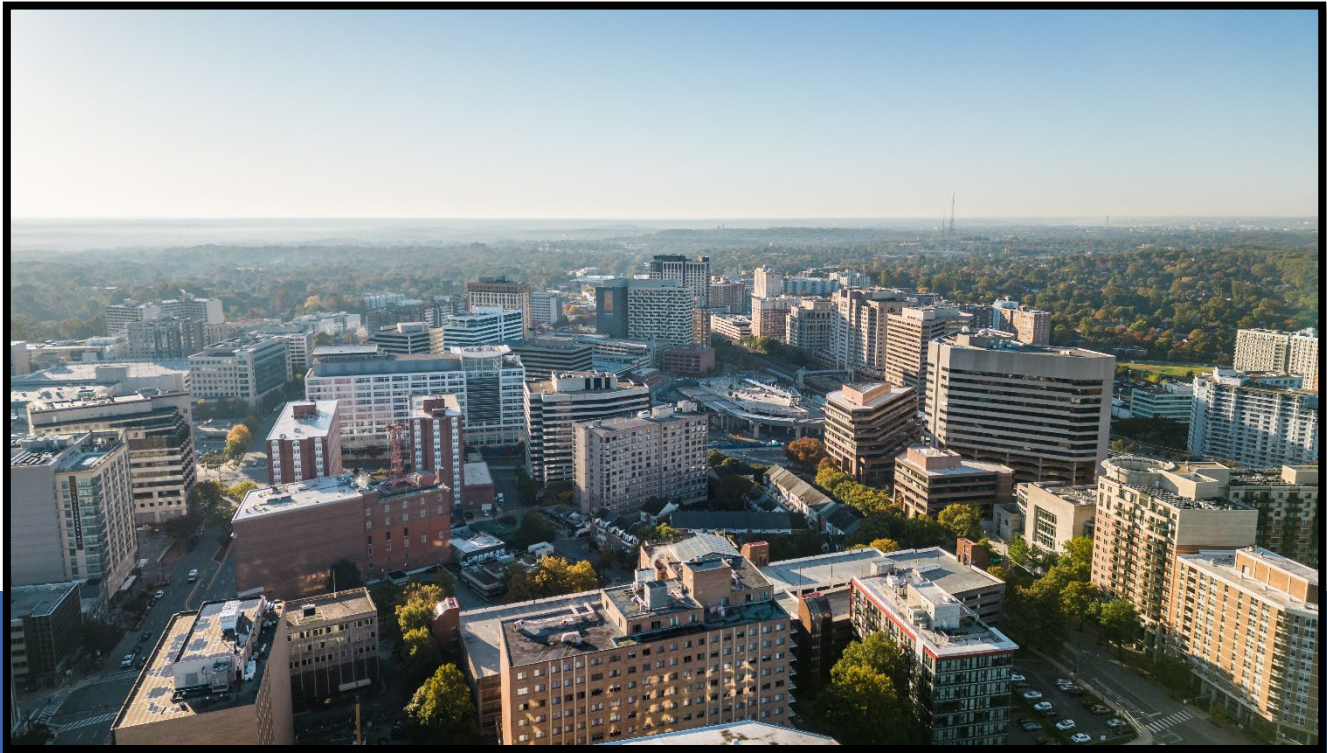


# BRIEFING ON RECENT RESEARCH ON ECONOMIC AND INCOME TRENDS IN MONTGOMERY COUNTY



## Description

Briefing on Recent Research on Economic and Income Trends in Montgomery County

**MCPB ITEM #8**

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## Overview

Staff will provide a briefing on recent research on Montgomery County's economy and the changing economic characteristics of its residents. It will start with a brief discussion of a special section of the joint MCEDC/Planning [Quarterly Economic Indicators report from the third quarter of 2023](#), which compares Montgomery County's economy to other similar counties nationwide across three key indicators. Then, it will focus on a research brief by the Montgomery Planning Research and Strategic Projects division called [Navigating Income Shifts in Montgomery County: Towards Shared Prosperity](#), and an accompanying three-part blog series called "Repositioning Montgomery County for Prosperity."

Taken together, this research suggests that Montgomery County's economic sluggishness, and especially its changing income composition, is influenced strongly by the challenge of providing housing opportunities for middle-income residents. The main points of the research are as follows:

- Montgomery County's economy has been sluggish over the last two decades, but its pace of population growth is not significantly out of line with other counties of similar geographic and economic characteristics.
- The county is falling farthest behind other places in Per Capita Personal Income (PCPI), meaning the average Montgomery County resident is seeing a much slower increase in standard of living than residents of other places.
- One major contributor to Montgomery County's stagnating PCPI is that its population is changing along income lines. The county is rapidly adding low-income residents while losing middle-income residents.
- The pace of this dynamic is faster in Montgomery County than in any large jurisdiction in the Washington DC region, and it is among the most rapid in the US.
- This income change dynamic suggests a poorly functioning housing market, because a healthy market combined with Montgomery County's robust affordable housing programs would make room for new residents of all income levels.
- This dynamic also suggests that a major opportunity for Montgomery County to strengthen its economy and increase its residents' standard of living is to increase supply of market-rate, attainable housing.

[Links to material that will be covered in the briefing:](#)

- [Quarterly Economic Indicators, 3<sup>rd</sup> Quarter 2023](#)
- [Navigating Income Shifts in Montgomery County: Towards Shared Prosperity](#)
- [Repositioning Montgomery County for Prosperity Blogs](#)
  - [Part 1: Montgomery County's Income Shifts](#)
  - [Part 2: Montgomery County's Income Shifts and Regional and National Contexts](#)
  - [Part 3: Abundant Housing for Inclusive Growth](#)