

ECONOMIC ACTIVITY FACT SHEET

INTRODUCTION

The character and extent of economic activity in Montgomery County have changed since the 1960s. The number of jobs in the County has more than doubled. The federal government now employs a smaller proportion of the resident labor force, and although many of the emerging businesses work with or under contract to the federal government, the County's economy is more diversified. In addition, the County now imports as many workers as it exports each day.

The amount of land used for employment has grown more rapidly than expected by the 1969 General Plan. Employment land use has also been more intensive than envisioned and oriented toward office and service uses rather than the anticipated industrial and manufacturing uses. Retail stores have located in the County in response to residential growth. In addition, women have entered the work force in record numbers. The increased number of dual income families affects the way the County does business by increasing demand for daycare, compatible transportation options, and increased weekend and evening business, shopping, and cultural opportunities.

Employment is dynamic and Montgomery County's role is continually evolving. Where Montgomery County was once on the frontier of business expansion outside the center city, it is now part of the center of the region, as are Arlington County, Alexandria, Fairfax County, and Prince George's County. As the County has become part of the center, the County now typically attracts more of the type of employer who, 30 years ago, would only have considered locating in Washington, D.C. Those employers who want more expansive, less expensive fringe locations now often look to Frederick and Howard Counties.

The amount of non-residential land and its density have land use and planning implications for the County. The 1964 and 1969 Plans recognized the importance of economic activity and employment in their narrative discussions and as land use objectives, but did not devote a separate goal to it. These Plans clearly expected the County to become more self-sufficient economically, but were primarily oriented toward the issues common to bedroom suburbs, such as housing and commuting.

Economic activity is essentially a quality of life issue. It is the source of funds to sustain our standard of living. In recognition of the importance of employment and economic activity to the County, this General Plan Refinement proposes to incorporate a separate goal concerning economic activity. This fact sheet offers background for such a goal. The fact sheet focuses on employment as the County's primary economic activity.

A primary source of employment data for the County is *County Business Patterns* prepared by the U.S. Bureau of the Census. Due to federal spending cutbacks, this publication is annual but has a 2-year lag time for public release. As a result, some of the economic data in this fact sheet is not as timely as might be desired. Where *County Business Patterns* is the primary source of information, indications of the effects of the recent economic downturn and other changes in the economy are not yet available.

The discussion of the fiscal implications of land use and other similar issues is relatively brief. The fiscal element of the General Plan Refinement will probably suggest future studies to further explore the complex fiscal implications of land use and other fiscal issues raised throughout the Refinement process.