

Fundamental transformation

Community survival depends on philosophical metamorphosis

BY BILL WALSH
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Foreclosures, short sales, underwater homeowners.

An improving outlook, a housing market getting back on track.

No matter what sellers, buyers and the agents who serve them discuss around the table, as they do on pages 48-57, the northern Piedmont has a housing problem of monumental proportions, Ed Risse maintains.

And we will not solve the problems it presents — nor the problems it represents — until we change the way we think about them.

“The biggest change that has to be made is right here,” Risse said, tapping his temple during a February interview in his Warrenton home. “People need to understand that things aren’t going to continue to go the way they have in the past.

“There is nothing,” he said, “that makes that more clear than 500 million Arabs in about 20 different countries all saying, hey, we’ve had enough.”

Despite a recession that has no real precedent, despite widespread Middle East turmoil that has turned our fossil fuel dependence into a game rigged against us, too many

people still “hope that we are just going to be able to continue to go on, we’re going to get out of this and things are going to be fine,” Risse said

“We’re not. We won’t. They aren’t.

We are witnessing, Risse insists, surrounded in his expansive home office by reams of data to support his claims, an historic shift back to the urban core, back to cities and close-in suburbs.

Overwhelmingly, that is where the jobs are and where new jobs will be created. Today and going forward, getting to those jobs from this distance

will not be a feasible option for most (*see Expensive mobility*).

The Great Recession has dramatically squeezed the job market, and “if you think things are going to be tight in the future, you’re going to move to where the most jobs are located,” he argues.

Thirty and 40 and 50 miles from jobs in the urban core, house values have plummeted to reflect the new reality, Risse said. “Adam Smith’s invisible hand is at work here, and it is far ahead of what public officials are willing to say, far ahead of what business officials are willing to say.”



Photo courtesy of Ed Risse

COMMUNITY CRISIS: Dwindling resources and panic at the pump are bringing commuter communities to an end, according to some regional planners. For more on Ed Risse’s research, go to www.emrisse.com.

Before your eyes glaze over from reading another Cassandra Report, understand that Risse is cautiously optimistic that the conversation is turning, and that's a decidedly positive development for society at large, for the community in general, and for business in particular.

"There is a huge opportunity for entrepreneurship and business activity in fostering and carrying out the needed changes to get to a place where we are on a sustainable trajectory," he notes.

It starts with jobs, the most basic and most powerful economic engine of them all.

"We don't have enough jobs for the people who live here," Risse said, "and there is a mismatch between the kinds of people who live here and might like to live here and the types of jobs that we've got (*see Competitive edge*).

"We've got housing, but we've got too much of one kind of housing and not enough of others. That means a lot of folks could do a lot of work and help the owners of those places modify and change the living structures so that we had more



Photo by Randy Litzinger

MESSAGE RECEIVED: Ed Risse has been pitching balanced, livable communities for 40-plus years. Recent world events are generating a more receptive audience.

[appropriate choices]. There is a big opportunity there.

"We have a big opportunity in investment, because, in order to achieve a sustainable trajectory,

we are going to have to have a lot of different structures, not only physical but also economic structures, and there will be an opportunity for investment."

None of these business opportunities will present themselves, however, without

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Competitive edge

Even before the bottom dropped out, even before unemployment rose to nearly 10 percent, everybody talked about jobs, bringing more of them to their communities, good jobs, clean jobs, high-paying jobs from employers who knew how to participate in community life.

Talking about those jobs is one thing. Actually making them happen is much more challenging.

To be successful in such a competitive market, we've got to quit "buffalo hunting" and start attracting small-scale entrepreneurs, Ed Risse said.

We have to undergo a fundamental transformation.

We need to concentrate our economic development efforts on "one- two- or three-person enterprise, the entrepreneur on a small scale," Risse said. "That's where we start."

According to some of the many studies he has at his fingertips, Risse notes that in very recent years, the smart people who fill that entrepreneurial role have not been moving to the biggest regions. They are beginning to congregate in smaller outposts — Raleigh, Austin, Nashville, Kansas City, Birmingham,

Denver, and Columbus prominent among them.

There is something we can learn from that, Risse said.

These patterns offer hope because of the many assets Warrenton/Fauquier and Culpeper can boast — great health-care systems, attractive historic cores, sufficient land owned by the public, aging populations that are not poor, tremendous opportunities for investment, community colleges, a huge capacity for recreation, he ticks off.

Add a fabulous countryside and a four-season climate that is not given to extremes, and we can compete, he argues.

But first things first. In

order to attract the best and the brightest — and the jobs they will ultimately create — "the first thing you need is the idea, and the understanding that we all are in this together," Risse said.

"We don't need a lot," Risse said. "We only need one percent of people in the whole region to say, hey, that's a good idea. We only need 15 or 20 a year for the next two or three years."

Success begets success.

In order to open the gates, we need to capture their imagination, Risse suggests. The way to do that is with a community-wide pursuit of balance — jobs, services, housing options, amenities and recreation.

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understanding by the man on the street — as a customer, as a consumer, as an investor and as a voter — that there is need to make a change.

Risse has been making that difficult pitch for 40 years. In many ways, the Great Recession has created a more receptive audience.

“What you want to tell a lot of the people who moved out here to live is, hey, there is only one way in which the value of your house is not going to continue to go down, and that is if we have some jobs,” he begins. “The first thing you need are jobs for people who are here, then we need to start creating more jobs.”

Risse is convinced that Warrenton and Culpeper lack “balance” — a relative equilibrium of jobs, housing, services,



Photo courtesy Ed Risse

WRONG FROM THE START: We know what the market increasingly cannot afford, Ed Risse says. It looks a lot like this — detached, single-family dwellings that depend on automobiles for survival.

recreation and amenities — and the “critical mass” which is necessary to bring them and sustain them once they are here.

Balance and critical mass

are essential to our remaining the kind of community where people will want to live, given the new realities.

The answer? At least part of

the answer is more people.

That, of course, is anathema to many of those who have enjoyed these vistas for generations, for those who moved in more recently to enjoy the open green and refreshing air that the Piedmont provides in abundance.

Risse is not advocating simple “growth.” He’s advocating “fundamental transformation.”

“Yes, we are going to have to grow, add more people, but we can double the number of jobs and add 50 percent to the number of dwelling units, and we still can’t use all the [underutilized] space that we’ve got in Warrenton,” he insists.

That’s not to say that Warrenton and Culpeper don’t need and wouldn’t get major makeovers to provide for the influx, Risse suggests.

Not a moment too soon.

“Across the country and across economic strata...[people’s preference] comes down

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to the kinds of things and places that people spend millions of dollars going to visit in Europe," he said.

"There are not many parking lots. There are places where people walk and enjoy themselves. There are a lot of two- and three- and four-story buildings," but very few that are taller.

If we had urban settlement for the entire United States at the densities in places like those that we find so attractive, we'd only have to use three percent of the land space, Risse said.

Brave new world. We know what the market is increasingly demanding, Risse maintains — places to live where work, recreation, services, housing and amenities are within reach by foot, bicycle or public transportation. Balance.

And we know what the market increasingly cannot afford. It looks a lot like Fauquier, it looks a lot like Culpeper — automobiles, the gasoline that fuels them, the stand-alone single-family dwelling toward which those vehicles are driven, often for hours, at day's end.

Risse's problems with that commuter model, and what he calls the mode-of-the-market housing that fosters it, are manifold.

"Every mode-of-the-market dwelling that has been built in Fauquier County during the past few years resulted in over \$10,000 in new costs in excess of revenue," he noted in a recent presentation to a local bank committee.

Across the United States, he said, there are as many as 15 million excess single-household dwellings. One of every five detached, single-household dwellings in Fauquier is either on a "want to sell" or a "have to sell" list, he said in that report. The number is likely even higher in Culpeper County,

"Every new mode-of-the-market dwelling that is built lowers the value of the existing housing stock and lowers the property tax base, because it

adds to the oversupply," Risse told the committee which invited him to share his views as it contemplates lending strategies.

There is no place in the entire country, he argues, "that needs more large-lot, single-household detached dwellings."

Risse is uncomfortable with spelling out a "vision" for change, and reluctant to do it.

"As a regional strategist, my role is not to say, here is the vision that you folks ought to have," Risse said. "My role is to say, let's understand the context in which the leadership and citizens have to make intelligent decisions about what the vision is." (See *Program notes*.)

Still, for the majority of people, and especially young adults and the exploding population of empty nesters, the vision for a desirable "human settlement pattern" is clear: They want communities where jobs, affordable housing, amenities, services and recreation are all in close proximity.

We know the preferences of the people who have the skills and the education for the good-paying jobs we want to create. How do we make this a place where they want to be while they are creating them?

And what does it all mean for business?

Main Street merchants in Warrenton and Culpeper frequently complain about a perceived lack of parking, Risse notes. "But I've never seen a car buy anything. It's always people.

"If you took all of the parking lots within two blocks of Main Street, and you put in two levels of underground parking and...a street level of businesses and three stories of quality townhouses and built some one-story flats and so forth, and you ended up with...1,000 people who could walk to these stores, what would that mean to the merchants and the consumers they serve," Risse wonders, what would it mean for business?

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Program notes

His role, Ed Risse said, is not to spell out a vision of what life ought to be like 40-miles plus from the urban core, but rather "to say, let's understand the context in which the leadership and citizens have to make intelligent decisions about what the vision is."

The context includes a handful of major points that must be understood, he said.

First and foremost and driving all that follows, we need to understand an equation, Risse said — $A = \pi r^2$.

"Within a 10-mile radius [of the Washington urban core], you have 200,000 acres, 90,000 in Virginia," Risse points out. "At a 20-mile radius, you jump from 200,000 to 800,000 acres, up to 270,000 acres in Virginia. You go out to 30 miles, and you have a total of 1.8 million acres, 600,000 in Virginia.

"To create functional urban fabric that does not rely completely on large, private vehicles for household mobility and access, and with generous community-scale open space, there must be at least 15 persons per acre at the alpha community scale," Risse explains. "That means there is space for nine million people in Virginia inside $R=30$ miles.

"If 50 percent sub regional scale and regional scale open space is provided inside $R=30$ miles, there is, at minimum, sustainable densities for 4,500,000 residents. This holding capacity is on the D.C. side of Gainesville."

There are now less than half that many residents in this part of Virginia, Risse points out.

"And we're thinking we're going to build a whole bunch of stuff out here?" he asks.

Not likely, he concludes.

The context within which our challenges lie also includes understanding...

- Where the jobs are and are likely to be — inside $R=10$.
- Where vacant and underutilized space within $R=30$ is located.

"There is enough vacant and underutilized land within half a mile of existing Metro station platforms to meet the land requirements for new jobs, new housing and new services for the foreseeable future," he insists.

- Our affordable and accessible housing challenges.

• The mobility and access crisis. It is not possible — from the perspective of either physics or economics — to build an infrastructure system in a large urban region that provides mobility and access to citizens who rely on large, private vehicles to meet all or most of their daily and weekly travel needs.

- That the trajectory on which we are traveling is unsustainable, and why.

- Balance and critical mass.

- Prosperity of citizens vs prosperity of enterprises.

"Creating the critical mass necessary to achieve a balance of jobs, housing, services, recreation and amenity and thus economic, social and environmental prosperity will be difficult, because over the past three decades economic systems have been gamed to make enterprises and a few households at the top of the ziggurat much more wealthy, while those at the bottom of the economic/social food chain have lost ground," Risse argues.

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Additionally, “meeting the pent-up demand for walkable urban development will take a generation,” Brookings Institute fellow Christopher Leinberger wrote recently. “It will be a boon to the real estate industry and put a foundation under the American economy for decades, just as the construction of low-density suburbs did during the last half of the 20th century.”

Equally to the point, what does it do to our quality of life to unbuckle the seat belt and get out of the car?

“There is no possibility of making those changes or creating these opportunities unless citizens, the market and the political leadership understand the need to change,” Risse said — especially the first-named.

And change we must. The northern Piedmont will “suffer from the access and mobility crisis” that is upon us, Risse said. These are crises that we cannot solve in our current configurations.

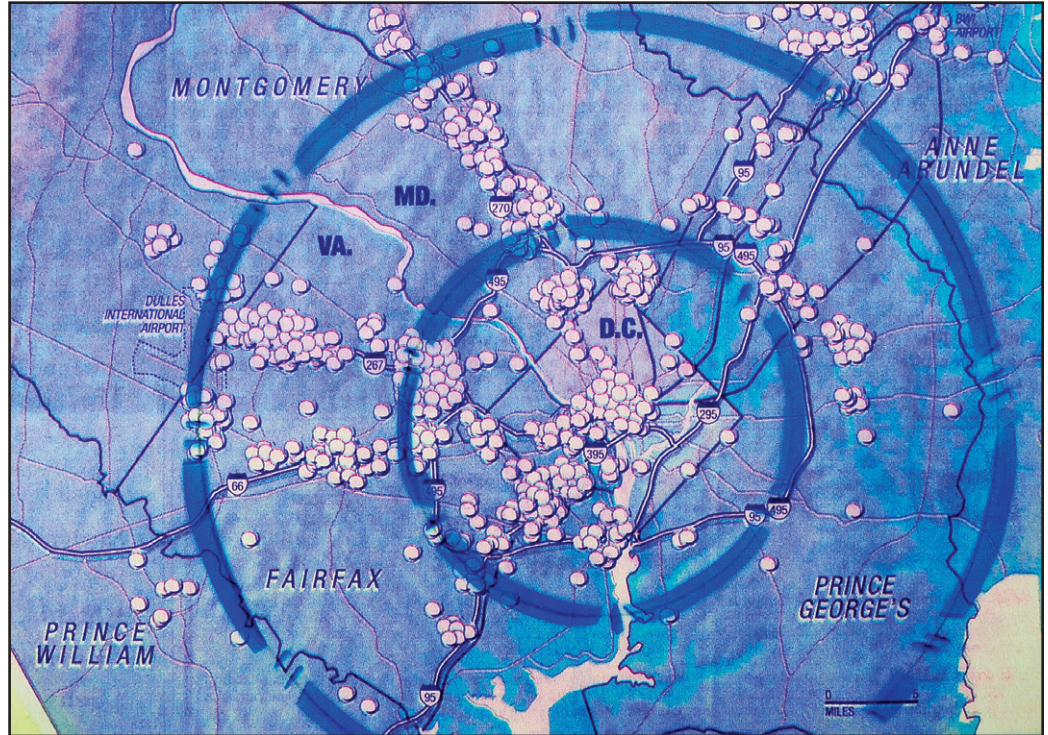
“We have to rejigger the structure of governance, the structure of the economy, the structure of what agencies do and control, so that we all prosper,” he concluded. “After World War II, all boats were lifted. In the last 30 years or so, only a few have been lifted.

“We’ll all be better off,” he said, if that were changed.

We really don’t have a whole lot of choice, Risse said, referencing the 500 million people across north Africa and the Middle East and their unrest.

His concern about upheaval in the Middle East goes well beyond what it’s doing to prices at the pump and the Piedmont’s commuter culture.

Those 500 million people have watched television, too — American television, European



WHERE THE JOBS ARE: This graphic is from a 2000 study of job location. Overlapping dots mask the real center-weighted reality of job distribution, Ed Risse says.

Expensive mobility

The Great Recession has brought housing values crashing down. It is also, Ed Risse said, bringing an end of the “automobile” as the primary means of access and mobility.

“Right now, 50 percent of working adults in the United States cannot afford a fuel-efficient car that is safe to put on the interstate,” Risse said. “They can’t afford to buy it or maintain it. If they buy it used and cheap, can they afford to maintain it? Can they afford to maintain all of those things that, even though it is light and fuel efficient, make it safe?”

“The answer is no.”

Many analysts agree that when it comes to transportation, we are living way beyond our means.

It is a commonly used rule of thumb that it costs \$1 per mile to own, fuel and maintain a vehicle, and assuming a commuter drives 15,000 miles a year, he or she would have to earn \$100,000 a year to afford to own and operate that vehicle, according to another rule-of-thumb guideline that indicates we shouldn’t spend more than 15 percent of our income on transportation.

Ten percent is probably a better budgeting number.

“Half the people in the United States,” cannot afford a safe, fuel-efficient automobile, Risse repeats. “When you have two people working, that means that both of those people need to be able to afford a safe, fuel-efficient car.

“What we have [in the northern Piedmont] is a settlement pattern that requires people to have a car to do anything, and they can’t afford it.”

Writing in *The American Conservative*, Brookings Institute fellow Christopher Leinberger noted that the average household spent just five percent of its income on transportation 100 years ago, versus 24 percent today.

“If you get your cost of housing and your cost of transportation too high, you can have an awfully good job and still be in real trouble,” Risse notes.

We spend our tax money on highways. “We have focused on major arterials,” Risse said. “If I’m right, and the majority of people can’t afford a car that is safe to drive on the interstate, then building a big interstate highway is not going to help them a bit.”

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**SIGNIFICANT
CHALLENGE**

There is hope for Gainesville, theoretically. The question is, is there a market?

Ed Risse thinks not. It will be difficult, he said, achieve "critical mass" because most people will rather live closer in, closer to rail and other transportation services.

Nor will it be easy to achieve balance because, mostly, people don't work there, he said.

"It is very difficult to build the core of a community with an interstate highway running through it," Risse said. "You can't build a community with [U.S.] 29 running through it. And you sure can't build a community with that big interchange they are planning to put between them."

It is still possible to create villages here and there, to create, neighborhoods here and there, perhaps even a center.

Likely, Risse said, those villages are going to have to be largely self-supporting, like Marshall, like Bealeton in Fauquier County.

But it is unlikely, Risse said, that Gainesville will ever achieve the proper mixture of jobs, services, amenities and homes that will enable real community.

"Gainesville is a very, very difficult kind of thing to deal with at this point," Risse said. "And now building this interchange is going to make things worse."

Curriculum vitae

Builders — and even, to a certain extent, real estate professionals — can sometimes feel abused in Fauquier County, which has illuminated a permanent No Vacancy sign — or so goes its reputation.

Ed Risse often seems to side with those making this complaint, with his insistence that Fauquier needs more people because it lacks "balance" and "critical mass."

But that stance hasn't necessarily earned him a wealth of friends in the land-development community, either, especially when it's paired with his companion insistence that mode-of-the-market housing — four bedrooms, two baths, cookie-cutter everywhere you turn — has outlived any questionable usefulness it might have had, is the problem, not the solution, and is, or soon will be, largely without value, largely without a market, largely an albatross around the neck of anyone who owns one.

Who is Ed Risse, and why is he saying all these outrageous things?

His complete biographic resume runs to 31 pages, but it might be boiled down to this:

"Ed Risse is the principal of SYNERGY/Planning, Inc. He has spent much of his professional career working with builders and developers to plan, design and



Photo by Randy Litzinger

JUST THE FACTS: A student of 'human settlement patterns' for most of his life, Ed Risse has a wealth of data at his fingertips in his Warrenton home office.

deliver community-, village-, neighborhood- and cluster-scale projects where citizens want to live, work, seek services and participate in leisure activities." In the Washington-Baltimore area, his website continues, there are more than 50,000 residents and 20,000 workers in places Risse has designed, planned and managed.

Risse spent many years in the employ of developer Til Hazel. On the other end of the spectrum, Risse also spent a number of years as a consult-

ant to Piedmont Environmental Council.

Combine that background with 45 years of thinking about how people live and work and recreate, and you have a thinker who has come to the clear conclusion that we do not have safe, secure, sustainable communities in either Fauquier, Culpeper or Prince William counties.

And one who has come to a clear conclusion as to what needs to be done to attain them.

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broadcasts. They increasingly realize that they have been left holding the short end of the stick, and they are increasingly unhappy about that grip.

Are there enough natural resources to go around to maintain our level of consumption while simultaneously raising theirs? Risse doesn't

believe that there are.

Look at housing, he suggests. American builders struggle — are, perhaps, unable — to build houses that are affordable for the vast majority of American buyers because the cost of raw materials has skyrocketed. Those escalating prices can be directly traced to the strengthening of the middle class in China and India — and their determination to get a piece of the pie.

In so many ways, Risse said, we are on an unsustain-

able trajectory.

In order to make the changes we need to make to become sustainable, he suggests we all have to work to restore another balance we have lost: The balance between individual rights and community responsibilities.

We have to rebuild community.

"There is not enough community. That's the key," he said. "We won't be able to survive if we don't build community."