# **Commercial Construction & Economic Trends**



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## **Regional Overview**

>402 Commercial Construction Projects



>37.2 Million Sq. Ft.



➤ \$6.3 Billion

- Office Space Continues to Dominate
- > Central Jurisdictions nearly double the amount of Sq. Ft.
  - 2007 6.4 Million Sq.Ft.
  - 2008 12.1 Million Sq.Ft.

## Regional Highlights



## **BRAC Bolsters Development**



## **Getting to Smart Growth**



**Regional Economy** 



## National Geospatial Intelligence Campus



Bethesda Naval Medical Center



USAMRIID Sterilization Plant Medical & Health Facilities

## City of Frederick Frederick County Montgomery County Gaithersburg Takoma Greenbelt Loudoun Fairfax County • County Arlington Prince George's County Prince William County County

### **Smart Growth**

## Activity Centers & Clusters

<u>Historical</u> High in 2006 — 57% Low in 2003 — 43%

2008 53% in Centers 66% in Clusters

4 million sq.ft. in Downtown Washington Activity Center

# Montgomery County District of Columbia Arlington Fairfax County Prince George's County

### **Smart Growth**

### **Transit**

Capture 36% of Commercial Construction

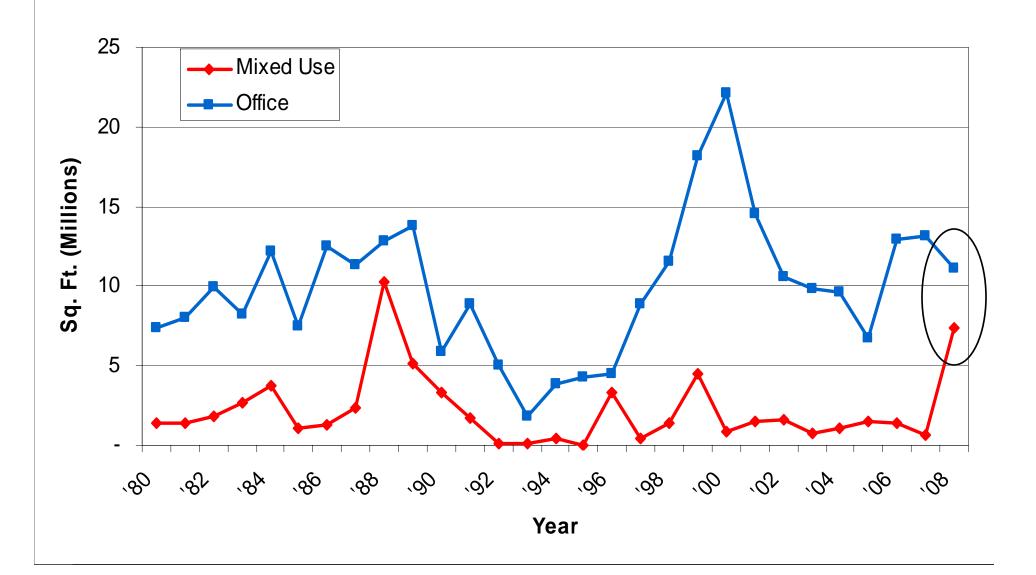
13.3 million sq.ft.

48% of development is mixed-use

3.8 million sq.ft.between Union Station& New York Ave Metro

#### Square Feet of Mixed-Use and Office Space 1980 - 2008

(Source: MWCOG Commercial Construction Indicators Report)



### **Economy**

### **Regional Economy**

- ➤ Between 2004 and 2008 the region grew by more than 250,000 people. Regional Population in 2008 was around 5.3 million.
- > Region added more than 130,000 jobs between 2004 and 2008. Currently 2.9 million jobs in the region.
- Federal spending increased to \$125 billion in FY 2007, up from \$108 billion in FY 2004. More than 47 percent, or \$59 billion, came in procurement contract awards.
- > 2008 Regional Unemployment Rate: 3.8%.

### **Regional Economy**

- The number of homes sold in the Washington region dropped dramatically between 2004 and 2008, from 117,440 units in 2004 to 63,080 units in 2008.
- On a per capita basis, income varied greatly by jurisdiction, with a regional average of \$54,777 in 2007
- > Total Annual Retail Sales: 2008 \$76.4 Billion 2007 \$76.6 Billion
- ➤ More than 62 million passengers flew into or out of the Washington region's three major airports in 2008, a 5.6 percent increase from 2004.

### **Economy**

### **Trends to Watch**

- "Federal Agencies Could Add Up to 120,000 Jobs"
  Washington Post July 2, 2009
- "Local Office Vacancies Sour, Driving Down Rent"
  Washington Post July 7, 2009
- > Federal Presence
  - St. Elizabeth's Redevelopment
  - Mark Center Chosen as Final BRAC Site
- > Regional Stimulus Impacts

