

**Economic Trends in
Metropolitan Washington
1999 - 2003**

July 14, 2004

**Metropolitan Washington Council of Governments
Department of Human Services, Planning, and Public Safety**



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TITLE: **Economic Trends in Metropolitan Washington, 1999 - 2003**

DATE: July 14, 2004

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Human Services, Planning, and Public Safety
Metropolitan Washington Council of Governments

AGENCY: The Metropolitan Washington Council of Governments (COG) is the regional organization of the Washington area's major local governments and their elected officials. COG works toward solutions on such regional issues as growth, transportation, affordable housing, air pollution, water supply, water quality, and economic development. COG serves as the regional planning organization for metropolitan Washington.

REPORT ABSTRACT: This report provides information on the Washington, D.C., region's population, employment, construction, retail sales, inflation, mortgage rates, and number of passengers served by the area's major airports.

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Economic Trends in Metropolitan Washington, 1999 - 2003

Population - The region grew by more than 410,500 people between 1999 and 2003. The inner suburbs grew the most in terms of the absolute number of people, but the outer suburbs had the greatest percentage increase in population. According to COG's Draft Round 6.4 Cooperative Forecasts, the number of people in the region will grow by more than 35.8 percent by the year 2030.

Employment - After increasing from 2.37 million jobs in 1998 to 2.44 million in 1999, the number of jobs in the area rose to 2.62 million in 2003. According to COG's Draft Round 6.4 Cooperative Forecasts, the number of jobs in the region will grow by more than 48 percent by the year 2030.

Labor Force - Between 1999 and 2003, unemployment in the region's workforce increased from 2.6 percent to 3.5 percent. Unemployment in the District of Columbia, at 7.0 percent in 2003, remained higher than in the suburban jurisdictions, which averaged 3.1 percent.

Construction - Construction in the metropolitan Washington region decreased slightly during 2003. Developers broke ground on nearly 31.1 million square feet of commercial projects — a decrease of nearly 2.5 million square feet from 2002. Led by Loudoun County, local governments issued building permits for more than 31,696 new housing units, down slightly from 2002.

Mortgage Rates, Home Sales, and Housing-Related Inflation – Mortgage rates continued to fall in 2003 to a low of 5.9 percent (second and third quarters), averaging approximately 6.0 percent for the year. The number of homes sold in the region was nearly 116,000 in 2003. Housing-related inflation, as measured by the housing component of the Consumer Price Index for All Urban Consumers (CPI-U), increased from 2.4 percent between 2001 and 2002 to 3.7 percent between 2002 and 2003.

Inflation - The rate of change in the Consumer Price Index for All Urban Consumers (CPI-U) for the Washington-Baltimore DC-MD-VA-WV CMSA increased from 2.4 percent between 2001 and 2002 to 2.8 percent between 2002 and 2003. The increase was due to higher costs of recreation, housing, and medical care.

Income - Total personal income in the Washington region grew by an average of 7.3 percent per year between 1998 and 2002, leading to a 2002 total of \$205.9 billion. On a per capita basis, 2002 income varied greatly by jurisdiction, with a regional average of \$43,447.

Retail Sales - Retail sales in the region increased both in current and real terms between 1999 and 2003. The region's 2003 total annual retail sales of \$63.8 billion was slightly greater than the total in 2002 of \$62.9 billion, and slightly more than the 2001 total of \$59.8 billion.

Airline Passengers - More than 50 million passengers flew into or out of the Washington region's three major airports in 2003, a 2.7 percent decrease from 1999.

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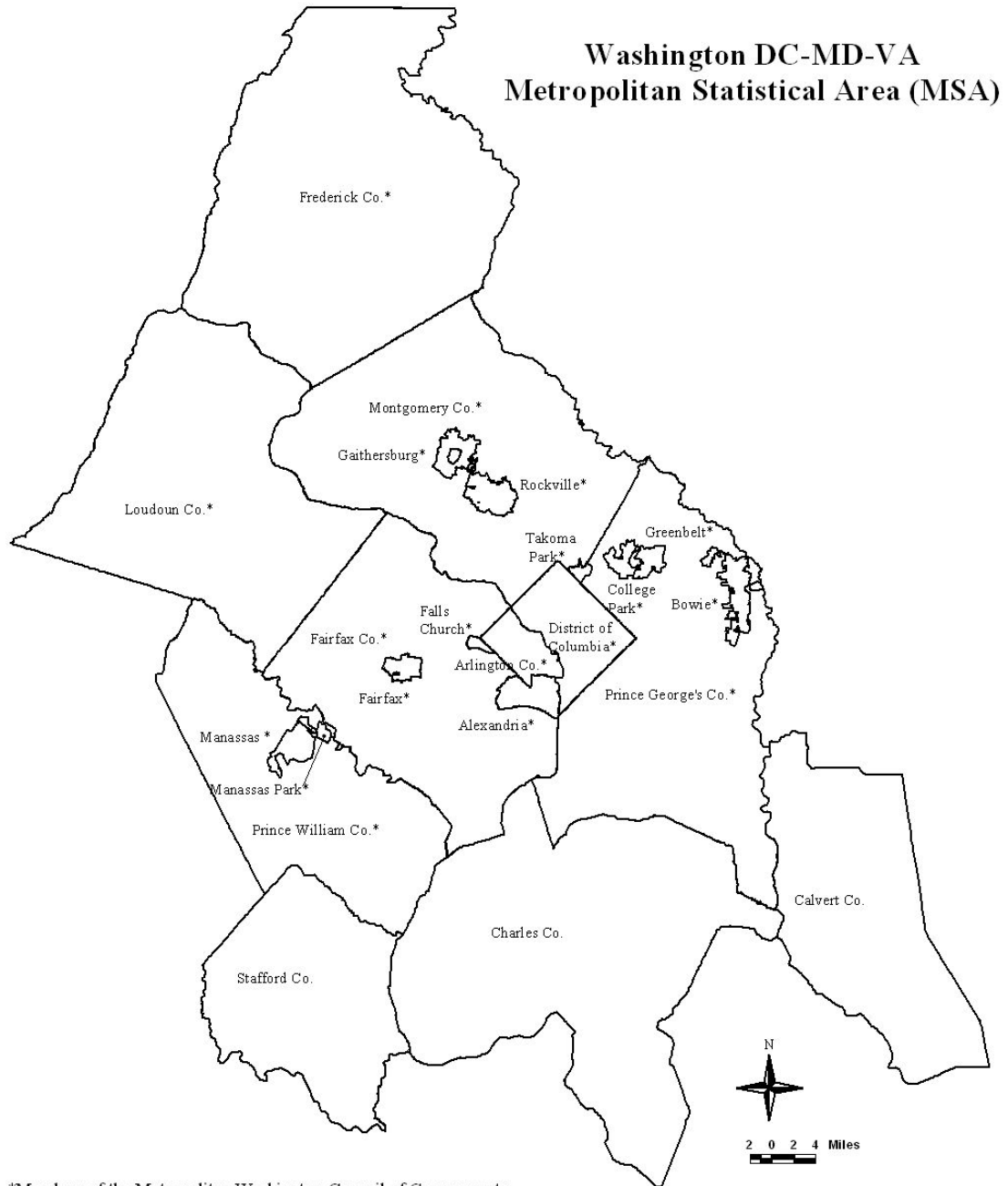
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MAP OF THE WASHINGTON DC-MD-VA MSA



*Members of the Metropolitan Washington Council of Governments
MSA as defined by the U.S. Office of Management and Budget, 1983

Overview of Economic Trends in Metropolitan Washington, 1999 - 2003

INTRODUCTION

Economic Trends in Metropolitan Washington is an annual publication of the Metropolitan Washington Council of Governments. This year's report focuses on economic trends between the years 1999 and 2003, and is divided into sections covering population, employment, labor force, construction, retail sales, mortgage rates and home sales, personal income, inflation, and transportation.

Throughout the report, information is presented at different levels of geographic specificity. These levels and their components are outlined below.

The Membership of the Metropolitan Washington Council of Governments

(Jurisdictions with an asterisk in the map)
Members of the Metropolitan Washington Council of Governments are the District of Columbia; Frederick County, Montgomery County, Prince George's County, and the Cities of Bowie, College Park, Gaithersburg, Greenbelt, Rockville, and Takoma Park in Maryland; and Arlington County, Fairfax County, Loudoun County, Prince William County, and the Cities of Alexandria, Fairfax, Falls Church, Manassas, and Manassas Park in Virginia.

The Washington DC-MD-VA Metropolitan Statistical Area (MSA)

(see map), as defined by the Office of Management and Budget in 1983, extends beyond the membership of the Council of Governments. It includes the District of Columbia; Calvert County, Charles County, Frederick County, Montgomery County, and Prince George's County in Maryland; and Arlington County, Fairfax

County, Loudoun County, Prince William County, Stafford County, and the Cities of Alexandria, Fairfax, Falls Church, Manassas, and Manassas Park in Virginia. Note that different data items are available for different levels of geographic specificity. See Appendix A for more details.

Central Jurisdictions

The central jurisdictions are defined as the District of Columbia, Arlington County, and the City of Alexandria.

Inner Suburbs

The inner suburbs are Montgomery County, Prince George's County, Fairfax County, and the Cities of Fairfax and Falls Church.

Outer Suburbs

The outer suburbs are defined as Calvert County, Charles County, Frederick County, Loudoun County, Prince William County, Stafford County, and the Cities of Manassas and Manassas Park.

Washington Primary Metropolitan Statistical Area (PMSA)

As a result of the 1990 Census, the Office of Management and Budget (OMB) has modified the definition of metropolitan areas for federal statistical purposes. Under the new definition, the Washington PMSA, the Baltimore PMSA, and the Hagerstown PMSA have been combined into a new Consolidated Metropolitan Statistical Area (CMSA). The individual PMSAs are now expanded and separately recognized as PMSAs. Unless otherwise noted, this report continues to use the 1983 OMB definition of the MSA.

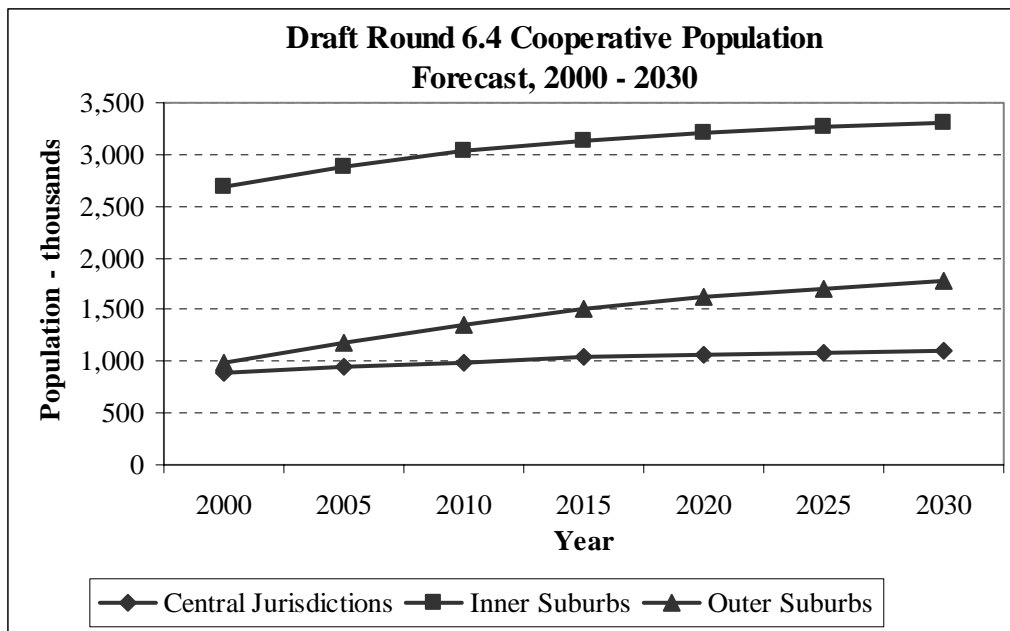
OVERVIEW

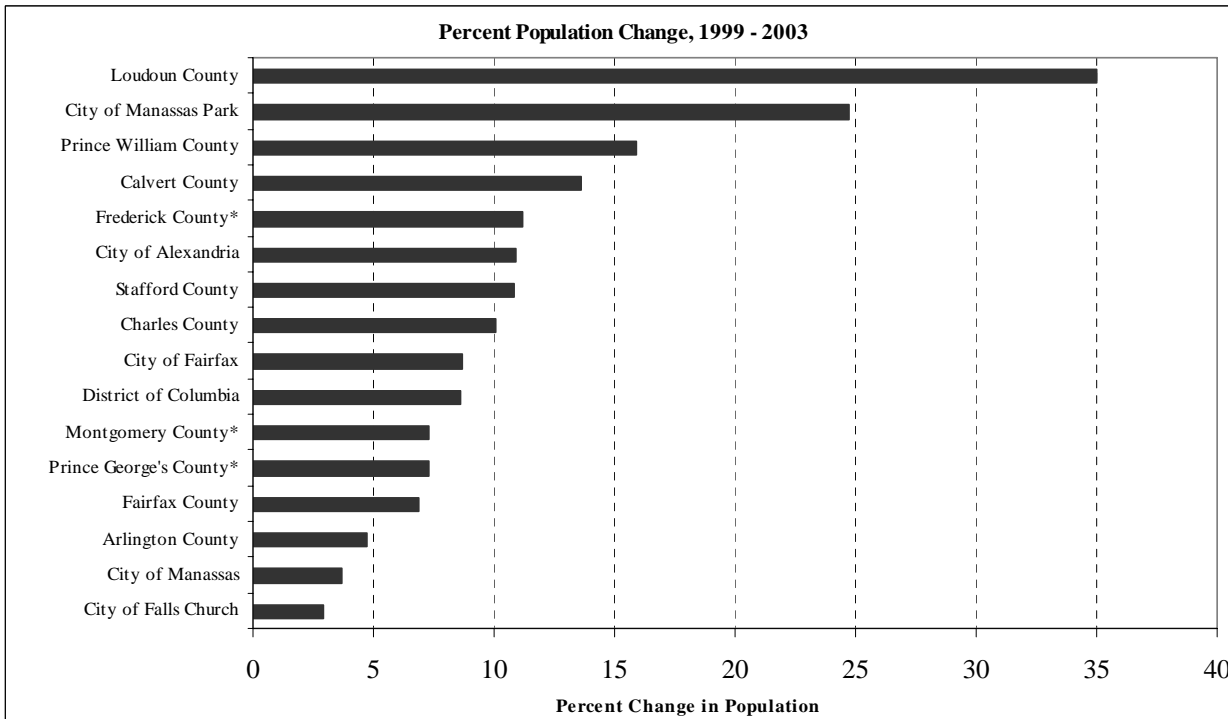
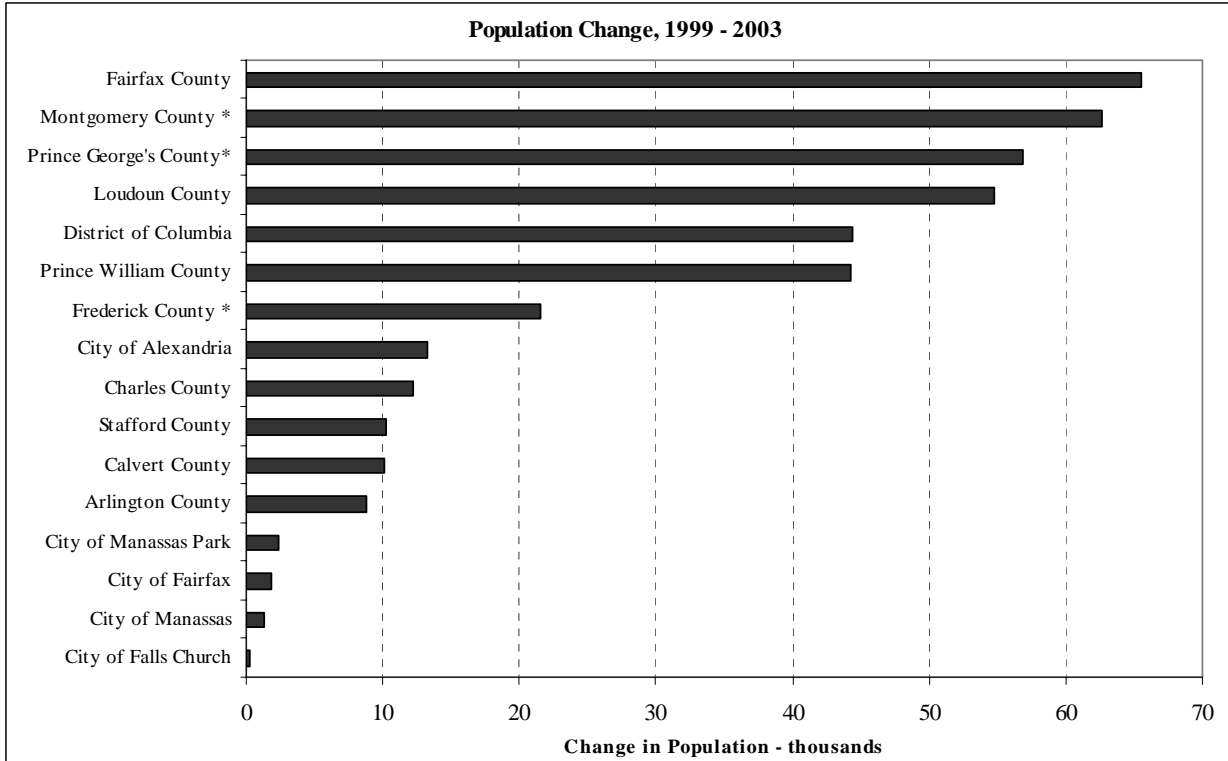
POPULATION

The region grew by more than 410,500 people between 1999 and 2003. The majority of this growth in absolute numbers occurred in the region's inner suburbs, which increased by 187,200 people or 7.1 percent. The region's central jurisdictions had a net gain of 66,500 people, or 8.0 percent. The outer suburbs had the greatest percentage increase in the region, 16.3 percent, with the addition of 156,800 people.

Despite the dramatic growth rate in the outer suburbs, population remains anchored in the inner suburbs, where 58 percent of the region's population lives.

According to COG's Draft Round 6.4 Cooperative Forecasts, the inner suburbs will remain the most populous "ring" of the region well into the next decade. COG forecasts that in the year 2030, the region will hold nearly 6.2 million people (35.8 percent more than the 2000 population). A full 53 percent of the 2030 population is expected to live in the inner suburbs.





*Data for Maryland cities are included in appropriate county totals.

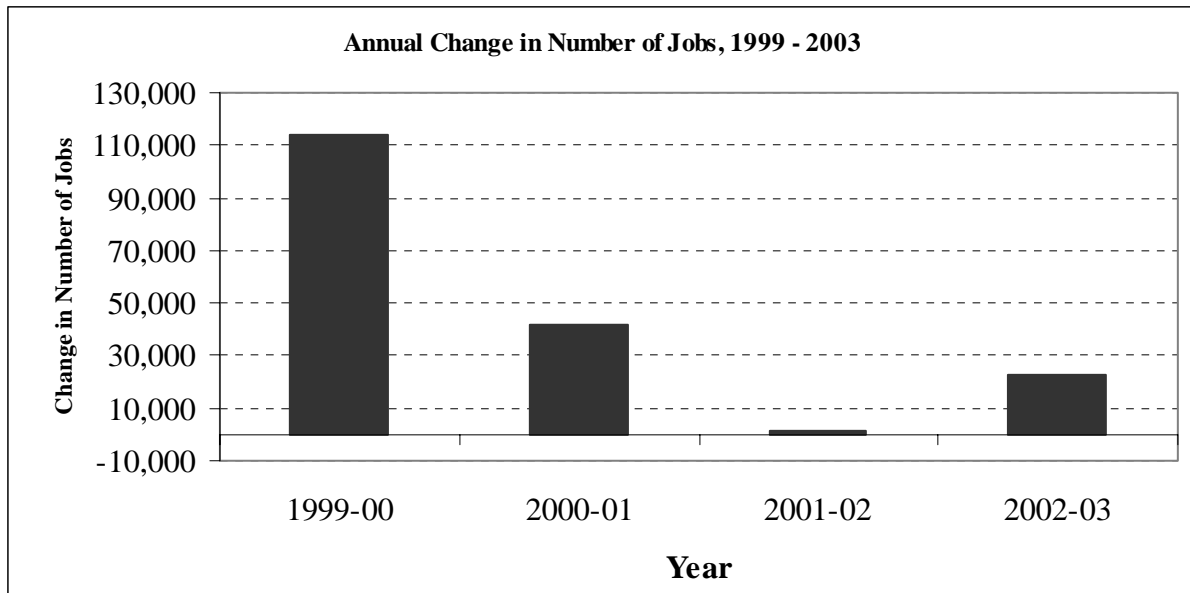
OVERVIEW

EMPLOYMENT¹

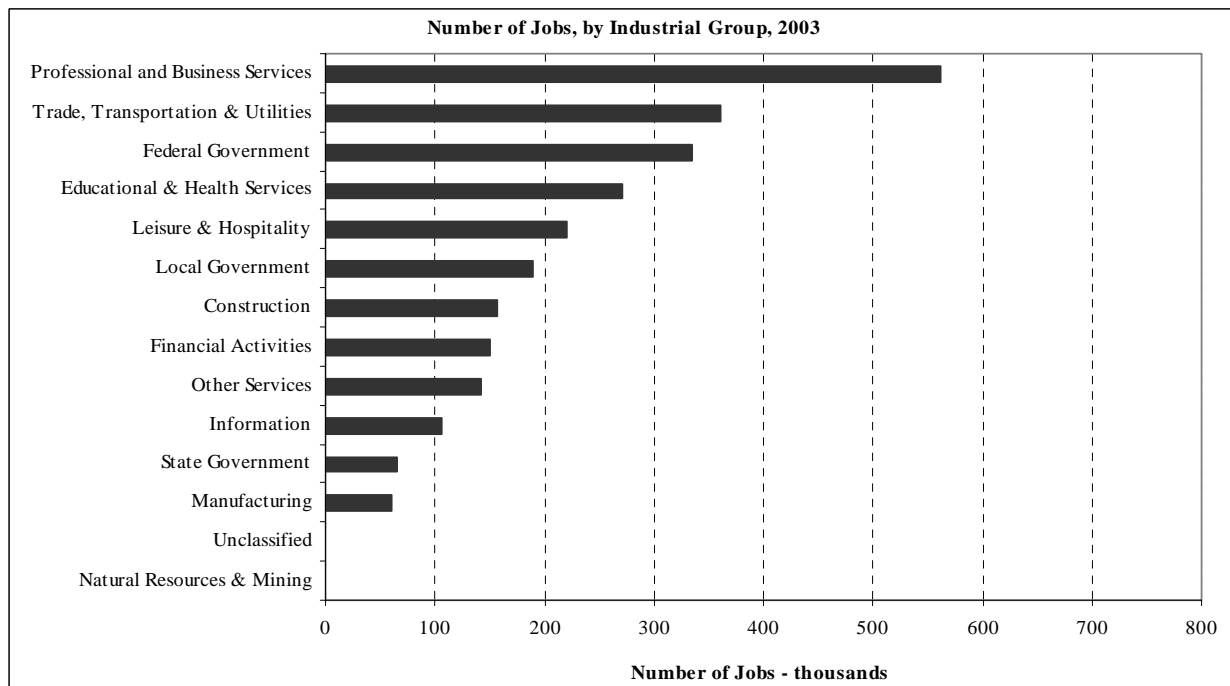
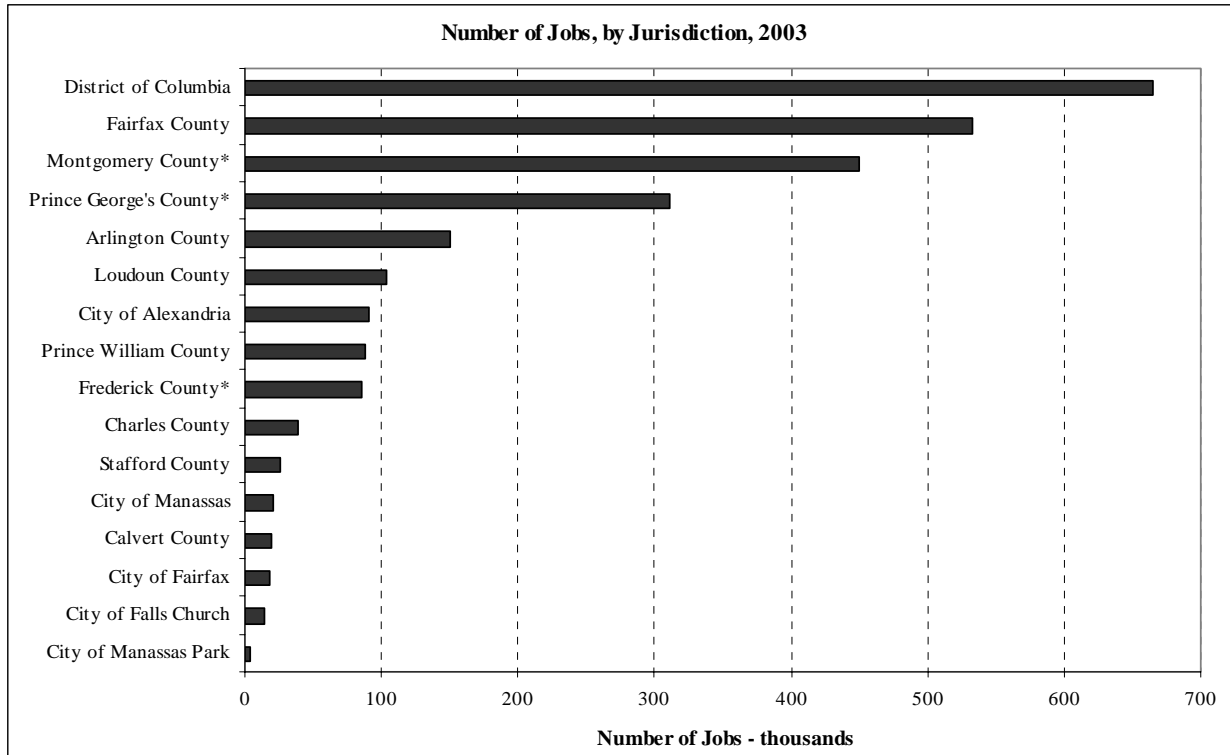
The Washington region's employment grew at much faster rate in 2003 compared to the previous year. The region grew the most during the 1999 to 2000 period, the region added 113,772 jobs. From 2001 to 2002, the Washington region added 1,457 jobs. Between 2002 and 2003, the region gained 22,892 jobs. As a result, the total number of jobs rose to 2.62 million in 2003.

Between 1999 and 2003, more than 40 percent of the total job growth occurred within the inner suburbs, followed by the outer suburbs with 38 percent and the central jurisdictions with 22 percent. More than 50 percent of the region's jobs, 1.3 million, remain in the inner suburbs.

According to COG's Draft Round 6.4 Cooperative Forecasts, the inner suburbs and central jurisdictions will remain the region's employment center into the next decade. In the year 2030, 31 percent of all jobs will be in the central jurisdictions, around 49 percent in the inner suburbs, and 20 percent in the outer suburbs.



¹ At-Place Employment indicates the number of jobs located within a given area. Therefore, At-Place Employment estimates will differ from Labor Force Employment, which represents the number of area residents working.



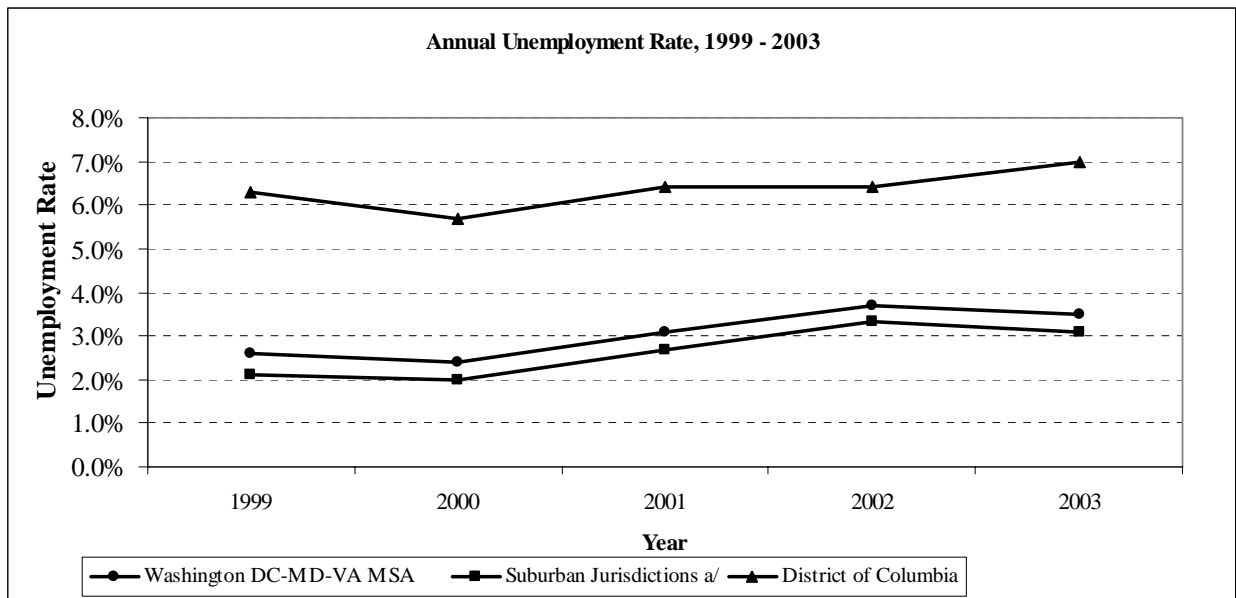
*Data for Maryland cities are included in appropriate county totals.

OVERVIEW

LABOR FORCE²

Between 1999 and 2003 the civilian labor force in the Washington region increased by 180,200 people, to a total of 2,645,500. Of that number, 2,551,700 were employed and 93,800 were unemployed, putting the unemployment rate for the civilian labor force in the Washington region at 3.5 percent in 2003. The unemployment rate in the region has increased steadily during the last five years, from 2.6 percent in 1999 to the 2003 rate of 3.5 percent.

Unemployment in the District of Columbia, at 7.0 percent in 2003, remained higher than in suburban jurisdictions, which averaged 3.1 percent.



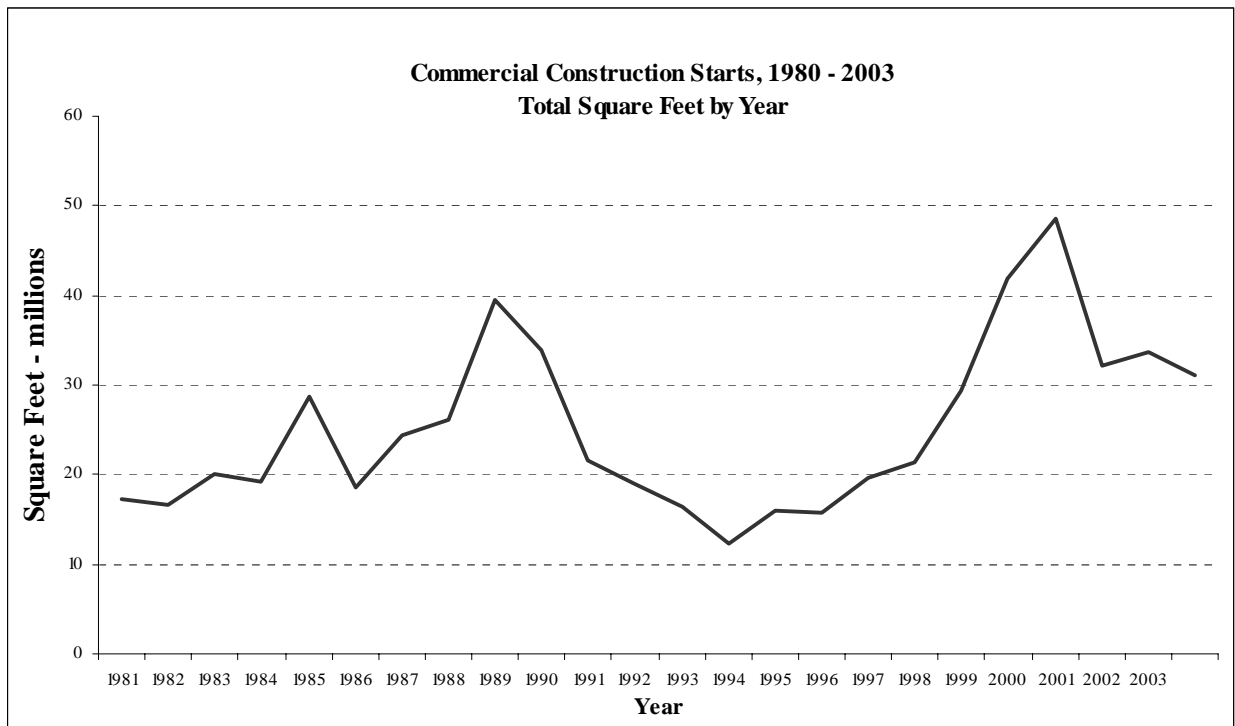
a/ Includes all jurisdictions within the Washington DC-MD-VA MSA except the District of Columbia.

² Labor Force Employment indicates the number of area residents working. Therefore, Labor Force Employment figures will differ from At-Place Employment figures, which represent the number of jobs located within an area.

CONSTRUCTION

Commercial construction in the metropolitan Washington region decreased slightly during 2003, with developers breaking ground on more than 31.1 million square feet of space. In 2003, commercial construction in the region decreased from the 2002 total of 33.6 million, but far below the 2000 total of 48.6 million. The District of Columbia saw the most new commercial construction with more than 6.1 million square feet, followed by Montgomery County with more than 4.3 million square feet.

The number of new, privately, owned housing units authorized in the region decreased slightly from 34,967 in 2002 to 31,696 in 2003. Of the permits that were issued in 2003, more than half were in the outer suburbs.



OVERVIEW

MORTGAGE RATES, HOME SALES, AND HOUSING-RELATED INFLATION

Mortgage Rates

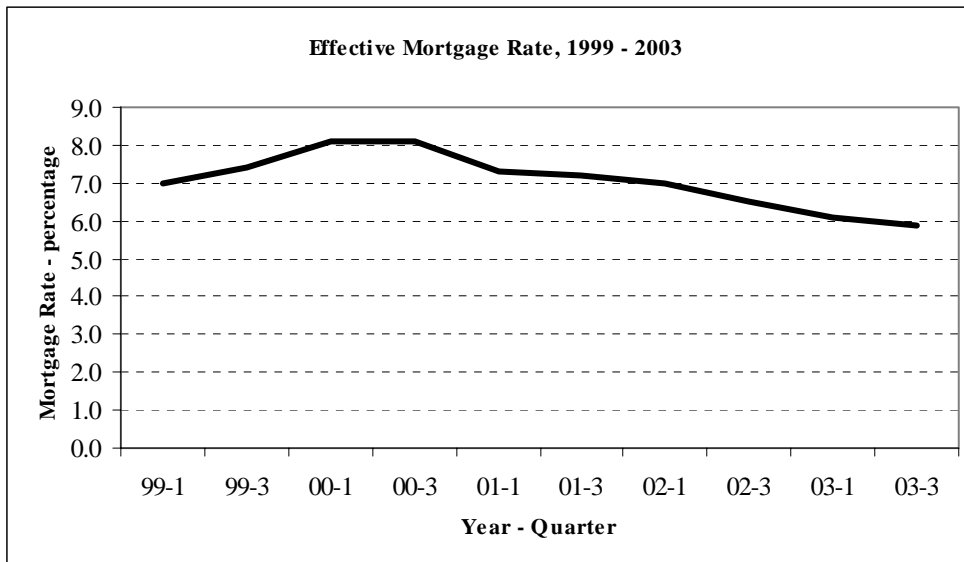
Mortgage rates continued to fall between 1999 and 2003 to a low of 5.9 percent in 2003 (second and third quarters). Average rates fell from 6.7 percent in 2002 to 6.0 percent in 2003.

Homes Sold

The number of homes sold in the region jumped dramatically between 1999 and 2003, from 72,498 units in 1999 to 116,108 units in 2003. Fairfax County had the most homes sold in 2003 with 29,515.

Housing-Related Inflation

The rate of change in the Consumer Price Index for housing in the Washington-Baltimore DC-MD-VA-WV CMSA increased from 2.4 percent between 2001 and 2002 to 3.7 percent between 2002 and 2003. Nationally, housing inflation increased from 2.2 percent between 2001 and 2002 to 2.5 percent between 2002 and 2003. This measure accounts for price changes in rents and mortgage payments, owner costs, fuels, furnishings, and household supplies.



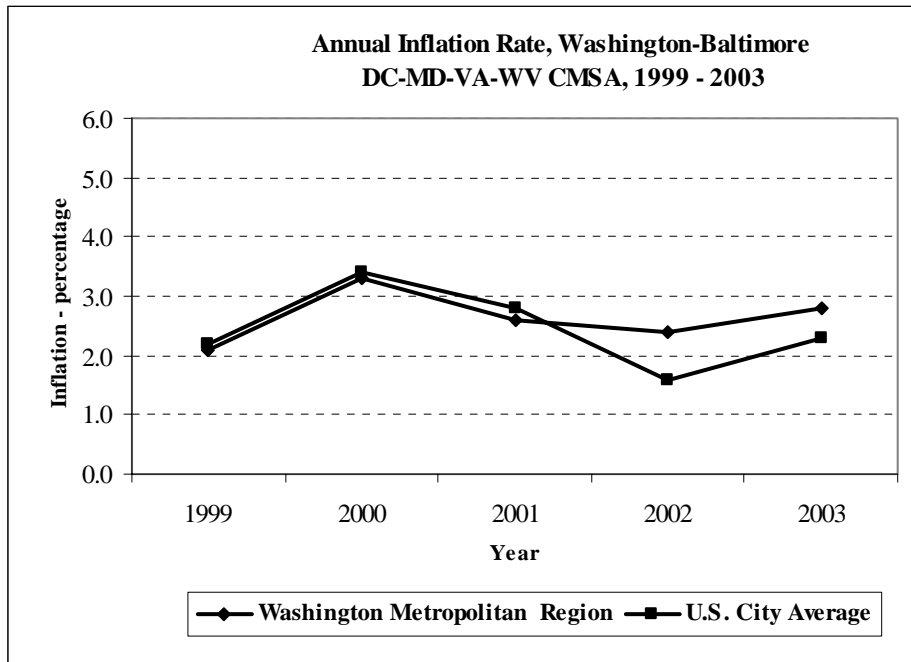
INFLATION

The rate of change in the Consumer Price Index for All Urban Consumers (CPI-U) for the Washington-Baltimore DC-MD-VA-WV CMSA increased from 2.4 percent between 2001 and 2002 to 2.8 percent between 2002 and 2003. Nationally, the rate of change increased from 1.6 percent between 2001 and 2002 to 2.3 percent between 2002 and 2003. The following topical changes were behind the regional inflation rate:

Food and Beverages ¹	2.5 %
Housing ¹	3.7 %
Apparel ¹	-2.6 %
Transportation ¹	2.8 %
Medical Care ¹	3.1 %
Recreation ²	4.0 %
Education and Communications ²	1.0 %
Other Goods and Services ¹	1.9 %

¹Index is on a November 1996=100 base

²Index is on a December 1997=100 base



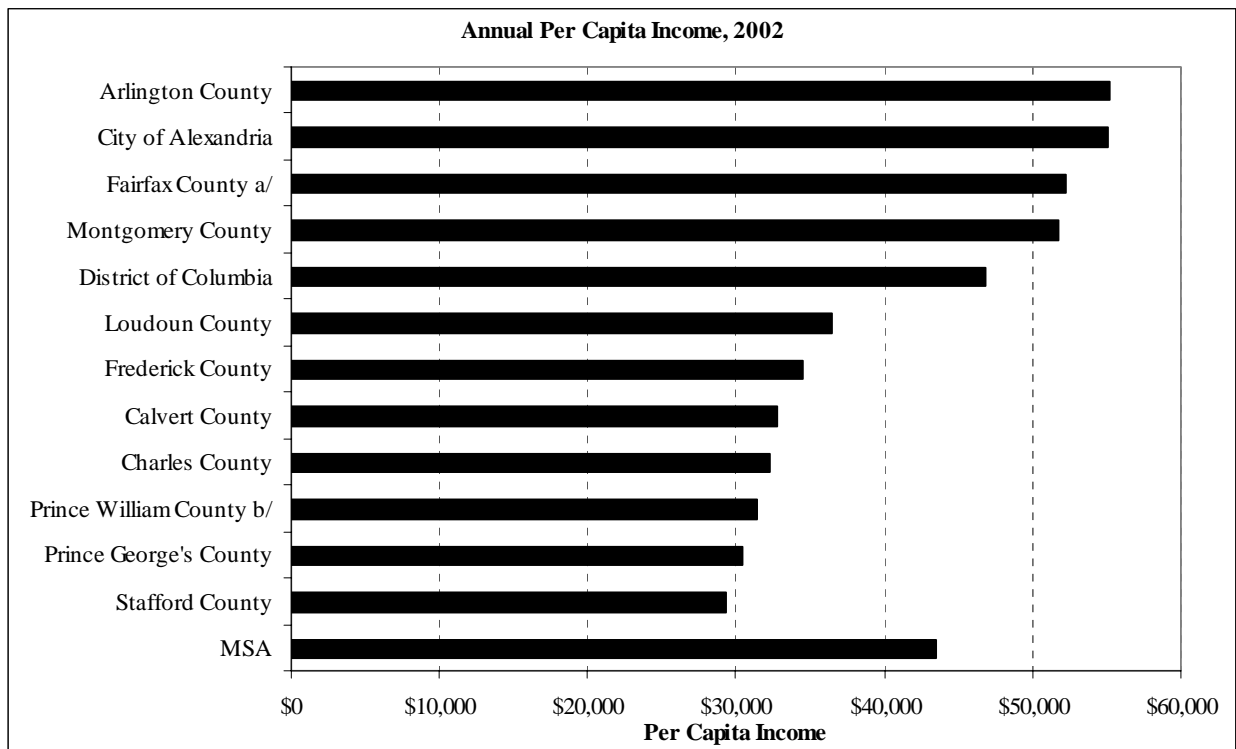
*CPI data for the Washington DC-MD-VA MSA no longer was published separately after December 1997. Beginning in 1998, the metropolitan Washington region became a component of the Washington-Baltimore DC-MD-VA-WV CMSA.

OVERVIEW

INCOME

Total personal income in the Washington region grew by an average annual rate of 7.3 percent between 1998 and 2002, leading to a 2002 total of \$205.9 billion. Total income growth was fastest in the outer suburbs, where income increased by an average of 8.9 percent per year.

On a per capita basis, income varied greatly by jurisdiction. Arlington County topped the region in per capita income at \$55,148. Stafford County had the lowest per capita income at \$29,278. The per capita income for the region was \$43,447 in 2002.



Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System.
Data released May 25, 2004.

a/ Data for the Cities of Fairfax and Falls Church are included in Fairfax County.

b/ Data for the Cities of Manassas and Manassas Park are included in Prince William County.

RETAIL SALES

Retail sales in the region increased both in current and real terms between 1999 and 2003. The region's 2003 total of \$63.9 billion, when adjusted for inflation, was greater than total annual retail sales in 2002, \$62.9 billion, and slightly more than the 2001 total of \$59.8 billion.

When adjusted for inflation, retail sales in the region increased by 7.9 percent between 1999 and 2003. Nationally, sales increased by seven percent.



*Published data from the Census Bureau for retail sales for the Washington DC-MD-VA PMSA are no longer available after 1996. Data for 1999 - 2003 are estimated by The Center for Regional Analysis, George Mason University.

OVERVIEW

AIRLINE PASSENGERS

More than 50 million passengers flew into or out of the Washington region's three major airports in 2003, a 2.7 percent decrease from 1999. Baltimore-Washington International led the three airports in total airline passengers served, with 19.7 million. 16.8 million passengers passed through Washington-Dulles International, while Reagan National served 14.2 million.



**Detailed Data by Jurisdiction: Economic
Trends in Metropolitan Washington, 1999 - 2003**

POPULATION³

The region grew by more than 410,500 people between 1999 and 2003. The majority of this growth in absolute numbers occurred in the region's inner suburbs, which increased by 187,200 people or 7.1 percent. The region's central jurisdictions had a net gain of 66,500 people, or 8.0 percent. The outer suburbs had the greatest percentage increase in the region, 16.3 percent, with the addition of 156,800 people.

Despite the dramatic growth rate in the outer suburbs, the population remains anchored in the inner suburbs, where 58 percent of the region's population lives.

According to COG's Draft Round 6.4 Cooperative Forecasts, the inner suburbs will remain the most populous "ring" of the region well into the next decade. COG forecasts that in the year 2030, the region will hold nearly 6.2 million people (35.8 percent more than the 2000 population). A full 53 percent of the 2030 population is expected to live in the inner suburbs.

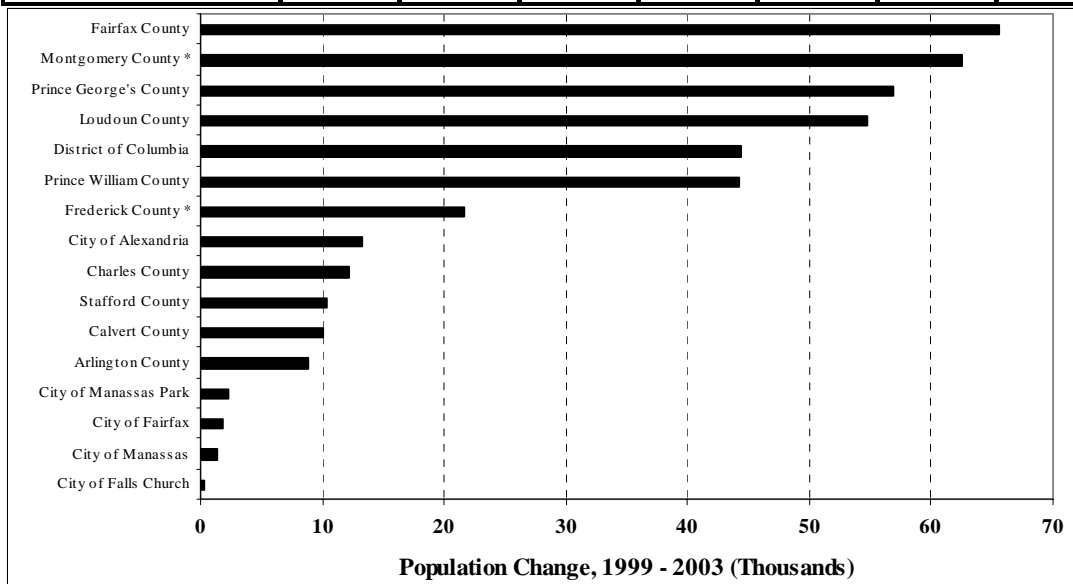
³ Narrative in this section is the same as in the Overview section.

POPULATION

Table 1. Population of the Washington DC-MD-VA MSA, by Jurisdiction, 1999 – 2003

(Thousands of People)

JURISDICTIONS	Year					Change 1999 - 2003	
	1999	2000	2001	2002	2003	Number	Percentage
District of Columbia	519.0	572.1	571.8	570.9	563.4	44.4	8.6%
Calvert County	74.0	74.6	78.3	80.9	84.1	10.1	13.6%
Charles County	120.9	120.5	125.4	129.0	133.1	12.2	10.1%
Frederick County	192.7	195.3	203.8	209.0	214.3	21.6	11.2%
City of Frederick*	52.8	52.8	53.0	54.9	56.8	4.0	7.6%
Montgomery County	862.4	873.3	895.0	910.2	925.0	62.6	7.3%
City of Gaithersburg*	50.0	52.6	54.0	54.0	56.1	6.1	12.2%
City of Rockville*	48.9	47.4	49.8	51.5	54.6	5.7	11.7%
City of Takoma Park*	18.6	17.3	17.3	17.3	17.3	-1.3	-7.0%
Prince George's County	781.8	801.5	816.8	833.1	838.7	56.9	7.3%
City of Bowie*	49.2	50.3	51.4	52.7	52.7	3.5	7.1%
City of College Park*	24.9	24.7	24.7	26.4	26.6	1.7	6.8%
City of Greenbelt*	22.2	21.5	21.2	21.3	21.3	-0.9	-4.1%
Maryland Suburbs	2,031.8	2,065.2	2,119.3	2,162.2	2,195.2	163.4	8.0%
Arlington County	188.1	189.5	190.4	189.9	196.9	8.8	4.7%
City of Alexandria	121.7	128.3	132.7	134.0	135.0	13.3	10.9%
Fairfax County	946.4	969.7	984.4	1,004.4	1,012.0	65.6	6.9%
City of Fairfax	20.7	21.5	21.7	22.1	22.5	1.8	8.7%
City of Falls Church	10.2	10.4	10.4	10.5	10.5	0.3	2.9%
Loudoun County	156.4	169.6	184.9	196.3	211.2	54.8	35.0%
Prince William County	277.4	280.8	294.8	309.4	321.6	44.2	15.9%
City of Manassas	35.0	35.1	35.5	35.9	36.3	1.3	3.7%
City of Manassas Park	9.3	10.3	11.0	10.9	11.6	2.3	24.7%
Stafford County	95.7	92.4	98.0	102.7	106.0	10.3	10.8%
Virginia Suburbs	1,860.9	1,907.6	1,963.8	2,016.1	2,063.6	202.7	10.9%
MSA Total	4,411.7	4,544.9	4,654.9	4,749.2	4,822.2	410.5	9.3%
Central Jurisdictions	828.8	889.9	894.9	894.8	895.3	66.5	8.0%
Inner Suburbs	2,621.5	2,676.4	2,728.3	2,780.3	2,808.7	187.2	7.1%
Outer Suburbs	961.4	978.6	1,031.7	1,074.1	1,118.2	156.8	16.3%



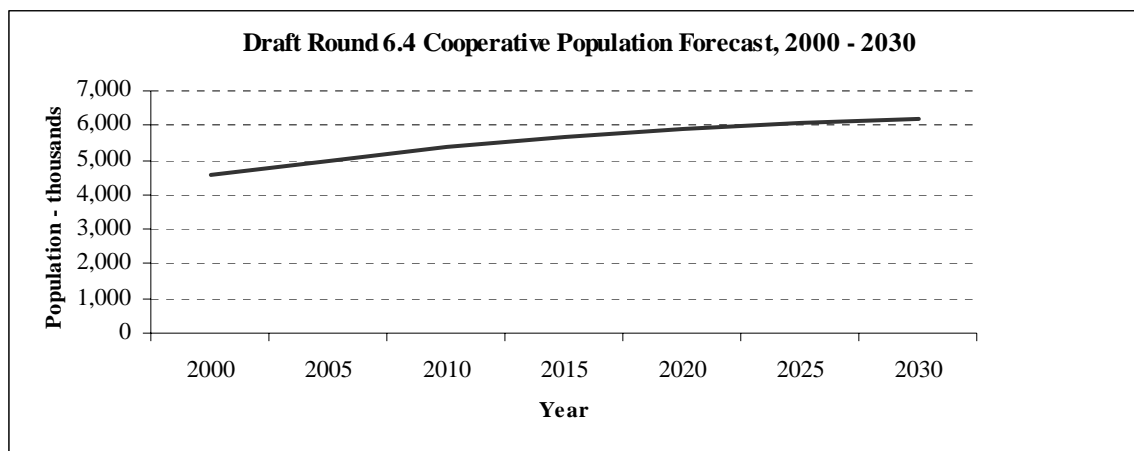
Source: For the year 2000, U.S. Dept. of Commerce, Bureau of the Census, Census 2000. For the years 1999 and 2001 – 03, either Bureau of Census estimate or jurisdiction estimate. *Persons in Maryland cities are included in appropriate county totals.

POPULATION

Table 2. Summary of Forecast of Population, by Jurisdiction
Draft Round 6.4 Cooperative Forecasts for the Washington DC-MD-VA MSA

(Thousands of People)

JURISDICTIONS	Year							Change 2000 - 2030	
	2000	2005	2010	2015	2020	2025	2030	Number	Percentage
District of Columbia	572.1	607.0	627.0	673.7	688.1	702.4	702.4	130.3	22.8%
Calvert County	74.6	82.8	91.0	93.5	96.0	98.0	100.0	25.4	34.0%
Charles County	120.5	134.0	147.4	165.2	183.0	194.0	205.0	84.5	70.1%
Frederick County	195.3	216.6	238.3	260.0	281.9	299.6	324.6	129.3	66.2%
Montgomery County	873.3	942.0	1,000.0	1,040.0	1,070.0	1,090.0	1,100.0	226.7	26.0%
City of Rockville a/	47.4	56.4	62.7	63.0	63.3	63.4	63.8	16.4	34.6%
Prince George's County	808.0	856.6	881.1	907.7	932.3	952.1	967.8	159.8	19.8%
Maryland Suburbs	2,071.7	2,232.0	2,357.8	2,466.4	2,563.2	2,633.7	2,697.4	625.7	30.2%
Arlington County	190.3	200.8	212.2	223.3	233.1	238.8	242.9	52.6	27.6%
City of Alexandria	128.3	136.5	142.9	145.9	147.8	150.0	151.7	23.4	18.2%
Fairfax County b/	969.8	1,045.0	1,114.1	1,149.8	1,174.6	1,187.4	1,197.4	227.6	23.5%
City of Fairfax	21.5	22.4	23.0	23.3	23.6	23.4	23.2	1.7	7.9%
City of Falls Church	10.4	10.6	11.3	11.6	11.9	12.1	12.2	1.8	17.3%
Loudoun County	169.6	243.5	311.8	373.7	417.6	445.1	462.1	292.5	172.5%
Prince William County	280.8	345.5	389.5	417.7	434.6	449.0	459.5	178.7	63.6%
City of Manassas	35.1	36.2	36.9	37.0	37.1	37.4	37.5	2.4	6.8%
City of Manassas Park	10.3	14.8	15.3	15.5	15.7	15.7	15.8	5.5	53.4%
Stafford County c/	92.5	107.1	121.7	136.4	151.0	165.7	180.4	87.9	95.0%
Virginia Suburbs	1,908.6	2,162.4	2,378.7	2,534.2	2,647.0	2,724.6	2,782.7	874.1	45.8%
MSA Total	4,552.4	5,001.4	5,363.5	5,674.3	5,898.3	6,060.7	6,182.5	1,630.1	35.8%
Central Jurisdictions	890.7	944.3	982.1	1,042.9	1,069.0	1,091.2	1,097.0	206.3	23.2%
Inner Suburbs	2,683.0	2,876.6	3,029.5	3,132.4	3,212.4	3,265.0	3,300.6	617.6	23.0%
Outer Suburbs	978.7	1,180.5	1,351.9	1,499.0	1,616.9	1,704.5	1,784.9	806.2	82.4%



Source: COG Draft Round 6.4 Cooperative Forecast. The Metropolitan Development Policy Committee approved Draft Round 6.4 on March 10, 2004. Draft Round 6.4 will be presented to the COG Board for action at their October 2004 meeting.

a/ Included in Montgomery County total.

b/ Includes Fairfax County group quarters population in the Massey Complex.

c/ Source: Rappahannock Area Development Commission (RADCO), March 2003. The estimates for 2010, 2020, and 2030 are control totals provided by the Virginia Employment Commission (VEC) and should be used only for transportation purposes. Incremental five-year estimates (2005, 2015, and 2025) have been developed by COG for transportation modeling and air quality analysis.

EMPLOYMENT

EMPLOYMENT⁴

The Washington region's employment grew at much faster rate in 2003 compared to the previous year. The region grew the most during the 1999 to 2000 period, the region added 113,772 jobs. From 2001 to 2002, the Washington region added 1,457 jobs. Between 2002 and 2003, the region gained 22,892 jobs. As a result, the total number of jobs rose to 2.62 million in 2003.

Between 1999 and 2003, more than 40 percent of the total job growth occurred within the inner suburbs, followed by the outer suburbs with 38 percent and the central jurisdictions with 22 percent. More than 50 percent of the region's jobs, 1.3 million, remain in the inner suburbs.

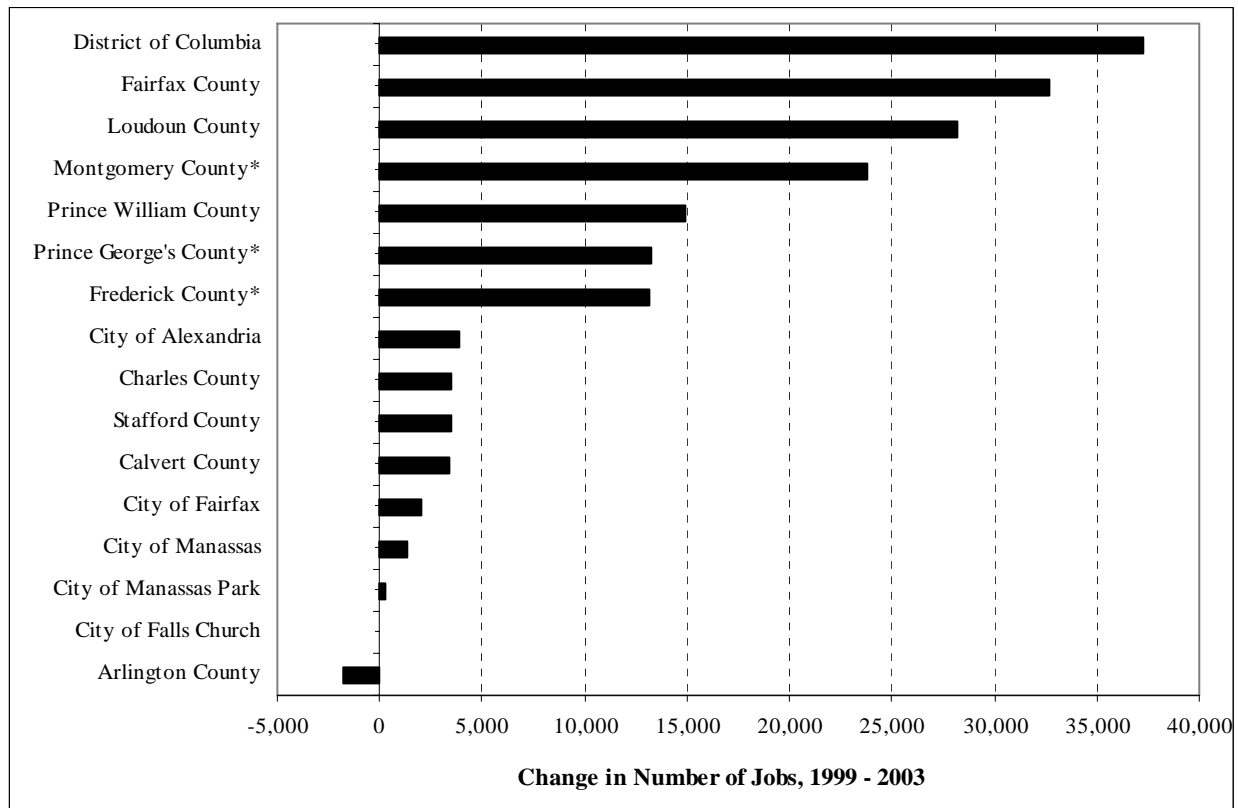
According to COG's Draft Round 6.4 Cooperative Forecasts, the inner suburbs and central jurisdictions will remain the region's employment center into the next decade. In the year 2030, 31 percent of all jobs will be in the central jurisdictions, around 49 percent in the inner suburbs, and 20 percent in the outer suburbs.

⁴ At-Place Employment indicates the number of jobs located within a given area. Therefore, At-Place Employment estimates will differ from Labor Force Employment, which represents the number of area residents working.

EMPLOYMENT

Table 3. At-Place Employment in the Washington DC-MD-VA MSA, by Jurisdiction, 1999 – 2003

JURISDICTIONS	Year					Change 1999 - 2003
	1999	2000	2001	2002	2003	
District of Columbia	627,400	650,200	653,600	664,200	664,700	37,300
Calvert County	16,473	16,909	18,026	19,056	19,915	3,442
Charles County	34,998	36,155	36,987	37,669	38,523	3,525
Frederick County	73,052	77,120	79,463	82,260	86,168	13,116
Montgomery County	426,066	447,744	449,853	453,145	449,909	23,843
Prince George's County	298,162	303,060	305,176	305,229	311,428	13,266
Maryland Suburbs	848,751	880,988	889,505	897,359	905,943	57,192
Arlington County	151,809	157,699	159,280	153,122	150,075	-1,734
City of Alexandria	86,922	91,242	91,344	89,383	90,769	3,847
Fairfax County	500,059	532,606	543,198	525,405	532,784	32,725
City of Fairfax	16,217	16,595	17,059	18,073	18,215	1,998
City of Falls Church	14,174	14,409	14,164	14,457	14,104	-70
Loudoun County	75,396	85,187	96,299	98,209	103,629	28,233
Prince William County	73,266	76,577	82,407	85,280	88,174	14,908
City of Manassas	19,872	19,829	19,518	21,404	21,259	1,387
City of Manassas Park	3,356	3,761	3,825	3,738	3,672	316
Stafford County	22,083	23,984	24,348	25,374	25,572	3,489
Virginia Suburbs	963,154	1,021,889	1,051,442	1,034,445	1,048,253	85,099
MSA Total	2,439,305	2,553,077	2,594,547	2,596,004	2,618,896	179,591
Central Jurisdictions	866,131	899,141	904,224	906,705	905,544	39,413
Inner Suburbs	1,254,678	1,314,414	1,329,450	1,316,309	1,326,440	71,762
Outer Suburbs	318,496	339,522	360,873	372,990	386,912	68,416

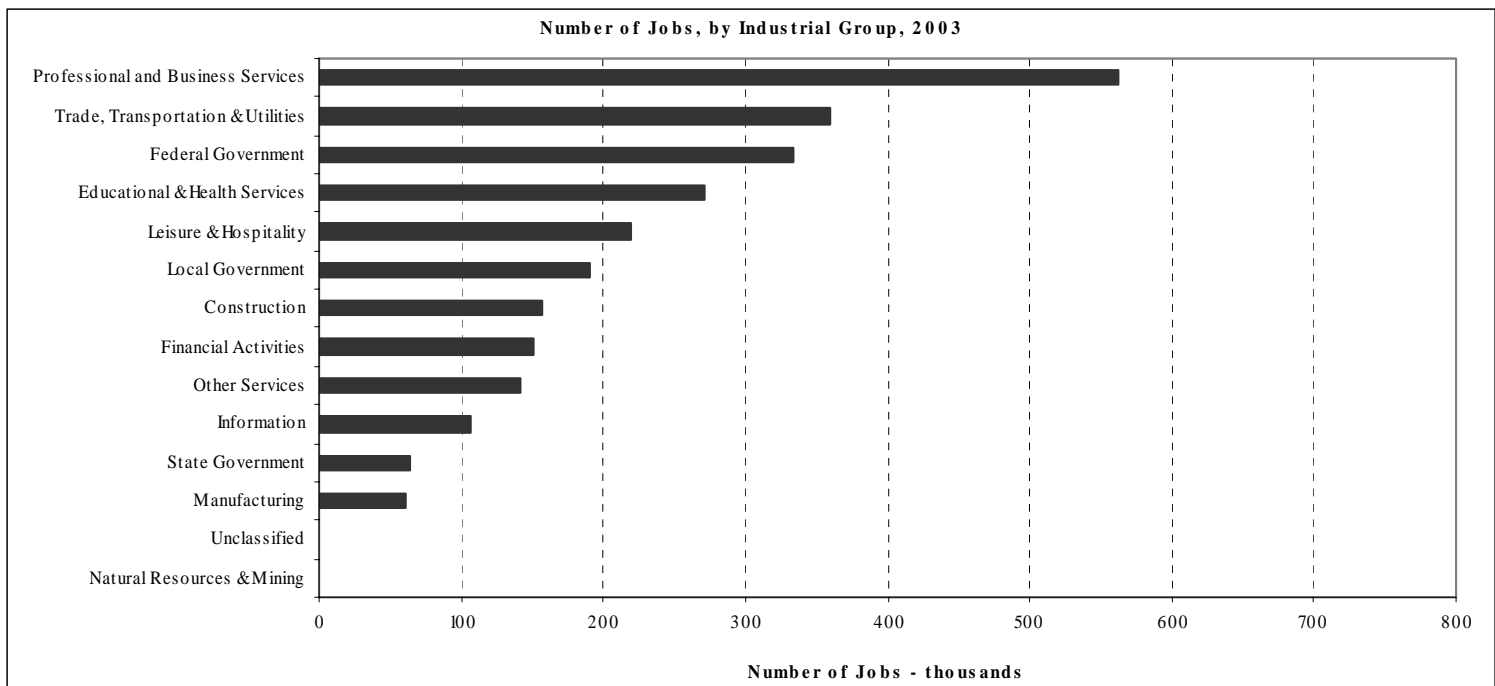


Source: Compiled by COG from the District of Columbia Department of Employment Services, Labor Market Information staff; Maryland Department of Labor, Licensing and Regulation, Employment and Payrolls Reports; and Virginia Employment Commission, Economic Information Services Division. Figures do not include estimates of military personnel, self-employed, and other workers. Figures may not sum to total due to rounding.

EMPLOYMENT

Table 4. At-Place Employment in the Washington DC-MD-VA MSA, by Industrial Group, 1999 - 2003

SIC - INDUSTRIAL GROUP	Year					NAICS - INDUSTRIAL GROUP
	1999	2000	2001	2002	2003	
Manufacturing	81,898	85,336	70,083	65,029	61,211	Natural Resources & Mining
Construction	128,790	141,573	152,561	153,788	156,272	Manufacturing
T.C.U. a/	119,089	126,267	361,180	358,511	360,113	Construction
Wholesale Trade	75,773	78,617	128,118	113,396	106,801	Trade, Transportation & Utilities
Retail Trade	366,532	378,194				Information
F.I.R.E. b/	138,689	141,923	143,313	145,482	150,256	Financial Activities
Services	966,587	1,026,670	558,579	550,080	561,536	Professional and Business Services
			256,776	268,770	270,656	Educational & Health Services
			209,201	213,989	219,807	Leisure & Hospitality
			138,789	140,122	141,332	Other Services
Federal Government	322,908	324,550	324,842	331,986	333,941	Federal Government
Local Government	166,172	171,251	178,235	185,588	189,967	Local Government
State Government	62,080	64,861	68,510	66,163	64,661	State Government
Other/Unclassifiable ¹	10,587	13,835	2,954	1,687	830	Unclassified
Total	2,439,105	2,553,077	2,594,547	2,596,004	2,618,896	



Source: Compiled by COG from the District of Columbia Department of Employment Services, Labor Market Information Staff; Maryland Department of Labor, Licensing and Regulation, Employment and Payrolls Reports; and Virginia Employment Commission, Economic Information Services Division. Figures do not include estimates of military personnel, self-employed, and other workers. Figures may not sum to total due to rounding.

NOTE: The Bureau of Labor Statistics has replaced the Standard Industrial Classification (SIC) system with the North American Industry Classification System (NAICS). Beginning with CY 2001, employment will be based on the NAICS system. Future editions of this report will state employment prior to CY 2001 under the NAICS system as the data becomes available.

a/ T.C.U. stands for Transportation, Communications, and Public Utilities.

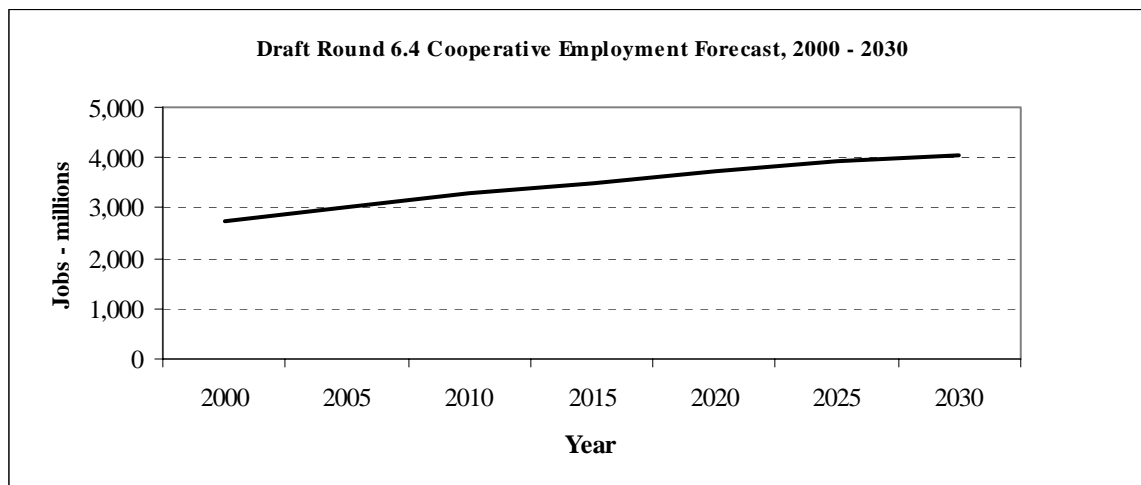
b/ F.I.R.E. stands for Finance, Insurance, and Real Estate.

¹ (Other – Maryland’s miscellaneous employment) and (Unclassifiable – Virginia’s miscellaneous employment)

**Table 5. Summary of Forecast of Employment, by Jurisdiction
Draft Round 6.4 Cooperative Forecast for the Washington DC-MD-VA MSA**

(Thousands of Jobs)

JURISDICTIONS	Year							Change 2000 - 2030	
	2000	2005	2010	2015	2020	2025	2030	Number	Percentage
District of Columbia	678.0	720.4	752.0	783.7	807.1	831.2	831.2	153.2	22.6%
Calvert County a/	25.9	29.4	32.9	33.7	34.5	35.1	35.6	9.7	37.5%
Charles County	50.1	56.5	62.9	64.8	66.8	67.9	69.1	19.0	37.9%
Frederick County	99.7	109.2	120.7	134.6	148.5	162.5	177.8	78.1	78.3%
Montgomery County b/	479.8	520.0	565.0	600.0	625.0	645.0	655.0	175.2	36.5%
City of Rockville c/	68.7	78.8	91.4	98.3	101.3	102.4	103.5	34.8	50.7%
Prince George's County	327.5	357.9	399.9	426.4	465.0	516.8	550.0	222.5	67.9%
Maryland Suburbs	983.0	1,073.0	1,181.4	1,259.5	1,339.8	1,427.3	1,487.5	504.5	51.3%
Arlington County	188.4	195.2	217.8	237.8	254.4	263.6	275.8	87.4	46.4%
City of Alexandria	91.3	105.6	114.9	122.1	129.8	134.8	141.0	49.7	54.4%
Fairfax County	532.8	595.0	653.2	678.4	708.5	736.5	758.9	226.1	42.4%
City of Fairfax d/	30.8	30.7	31.5	31.5	31.4	31.4	31.4	0.6	1.9%
City of Falls Church	9.4	9.5	10.0	10.3	10.5	10.6	10.7	1.3	13.8%
Loudoun County	87.0	114.5	141.6	170.8	199.9	229.0	258.1	171.1	196.7%
Prince William County	91.6	105.8	122.4	137.9	153.6	168.9	180.0	88.4	96.5%
City of Manassas	19.9	21.5	23.0	23.7	24.1	24.1	24.2	4.3	21.6%
City of Manassas Park	2.7	3.0	4.7	4.9	5.1	5.2	5.2	2.5	92.6%
Stafford County e/	25.3	31.8	38.4	43.8	49.2	54.5	59.7	34.4	136.0%
Virginia Suburbs	1,079.2	1,212.6	1,357.5	1,461.2	1,566.5	1,658.6	1,745.0	665.8	61.7%
MSA Total	2,740.2	3,006.0	3,290.9	3,504.4	3,713.4	3,917.1	4,063.7	1,323.5	48.3%
Central Jurisdictions	957.7	1,021.2	1,084.7	1,143.6	1,191.3	1,229.6	1,248.0	290.3	30.3%
Inner Suburbs	1,380.3	1,513.1	1,659.6	1,746.6	1,840.4	1,940.3	2,006.0	625.7	45.3%
Outer Suburbs	402.2	471.7	546.6	614.2	681.7	747.2	809.7	407.5	101.3%



Source: COG Draft Round 6.4 Cooperative Forecasts. The Metropolitan Development Policy Committee approved Draft Round 6.4 on March 10, 2004. Draft Round 6.4 will be presented to the COG Board for action at their October 2004 meeting.

Includes forecast of military, self-employed, mining, and other jobs.

a/ Tri-County Council for Southern Maryland develops 10-year incremental population, housing unit, and employment forecasts for Calvert County, Charles County, and St. Mary's County.

b/ Forecasts for years 2000 to 2030 include all of Takoma Park.

c/ Included in Montgomery County total.

d/ Totals for all years include Fairfax County government employees working in the Massey Complex.

e/ Source: Rappahannock Area Development Commission (RADCO), March 2003.

LABOR FORCE

LABOR FORCE⁵

Between 1999 and 2003 the civilian labor force in the Washington region increased by 180,200 people, to a total of 2,645,500. Of that number, 2,551,700 were employed and 93,800 were unemployed, putting the unemployment rate for the civilian labor force in the Washington region at 3.5 percent in 2003. The unemployment rate in the region has increased steadily during the last five years, from 2.6 percent in 1999 to the 2003 rate of 3.5 percent.

Unemployment in the District of Columbia, at 7.0 percent in 2003, remained higher than in suburban jurisdictions, which averaged 3.1 percent.

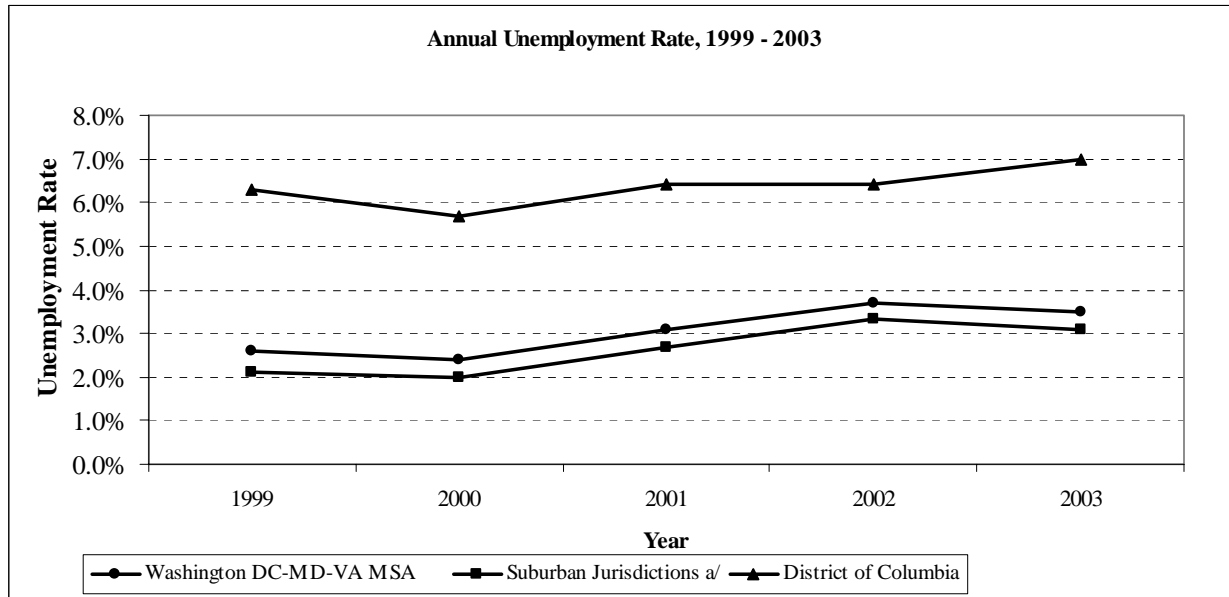
⁵ Labor Force Employment indicates the number of area residents working. Therefore, Labor Force Employment figures will differ from At-Place Employment figures, which represent the number of jobs located within an area.

LABOR FORCE

Table 6. Labor Force Data, by Place of Residence in the Washington, DC-MD-VA MSA, 1999 – 2003

(Thousands)

Jurisdictional Group	Structure Type	Year					Change 1999 - 2003	
		1999	2000	2001	2002	2003	Number	Percentage
Washington DC-MD-VA MSA	Civilian Labor Force	2,465.3	2,529.5	2,582.0	2,622.6	2,645.5	180.2	7.3%
	Employment	2,400.1	2,467.9	2,501.4	2,526.1	2,551.7	151.6	6.3%
	Unemployment	65.3	61.6	80.6	96.5	93.8	28.5	43.6%
	Unemployment Rate b/	2.6%	2.4%	3.1%	3.7%	3.5%		
Suburban Jurisdictions a/	Civilian Labor Force	2,156.2	2,220.2	2,270.8	2,319.5	2,343.2	187.0	8.7%
	Employment	2,110.4	2,176.2	2,210.2	2,242.5	2,270.5	160.1	7.6%
	Unemployment	45.9	44.0	60.6	77.0	72.7	26.8	58.4%
	Unemployment Rate b/	2.1%	2.0%	2.7%	3.3%	3.1%		
District of Columbia	Civilian Labor Force	309.1	309.3	311.2	303.1	302.3	-6.8	-2.2%
	Employment	289.7	291.7	291.2	283.6	281.2	-8.5	-2.9%
	Unemployment	19.4	17.6	20.0	19.5	21.1	1.7	8.8%
	Unemployment Rate b/	6.3%	5.7%	6.4%	6.4%	7.0%		



Source: Compiled by COG from the District of Columbia Department of Employment Services, Labor Market Information staff; Maryland Department of Labor, Licensing and Regulation, Employment and Payrolls Reports; and Virginia Employment Commission, Economic Information Services Division.

Figures may not sum to total due to rounding.

a/ Includes all jurisdictions within the Washington DC-MD-VA MSA except the District of Columbia

b/ Seasonally unadjusted

CONSTRUCTION

CONSTRUCTION

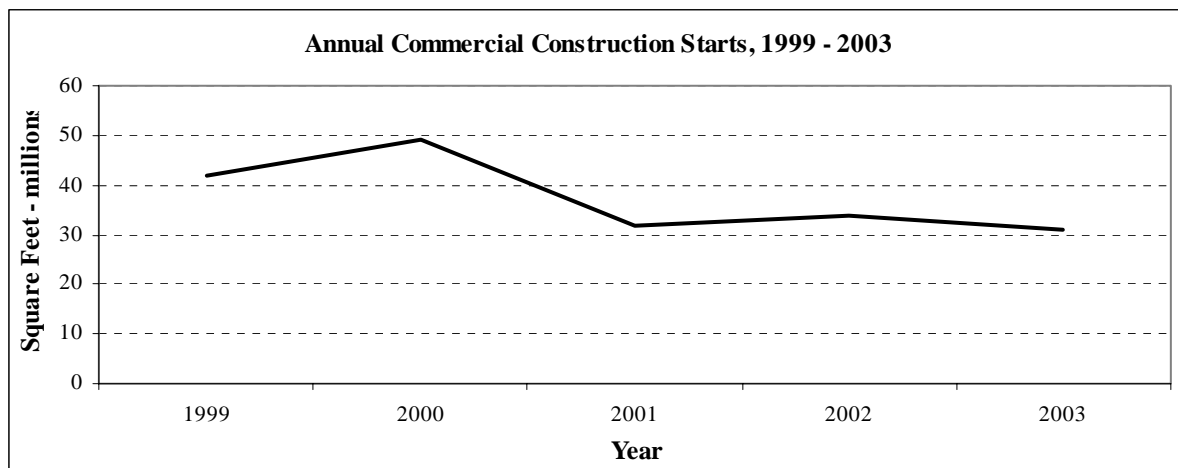
Commercial construction in the metropolitan Washington region decreased slightly during 2003, with developers breaking ground on more than 31.1 million square feet of space. In 2003, commercial construction in the region increased from the 2002 total of 33.6 million, but far below the 2000 total of 48.6 million. The District of Columbia saw the most new commercial construction with more than 6.1 million square feet, followed by Montgomery County with more than 4.3 million square feet.

The number of new, privately, owned housing units authorized in the region decreased slightly from 34,967 in 2002 to 31,696 in 2003. Of the permits that were issued in 2003, more than half were in the outer suburbs.

CONSTRUCTION

Table 7. Total Square Feet of Commercial Construction Started by Jurisdiction, 1999 – 2003

JURISDICTIONS	Year					Total 1999 - 2003
	1999	2000	2001	2002	2003	
District of Columbia	7,327,373	7,106,863	4,737,705	6,518,860	6,113,563	31,804,364
Calvert County	a/	a/	a/	a/	a/	a/
Charles County	491,065	635,595	144,270	249,777	849,033	2,369,740
Frederick County	1,302,340	2,080,722	1,590,022	948,061	1,656,847	7,577,992
City of Frederick*	697,450	603,283	736,714	502,680	259,847	2,799,974
Montgomery County	7,940,943	7,717,025	6,527,438	7,908,651	4,292,261	34,386,318
City of Gaithersburg*	790,616	253,436	641,465	739,423	363,859	2,788,799
City of Rockville*	846,688	1,966,835	2,033,414	812,857	924,230	6,584,024
City of Takoma Park*	0	0	0	98,038	19,700	117,738
Prince George's County	3,027,744	3,615,921	4,013,984	2,125,407	4,034,609	16,817,665
City of Bowie*	444,206	617,043	219,184	102,807	406,801	1,790,041
City of College Park*	963,506	933,844	686,134	0	725,303	3,308,787
City of Greenbelt*	180,000	133,000	86,340	0	88,000	487,340
Maryland Suburbs	12,762,092	14,049,263	12,275,714	11,231,896	10,832,750	61,151,715
Arlington County	1,674,327	1,614,190	867,266	2,248,000	2,698,760	9,102,543
City of Alexandria	1,161,550	1,016,030	697,231	4,312,836	168,355	7,356,002
Fairfax County	11,047,667	10,813,067	7,611,227	4,472,477	3,983,504	37,927,942
City of Fairfax	136,000	39,000	106,267	63,486	4,000	348,753
City of Falls Church	0	55,468	14,570	15,500	3,000	88,538
Loudoun County	6,182,705	11,229,627	4,558,831	2,490,593	4,224,583	28,686,339
Prince William County	1,426,033	2,709,814	1,248,991	2,050,972	2,741,414	10,177,224
City of Manassas	70,364	2,000	73,500	235,116	360,315	741,295
City of Manassas Park	0	0	0	0	0	0
Stafford County	a/	a/	a/	a/	a/	a/
Virginia Suburbs	21,698,646	27,479,196	15,177,883	15,888,980	14,183,931	94,428,636
Region Total	41,788,111	48,635,322	32,191,302	33,639,736	31,130,244	187,384,715
Central Jurisdictions	10,163,250	9,737,083	6,302,202	13,079,696	8,980,678	48,262,909
Inner Suburbs	22,152,354	22,240,481	18,273,486	14,585,521	12,317,374	89,569,216
Outer Suburbs	9,402,143	16,655,758	7,542,114	5,739,403	9,471,877	48,811,295



*Starts in Maryland cities are included in appropriate county totals.

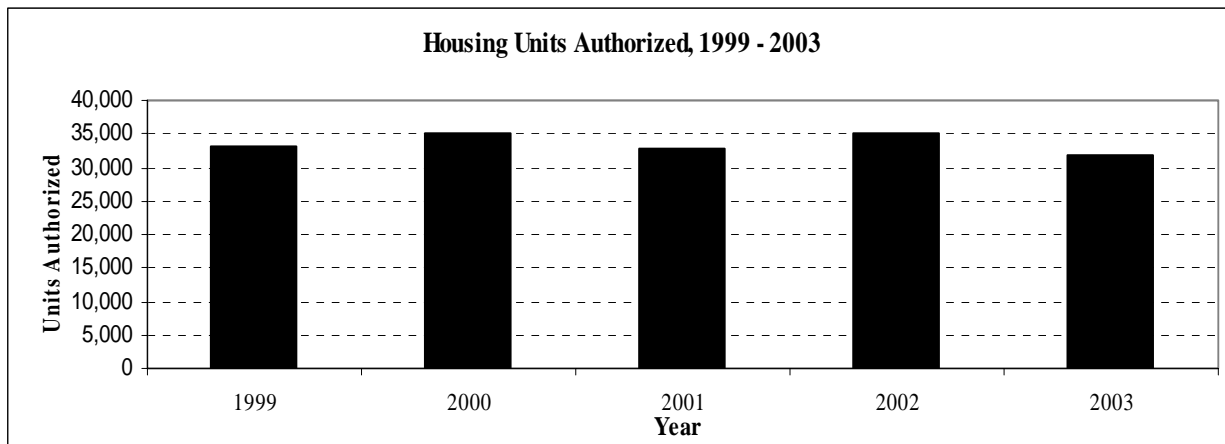
a/ The Commercial Construction Inventory does not include data for Calvert County or Stafford County

Source: COG Commercial Construction Indicators 2003 Annual Summary, July 2004.

CONSTRUCTION

**Table 8. New Privately Owned Housing Units Authorized
in the Washington DC-MD-VA MSA, by Jurisdiction 1999 – 2003**

JURISDICTIONS	1999		2000		2001		2002		2003	
	Total	Single Family	Total	Single Family	Total	Single Family	Total	Single Family	Total	Single Family
District of Columbia	683	n/a	806	187	896	131	1,591	383	1,427	152
Calvert County	983	n/a	931	906	886	886	928	855	791	791
Charles County	1,211	n/a	1,233	1,143	1,368	1,368	1,470	1,404	1,244	1,152
Frederick County	2,667	n/a	2,747	2,695	1,983	1,721	1,578	1,352	1,605	1,837
City of Frederick*	1,032	n/a	802	786	542	530	14	14	489	296
Montgomery County	3,801	n/a	4,950	2,931	5,249	3,191	5,013	2,909	4,428	2,339
City of Gaithersburg*	577	n/a	568	336	572	375	523	414	479	172
City of Rockville*	452	n/a	592	252	1,131	491	1,127	496	967	420
City of Takoma Park*	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a
Prince George's County	2,615	n/a	3,456	3,179	3,049	3,049	2,563	2,485	2,938	2,808
City of Bowie*	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a
City of College Park*	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a
City of Greenbelt*	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a
Maryland Suburbs	11,277	n/a	13,317	10,854	12,535	10,215	11,552	9,005	11,006	8,927
Arlington County	970	n/a	811	59	920	171	17	17	7	7
City of Alexandria	1,090	n/a	1,100	386	1,329	401	1,244	380	72	20
Fairfax County	7,494	n/a	5,816	3,818	6,121	3,498	5,979	2,982	4,020	3,138
City of Fairfax	79	n/a	166	166	191	95	27	27	16	16
City of Falls Church	2	n/a	1	1	2	2	2	2	3	3
Loudoun County	6,071	n/a	6,300	5,131	4,753	3,436	6,108	4,659	6,770	5,678
Prince William County	3,776	n/a	4,758	3,816	4,301	3,950	6,014	4,998	6,572	5,006
City of Manassas	64	n/a	54	54	155	155	142	142	132	132
City of Manassas Park	247	n/a	207	207	30	30	213	65	162	69
Stafford County	1,228	n/a	1,694	1,101	1,542	1,468	2,078	1,692	1,509	1,385
Virginia Suburbs	21,021	n/a	20,907	14,739	19,344	13,206	21,824	14,964	19,263	15,454
MSA Total	32,981	n/a	35,030	25,780	32,775	23,552	34,967	24,352	31,696	24,533
Central Jurisdictions	2,743	n/a	2,717	632	3,145	703	2,852	780	1,506	179
Inner Suburbs	13,991	n/a	14,389	10,095	14,612	9,835	13,584	8,405	11,405	8,304
Outer Suburbs	16,247	n/a	17,924	15,053	15,018	13,014	18,531	15,167	18,785	16,050



Source: U.S. Department of Commerce, Bureau of the Census, 2003 Annual Report, *Permit Authorized Construction in Permit-issuing Places by Metropolitan Area*.

*Included in county total.

MORTGAGE RATES, HOME SALES, AND HOUSING-RELATED INFLATION

Mortgage Rates

Mortgage rates continued to fall between 1999 and 2003 to a low of 5.9 percent in 2003 (second and third quarters). Average rates fell from 6.7 percent in 2002 to 6.0 percent in 2003.

Homes Sold

The number of homes sold in the region jumped dramatically between 1999 and 2003, from 72,498 units in 1999 to 116,108 units in 2003. Fairfax County had the most homes sold in the region in 2003, with 29,515.

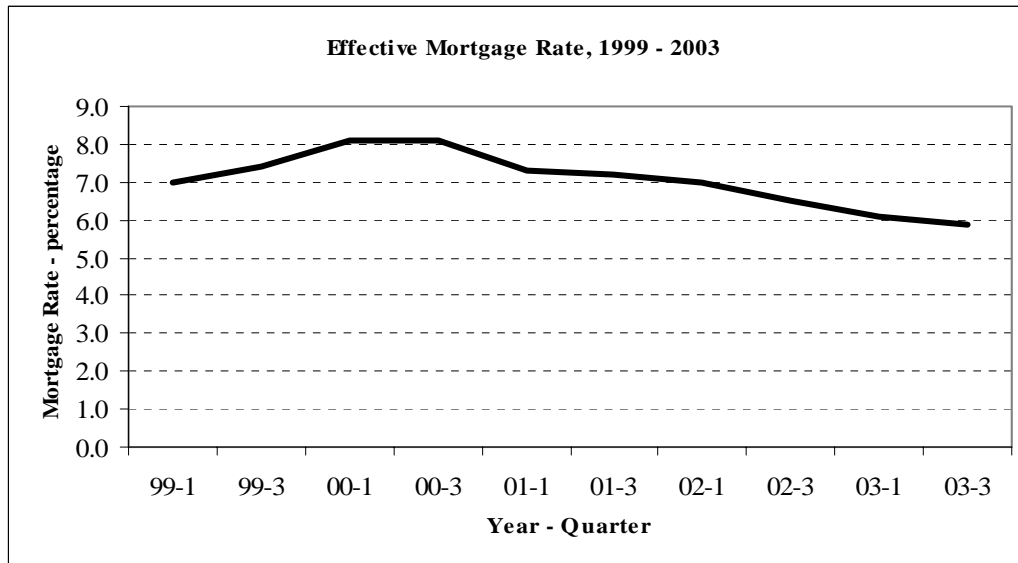
Housing-Related Inflation

The rate of change in the Consumer Price Index for housing in the Washington-Baltimore DC-MD-VA-WV CMSA increased from 2.4 percent between 2001 and 2002 to 3.7 percent between 2002 and 2003. Nationally, housing inflation increased from 2.2 percent between 2001 and 2002 to 2.5 percent between 2002 and 2003. This measure accounts for price changes in rents and mortgage payments, owner costs, fuels, furnishings, and household supplies.

MORTGAGE RATES, HOME SALES, AND INFLATION

**Table 9. Terms on Conventional Home Mortgages, Averages for Closed Loans
In the Washington-Baltimore DC-MD-VA-WV CMSA, 1999 - 2003**

Quarter	Year				
	1999	2000	2001	2002	2003
First Quarter	7.0	8.1	7.3	7.0	6.1
Second Quarter	7.1	8.2	7.3	6.9	5.9
Third Quarter	7.4	8.1	7.2	6.5	5.9
Fourth Quarter	7.7	7.9	6.8	6.2	6.1

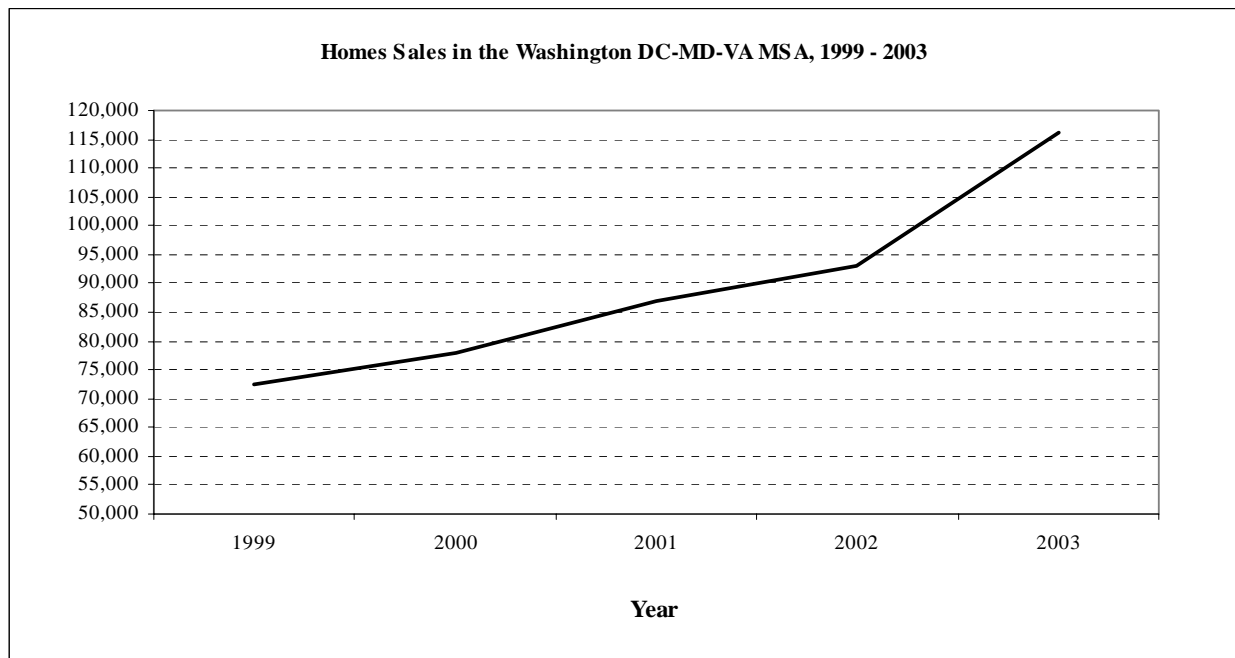


Source: Federal Housing Finance Board News report. Terms on Conventional Home Mortgages, Table IV – Average for Major Metropolitan Areas: Loans Closed.

MORTGAGE RATES, HOME SALES, AND INFLATION

Table 10. Net Home Sales in the Washington DC-MD-VA MSA, by Jurisdiction, 1999 – 2003

JURISDICTIONS	Year					Change 1999 - 2003	
	1999	2000	2001	2002	2003	Number	Percentage
District of Columbia	7,680	7,654	7,648	8,219	9,604	1,924	25.1%
Calvert County	1,244	1,302	1,621	1,631	1,913	669	53.8%
Charles County	1,762	1,677	2,192	2,486	2,982	1,220	69.2%
Frederick County	2,874	3,178	3,795	4,061	4,532	1,658	57.7%
Montgomery County	14,706	14,779	15,489	16,030	18,802	4,096	27.9%
Prince George's County	8,832	9,601	11,276	12,119	14,267	5,435	61.5%
Maryland Suburbs	29,418	30,537	34,373	36,327	42,496	13,078	44.5%
Arlington County	3,083	2,976	3,083	3,397	4,828	1,745	56.6%
City of Alexandria	2,419	2,713	2,973	3,074	4,173	1,754	72.5%
Fairfax County	18,713	19,894	21,181	22,303	29,515	10,802	57.7%
City of Fairfax	299	294	332	346	476	177	59.2%
City of Falls Church	201	185	172	211	238	37	18.4%
Loudoun County	3,855	5,019	6,179	6,735	9,386	5,531	143.5%
Prince William County	4,707	6,193	7,674	8,871	10,900	6,193	131.6%
City of Manassas	600	719	897	978	1,103	503	83.8%
City of Manassas Park	167	257	269	321	366	199	119.2%
Stafford County	1,356	1,557	2,032	2,271	3,023	1,667	122.9%
Virginia Suburbs	35,400	39,807	44,792	48,507	64,008	28,608	80.8%
Region Total	72,498	77,998	86,813	93,053	116,108	43,610	60.2%
Central Jurisdictions	13,182	13,343	13,704	14,690	18,605	5,423	41.1%
Inner Suburbs	42,751	44,753	48,450	51,009	63,298	20,547	48.1%
Outer Suburbs	16,565	19,902	24,659	27,354	34,205	17,640	106.5%

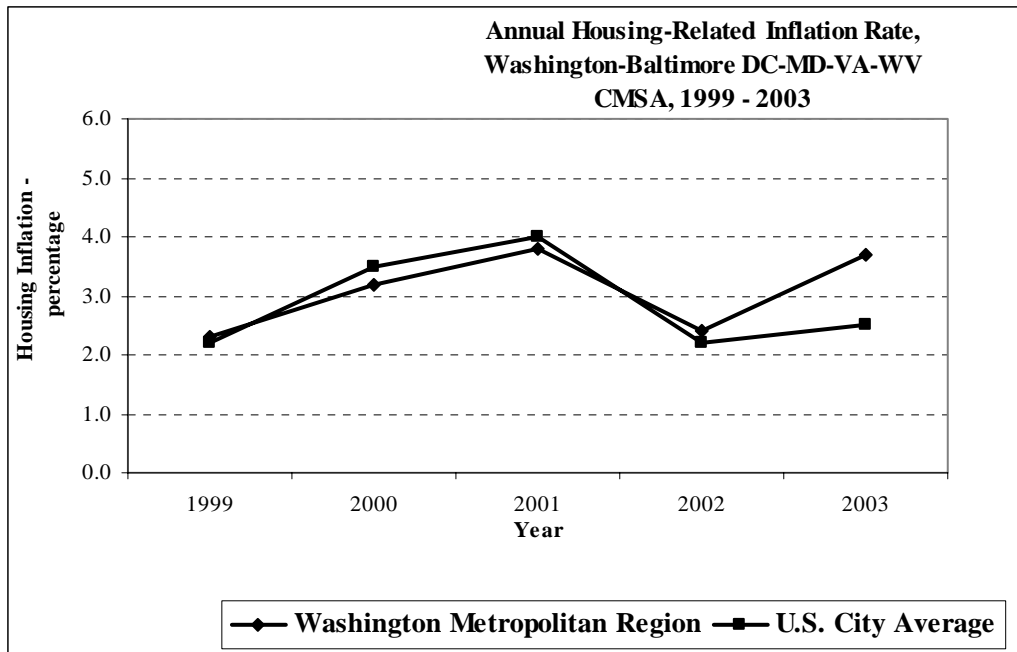


Source: Metropolitan Regional Information Systems, Inc., June 2004.

MORTGAGE RATES, HOME SALES, AND INFLATION

**Table 11. Housing Component of the Consumer Price Index
All Urban Consumers, Washington-Baltimore DC-MD-VA-WV CMSA, 1999 - 2003**

	Year				
	1999	2000	2001	2002	2003
Washington-Baltimore DC-MD-VA-WV CMSA					
CPI-U, Housing (Annual Average)	105.5	108.9	113.0	113.0	121.6
Housing Inflation Rate (%) - % Change	2.3	3.2	3.8	2.4	3.7
U.S. City Average					
CPI-U, Housing (Annual Average)	163.9	169.6	176.4	180.3	184.8
Housing Inflation Rate (%) - % Change	2.2	3.5	4.0	2.2	2.5



Source: U.S. Department of Labor, Bureau of Labor Statistics, *CPI Detailed Reports* for selected years.

For U.S. City Average index is on a 1982-84=100 base.

NOTE: CPI data for the Washington DC-MD-VA MSA no longer was published separately after December 1997. Beginning in 1998, the metropolitan Washington region became a component of the Washington-Baltimore DC-MD-VA-WV CMSA.

For Washington-Baltimore, index is on a November 1996=100 base.

INFLATION

The rate of change in the Consumer Price Index for All Urban Consumers (CPI-U) for the Washington-Baltimore DC-MD-VA-WV CMSA increased from 2.4 percent between 2001 and 2002 to 2.8 percent between 2002 and 2003. Nationally, the rate of change increased from 1.6 percent between 2001 and 2002 to 2.3 percent between 2002 and 2003. The following topical changes were behind the regional inflation rate:

	1999	2000	2001	2002	2003
Washington Metropolitan Region (Washington-Baltimore, DC-MD-VA-WV)					
CPI-U (Annual Average)	104.2	107.6	110.4	113.0	116.2
Inflation Rate (%) - % Change	2.1	3.3	2.6	2.4	2.8
Expenditure Category					
Food and Beverages¹	103.1	105.5	108.7	111.7	114.5
Inflation Rate (%) - % Change	1.5	2.3	3.0	2.8	2.5
Housing¹	105.5	108.9	113.0	117.3	121.6
Inflation Rate (%) - % Change	2.3	3.2	3.8	3.8	3.7
Apparel¹	98.3	98.2	98.6	92.4	90.0
Inflation Rate (%) - % Change	-1	-0.1	0.4	-6.3	-2.6
Transportation¹	100.3	107.3	107.7	105.7	108.7
Inflation Rate (%) - % Change	1.9	7	0.4	-1.9	2.8
Medical Care¹	106.9	109.7	111.0	114.9	118.5
Inflation Rate (%) - % Change	2.4	2.6	1.2	3.5	3.1
Recreation²	102.8	103.7	105.2	106.8	111.1
Inflation Rate (%) - % Change	1.4	0.9	1.4	1.5	4.0
Education and Communications²	102.6	104	107.9	111.5	112.6
Inflation Rate (%) - % Change	1.2	1.4	3.8	3.3	1.0
Other Goods and Services¹	114.7	120.7	124.4	132.6	135.1
Inflation Rate (%) - % Change	7.6	5.2	3.1	6.6	1.9

Source: U.S. Department of Labor, Bureau of Labor Statistics, *CPI Detailed Reports* for selected years.

NOTE: CPI data for the Washington DC-MD-VA MSA no longer was published separately after December 1997. Beginning in 1998, the metropolitan Washington region became a component of the Washington-Baltimore DC-MD-VA-WV CMSA.

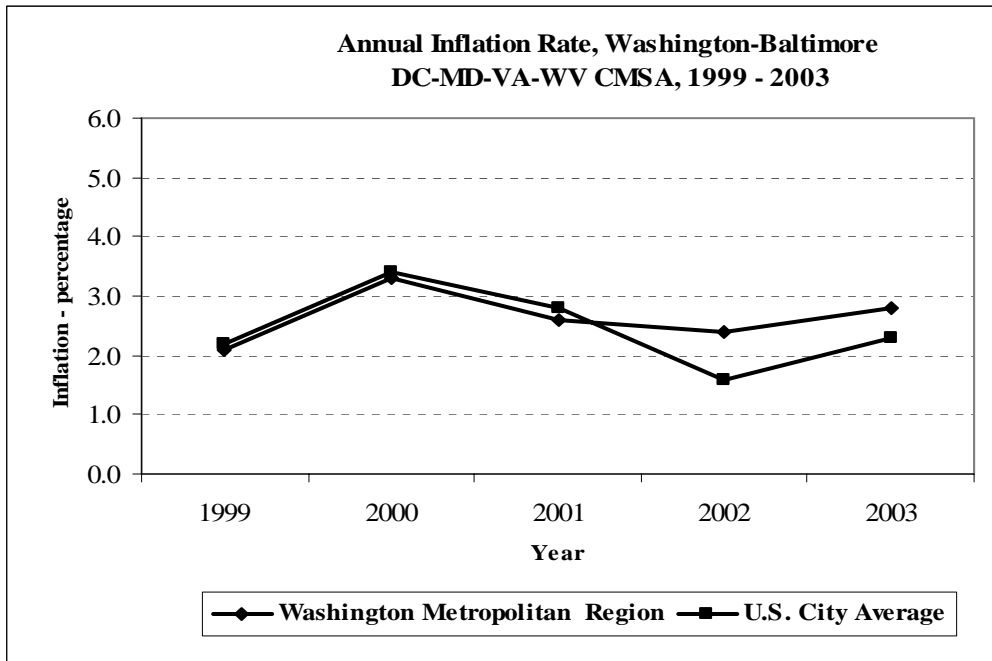
¹ Index is on a November 1996=100 base.

² Index is on a November 1997=100 base.

INFLATION

Table 12. Consumer Price Index and Inflation – All Urban Consumers in the Washington DC-MD-VA CMSA, 1999 - 2003

	Year				
	1999	2000	2001	2002	2003
Washington Metropolitan Region					
CPI-U (Annual Average)	104.2	107.6	110.4	113.0	116.2
Inflation Rate (%) - % Change	2.1	3.3	2.6	2.4	2.8
U.S. City Average					
CPI-U (Annual Average)	166.6	172.2	177.1	179.9	184.0
Inflation Rate (%) - % Change	2.2	3.4	2.8	1.6	2.3



Source: U.S. Department of Labor, Bureau of Labor Statistics, *CPI Detailed Reports* for selected years.

For U.S. City Average, index is on a 1982-84=100 base.

NOTE: CPI data for the Washington DC-MD-VA MSA no longer was published separately after December 1997.

Beginning in 1998, the metropolitan Washington region became a component of the Washington-Baltimore DC-MD-VA-WV CMSA.

For Washington-Baltimore, index is on a November 1996=100 base.

INCOME

Total personal income in the Washington region grew by an average annual rate of 7.3 percent between 1998 and 2002, leading to a 2002 total of \$205.9 billion. Total income growth was fastest in the outer suburbs, where income increased by an average of 8.9 percent per year.

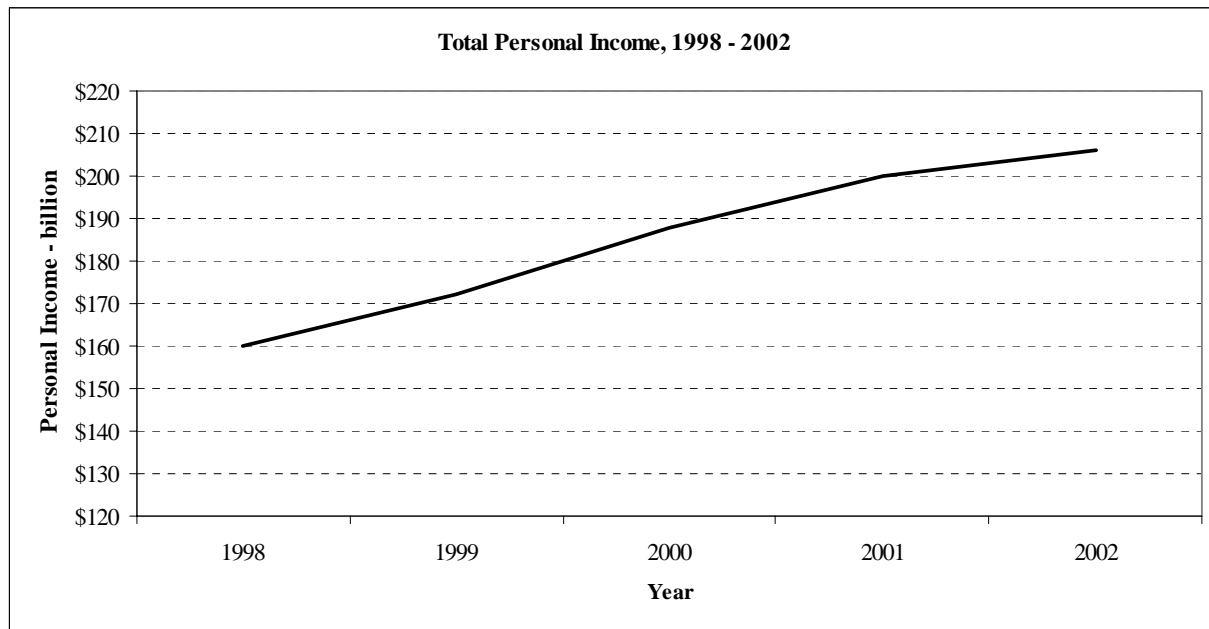
On a per capita basis, income varied greatly by jurisdiction. Arlington County topped the region in per capita income at \$55,148. Stafford County had the lowest per capita income at \$29,278. The per capita income for the region was \$43,447 in 2002.

INCOME

**Table 13. Total Personal Income in the Washington DC-MD-VA MSA,
by Jurisdiction, 1998 – 2002**

(Thousands of Dollars)

JURISDICTIONS	Year					Avg. Annual Percentage Change 1998 - 2002
	1998	1999	2000	2001	2002	
District of Columbia	\$20,562,335	\$21,114,995	\$23,102,223	\$25,934,857	\$26,636,320	7.4%
Calvert County	1,984,896	2,117,423	2,352,217	2,525,904	2,649,755	8.4%
Charles County	3,186,395	3,360,508	3,729,783	3,952,528	4,156,057	7.6%
Frederick County	5,389,773	5,748,060	6,427,226	6,946,996	7,214,897	8.5%
Montgomery County	36,586,455	39,049,711	43,575,224	45,316,467	47,032,055	7.1%
Prince George's County	20,731,126	21,492,265	23,195,413	24,138,357	25,286,861	5.5%
Maryland Suburbs	\$67,878,645	\$71,767,967	\$79,279,863	\$82,880,252	\$86,339,625	6.8%
Arlington County	8,131,228	8,624,865	9,378,302	10,209,376	10,427,863	7.1%
City of Alexandria	5,378,238	5,775,230	6,211,938	6,968,471	7,155,850	8.3%
Fairfax County a/	41,820,223	46,704,869	50,393,190	52,463,158	53,588,468	7.0%
Loudoun County	5,388,168	6,273,634	7,153,949	7,651,272	7,438,332	9.5%
Prince William County b/	8,269,655	8,928,784	10,228,409	10,893,910	11,294,318	9.1%
Stafford County	2,200,317	2,389,822	2,689,846	2,926,255	3,068,433	9.9%
Virginia Suburbs	\$71,187,829	\$78,697,204	\$86,055,634	\$91,112,442	\$92,973,264	7.7%
MSA Total	\$159,628,809	\$171,580,166	\$188,437,720	\$199,927,551	\$205,949,209	7.3%
Central Jurisdictions	\$34,071,801	\$35,515,090	\$38,692,463	\$43,112,704	\$44,220,033	7.4%
Inner Suburbs	\$99,137,804	\$107,246,845	\$117,163,827	\$121,917,982	\$125,907,384	6.8%
Outer Suburbs	\$26,419,204	\$28,818,231	\$32,581,430	\$34,896,865	\$35,821,792	8.9%



Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic System.
Data released May 25, 2004.

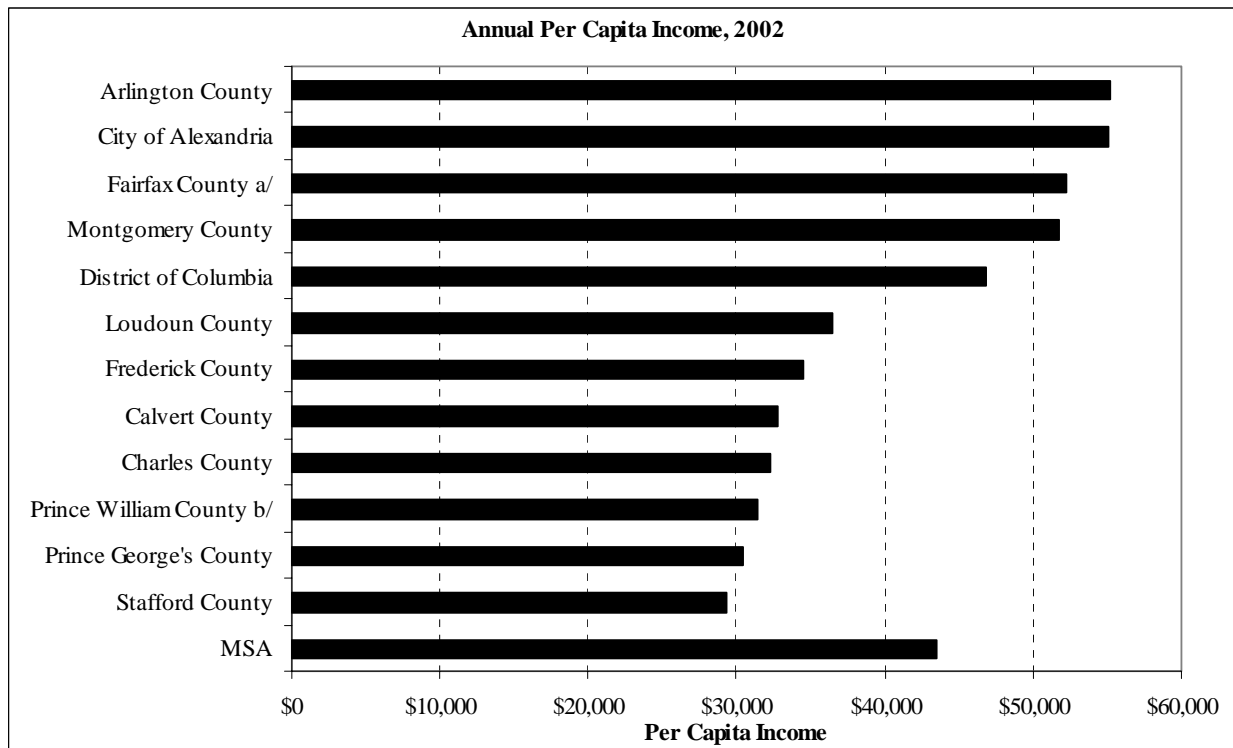
a/ Data for the cities of Fairfax and Falls Church are included in Fairfax County.

b/ Data for the cities of Manassas and Manassas Park are included in Prince William County.

**Table 14. Per Capita Income in the Washington DC-MD-VA MSA,
by Jurisdiction, 1998 - 2002**

(Dollars)

JURISDICTIONS	Year					Avg. Annual Percentage Change 1998 - 2002	Ratio to MSA 2002
	1998	1999	2000	2001	2002		
District of Columbia	\$36,379	\$37,030	\$40,428	\$45,284	\$46,800	7.2%	107.7%
Calvert County	27,949	29,062	31,283	32,511	32,732	4.3%	75.3%
Charles County	27,427	28,342	30,753	31,577	32,254	4.4%	74.2%
Frederick County	28,800	29,999	32,693	34,302	34,478	4.9%	79.4%
Montgomery County	43,165	45,283	49,642	50,664	51,750	5.0%	119.1%
Prince George's County	26,274	27,033	28,863	29,505	30,489	4.0%	70.2%
Maryland Suburbs	\$33,754	\$35,173	\$38,216	\$39,132	\$40,023	4.6%	92.1%
Arlington County	43,554	45,703	49,536	53,830	55,148	6.7%	126.9%
City of Alexandria	44,031	45,956	48,100	53,438	55,071	6.3%	126.8%
Fairfax County a/	43,193	47,306	50,027	51,463	52,199	5.2%	120.1%
Loudoun County	36,873	39,674	41,129	40,241	36,455	-0.3%	83.9%
Prince William County b/	26,928	28,145	31,036	31,597	31,436	4.2%	72.4%
Stafford County	25,489	26,721	28,732	29,650	29,278	3.7%	67.4%
Virginia Suburbs	\$39,187	\$42,163	\$44,753	\$46,177	\$46,168	4.5%	106.3%
MSA	\$36,339	\$38,324	\$41,244	\$42,868	\$43,447	4.9%	100.0%



Source: U.S. Department of Commerce, Bureau of Economic Analysis (BEA), Regional Economic Information System.
Data released May 25, 2004.

a/ Data for the Cities of Fairfax and Falls Church are included in Fairfax County.

b/ Data for the Cities of Manassas and Manassas Park are included in Prince William County.

RETAIL SALES

RETAIL SALES

Retail sales in the region increased both in current and real terms between 1999 and 2003. The region's 2003 total of \$63.9 billion, when adjusted for inflation, was greater than the total annual retail sales in 2002, \$62.9 billion, and slightly more than the 2001 total of \$59.8 billion.

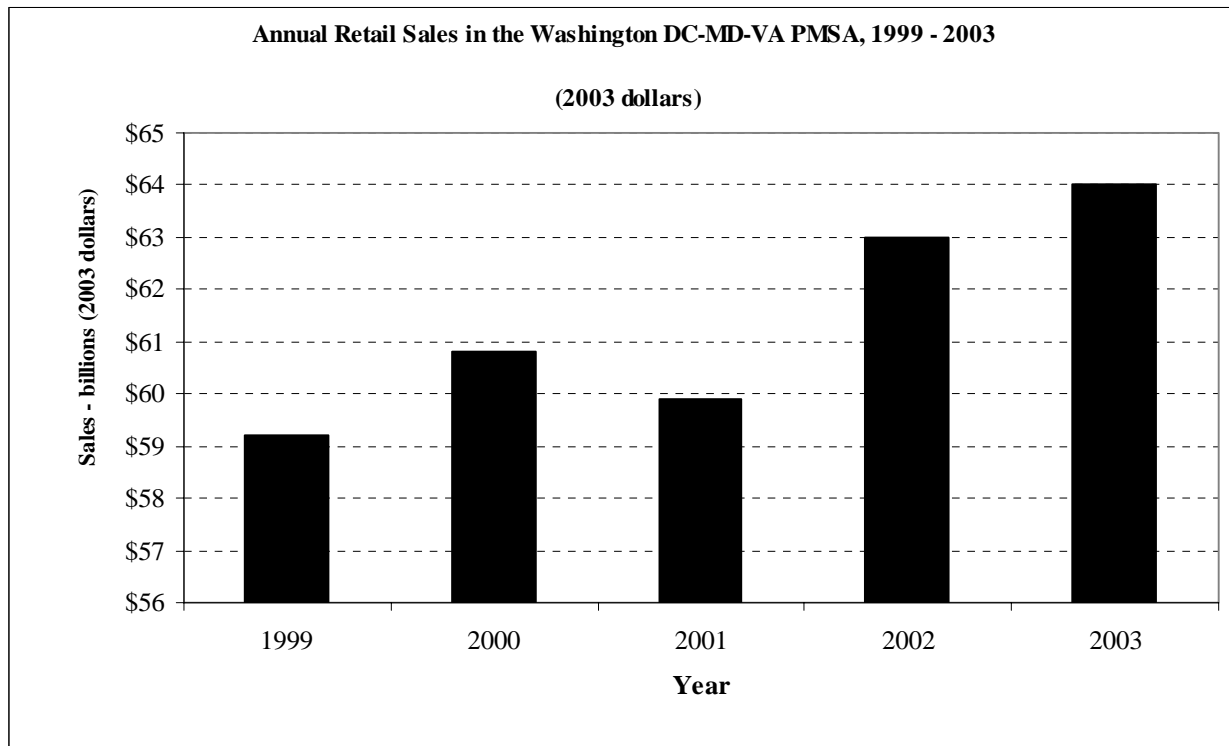
When adjusted for inflation, retail sales in the region increased by 7.9 percent between 1999 and 2003. Nationally, sales increased by seven percent.

RETAIL SALES

Table 15. Estimated Total Annual Retail Sales in the Washington DC-MD-VA PMSA, 1999 - 2003

(Millions of Dollars)

	Year					Change 1999 - 2003	
	1999	2000	2001	2002	2003	Number	Percentage
Washington DC-MD-VA PMSA							
Sales estimated (Current Dollars)	\$53,606	\$56,892	\$57,600	\$61,530	\$63,859	\$10,253	19.1%
Sales estimated (2003 dollars)	\$59,181	\$60,818	\$59,846	\$62,945	\$63,859	\$4,678	7.9%
United States							
Sales reported (Current Dollars)	\$2,878,914	\$3,070,186	\$3,156,754	\$3,230,122	\$3,399,544	\$520,630	18.1%
Sales reported (2003 dollars)	\$3,178,321	\$3,282,029	\$3,279,867	\$3,304,415	\$3,399,544	\$221,223	7.0%



Source: U.S. Department of Commerce, Bureau of the Census, *Annual Benchmark Report for Retail Trade and Food Services: January 1992 Through February 2004*. NOTE: Published data from the Census Bureau for retail sales for the Washington DC-MD-VA MSA no longer are available after 1996. Data for 1999 – 2003 are estimated by The Center for Regional Analysis, George Mason University.

AIRLINE PASSENGERS

AIRLINE PASSENGERS

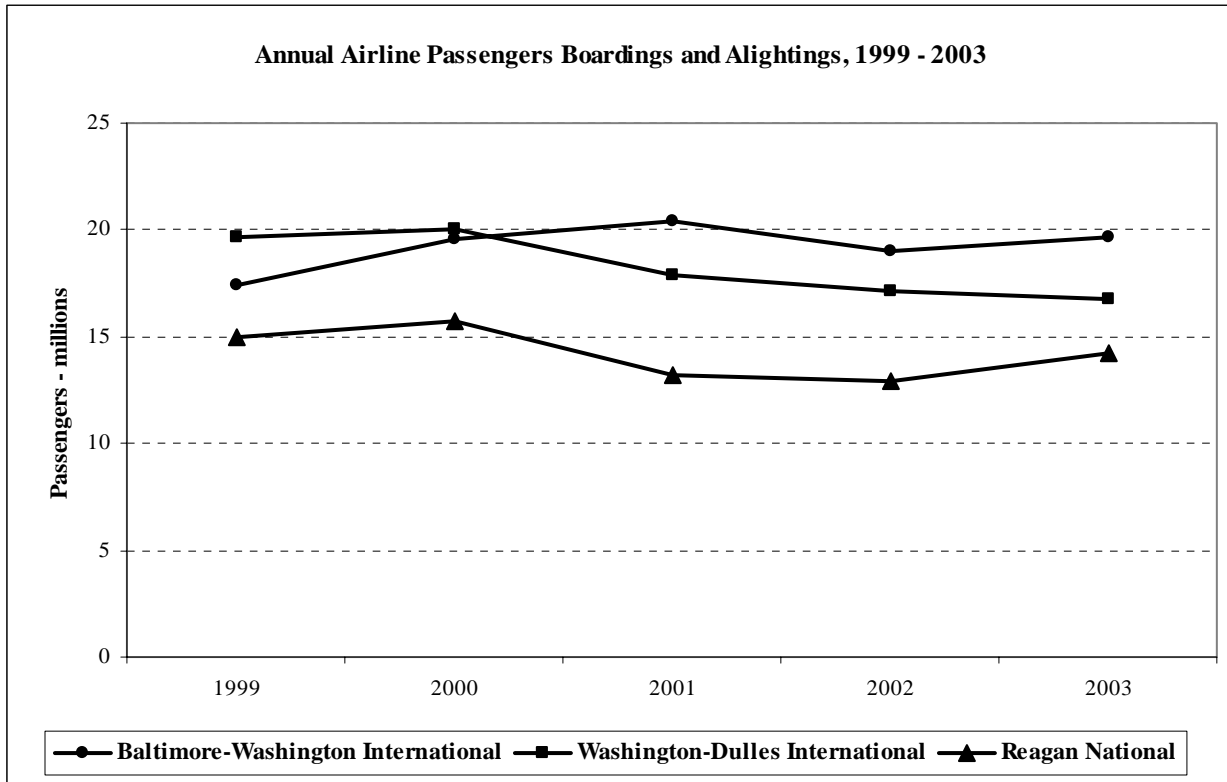
More than 50 million passengers flew into or out of the Washington region's three major airports in 2003, a 2.7 percent decrease from 1999. Baltimore-Washington International led the three airports in total airline passengers served, with 20 million. 16.8 million passengers passed through Washington-Dulles International, while Reagan Washington National Airport served 14.2 million.

AIRLINE PASSENGERS

Table 16. Number of Air Passengers Traveling to or from BWI, Dulles, and Reagan National Airports, 1999 – 2003

(Thousands of Passengers)

	Year					Change 1999 - 2003	
	1999	2000	2001	2002	2003	Passengers	Percentage
Baltimore-Washington International Airport	17,438	19,603	20,370	19,013	19,696	2,258	12.9%
Washington-Dulles International Airport	19,652	19,971	17,860	17,076	16,768	-2,884	-14.7%
Ronald Reagan Washington National Airport	15,021	15,725	13,168	12,872	14,215	-806	-5.4%
Total Air Passengers	52,111	55,299	51,398	48,961	50,679	-1,432	-2.7%



Source: Research & Analysis, Office of Marketing and Development, Maryland Aviation Administration, Maryland Department of Transportation, *Washington Area Comparative Activity Summary Report Calendar Year 2003*.

APPENDIX A

Appendix A. Geographic Specificity of Economic Trends Data

The data presented in this report come from a variety of sources, each with its own methodology and area of coverage. COG works to ensure that the data are presented for as many local governments as possible. Wherever possible, data prepared by COG — including population and commercial construction — include information for all COG member local governments. COG relies on other data sources, however, for much of the other information in this report and is dependent on the geography used by them.

Data Item	Geographic Specificity of Economic Trends Data		
	Region	Counties & Virginia Ind. Cities a/	All COG Members
Population, 1999 - 2003	X	X	X
Population Forecast, 2000 - 2030	X	X b/	
Employment, 1999 - 2003	X	X	
Employment Forecast, 2000 - 2030	X	X b/	
Labor Force, 1999 - 2003	X		
Commercial Construction Starts, 1999 - 2003	X	X	X
New Homes Permitted, 1999 - 2003	X	X	X c/
Effective Mortgage Rates, 1999 - 2003	X		
Home Sales, 1999 - 2003	X	X	
Housing-Related Inflation, 1999 - 2003	X		
Inflation, 1999 - 2003	X		
Total Personal Income, 1998 - 2002	X	X d/	
Per Capita Income, 1998 - 2002	X	X d/	
Retail Sales, 1999 - 2003	X		
Air Passengers, 1999 - 2003	X		

a/ Independent cities in the Commonwealth of Virginia are distinct and separate from the counties that may surround them. As a result, most government data sources report information separately for these Virginia cities and counties. Because cities in Maryland remain a part of their counties, these same government sources do not report data out separately for the city and county, but rather include the city in county totals.

b/ The City of Rockville is the only Maryland city that participates in COG's Cooperative Forecasting Process.

c/ The Census Bureau reports permit data for some, but not all, Maryland cities.

d/ The Bureau of Economic Analysis includes the Cities of Fairfax and Falls Church in Fairfax County income data, and Manassas and Manassas Park in Prince William County data.

APPENDIX B – Local and State Government Economic Development Offices

CITY OF ALEXANDRIA, VIRGINIA

Alexandria Economic
Development Partnership, Inc.
1729 King Street, Suite 410
Alexandria, VA 22314
(703) 739-3820
(703) 739-1384 (fax)
www.alexecon.org (Web)
alexecon@erols.com (e-mail)

ARLINGTON COUNTY, VIRGINIA

Department of Economic Development
1100 North Glebe Road, Suite 1500
Arlington, VA 22201
(703) 228-0808
(703) 228-0804 (fax)
www.arlingtonvirginiausa.com (Web)
info@arlingtonvirginiausa.com (e-mail)

CITY OF BOWIE, MARYLAND

Department of Planning
and Economic Development
2614 Kenhill Drive
Bowie, MD 20715
(301) 809-3047
(301) 809-2315 (fax)
www.cityofbowie.org (Web)
jhking@cityofbowie.org (e-mail)

CALVERT COUNTY, MARYLAND

Department of Economic Development
Courthouse
Prince Frederick, MD 20678
(410) 535-4583
(410) 535-4585 (fax)
www.ecalvert.com (Web)
cced@co.cal.md.us (e-mail)

CHARLES COUNTY, MARYLAND

Economic Development Commission
8730 Mitchell Road
P.O. Box 910
La Plata, MD 20646
(301) 934-7633
(301) 934-7656 (fax)
www.ccbiz.org (Web)

CITY OF COLLEGE PARK, MARYLAND

Planning, Community, and Economic Development
4500 Knox Road
College Park, MD 20740
(301) 277-3445
(301) 887-0558 (fax)
www.ci.college-park.md.us (Web)
csale@ci.college-park.md.us (e-mail)

DISTRICT OF COLUMBIA

Office of the Deputy Mayor for Planning and
Economic Development
John A. Wilson Building
1350 Pennsylvania Avenue, N.W., Suite 317
Washington, DC 20004
(202) 727-6365
(202) 727-6703 (fax)
www.dcbiz.dc.gov (Web)
dmped.eom@dc.gov (e-mail)

FAIRFAX COUNTY, VIRGINIA

Economic Development Authority
8300 Boone Boulevard, Suite 450
Vienna, VA 22182
(703) 790-0600
(703) 893-1269 (fax)
www.fairfaxcountyleda.org (Web)

CITY OF FAIRFAX, VIRGINIA

Office of Economic Development
10455 Armstrong Street
Fairfax, VA 22030
(703) 385-7862
(703) 385-7811 (fax)
www.ci.fairfax.va.us (Web)
eberner@fairfaxva.gov (e-mail)

CITY OF FALLS CHURCH, VIRGINIA

Economic Development Authority
300 Park Avenue, Third Floor, East Wing
Falls Church, VA 22046
(703) 248-5491
(703) 248-5103 (fax)
www.ci.falls-church.va.us/government /eda/ (Web)
econdev@ci.falls-church.va.us (e-mail)

APPENDIX B

FREDERICK COUNTY, MARYLAND

Office of Economic Development
Frederick County Business & Employment Center
5340 Spectrum Drive, Suite A
Frederick, MD 21703
(301) 694-1058
(301) 631-2340 (fax)
www.discoverfrederickmd.com (Web)
info@discoverfrederickmd.com (e-mail)

CITY OF GAITHERSBURG, MARYLAND

Office of Economic Development
City Hall
31 S. Summit Avenue
Gaithersburg, MD 20877
(301) 258-6310
(301) 948-6149 (fax)
www.gaithersburgmd.gov (Web)
ttomasello@gaitthersburgmd.gov (e-mail)

CITY OF GREENBELT, MARYLAND

Department of Planning and Community
Development
25 Crescent Road
Greenbelt, MD 20770
(301) 345-5417
(301) 345-5418
www.ci.greenbelt.md.us (Web)
thruby@ci.greenbelt.md.us (e-mail)

LOUDOUN COUNTY, VIRGINIA

Department of Economic
Development
1 Harrison Street, SE – 5th Floor
P.O. Box 7000
Leesburg, VA 20177
(703) 777-0426
(703) 771-5363 (fax)
www.loudoun.gov/business (Web)
good4biz@loudoun.gov (e-mail)

CITY OF MANASSAS, VIRGINIA

Office of Community & Economic Development
9027 Center Street
Manassas, VA 20110
(703) 257-8297
(703) 257-5117 (fax)
www.manassasbusiness.org (Web)
dsandlin@ci.manassas.va.us (e-mail)

CITY OF MANASSAS PARK, VIRGINIA

Economic Development
City Hall
One Park Center
Manassas Park, VA 20111
(703) 335-8813
(703) 335-0053 (fax)
www.cityofmanassaspark.us (Web)
dreynal@cityofmanassaspark.us (e-mail)

MONTGOMERY COUNTY, MARYLAND

Department of Economic Development
101 Monroe Street, Suite 1500
Rockville, MD 20850
(240) 777-2000
(240) 777-2001 (fax)
www.montgomerycountymd.gov (Web)
arnetta.quarles@montgomerycountymd.gov (e-mail)

PRINCE GEORGE'S COUNTY, MARYLAND

Economic Development Corporation
4640 Forbes Boulevard, Suite 200
Lanham, MD 20706
(301) 429-3044
(301) 429- 8762 (fax)
www.pgcedc.com (Web)
info@pgcedc.com (e-mail)

PRINCE WILLIAM COUNTY, VIRGINIA

Department of Economic Development
10530 Linden Lake Plaza, Suite 105
Manassas, VA 20109
(703) 392-0330
(703) 392-0302 (fax)
www.pwcecondev.org (Web)
econdev@pwcgov.org (e-mail)

CITY OF ROCKVILLE, MARYLAND

Rockville Economic Development, Inc.
95 Monroe Street
Rockville, MD 20850
(301) 315-8096
(301) 315-8097 (fax)
www.rockvilleredi.org (Web)
info@RockvilleREDI.org (e-mail)

SPOTSYLVANIA COUNTY, VIRGINIA

Department of Economic Development
4704 Southpoint Parkway
Fredericksburg, VA 22407-2657
(540) 891-2602
(540) 891-2605 (fax)
www.spotsylvania.org (Web)
spotsyed@aol.com (e-mail)

STAFFORD COUNTY, VIRGINIA

Department of Economic Development
1300 Courthouse Road
P.O. Box 339
Stafford, VA 22555
(540) 658-8681
(540) 658-6651 (fax)
www.co.stafford.va.us/econdev/ (Web)
economicdev@co.stafford.va.us (e-mail)

CITY OF TAKOMA PARK, MARYLAND

Economic and Community Development
7500 Maple Avenue
Takoma Park, MD 20912
(301) 891-7224
(301) 270-4568 (fax)
www.cityoftakomapark.org/ecd/ (Web)
SaraD@takomagov.org (e-mail)

STATE OF MARYLAND

Department of Business and Economic Development
217 East Redwood Street
Baltimore, MD 21202
(410) 767-6300
(410) 333-6792 (fax)
www.choosemaryland.org (Web)

COMMONWEALTH OF VIRGINIA

Virginia Economic Development Partnership
8300 Boone Boulevard, Suite 450
Vienna, VA 22182
(703) 506-1032
(703) 506-1033 (fax)
www.exportvirginia.org (Web)
infonova@yesvirginia.org (e-mail)

THE GREATER WASHINGTON INITIATIVE

1725 I Street, N.W., Suite 200
Washington, DC 20006
(202) 857-5999
(202) 466-4980 (fax)
www.greaterwashington.org (Web)
greaterwashingtoninitiative@bot.org (e-mail)

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www.mwcog.org (Web)
infocntr@mwkog.org (e-mail)