



Greater Washington Research
at BROOKINGS

Assessing the national recession in the Washington region and potential effects of the American Recovery and Reinvestment Act

**Presentation to the Metropolitan Development Policy Committee,
Metropolitan Washington Council of Governments
March 11, 2009**

Overview of general demographic and economic trends in the region

The region is growing, decentralizing and becoming more diverse, with increasing minority and foreign-born populations

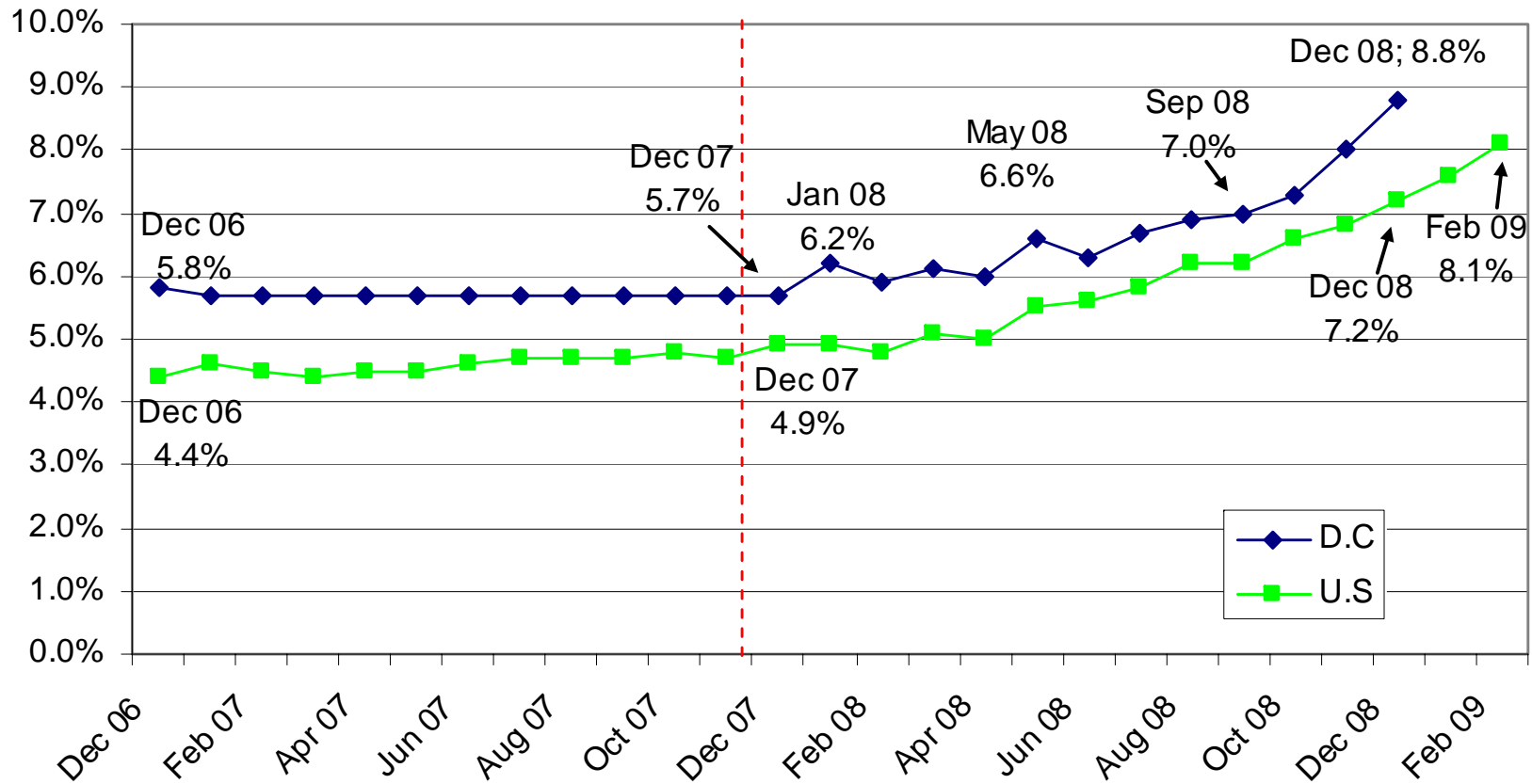
The region is generally prosperous, with a strong employment base, high education levels, and high wages

But prosperity and opportunities are not shared by all and many families are experiencing economic hardship

Food Stamp participation has risen in all jurisdictions, with an especially noticeable uptick since July 08

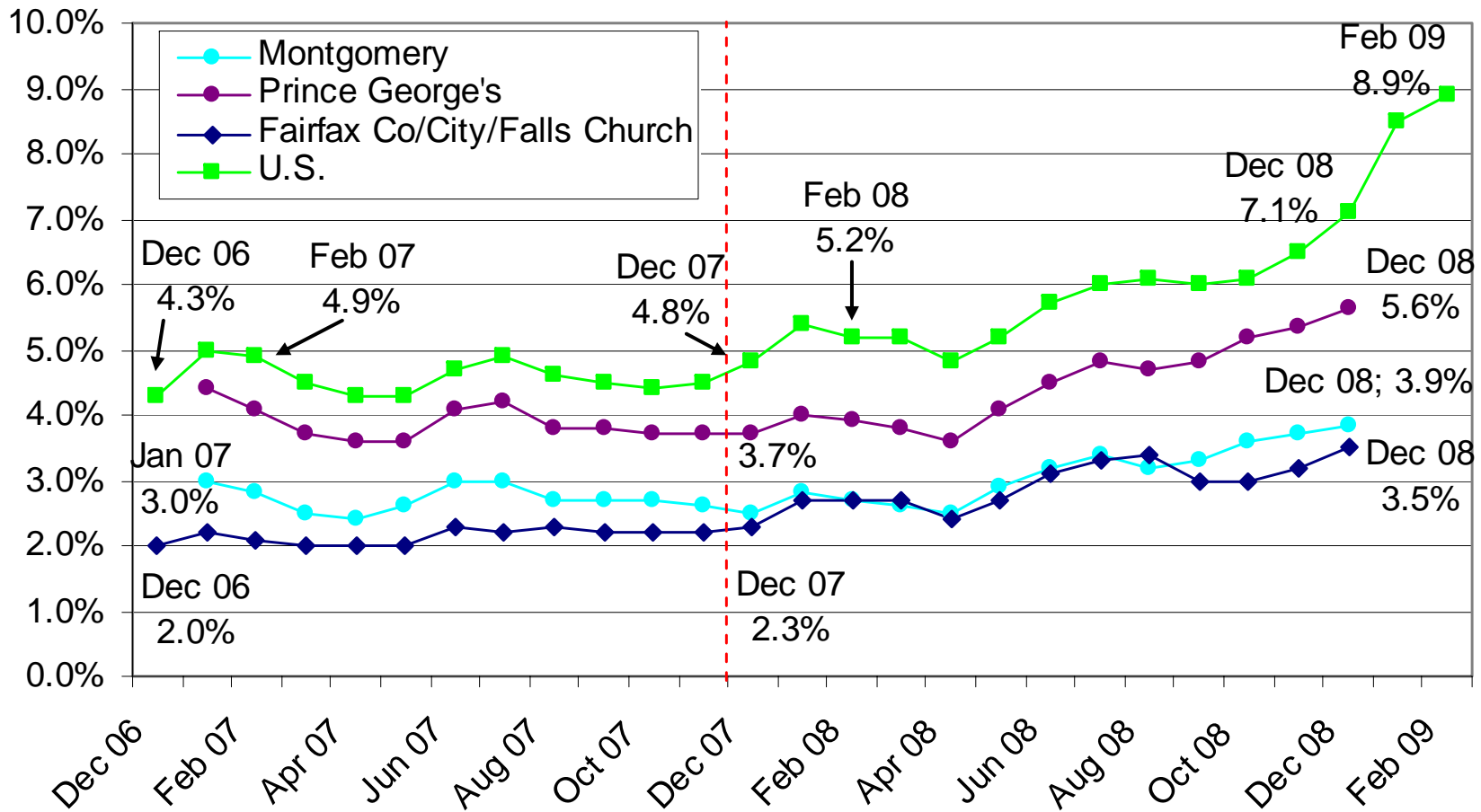
	January 2009 (Dec. 08 in D.C.)	Change since Dec. 07 (% change)	Change since July 08 (% change)	FS participants as % of population (2007)
D.C.	96,525	9,541 (11%)	10,200 (11.8%)	16.4%
Prince George's	56,547	16,100 (39.8%)	11,233 (24.8%)	6.8%
Montgomery	32,085	6,341 (24.6%)	4,286 (15.4%)	3.4%
Fairfax County/City/ Falls Church	25,020	4,227 (20.3%)	2,556 (11.4%)	2.4%
Prince William	16,145	3,458 (27.3%)	2,451 (17.9%)	4.5%
Frederick	9,612	1,809 (23.2%)	870 (10%)	4.3%
Alexandria	6,047	815 (15.6%)	568 (10.4%)	4.3%
Loudoun	5,031	1,223 (32.1%)	751 (17.5%)	1.8%
Arlington	4,627	769 (19.9%)	558 (13.7%)	2.3%
Manassas	2,555	672 (35.7%)	548 (27.3%)	7.2%
Manassas Park	873	214 (32.5%)	108 (14.1%)	7.6%

The unemployment rate in Washington, DC is the highest in the region and the only jurisdiction with a higher rate than the national rate



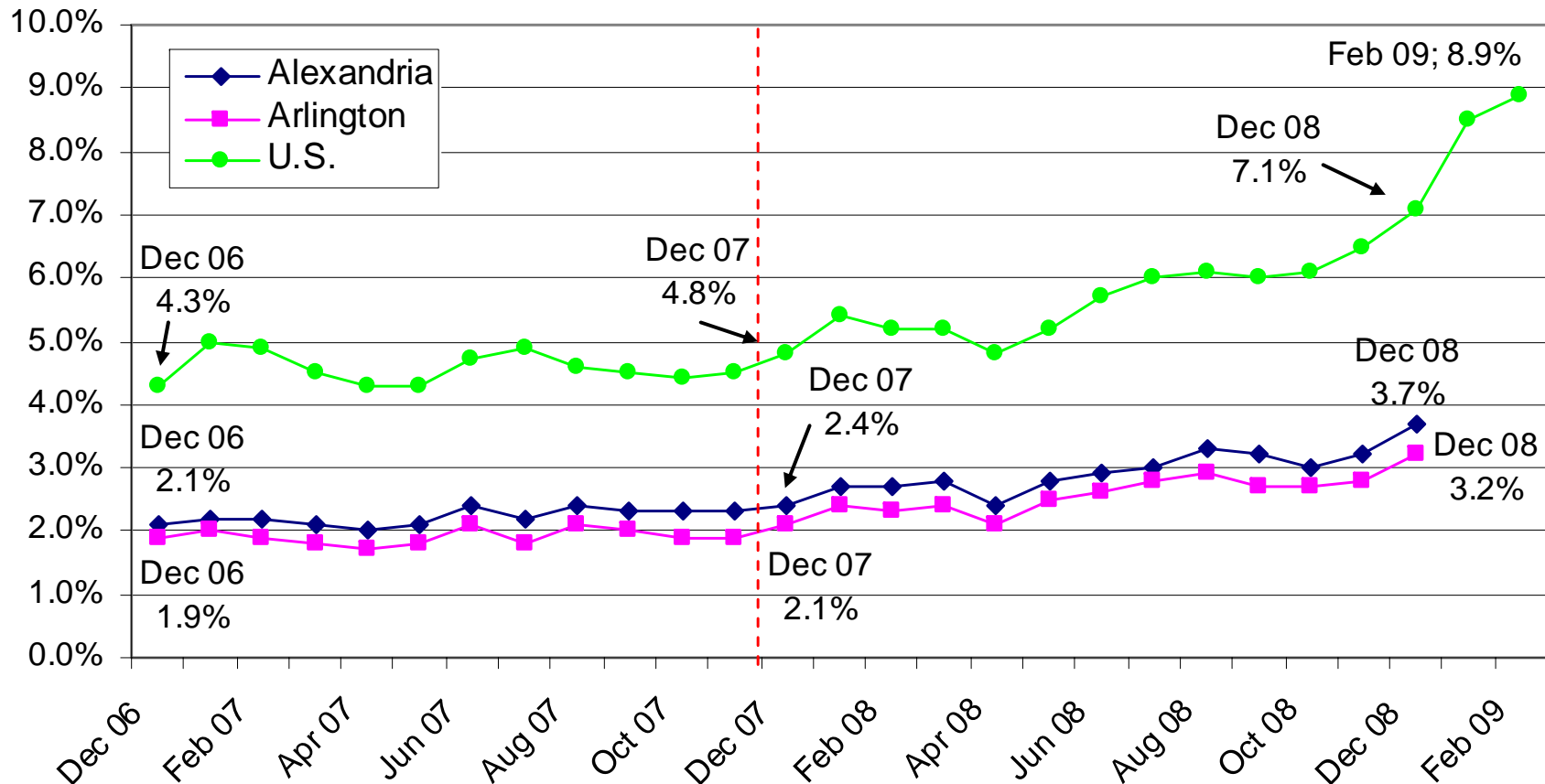
Sources: D.C. Department of Employment Services; Current Population Survey.
Rates are seasonally adjusted.

Unemployment rates in the big three surrounding counties range from 3.5 to 5.6



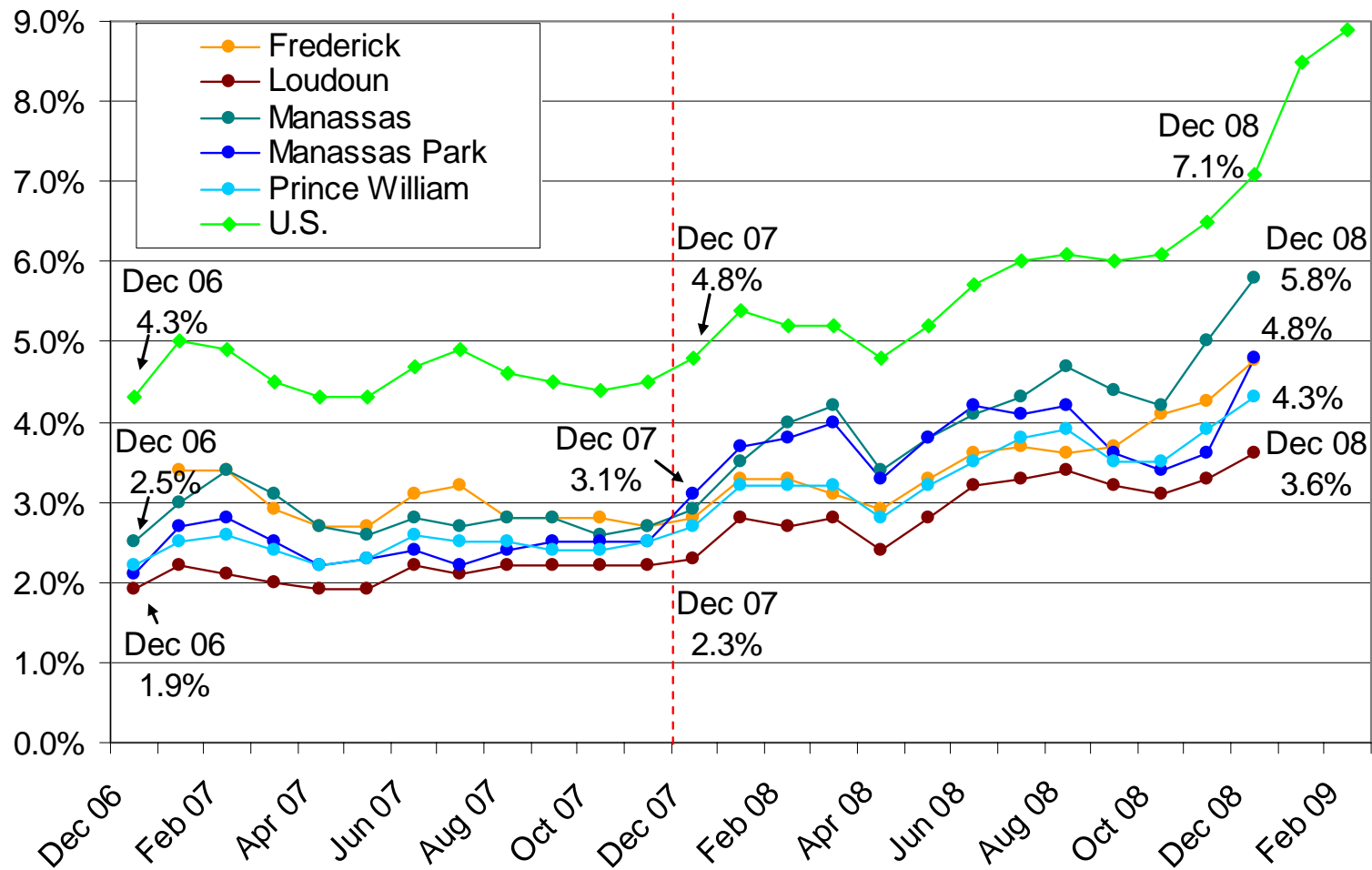
Sources: Maryland Monthly Labor Review (U.S. Department of Labor, Bureau of Labor Statistics); Virginia Workforce Connection (LAUS Unit and Bureau of Labor Statistics); Current Population Survey. Rates are not seasonally adjusted.

Arlington and Alexandria consistently have among the lowest unemployment rates in the region



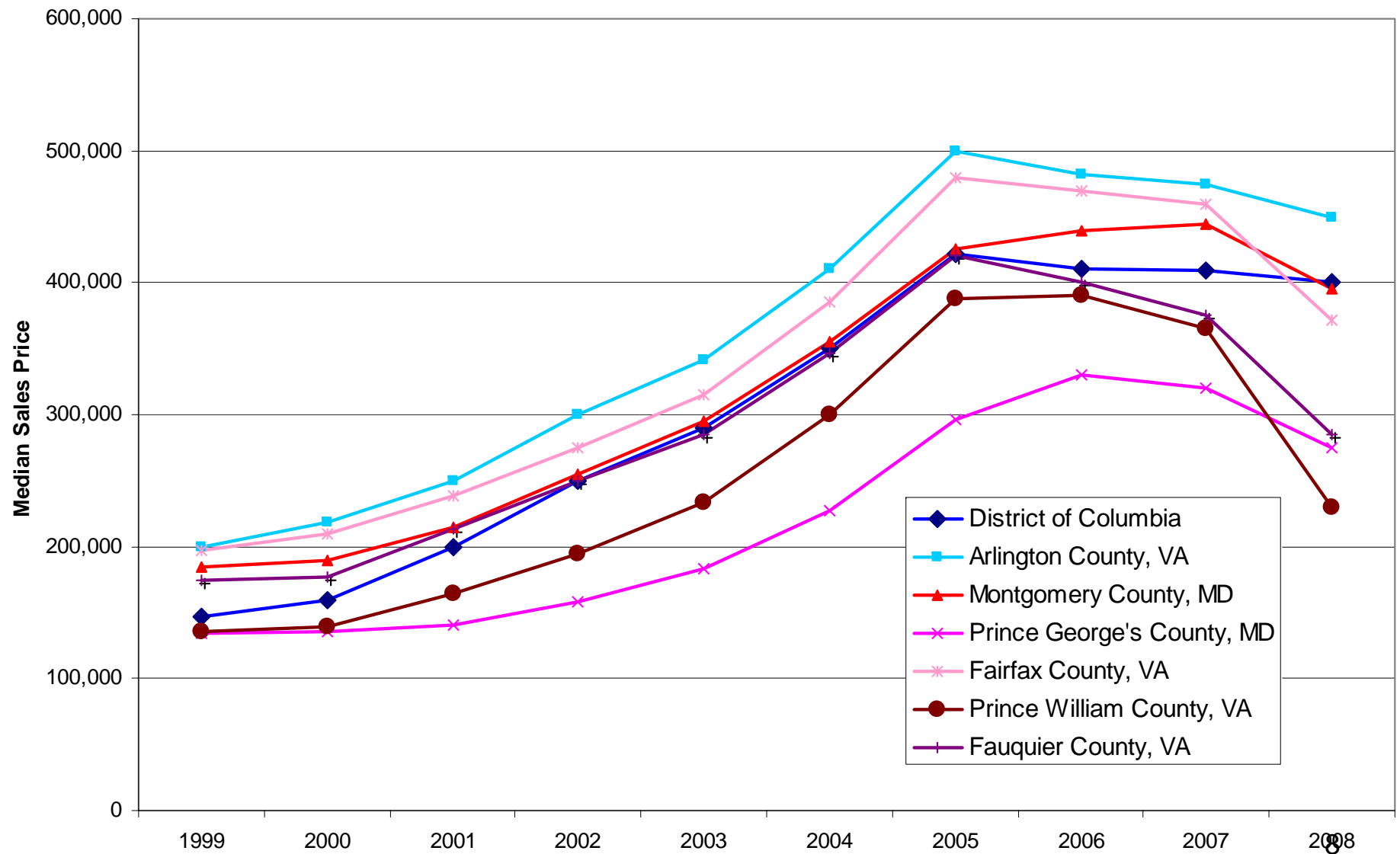
Sources: Virginia Workforce Connection (LAUS Unit and Bureau of Labor Statistics); Current Population Survey. Rates are not seasonally adjusted.

Some outlying areas have higher unemployment rates (though still less than the national rate)



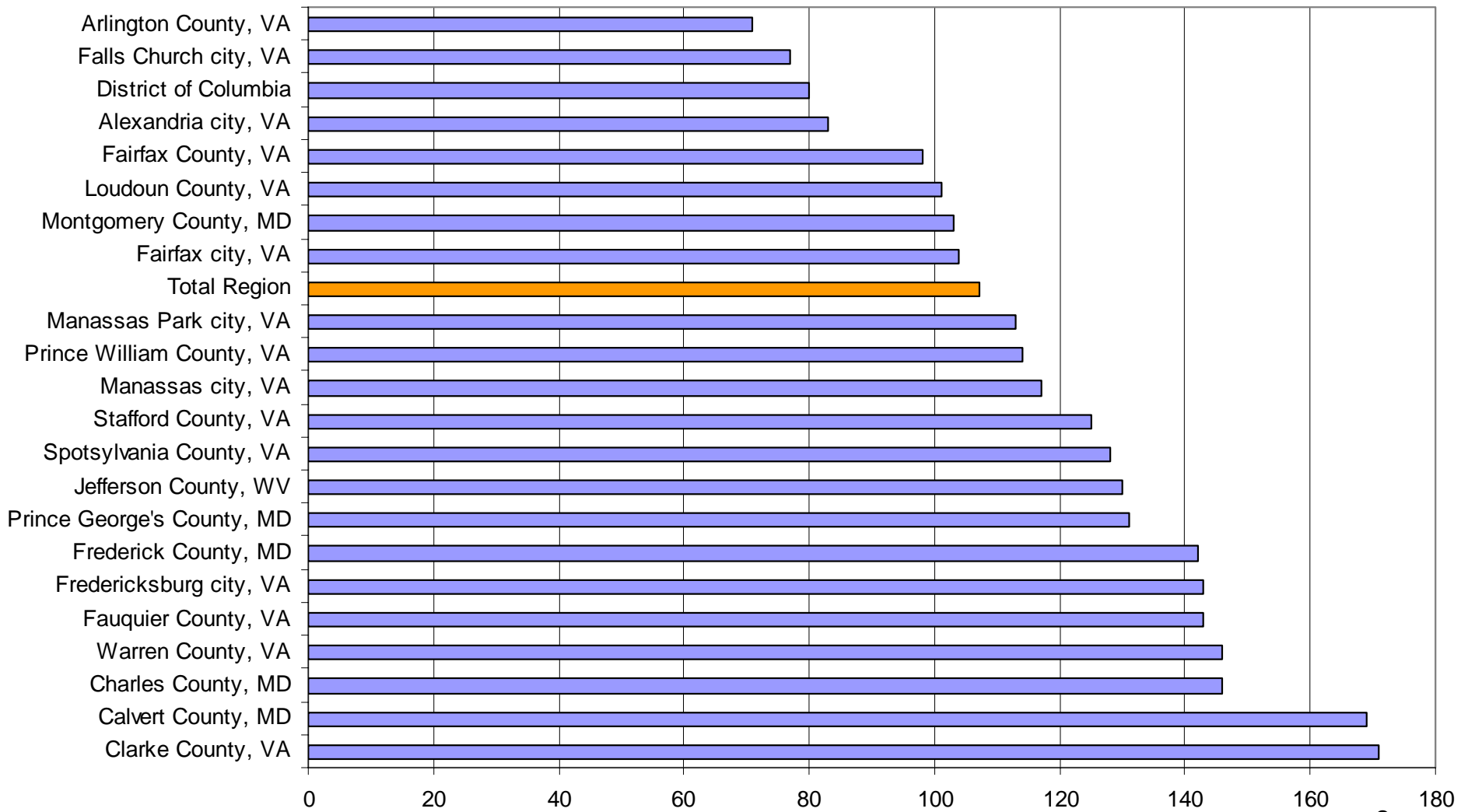
Sources: Maryland Monthly Labor Review (U.S. Department of Labor, Bureau of Labor Statistics); Virginia Workforce Connection (LAUS Unit and Bureau of Labor Statistics); Current Population Survey. Rates are not seasonally adjusted.

Home sales prices are dropping precipitously, especially in the outer and far suburbs



Sources: Metropolitan Regional Information Systems Inc., National Association of Realtors Real Estate Trends Indicator Report.

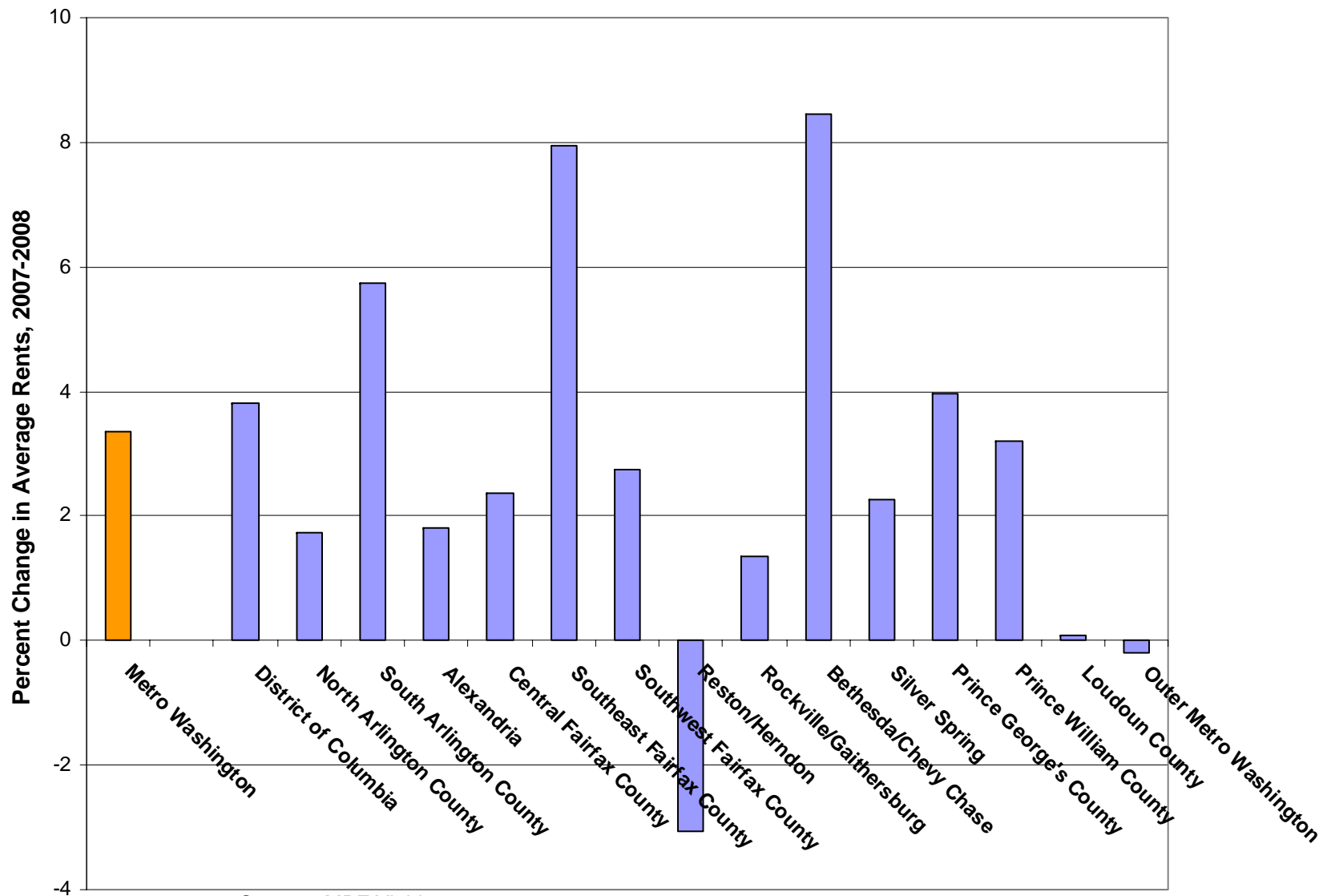
Homes take months to sell, although markets seem stronger in close-in communities (2008)



Sources: Metropolitan Regional Information Systems Inc.,
National Association of Realtors Real Estate Trends Indicator Report

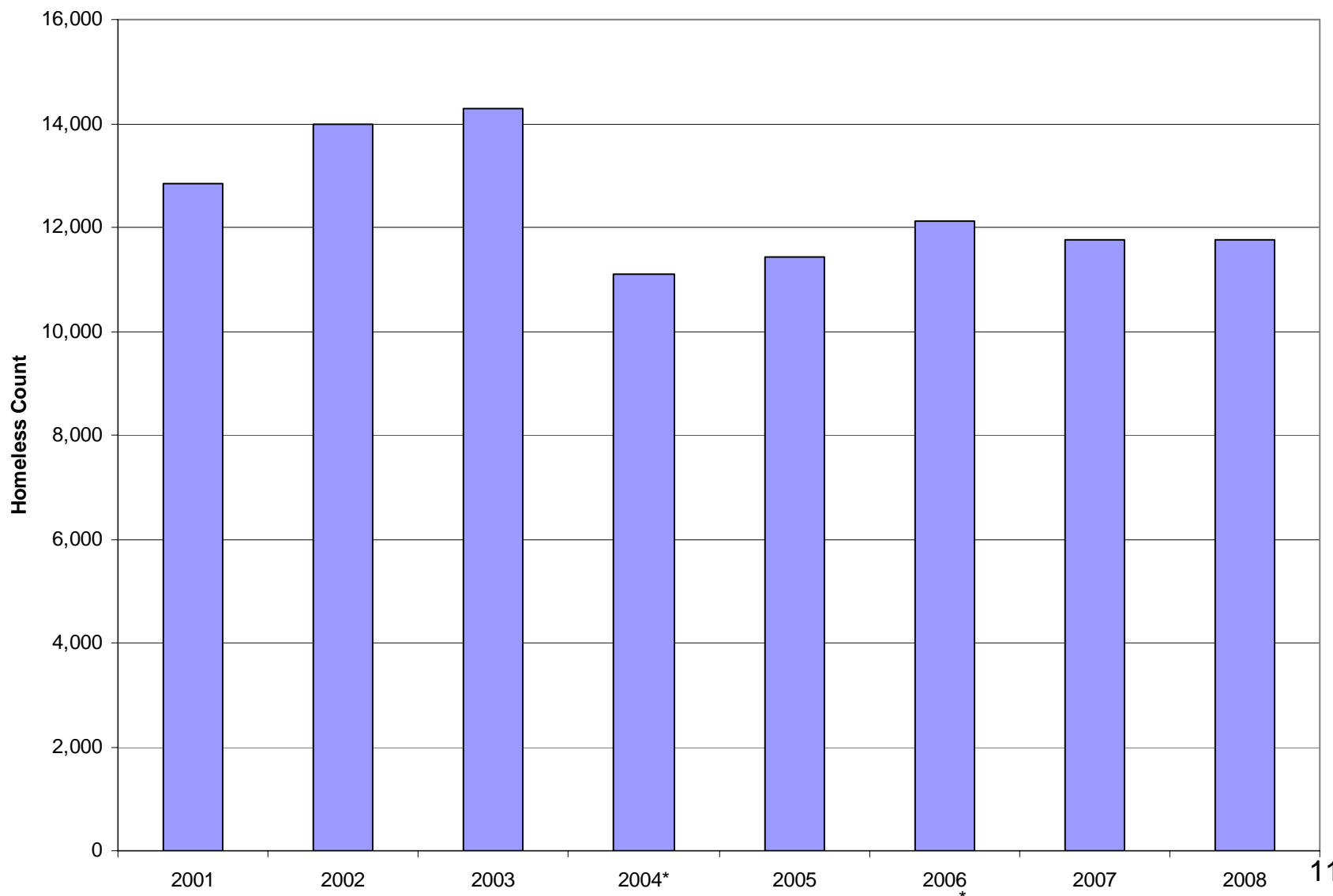
Average number of days on market

Rents continued to rise in most of the region in 2008, though more slowly than in 2007



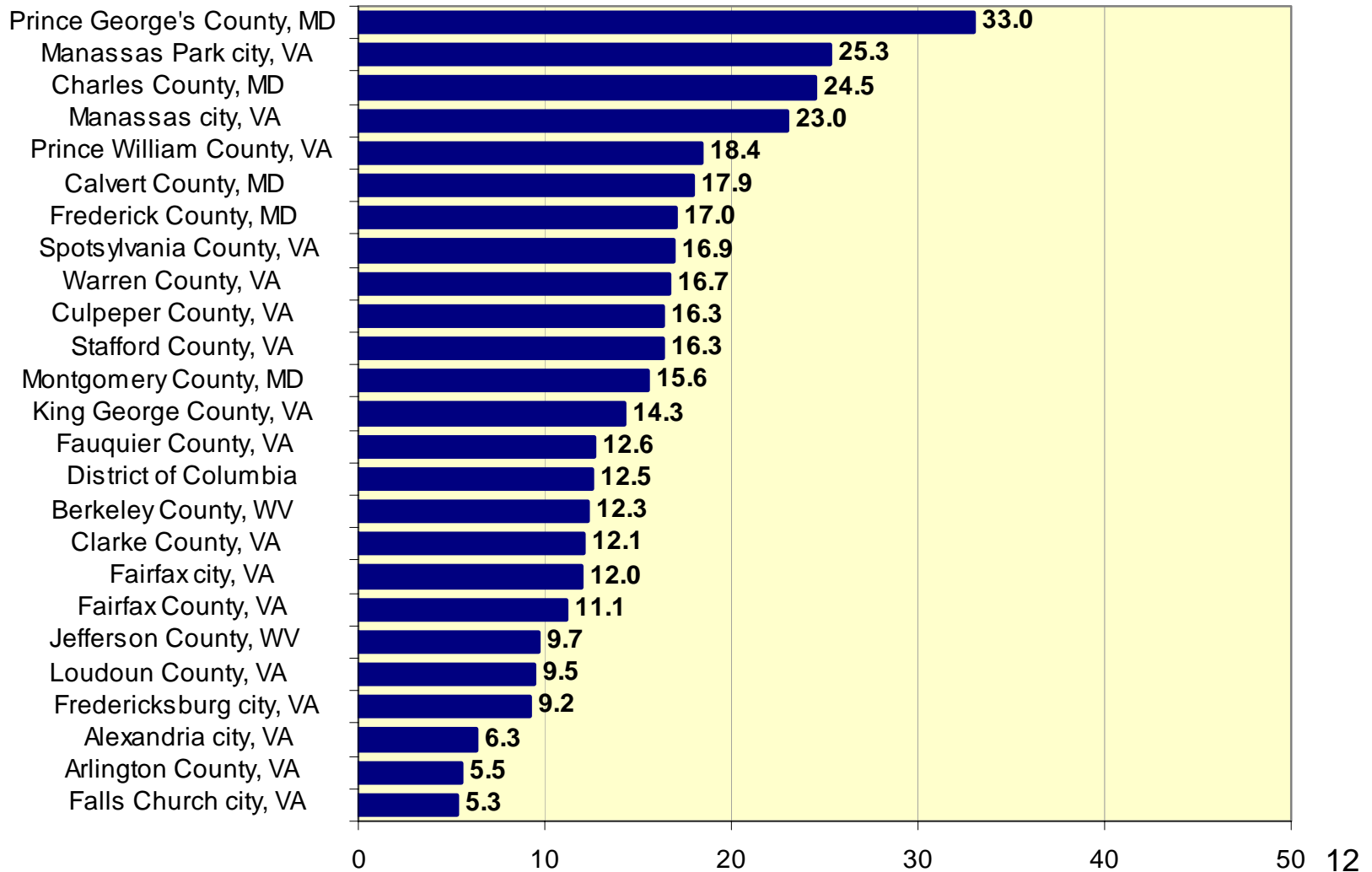
Source: MPF Yieldstar

The number of homeless individuals in the region is holding steady, at least through 2008



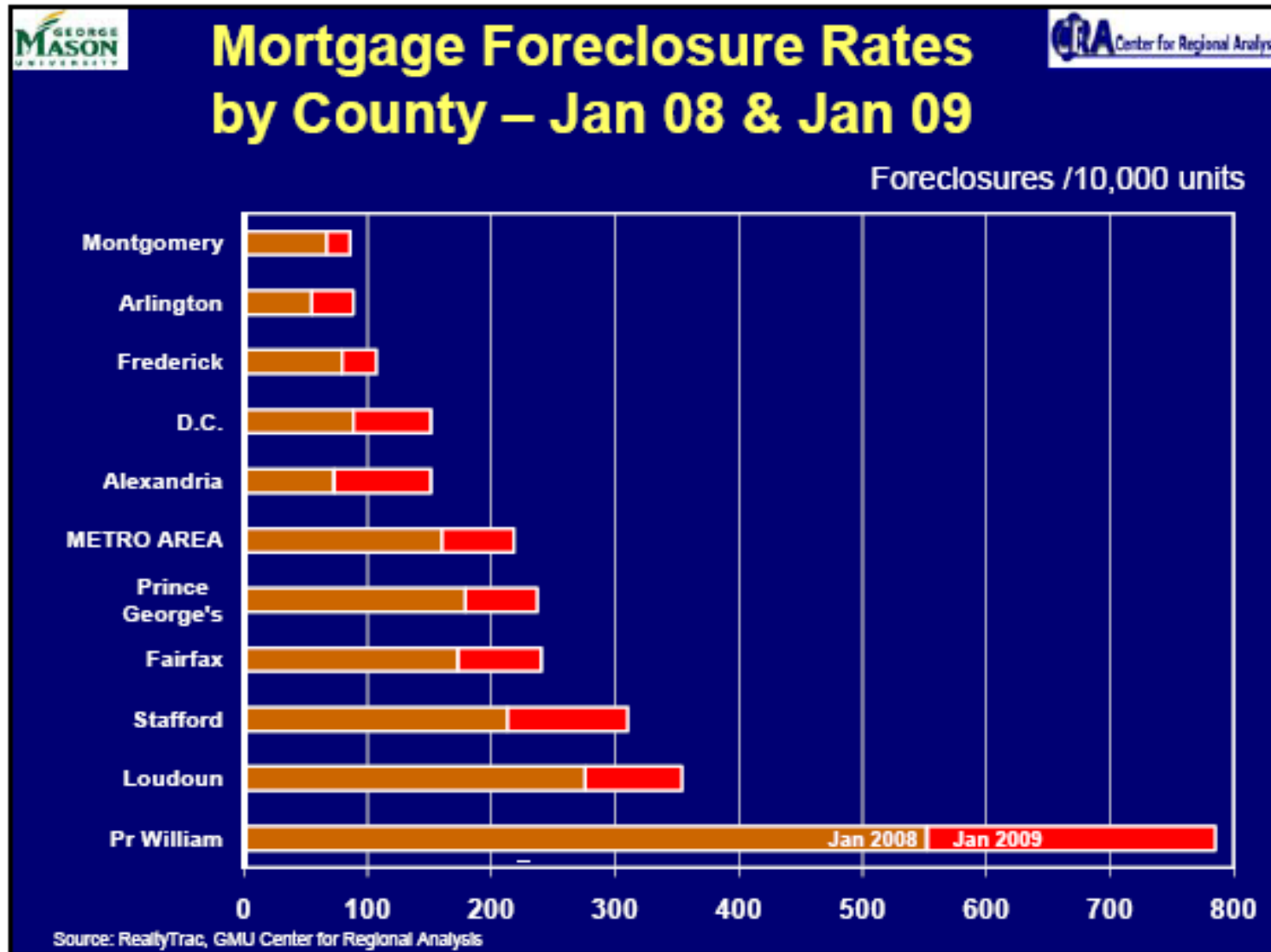
Source: Metropolitan Washington Council of Governments Homeless Point-in-Time Counts * Drop from 2003 is likely due to a change in enumeration methods.

Subprime lenders made up to one-third of home purchase and refinance mortgages in 2005



Source: Home Mortgage Disclosure Act data and U.S. Department of Housing and Urban Development subprime lender list

Foreclosure rates vary throughout the region, but are highest in the suburbs



Thoughts on implementing the recovery act

Need to balance pressures to simultaneously act quickly, smartly, and transparently

Not only about infrastructure – also about getting money in people's pockets, through programs like Food Stamps, unemployment insurance, and tax credits

An opportunity and a challenge to work across jurisdictions *and* across policy silos to accomplish multiple goals – job creation/preservation, skill building, pollution reduction, energy efficiency, housing affordability, neighborhood vitality



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