for by relatives, and cultural preferences of some immigrant populations. Additionally, cottage communities have been used across the county to satisfy shifting preferences and to address critical housing needs.

The county should adopt policies that permit and encourage newer housing concepts, such as accessory dwelling units, cooperative housing, cottage communities, and similar



innovative housing types. This would advance the goal of providing a market of diverse housing types, and would also lead to the production of lower cost housing.

DAAR applauds the efforts of the Board of Supervisors in elevating the importance of addressing the housing needs in Loudoun County. Internally, the county should create a separate Housing and Community Development Department to increase the visibility, prioritization, and effectiveness of Loudoun County's home ownership and rental housing opportunity programs. Funding for down-payment assistance to county employees should continue and be expanded to include assistance to the private sector to help workforce families. Allowing the use of county-owned land for some residential development could be another means of creating housing that is affordable.

Housing that is affordable is not a deterrent to growth in the county. Affordable and workforce housing play critical roles in growing our local and metro area economy. Too often we hear public announcements by slow-growth advocates demonizing residential development in Loudoun County. However, the county's HNA shows that there is a lack of housing to keep pace with the future needs of our county. A limited housing supply also puts pressure on overall housing prices and pushes affordability out of reach for many.

DAAR recommends that the county adequately plan for growth and residential development. We stand ready to assist and support those efforts that develop growth plans and policies that will increase the availability of housing choices and address the needs of our workforce. We thank you for the opportunity to speak to you this evening.