REGIONAL COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY (CEDS)

COOPERATIVE FORECASTING AND DATA SUBCOMMITTEE

Sakina Khan
Director, Community and Economic Services

Emilio Urteaga
Senior Economic Planner

September 8, 2026

Metropolitan Washington
Council of Governments

Agenda

- CEDS Overview
- State of the Regional Economy
- Discussion

What is a Comprehensive Economic Development Strategy (CEDS)?

- CEDS is a strategy-driven plan for regional economic development
- Serves to engage community leaders, leverage the involvement of the private sector, and establish a strategic blueprint for regional collaboration
- Development of a CEDS involves the creation of a Steering Committee and broader stakeholder engagement
- The CEDS provides the capacity-building foundation by which the public sector, working in conjunction with other economic actors (individuals, firms, industries), creates the environment for regional economic prosperity
- The U.S. Economic Development Administration (EDA) identifies **economic resilience** and **workforce development** as essential to a CEDS
- The CEDS is a starting point for designation as an Economic Development District (EDD)

Key overview points from EDA's Comprehensive Economic Development strategy (CEDS) Content Guidelines: Recommendations for Creating an Impactful CEDS publication

Why a regional economic development strategy is needed

The strategy will address:

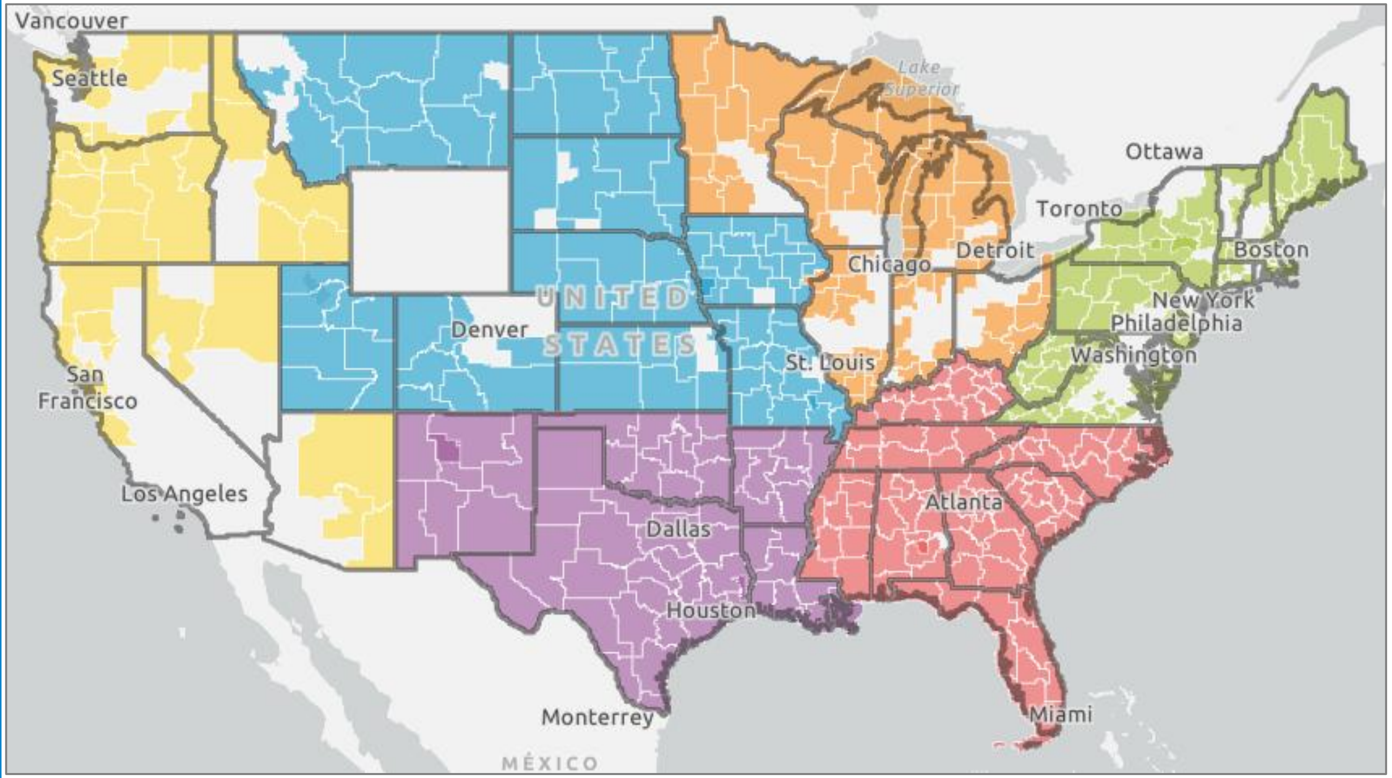
- Unprecedented economic disruption from reductions in federal employment, spending, and real estate footprint
- Impacts to employment and income that extend to local public, private and non-profit sectors
- Uneven regional economic growth and opportunity
- Reduced tax revenues and fiscal pressures for local jurisdictions
- Regional alignment in the face of increasing competition with peer regions
- Diversification of economy and economic resiliency

What will a regional CEDS achieve?

The region's first-ever CEDS will:

- Set a shared regional vision and actionable steps to address key challenges and chart a new economic path
- Convene public and private sectors to identify strategies and shared ownership of actions
- Reposition and transition the region's economy to leverage strengths and opportunities
- Provide the roadmap and enhance the region's ability to compete for federal, state, private sector and philanthropic funding
- Set ourselves up to become a thriving region; grow talent, investment, and business; advance inclusive opportunity and improve quality of life

Economic Development Districts Across the US



Designated EDDs shaded by EDA Regional Office

- 85% of US counties are in an EDD
- Of the ten largest metro areas in the country, only New York City, LA, and DC are **without** a designated EDD
- More than 77% of EDA grants and 71% percent of total EDA project investment went to areas covered by an EDD
- Per capita, the total project cost invested by EDA in EDD areas is more than three times the amount of investment outside of EDD areas

Sources: NADO Research Foundation (May 2026), Urban Institute (October 2023)

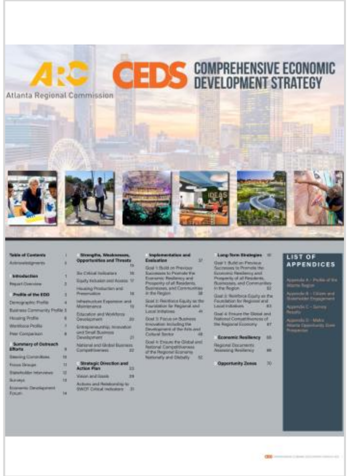
Metropolitan Washington
Council of Governments

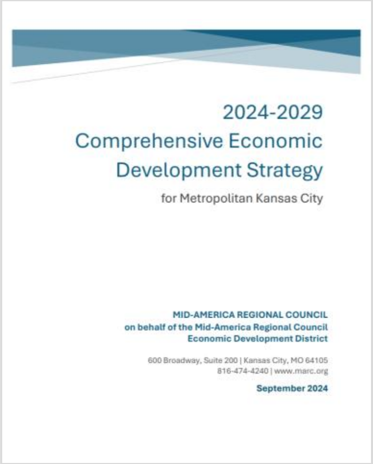
Existing CEDS as Examples for Our Work

Boston

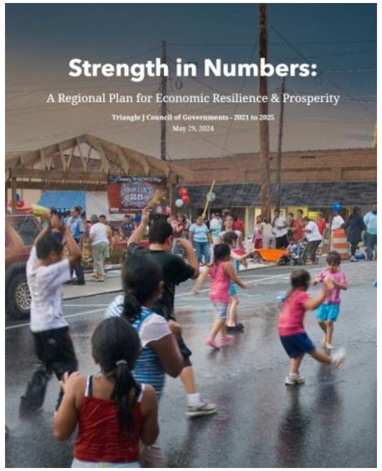
Philadelphia

Atlanta

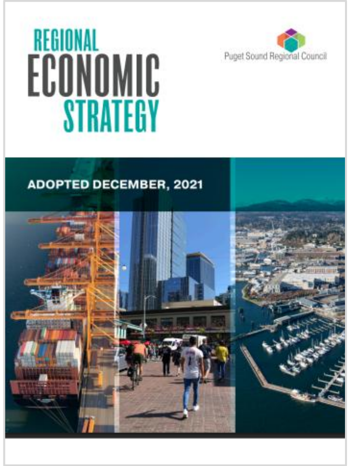




Kansas City



Raleigh



Seattle

Similarities to COG region

- Boston and Seattle: **GDP**
- Philadelphia and Kansas City: **span 2 states**
- Atlanta: **Diverse population**
- Raleigh and Boston: **High concentration of universities**

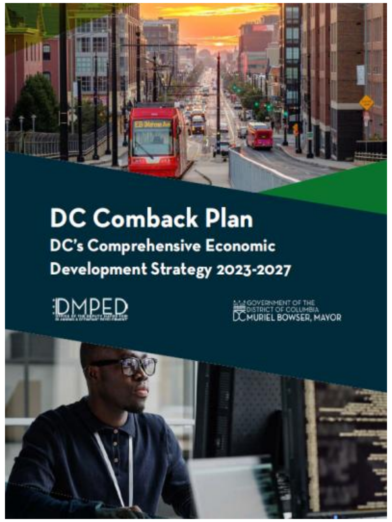
CEDS Goals

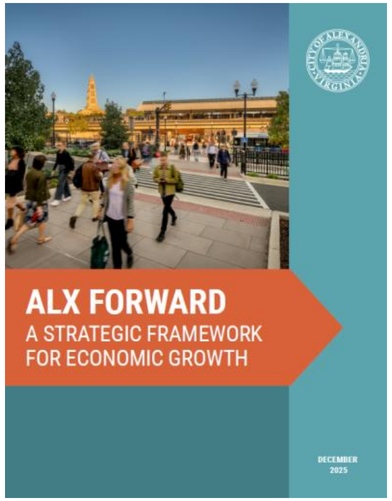
- Common priorities: workforce development, infrastructure investment, innovation ecosystems, inclusive growth
- Boston, Philadelphia, Kansas City, Atlanta, Seattle, Raleigh: **Increase affordability**
- Philadelphia, Atlanta: **Diversify economic sectors**

Economic Development Plans Around the Region

Jurisdiction	Year	Name
District of Columbia*	2023	DC's Comeback Plan
Town of Bladensburg	2026	Bladensburg C.A.R.E.S Closeout Report
City of Bowie	2022	Economic Development Strategy and Action Plan
City of College Park	2023	Five to Ten-Year Economic Development Strategy
Charles County	In progress	Shaping Tomorrow Together: Vision 2050
City of Frederick	2021	2020 Comprehensive Plan
Frederick County	2026	Economic and Workforce Strategic Growth Plan
City of Gaithersburg	In progress	Build Gaithersburg 2040
City of Greenbelt	2026	Economic Development Strategic Plan
City of Hyattsville	2026	Stepping Forward: 2026-2031 Strategic Plan
City of Laurel	2016	Master Plan: Goals, Objectives, and Policies
Montgomery County**	2022	Moving Forward Together
Prince George's County	2022	Economic Development Strategic Action Plan
City of Rockville	2021	2040 Comprehensive Plan
City of Takoma Park	2019	Housing and Economic Development Strategic Plan
City of Alexandria	2025	ALX Forward: A Strategic Framework for Economic Growth
Arlington County	2024	Economic Development Strategic Plan
City of Fairfax	2025	Economic Development Strategic Workplan
Fairfax County	2025	Countywide Strategic Plan
City of Falls Church	2017	Falls Church Vision 2040
Loudoun County	2026	Loudoun County 2019 General Plan
City of Manassas	2025	Historic Heart. Modern Beat.
City of Manassas Park	In Progress	Comprehensive Plan 2026
Prince William County	2025	2025-2028 Strategic Plan

*designated as a CEDS
**developing a CEDS





Regional Economy: Competitive Advantages

1. **COG region is one of the largest regional economies in America.**
   With a real GDP of roughly **$583 billion** (2024), the region is in **7th place** amongst metropolitan areas in the US and **14th** when compared to states.

2. **Professional and business services employ more than three-quarters of a million workers.**
   The metro area has roughly **781,300 professional and business service jobs**, reflecting its concentration of consulting, law, lobbying, accounting, cybersecurity, AI, and government-adjacent industries.

3. **Government remains a crucial anchor.**
   Despite downsizing, there are still **314,000 federal jobs,** each supporting approximately 1.5 to 2.5 additional jobs through contracting and household spending. The entire government sector (including local and state) accounts for a fifth of the region's workforce.

4. **The region is extraordinarily educated.**
   More than half of adults over 25 hold a bachelor's degree or higher, and about a quarter hold graduate or professional degrees—among the highest educational attainment rates in the nation.

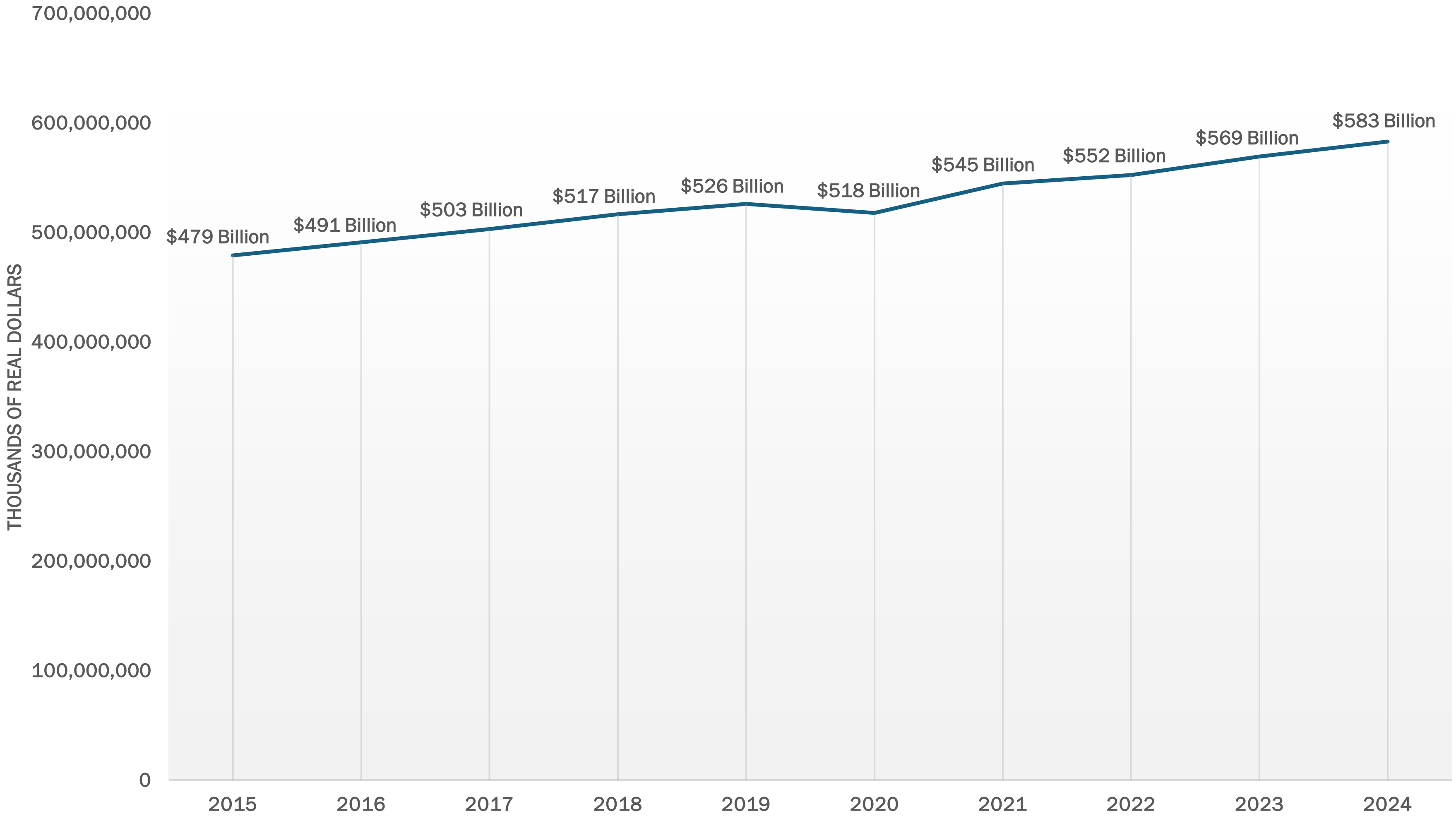
Regional Economy: Competitive Advantages (cont'd)

5. **Hub for innovation.**
   The region produces more than 2,300 patents annually, with federal laboratories, universities, biotechnology firms, and defense-related research contributing heavily to innovation.

6. **Hospitality, tourism and entertainment is one of the region's largest sectors**
   Tourism spending is estimated at more than $15 billion and supports **315,500** jobs. There were over **27 million** visitors to DC in 2024, up 5% from 2023.

7. **People connect to jobs via a strong transportation network.**
   The region is well connected by multiple transportation options including public transit. Commuting patterns have mostly returned to pre-pandemic levels with **28%** of weekly commute trips made by public transportation, biking, walking or carpool. Between 2022 and 2025, commuter satisfaction increased by **16%.**

COG Region Aggregate Real GDP (2015-2024)



Source: Bureau of Economic Analysis, Gross Domestic Product (GDP) is in thousands of real dollars. Last Updated: February 5, 2026.

Aggregate Real GDP of the COG Region Compared to States (2024)

	2024 GDP Real Dollars (Millions of chained 2017 dollars)
United States	**23,358,435**
California	3,306,929
Texas	2,221,943
New York	1,840,059
Florida	1,352,275
Illinois	899,126
Pennsylvania	803,233
Ohio	721,997
Washington	702,232
Georgia	697,451
New Jersey	675,898
North Carolina	664,132
Massachusetts	628,787
Virginia	613,709
COG Region	**582,881**
Michigan	562,178
Colorado	448,839
Arizona	446,968
Tennessee	440,200
Maryland	433,106
Indiana	412,003
Minnesota	399,253
Wisconsin	354,382
Missouri	353,307
Connecticut	286,160

If the COG Region were a state, it would be ranked 14th

Source: Bureau of Economic Analysis, Gross Domestic Product (GDP) is in millions of chained 2017 (Real). Last Updated: April 9, 2026

Metropolitan Washington Council of Governments

COG Region Total Jobs by Sector/Industry

	Washington MSA At-Place Employment		National At-Place Employment		Location Quotient (LQ)
	Number	Percent	Number	Percent	
Manufacturing	56,200	1.7%	12,694,000	7.9%	0.21
Mining, Logging, & Construction	172,700	5.2%	9,151,000	5.6%	0.93
Trade, Transportation, & Utilities	401,700	12.1%	28,652,000	18.0%	0.67
[Retail]	253,700	7.6%	15,450,500	9.7%	0.79
Information	78,500	2.4%	2,788,000	1.7%	1.36
Financial Activites	154,200	4.6%	9,149,000	5.7%	0.81
Professional & Business Services	781,300	23.5%	22,647,000	14.2%	1.66
Educational & Health Services	491,100	14.8%	27,666,000	17.6%	0.84
Leisure & Hospitality	340,600	10.2%	17,676,000	10.6%	0.96
[Accommodation and Food Service	280,900	8.4%	14,686,600	9.0%	0.94
Other Services	179,200	5.4%	6,113,000	3.8%	1.42
[Local]	261,500	7.9%	14,686,600	9.7%	0.82
[State]	94,400	2.8%	5,121,000	3.5%	0.79
[Federal]	314,000	9.4%	2,687,000	1.7%	5.58
Government	669,900	20.1%	22,113,000	14.9%	1.35
Total	**3,325,400**	**100.0%**	**158,695,000**	**100.0%**	

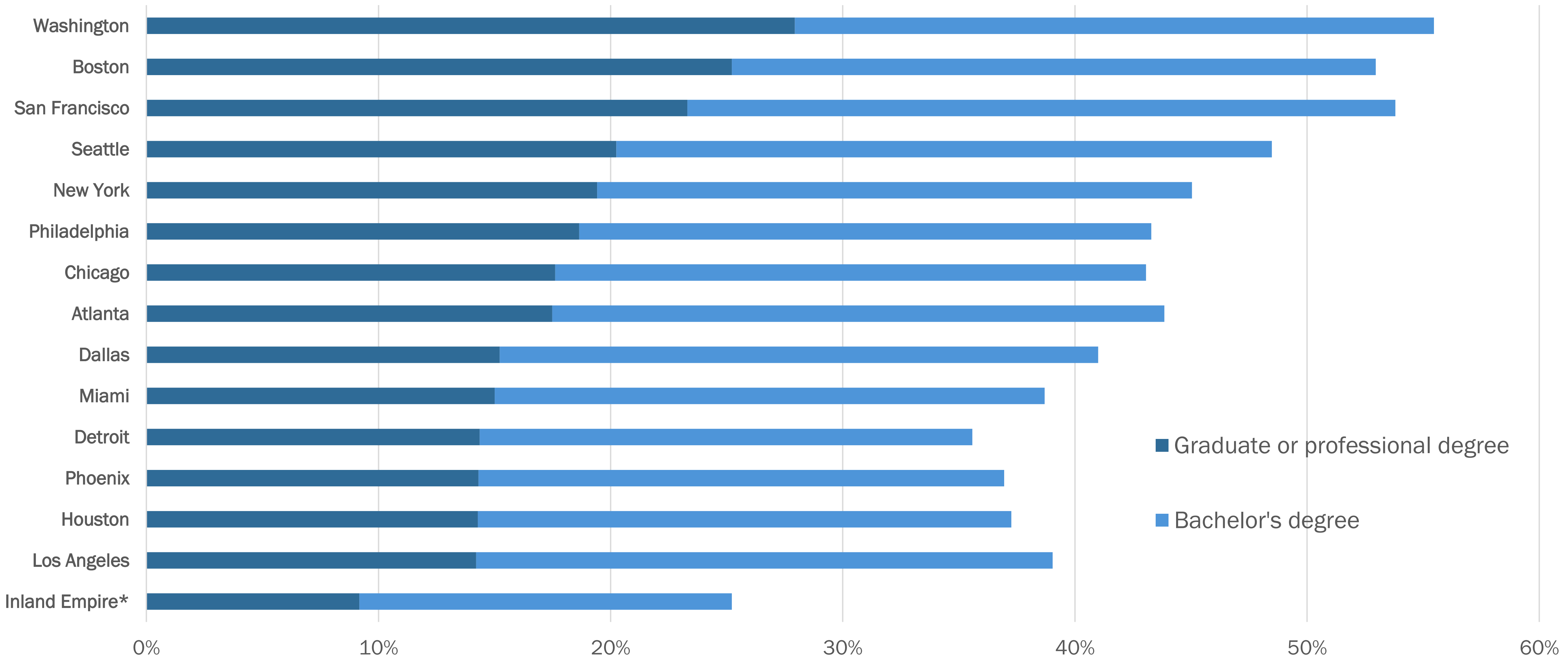
Sources: July 2026, Preliminary data from the Bureau of Labor Statistics, Not Seasonally Adjusted.

COG Region Total Jobs by Sector/Industry

	Washington MSA At-Place Employment		National At-Place Employment		Location Quotient (LQ)
	Number	Percent	Number	Percent	
Manufacturing	55,800	1.7%	12,550,000	7.9%	0.21
Mining, Logging, & Construction	171,700	5.2%	8,851,000	5.6%	0.93
Trade, Transportation, & Utilities	399,000	12.1%	28,494,000	18.0%	0.67
[Retail]	253,100	7.7%	15,348,700	9.7%	0.79
Information	78,100	2.4%	2,762,000	1.7%	1.36
Financial Activites	152,600	4.6%	9,073,000	5.7%	0.81
Professional & Business Services	770,800	23.4%	22,478,000	14.2%	1.65
Educational & Health Services	498,400	15.1%	27,962,000	17.6%	0.86
Leisure & Hospitality	315,500	9.6%	16,851,000	10.6%	0.90
[Accommodation and Food Services]	267,800	8.1%	14,216,400	9.0%	0.91
Other Services	177,000	5.4%	6,028,000	3.8%	1.41
[Local]	278,300	8.4%	15,345,000	9.7%	0.87
[State]	86,000	2.6%	5,630,000	3.5%	0.74
[Federal]	313,400	9.5%	2,671,000	1.7%	5.65
Government	677,700	20.6%	23,646,000	14.9%	1.38
Total	**3,296,600**	**100.0%**	**158,695,000**	**100.0%**	

Sources: April 2026, Preliminary data from the Bureau of Labor Statistics, Not Seasonally Adjusted.

Higher Educational Attainment in 15 Largest Metro Areas



Source: U.S. Census, 2024 ACS 1-Year Estimates

*Inland Empire consists of Riverside and San Bernardino Counties in CA

Metropolitan Washington
Council of Governments

Regional Economy: Challenges

1. **Economic growth is slowing and population growth is limited.**
   Over the last 5 years, economic growth (real GDP) for the COG region has been lagging at 7.13% compared to peer average growth of 13%. The region's population (Census Population Estimates Program) has only grown by about 160,000 people or 1 percent between July 2020 and July 2025.

2. **Largest employment decline among major metros.**
   Between January 2025 and July 2026, the region lost more than 102,000 jobs, comprised on 61,800 federal government and 40,900 nonfarm job losses. Post-pandemic regional jobs recovery has been slow and has significantly trailed faster-growing metro areas such as Richmond.

3. **Overreliance on federal government means impacts are rippling through regional economy.**
   Reductions in the federal workforce and spending are having outsized effects on employment and business activity across many sectors, as well as on real estate and consumer spending.

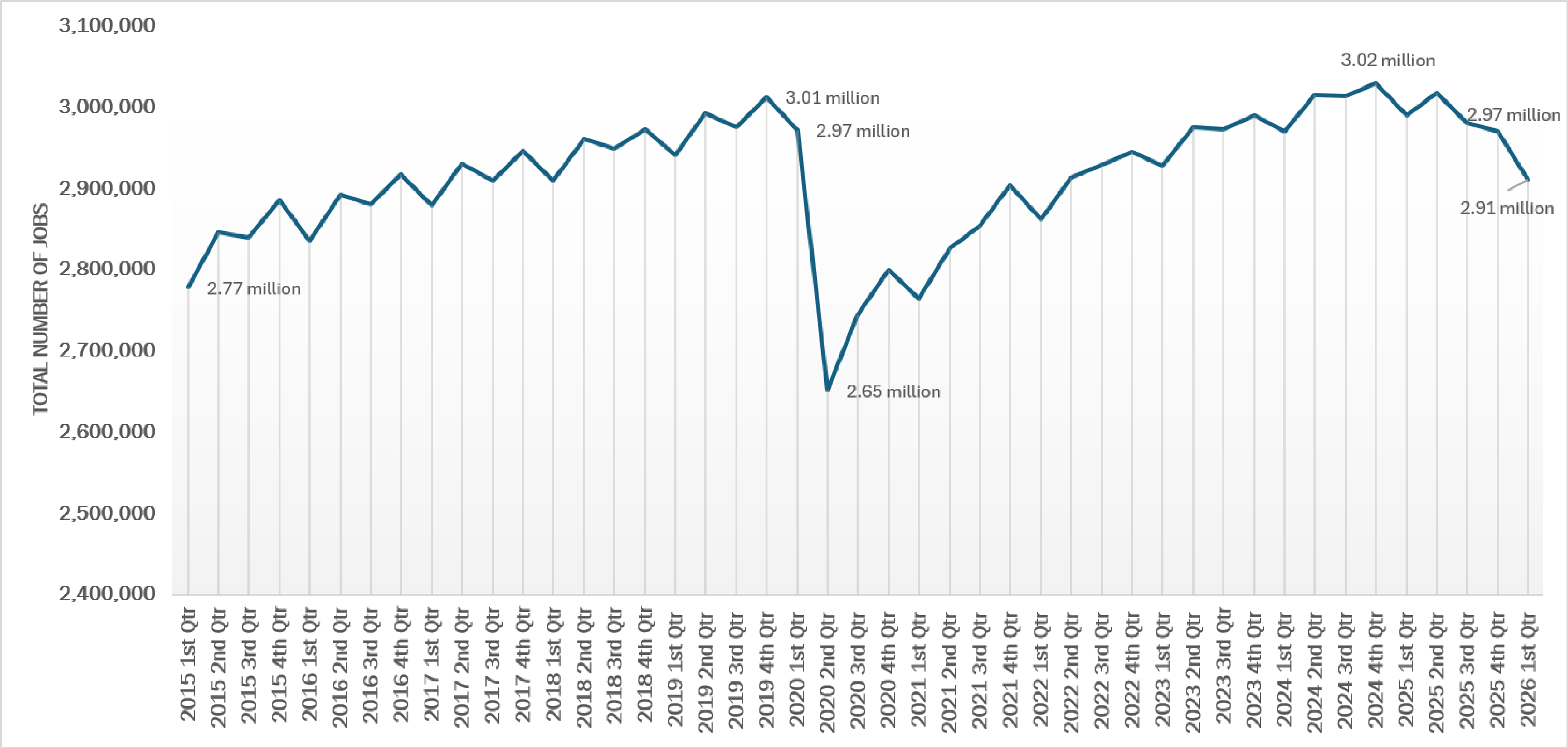
Regional Economy: Challenges Cont'd

4. **Commercial real estate adjustment.**
   Accelerated by the pandemic, recent federal downsizing and hybrid work trends, the region is experiencing elevated office vacancy rates currently at 18.1%. New commercial construction declined by 30% from 2024 to 2025.

5. **Persistent economic disparities and uneven opportunity.**
   Economic growth has not been evenly distributed throughout the region with geographic concentrations of opportunity and racial wealth gaps. The top fifth of households earn roughly half of all income in the area. The bottom fifth earn 3.37%.

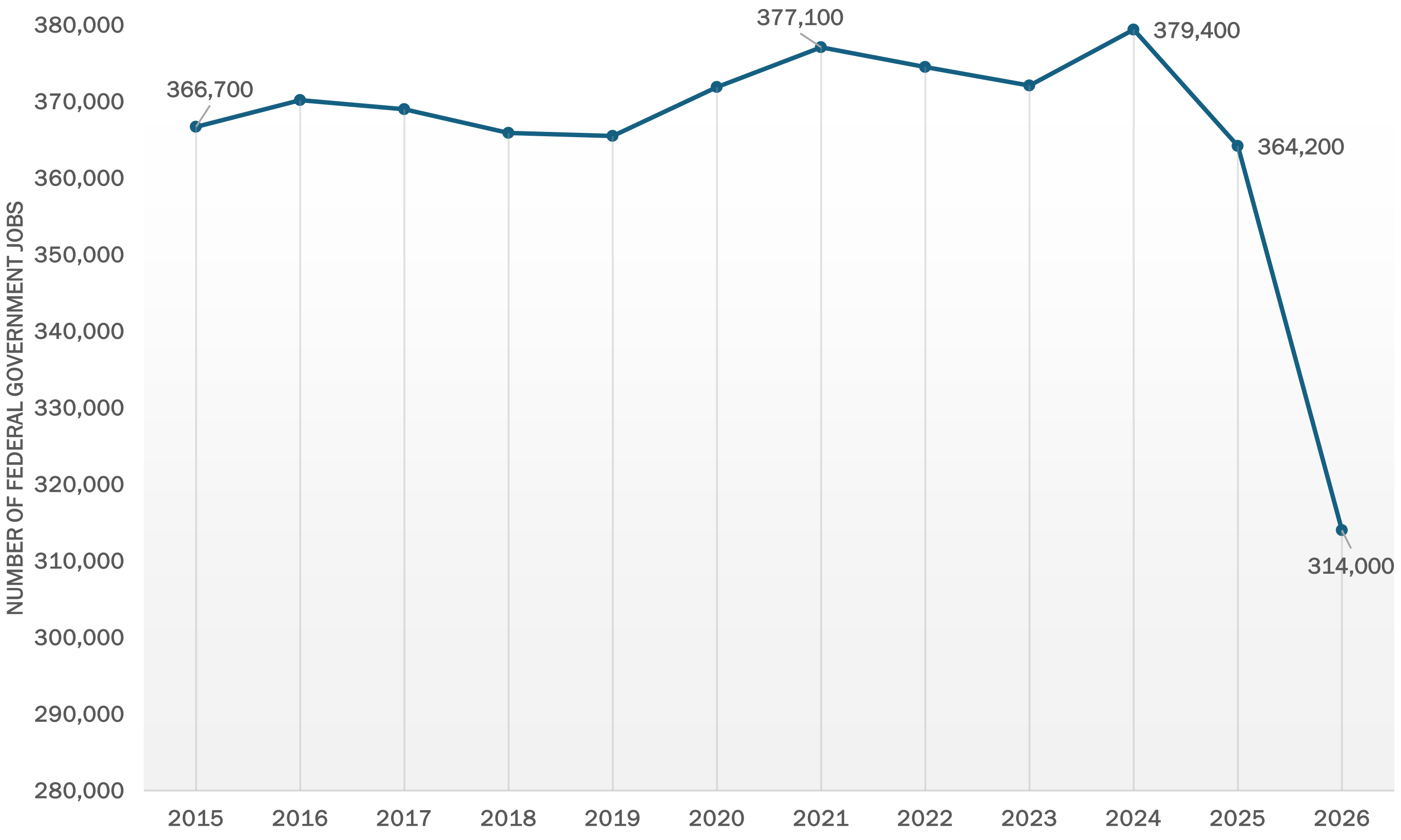
6. **Housing costs are affecting the region's ability to retain and attract businesses and talent.**
   Housing costs remain among the nation's highest. The Washington's MSA median home value is $604,800, compared to $360,600 nationally. For renters, the region’s average one bedroom apartment rents for $1,926 per month, compared to $1,584 per month nationally. These costs creates affordability challenges for workers and employers alike.

Total Number of Jobs in the COG Region (2015-2026)



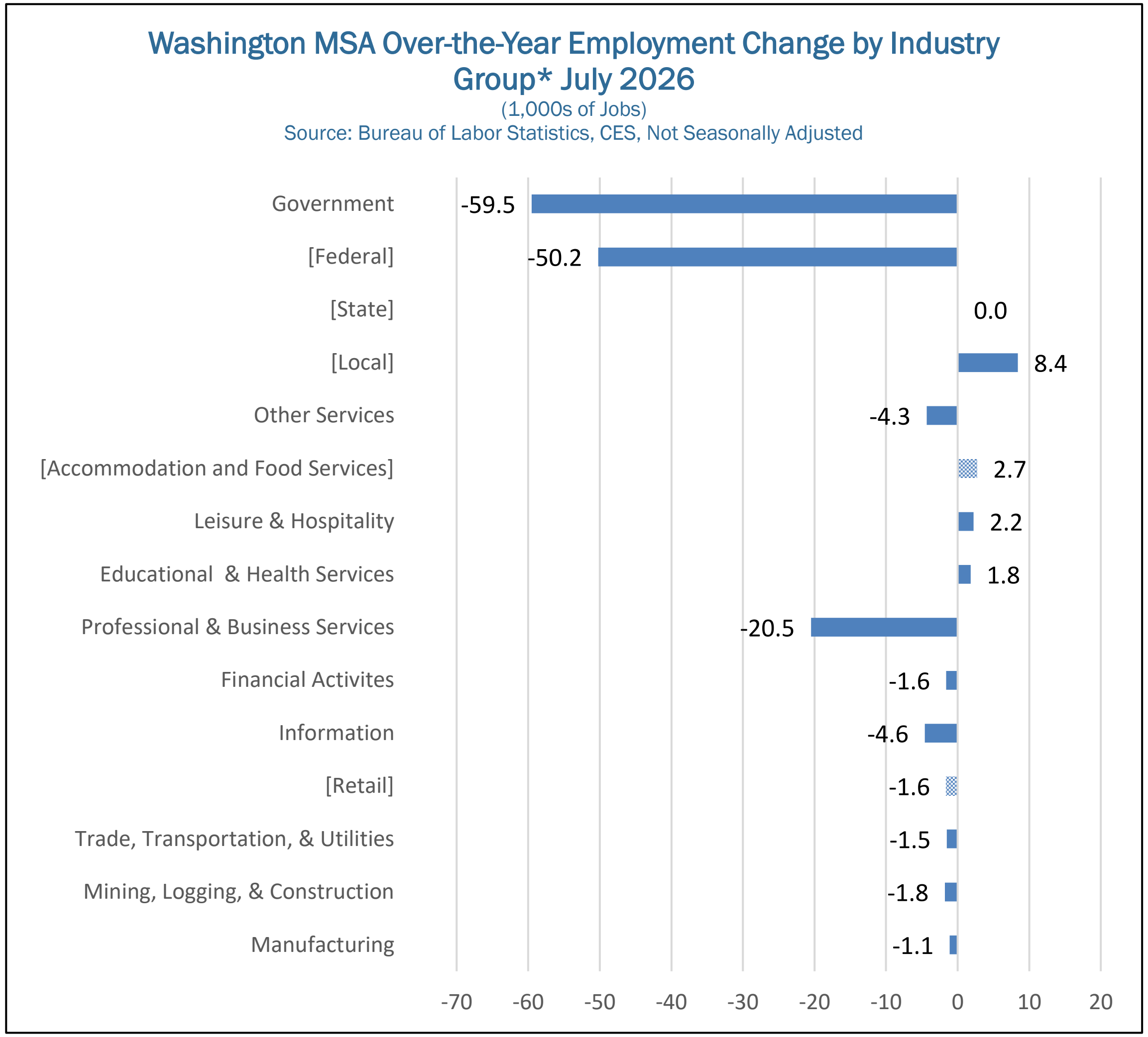
The Quarterly Census of Employment and Wages (QCEW) program publishes a quarterly count of employment and wages reported by employers covering more than 95 percent of U.S. jobs.
Source: U.S. Bureau of Labor Statistics

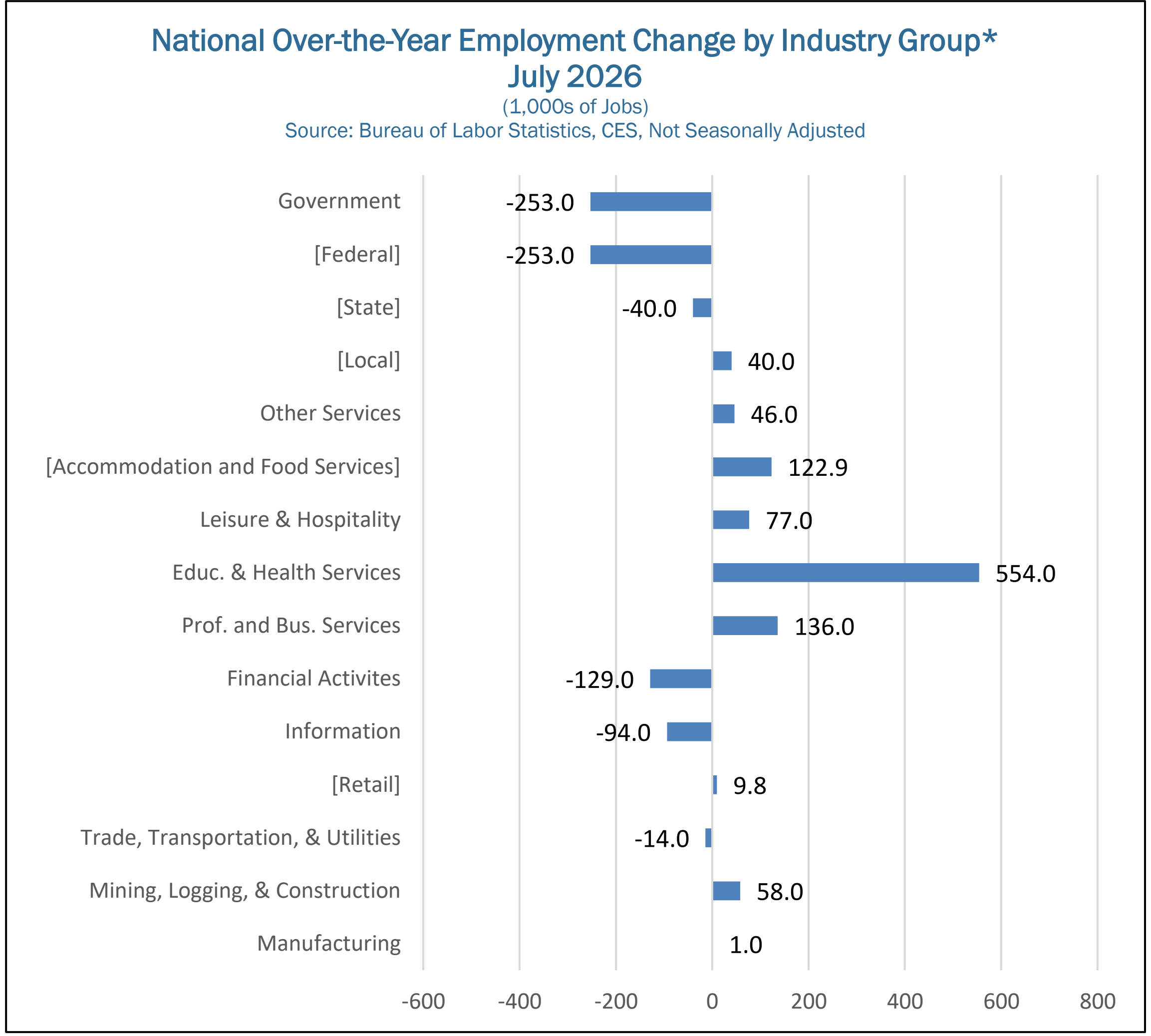
Number of Federal Government Jobs in the Washington MSA
July Data (2015 – 2026)



Source: Current Employment Survey, Not Seasonally Adjusted, U.S. Bureau of Labor Statistics

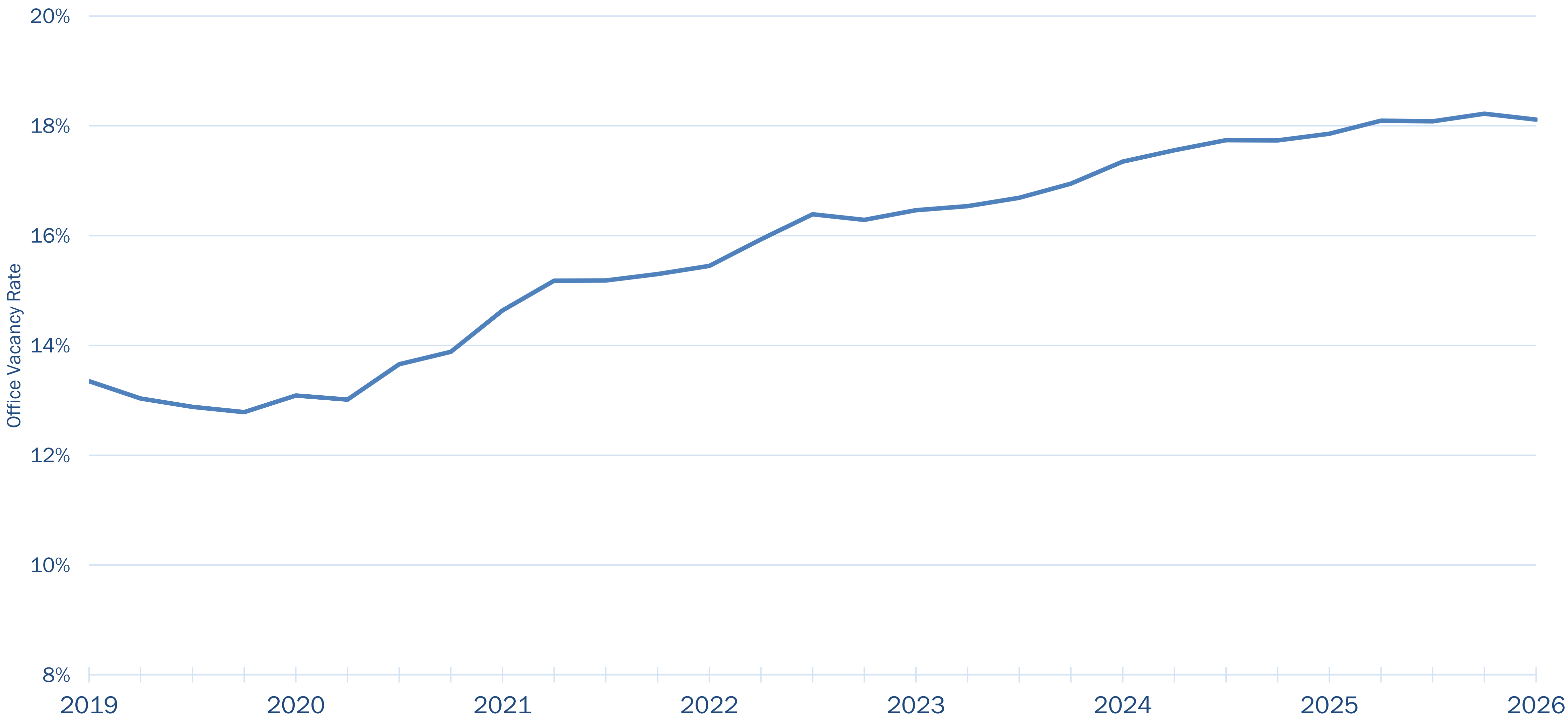
COG Region Change in Total Jobs by Sector/Industry





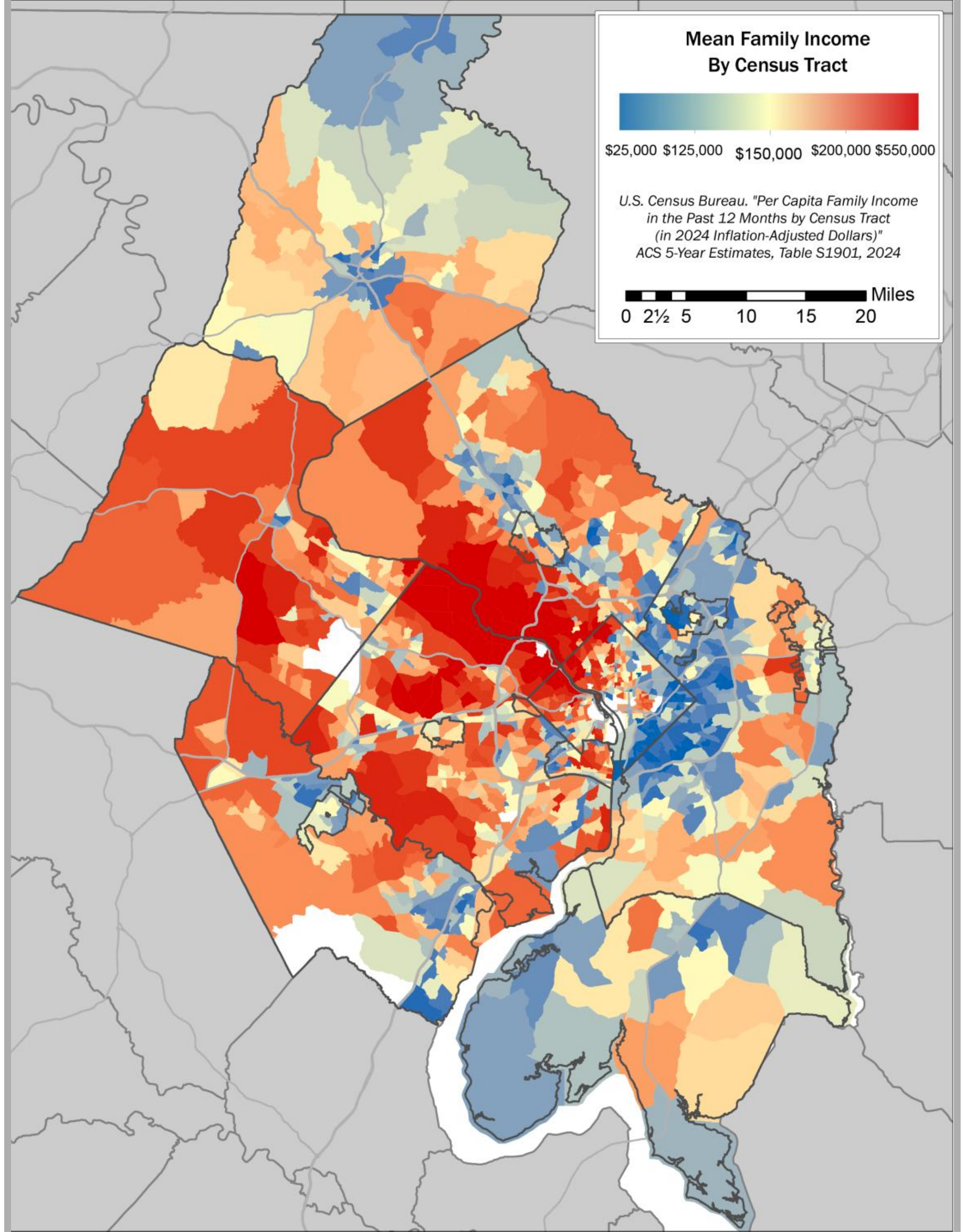
Sources: July 2026, Preliminary data from the Bureau of Labor Statistics, Not Seasonally Adjusted.

Office Vacancy Rate in COG Region, Q1 2019 to Q1 2026



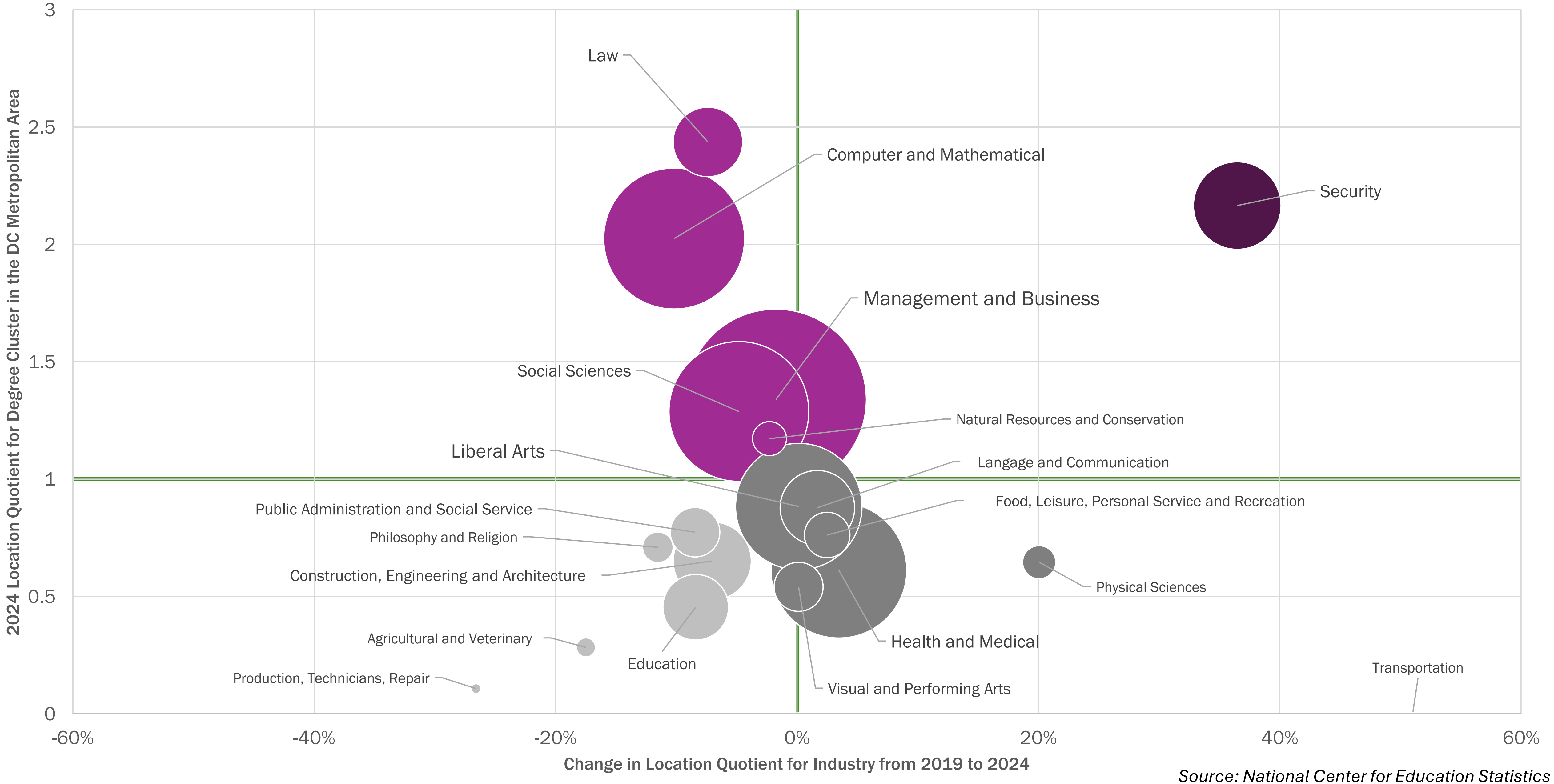
Income Inequality in COG Region

- Mean household income in the COG region ranges from $27,000 to $550,000
- Spatial distribution of income differences
  - The western half of the region has significantly higher incomes than the eastern side

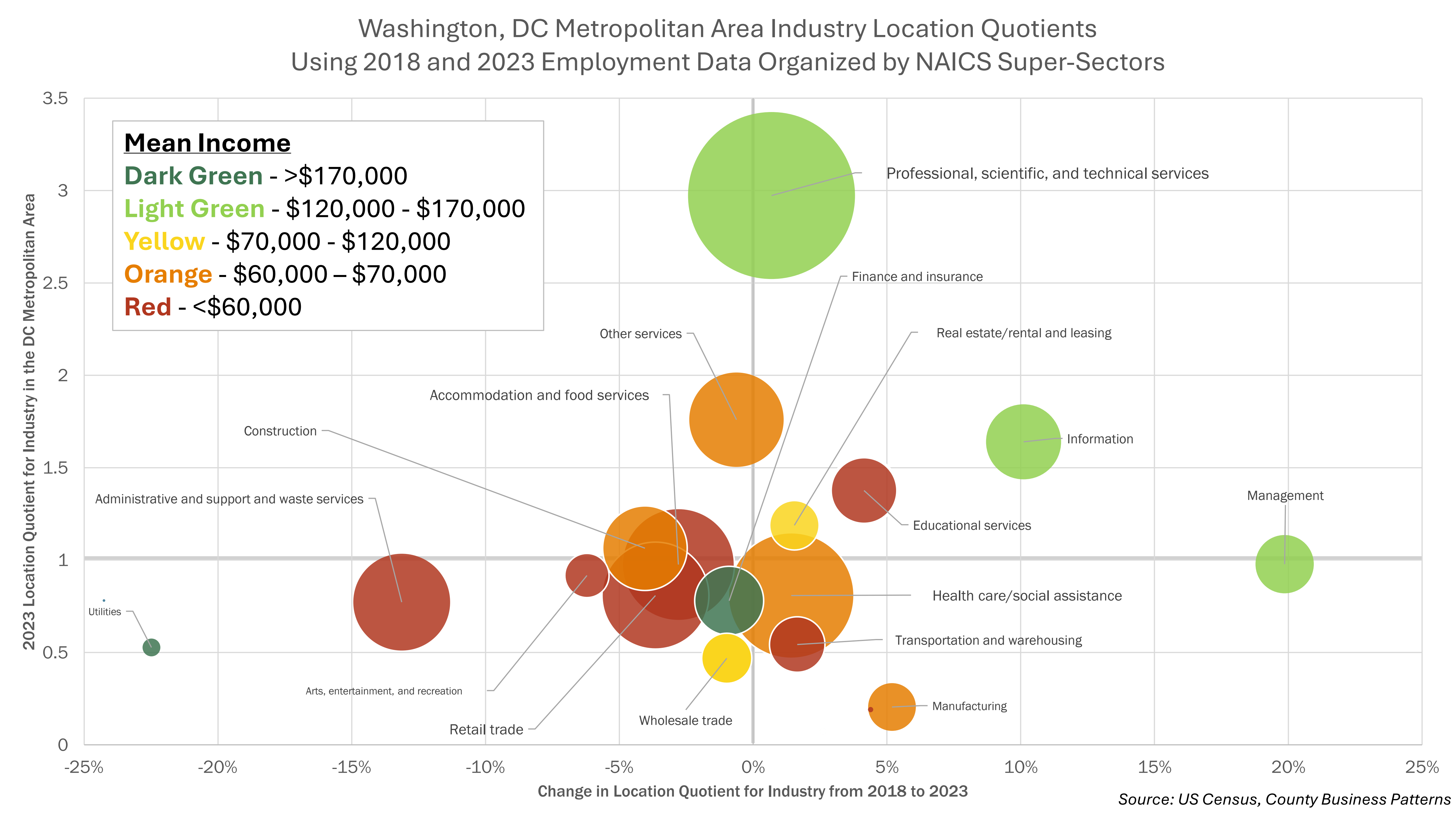


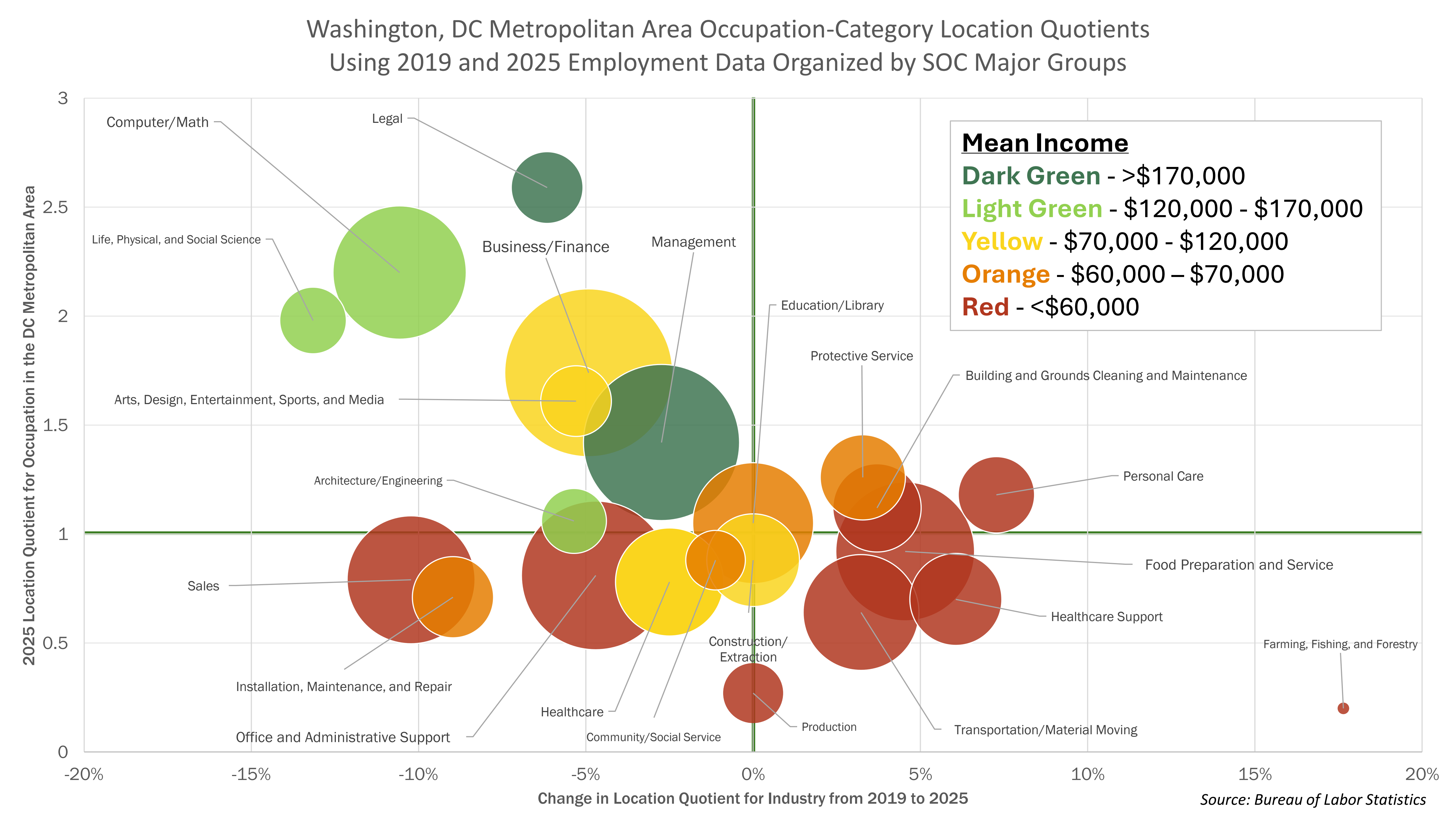
Metropolitan Washington
Council of Governments

Washington, DC Metropolitan Area Education Cluster Location Quotients Using 2019 and 2024 Post-Secondary Degrees Awarded



Source: National Center for Education Statistics


Washington, DC Metropolitan Area Industry Location Quotients
Using 2018 and 2023 Employment Data Organized by NAICS Super-Sectors
Mean Income
Dark Green - >$170,000
Light Green - $120,000 - $170,000
Yellow - $70,000 - $120,000
Orange - $60,000 – $70,000
Red - <$60,000
Professional, scientific, and technical services
Finance and insurance
Other services
Real estate/rental and leasing
Accommodation and food services
Construction
Information
Administrative and support and waste services
Management
Educational services
Health care/social assistance
Utilities
Transportation and warehousing
Arts, entertainment, and recreation
Manufacturing
Wholesale trade
Retail trade
2023 Location Quotient for Industry in the DC Metropolitan Area
Change in Location Quotient for Industry from 2018 to 2023
3.5
3
2.5
2
1.5
1
0.5
0
-25%
-20%
-15%
-10%
-5%
0%
5%
10%
15%
20%
25%
Source: US Census, County Business Patterns


Washington, DC Metropolitan Area Occupation-Category Location Quotients
Using 2019 and 2025 Employment Data Organized by SOC Major Groups
Mean Income
Dark Green - >$170,000
Light Green - $120,000 - $170,000
Yellow - $70,000 - $120,000
Orange - $60,000 – $70,000
Red - <$60,000
Computer/Math
Legal
Life, Physical, and Social Science
Business/Finance
Management
Education/Library
Protective Service
Building and Grounds Cleaning and Maintenance
Arts, Design, Entertainment, Sports, and Media
Architecture/Engineering
Personal Care
Food Preparation and Service
Sales
Healthcare Support
Construction/
Extraction
Farming, Fishing, and Forestry
Installation, Maintenance, and Repair
Healthcare
Production
Transportation/Material Moving
Office and Administrative Support
Community/Social Service
3
2.5
2
1.5
1
0.5
0
-20%
-15%
-10%
-5%
0%
5%
10%
15%
20%
2025 Location Quotient for Occupation in the DC Metropolitan Area
Change in Location Quotient for Industry from 2019 to 2025
Source: Bureau of Labor Statistics

Discussion Questions

1. Does the data demonstrate the state of our regional economy?
2. Is there additional data / data sources you suggest we review?
3. Are there any emerging data points or trends in your jurisdiction that might be relevant to the CEDS process?
4. Can we explain and visualize data in a better way?

Sakina Khan

Director of Community and Economic Services

skhan@mwcog.org

Emilio Urteaga

Senior Economic Planner

eurteaga@mwcog.org

mwcog.org

777 North Capitol Street NE, Suite 300

Washington, DC 20002

Metropolitan Washington
Council of Governments