

"Federation Corner" column
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A new economic development model

by Jim Humphrey, Chair, MCCF Planning and Land Use Committee

In certain circles, the debate has raged this year over whether or not it is wise for our local government to offer large sums of money to major corporations to entice them to move to, or remain in, Montgomery County.

It is rumored the county promised \$25 million to Northrup Grumman if they moved 300 of their executives here. But, we apparently lost out to Fairfax County when they sweetened their offer by extending free country club memberships to the sought-after aerospace execs. And the jury is still out on the wisdom of forking over \$4 million of taxpayers' money to Westfield Shopping Town to remodel the old Woodward & Lothrop store in Wheaton Plaza and coax Costco to open what will undoubtedly be a mega-profitable operation for the mega-retailer.

The economic development of the county may have seemed easier in decades past, because we enjoyed what was hoped to be an endless growth in the number of Federal offices locating here.

The National Institutes of Health in Bethesda grew from a small "reservation" of scientists in the early 20th century into the world class health and biosciences institution it is today...and it's still growing. The National Institute of Standards mushroomed from a tiny Department of Commerce unit started in 1901 into the current National Institute of Standards and Technology--so big it has opened a branch office in Boulder, Colorado.

The Food and Drug Administration moved here and built an office building on steroids as their headquarters in Twinbrook, which they have left for roomier digs at the former Naval Surface Weapons Laboratory site on New Hampshire Avenue in Silver Spring. And the Atomic Energy Commission of 1975 transformed from a few buildings in a Germantown corn field, and a satellite office in Bethesda's Woodmont Triangle, into the Nuclear Regulatory Commission, now headquartered in Rockville with regional offices in four other states.

At one time, the percentage of workers living in the county who were employed by the Federal Government was substantial. Today, Federal employees comprise only about 10% of the total workforce residing in the county. However, Montgomery County is also home to dozens of national associations and some major private corporations that want to be close to the nation's capital, but have opted for cheaper land prices or the hope of an easier commute for their employees. And, of course, all of these workers need housing, schools for their kids and other local government services, and the retailers that provide a variety of goods and services.

Montgomery County has grown and prospered since its founding, and has much for residents to brag about. It is one of the wealthiest counties in the country, boasts the highest percentage of residents over age 25 holding post-graduate degrees, and has an unemployment rate nearly half the national average. But, according to some in our government, we have now entered a new era in economic development in which big isn't big enough, and good isn't good enough anymore. We need to aggressively court new businesses to move here, especially bioscience companies, according to these folks.

But I think the county government is going about this economic development thing all wrong. Betting your economic future on untried venture capital companies is risky business. Just ask the folks in Silicon Valley, California about the "dot com" collapse of 2000, when surefire internet start-up companies there folded faster than Superman on laundry day.

I think the safest bet to ensure the county revenue streams continue to flow with milk and honey is to catch a gravy train that is already underway. And at present, the entire country seems to have a love affair with

celebrities. These are folks who are famous for being famous, not for any particular talent or accomplishment. And the surest way to promote ones celebrity status is through television coverage.

The staff in the Department of Economic Development needs to work on the next Batchelor or Batchelorette coming from our county. Or they could shop ideas to tv execs for a "Housewives of Potomac" show, or "Montgomery Hills 20910", or "Survivor: the AgReserve." The DED could ask former MoCo residents Sylvester Stallone and Goldie Hawn if they'd consider filming a remake of "The Bridges of Madison County" here, called "The Bridges of Montgomery County." Or, if we're really lucky, when Live Nation opens the Fillmore East Coast in Silver Spring some glitzy celeb will get busted on Colesville Road and it will be covered on Entertainment Tonight.

Then there is all of the ancillary business activity that would be associated with the county jumping onto the celebrity bandwagon: the paparazzi that would flock here to photograph the famous; the restaurants and bars where celebs would gather; even couturieres like Isaac Mizrahi, Carolina Herrera and Halston might open shops here to dress the glam crowd.

It sounds pretty farfetched, doesn't it? But if the county is going to actively push into new areas of economic development in order to increase revenue, then it should at least head for where the money is...not set its sights on attracting some risky start-up bioscience or green technology companies that might not make it to the first anniversary of their founding.

If it's money you're after, Montgomery County, then I say go for the gold! But if it is a stable economy you want, then begin by supporting the businesses already here, especially indigenous small businesses, to insure their survival. And the first step should be to stop upzoning areas with well-functioning local serving retail, which encourages redevelopment of existing buildings and displaces businesses.

The views expressed in this column do not necessarily reflect formal positions adopted by the Federation. To submit an 800-1000 word column for consideration, send as an email attachment to theelms518@earthlink.net