

Housing policy and Maryland's economy

D. Reed (they/them)

Maryland Policy Director, Greater Greater Washington

about Greater Greater Washington

- founded in 2008
- started as a blog run by volunteers, evolved into an advocacy nonprofit that blogs
- we focus on housing, land use, and transportation issues
- we mostly work in DC and Maryland, and sometimes Northern Virginia



Where we are today: budget cuts and higher taxes

Maryland lawmakers adopt recommendations to cut state spending amid \$1.2B deficit

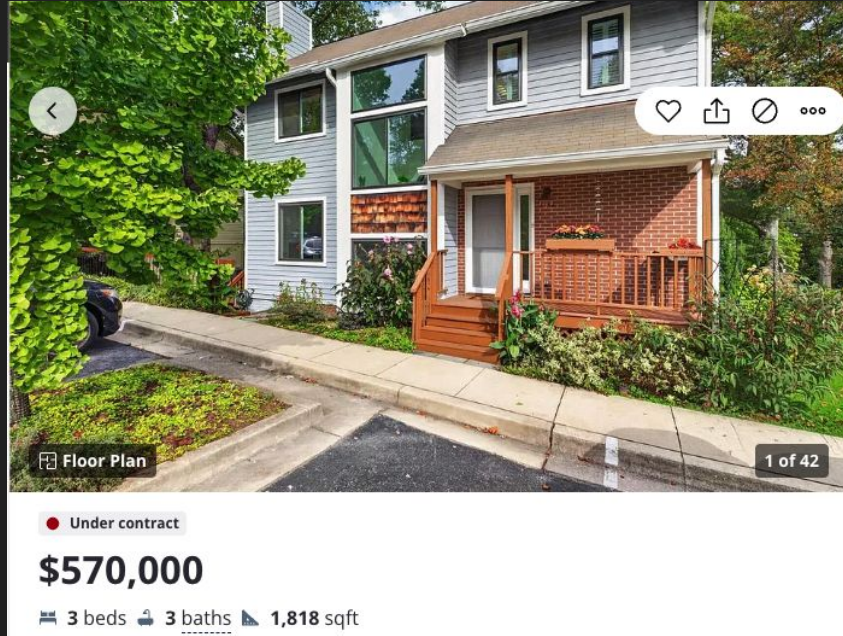
Howard County school board votes to eliminate 127 positions in order to close funding gap

MCPS Projects Enrollment Will Decline by More Than 14,000 Students Over Next Decade

Where we are today: the middle class is leaving

- For two decades, more people have left MD for other states than came here (Comptroller)
- Since 2022, 37% of people leaving MD for other states were under 45, up from 21% before Covid (Comptroller)
 - Most people leaving make between \$100-200,000/year
- The top five most popular destinations: Florida, Pennsylvania, North Carolina, Texas, and Virginia

I'm not trying to move to Texas, but I get it



My neighbor's house, under contract after 3 days



It's peanut butter jelly time, as they say

Where we are today: underbuilding and rising prices

The median list price in Maryland is currently \$425,000, a 45% increase from 2017 (FRED)

Maryland permitted 13,700 homes in 2025, down from 16,000 in 2017...and 42,000 in 1988

We're basically coasting off of 1980s building boom



For the third year
in a row, voters
housing costs and
inflation are top
issues

The cost of housing

23%

Inflation

20%

Taxes

16%

Health-care costs

12%

Availability of good-paying jobs

10%

Crime

7%

Other

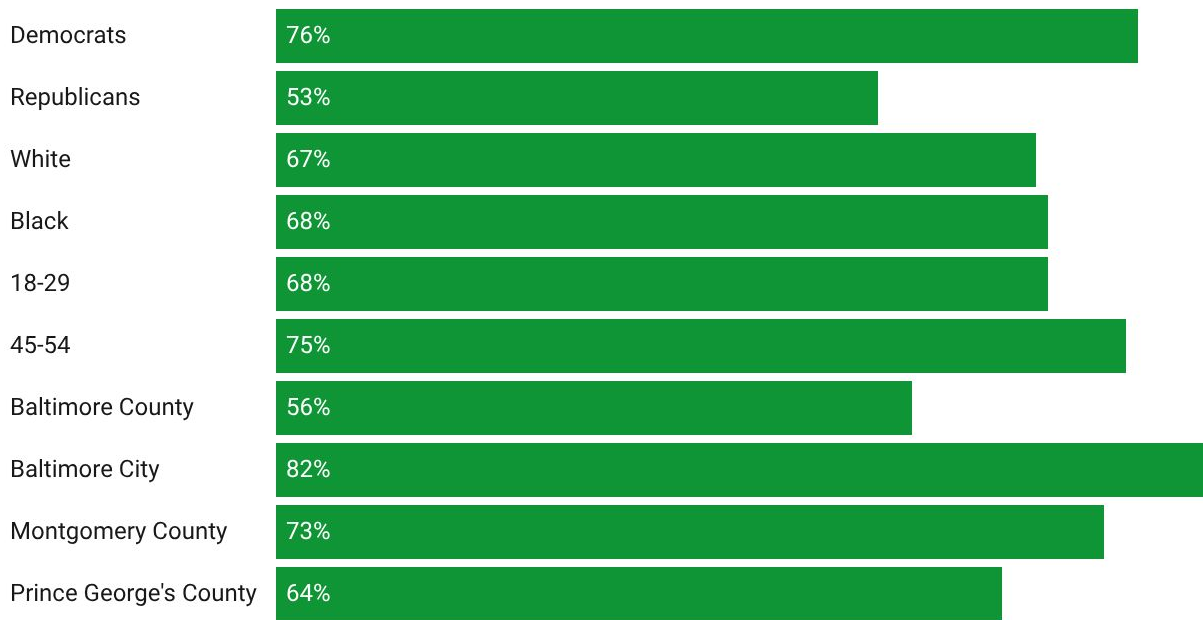
7%

Immigration

6%

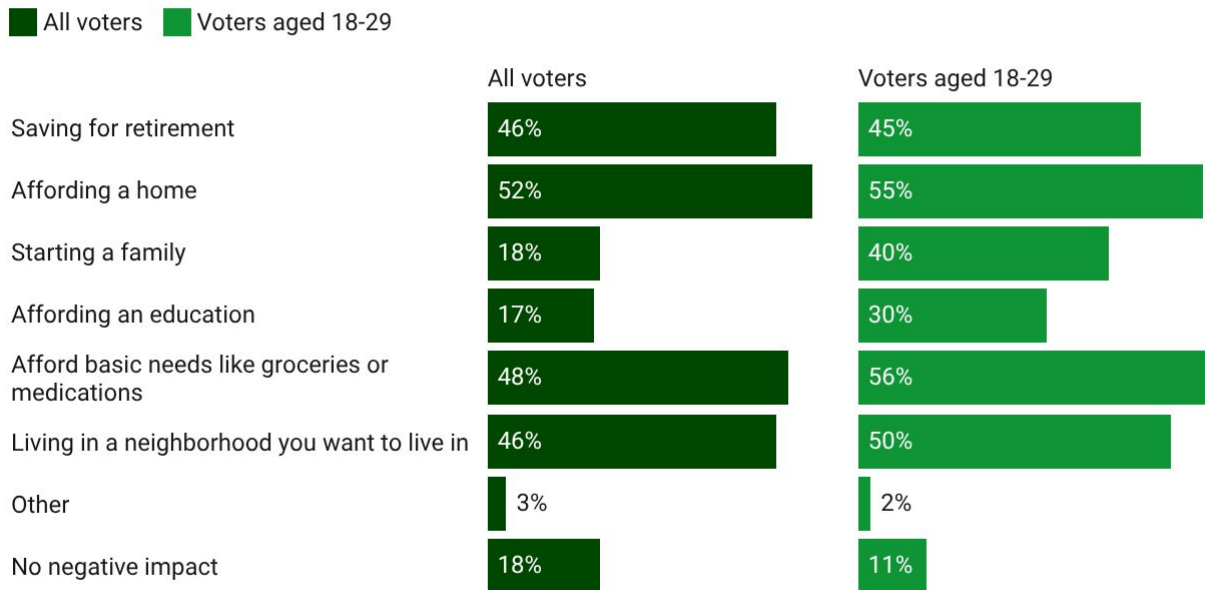
From a January 2026 survey of 807 voters: "From this list of issues, which ONE do you see as the most important issue facing Maryland today?"

Marylanders across all walks of life say housing costs are a major problem



From a January 2026 survey of 807 Maryland voters: "Would you say that the cost of renting or buying a home in Maryland is [a major problem, somewhat a problem, a minor problem, or not really a problem?]"

How housing costs hurt Marylanders' ability to build a life here



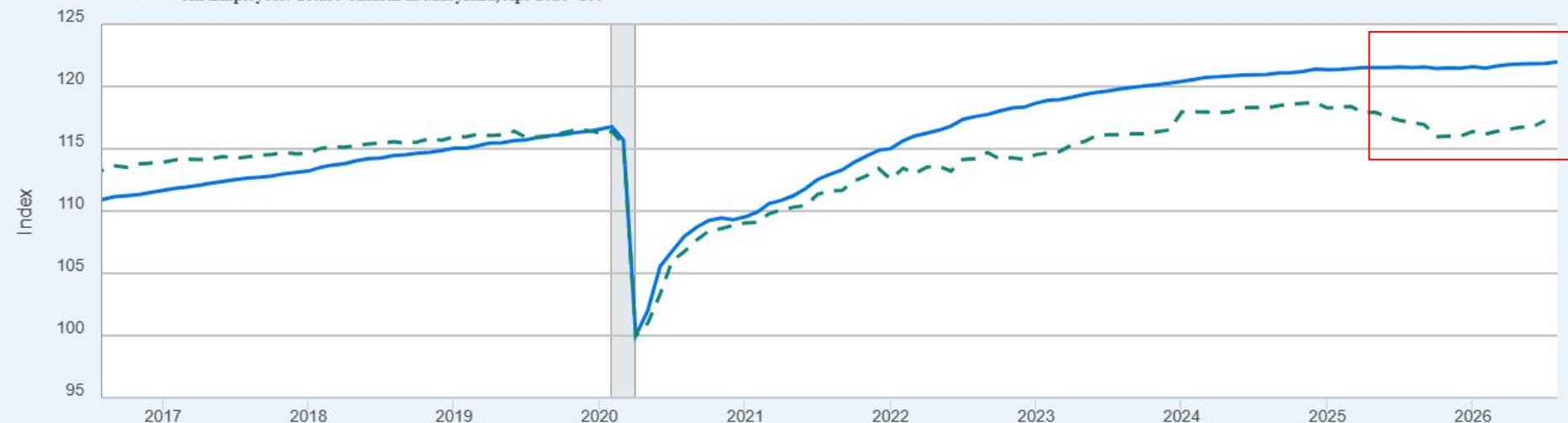
From a January 2026 survey of 807 Maryland voters: "Have housing costs had a negative impact on any of the following in your life, or in the lives of your family, friends, or neighbors? Select all that apply."

Job Growth: USA vs. MD



FRED

— All Employees, Total Nonfarm, Apr 2020=100
- - All Employees: Total Nonfarm in Maryland, Apr 2020=100



Source: U.S. Bureau of Labor Statistics via FRED®
Shaded areas indicate U.S. recessions.

fred.stlouisfed.org

Takeaway: for now, housing demand will remain strong. There is no significant, statewide downward pull on prices due to job loss.

Where we are today

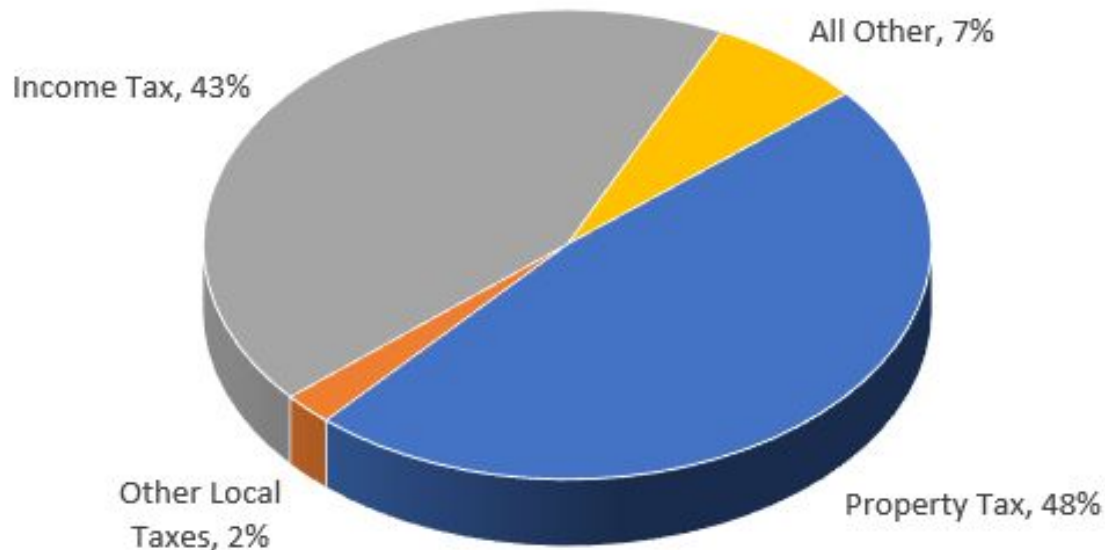
Local government tax revenue mainly comes from two places:

- People (income tax)
- Stuff (property tax)

Or: **people who live here**
and/or keep their stuff here
(or could in the future.)

Development impact fees in Howard County (for example) make up 0.8% of the county's \$2.3 billion budget.

FY26 Budget: General Fund Revenues (Excluding Use of Fund Balance)



This chart is for Howard County, but applies most places

Where we are today: underbuilding and rising prices

Table 1. Covered establishments, employment, and wages in the United States

Area	Establishments, first quarter (thousands)	Employment		
		March 2026 (thousands)	Percent change, March 2025–26(2)	Na
United States(4)	12,381.8	154,771.9	0.1	
Maryland	201.1	2,700.3	-1.7	
Anne Arundel	16.4	287.6	-0.5	
Baltimore	24.0	363.0	-2.1	
Frederick	7.7	104.0	-2.6	
Harford	6.5	94.5	-3.0	
Howard	11.7	168.8	-1.5	
Montgomery	37.0	440.7	-4.0	
Prince George's	19.0	320.4	-2.9	
Baltimore City	15.4	342.4	0.0	

Maryland needs to build **184,000** homes by 2030, 46,000 of which are needed in **Montgomery County**, 24,000 in **Baltimore County**, and 22,000 in **Anne Arundel** (DHCD)

MoCo has **1 of every 6 jobs in Maryland...**and **approved 1,400 homes in 2025.**

That's creating a housing and budget crisis there—and compounding the housing and budget challenges in surrounding counties, because **people have to go somewhere**

Local decisions about **who and what goes where** have regional and national impacts

Marylanders support pro-homes policies

Support Oppose Not sure

Allow homes to be built near businesses and shopping districts (HB 1137/SB 829, HB 894/SB 389)



Allow duplexes to be built in residential areas (HB 239/SB 36, HB 778)



Allow homeowners to divide their property into two or three lots (HB 239/SB 36)



Allow single-family starter homes to be built on smaller lots (HB 239/SB 36)



Require local governments to use a quick and clear permitting process (HB 548/SB 325)



Allow townhomes to be built in residential areas (HB 239/SB 36, HB 778)



From a January 2026 survey of 807 voters: "Estimates say that Maryland needs as many as 96,000 homes to accommodate its current population, and 590,000 homes by 2045 to accommodate future population growth. Next, you will see some proposals to increase housing production here in Maryland. For each proposal, please indicate whether you [support or oppose] this proposal, or if you are unsure."

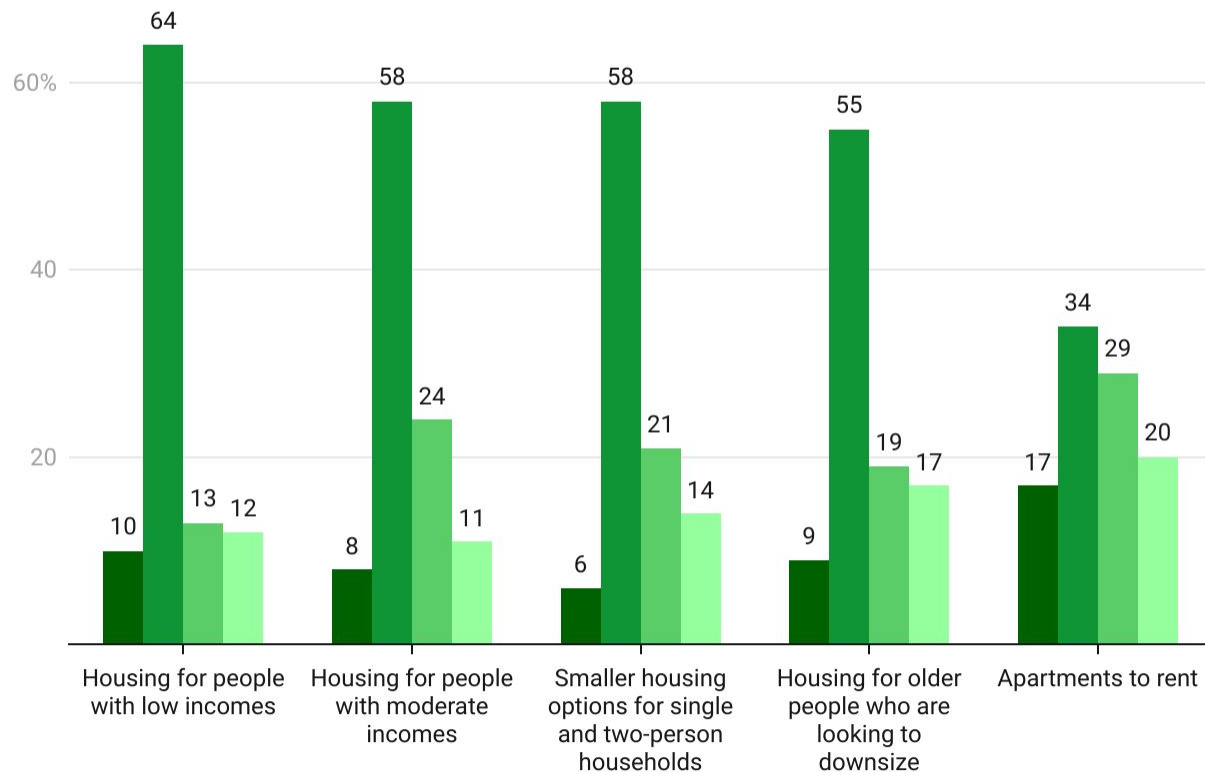
Chart: Dan Reed for Greater Greater Washington • Source: YouGov Blue • Created with Datawrapper

What some places are doing to fix this

- Make it easier to build homes, **full stop**
 - No matter who it's for, all homes have the same costs: labor, materials, interest, and **land**
 - The difference between “affordable” and “market-rate” homes is that the first one uses **government subsidies**
 - So we still have to reform **zoning** and **permitting**
- Find creative ways to fund big-A affordable housing
 - Put our limited tax dollars to use **helping people who need it most**

■ Too much ■ Too little ■ The right amount ■ Don't know

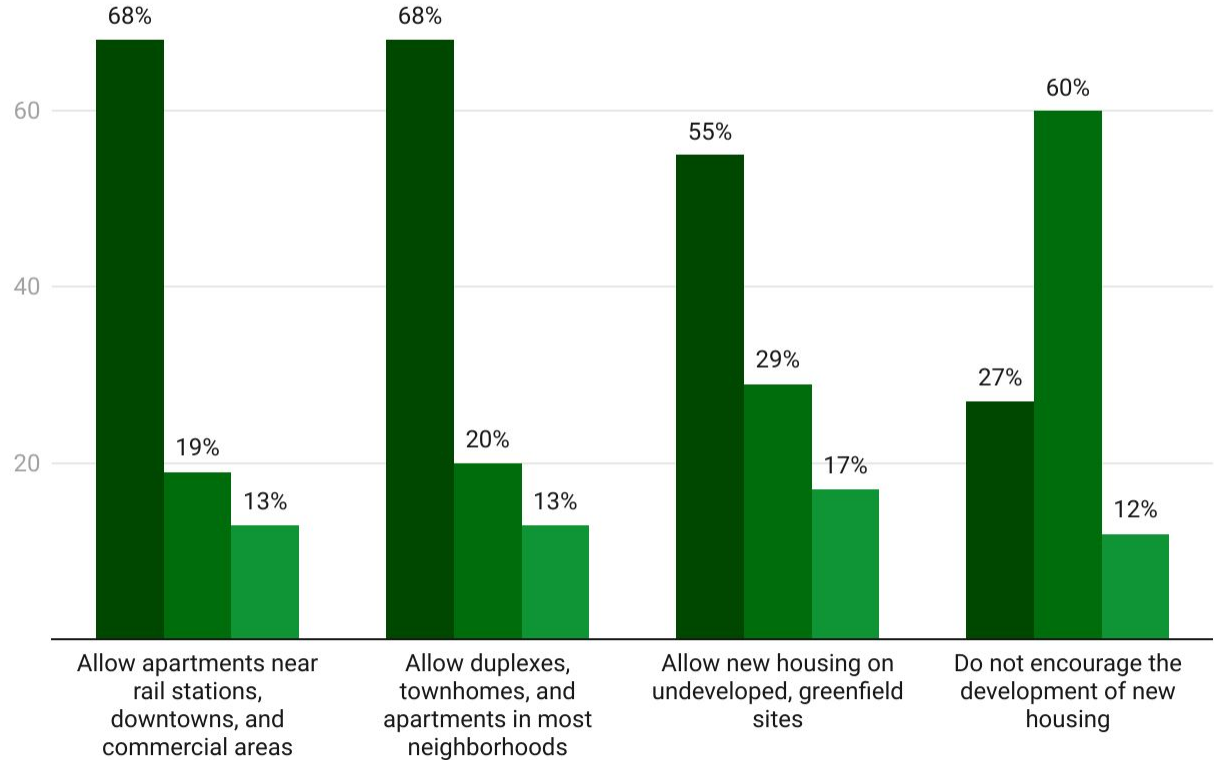
Voters say there aren't enough housing options for different groups



From a February 2025 survey of 820 voters: "Do you think there is [too much, too little], or the right amount of each of the following in Maryland?"

Support Oppose Not sure

Marylanders support new homes in many locations



From a February 2025 survey of 820 voters: "Next, consider the following statement...Generally speaking, do you agree or disagree with this statement?"

To me, the choice is clear

Where we're going

- Build homes for the few
- Lose our middle class
- Tax base keeps shrinking
- Cut public services

Where we could go

- Build homes for all budgets
- Keep + grow our middle class
- Grow our tax base
- Improved public services

Thank you!!!

Learn more and get involved at
www.ggwash.org/subscribe

D. Reed (they/them)
Maryland Policy Director
dreed@ggwash.org

