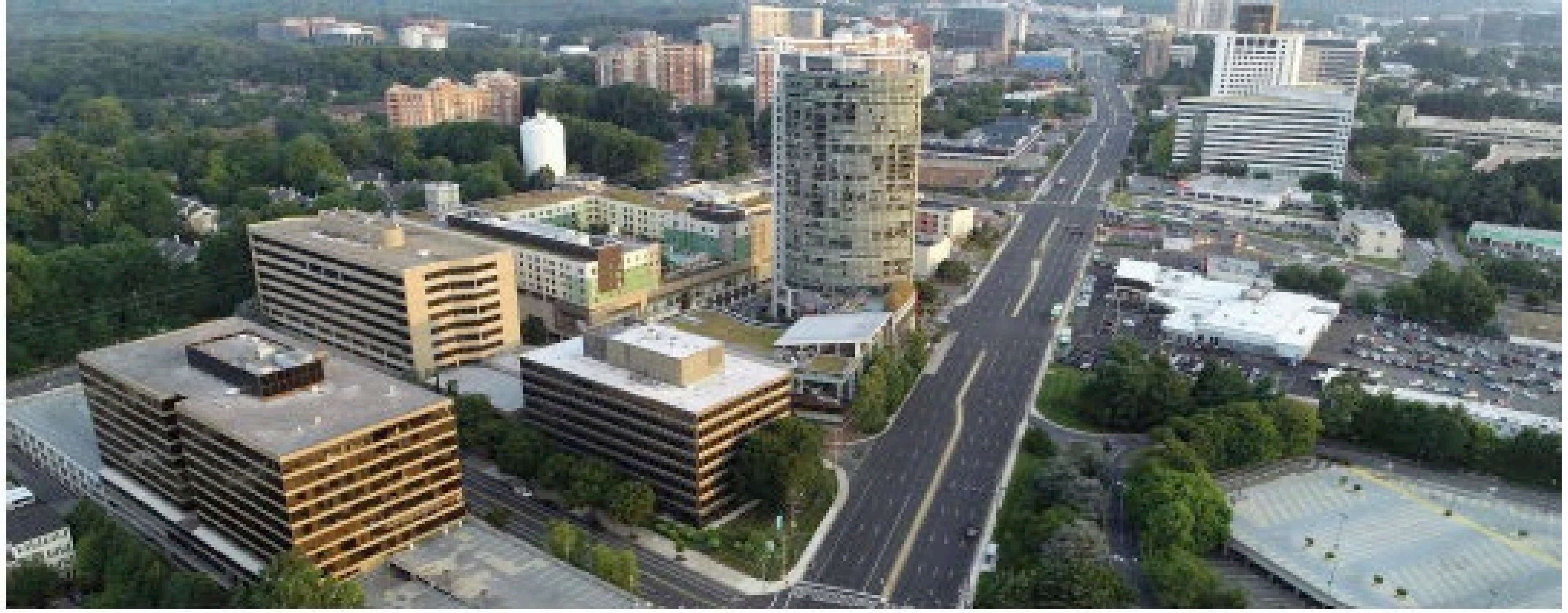


Montgomery Planning Research and Special Projects Division

1/31/2019

Agenda item #5
Report Briefing

Montgomery County Trends:
A Look at People, Housing and Jobs Since 1990

Goals of the Report

- Provide context for General Plan Update by looking at existing conditions of population, housing and employment

- Answer the question: “What has changed since the 1993 General Plan refinement?”

Population Trends

Population Size and Growth

Most populous county in Maryland

2017: 1,058,800

1990: 765,500 **+293,300**

38% population increase since 1990

Slower growth of mature, developed county

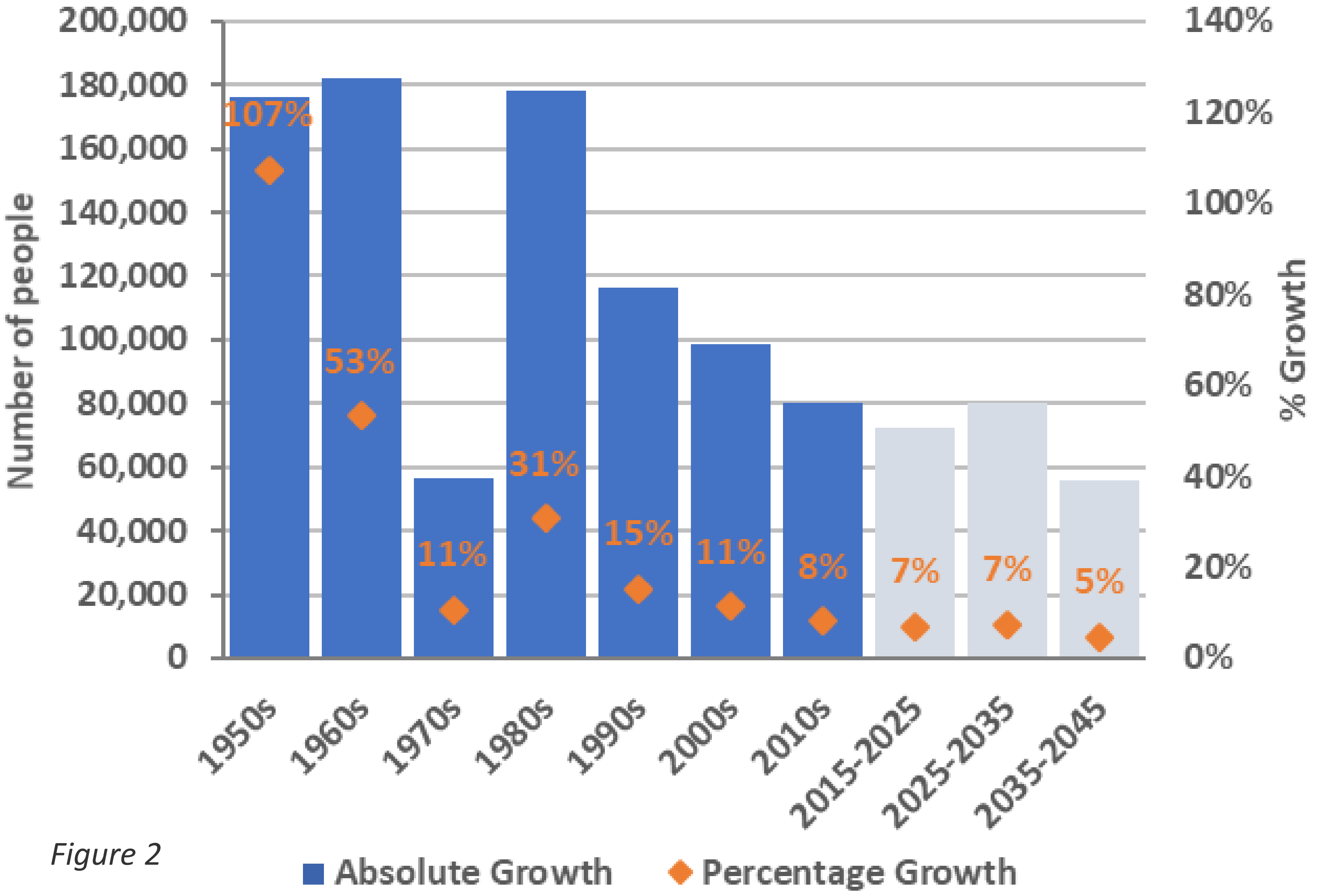


Figure 2

Decreasing gain and rate of growth since 1990

Sources of Population Growth: Natural increase from 1990 to 2016

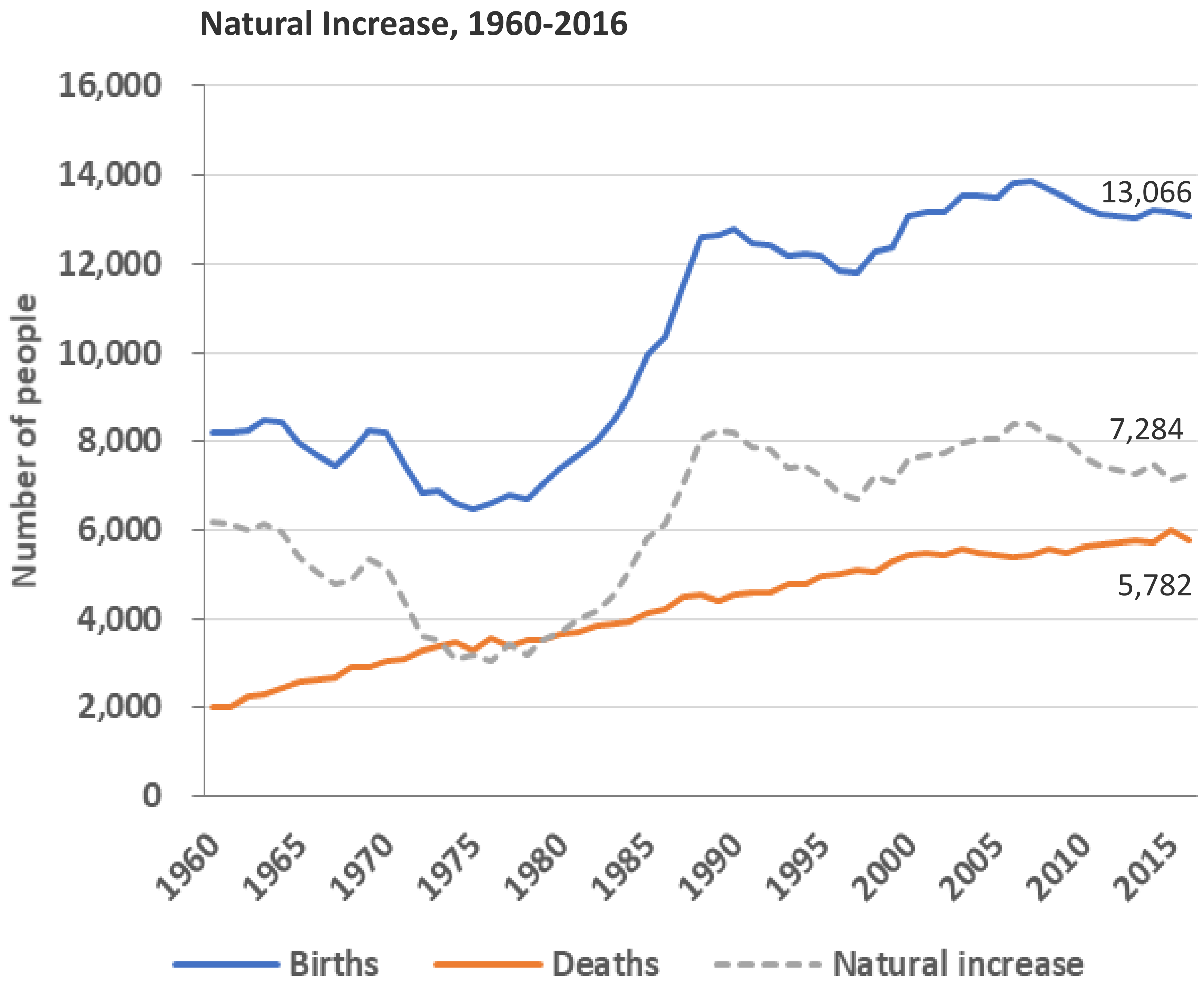


Figure 4

- **Major component of population growth**
  - Net addition of 205,400 people
  - Averaged 7,900 people per year
- **Increased racial and ethnic diversity**
  - Births to women of color increased from 40% to 66% of all births

Sources of Population Growth: Net migration contributes to population growth

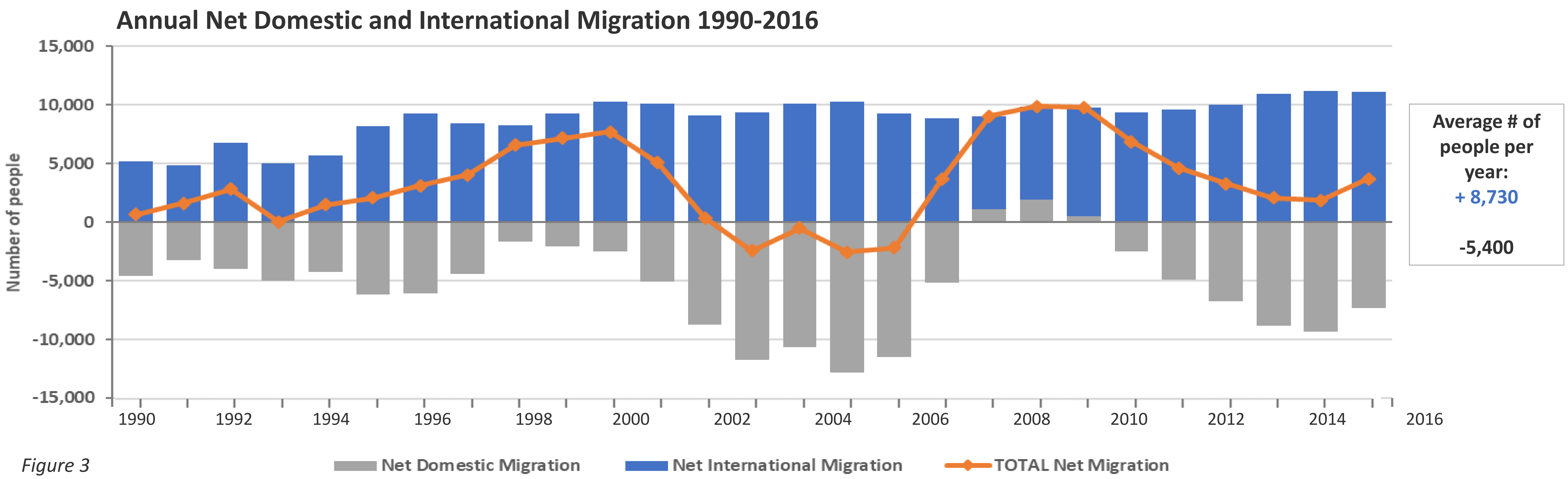
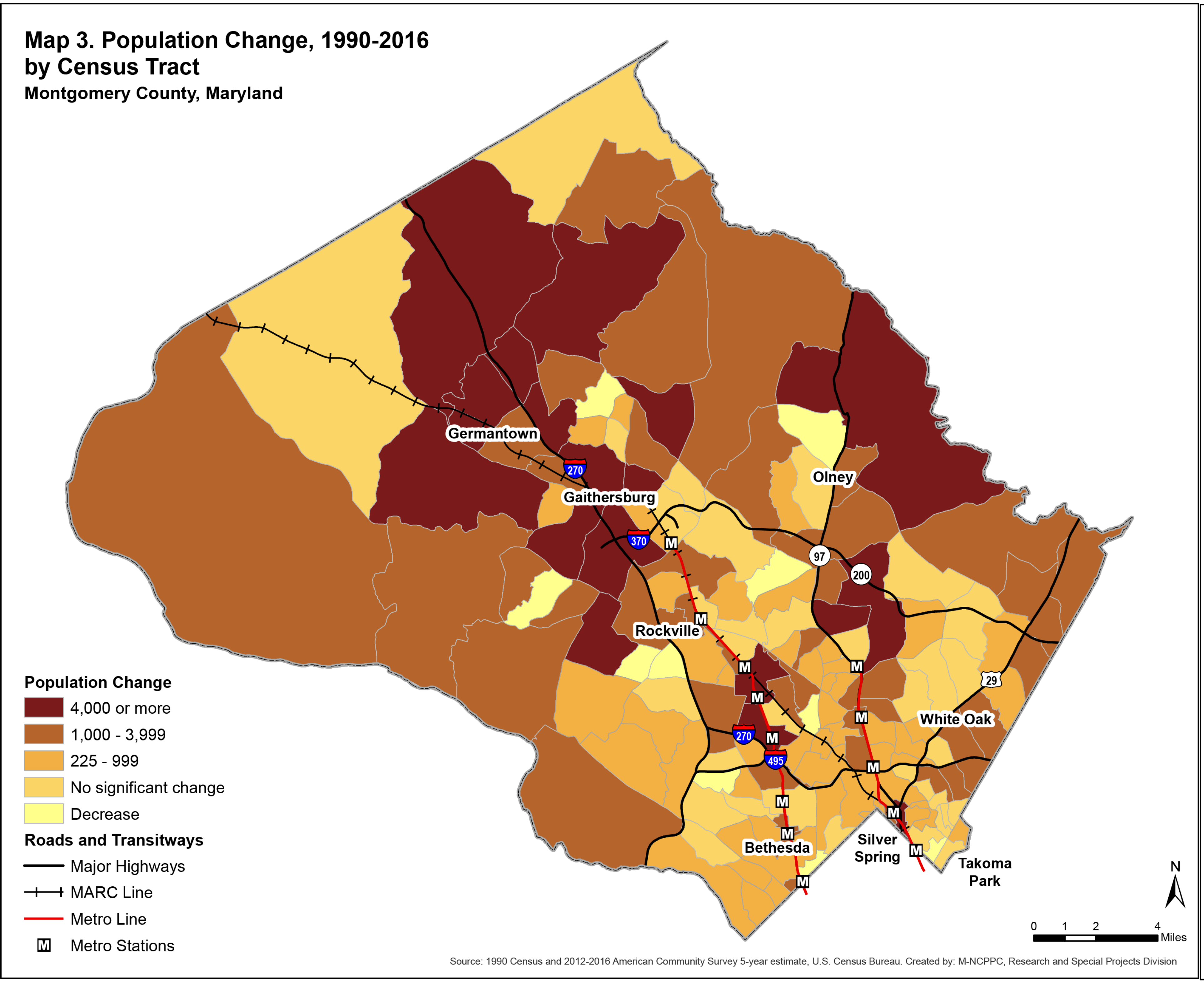
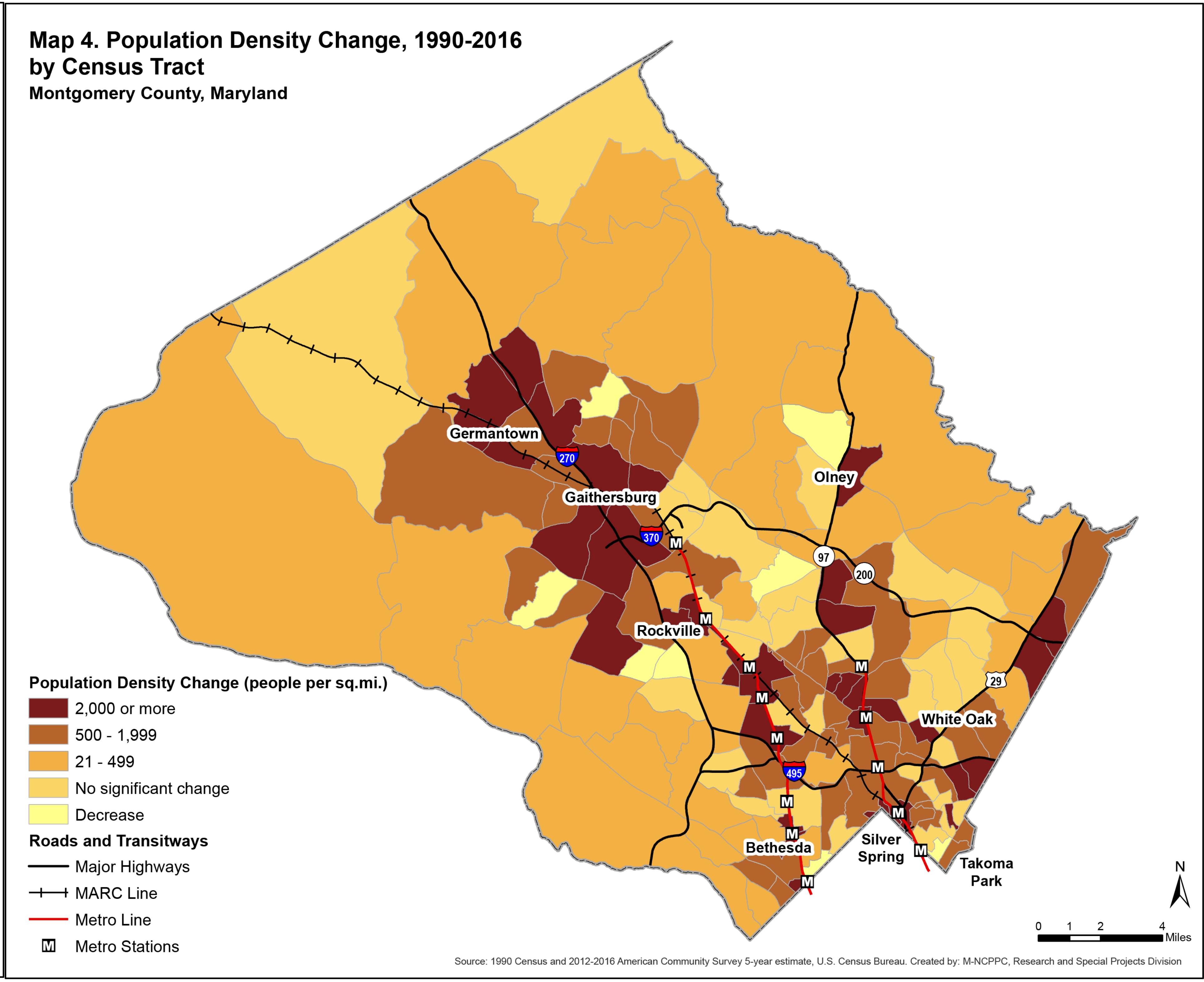


Figure 3

- Net addition of 90,000 people
- Average of 3,330 people per year
- International migration offsets typically net domestic out-migration

Location of Population Growth

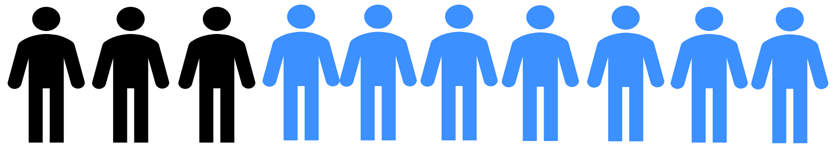




More Diverse

- **Increasing foreign-born population**

2016: 344,645



1990: 141,166 **+293,300 (59%)**

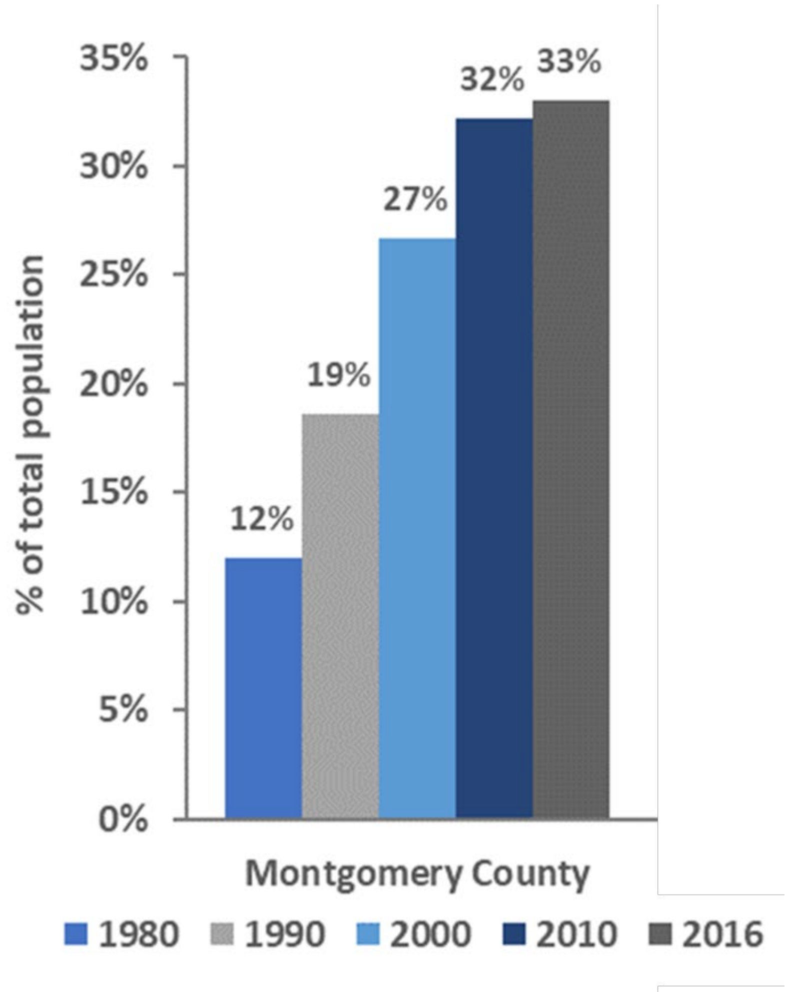
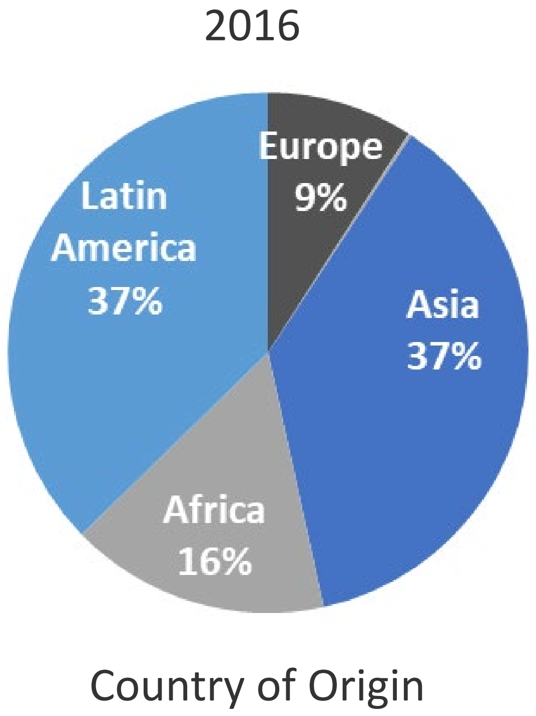


Figure 6



- **Greater racial & ethnic diversity**

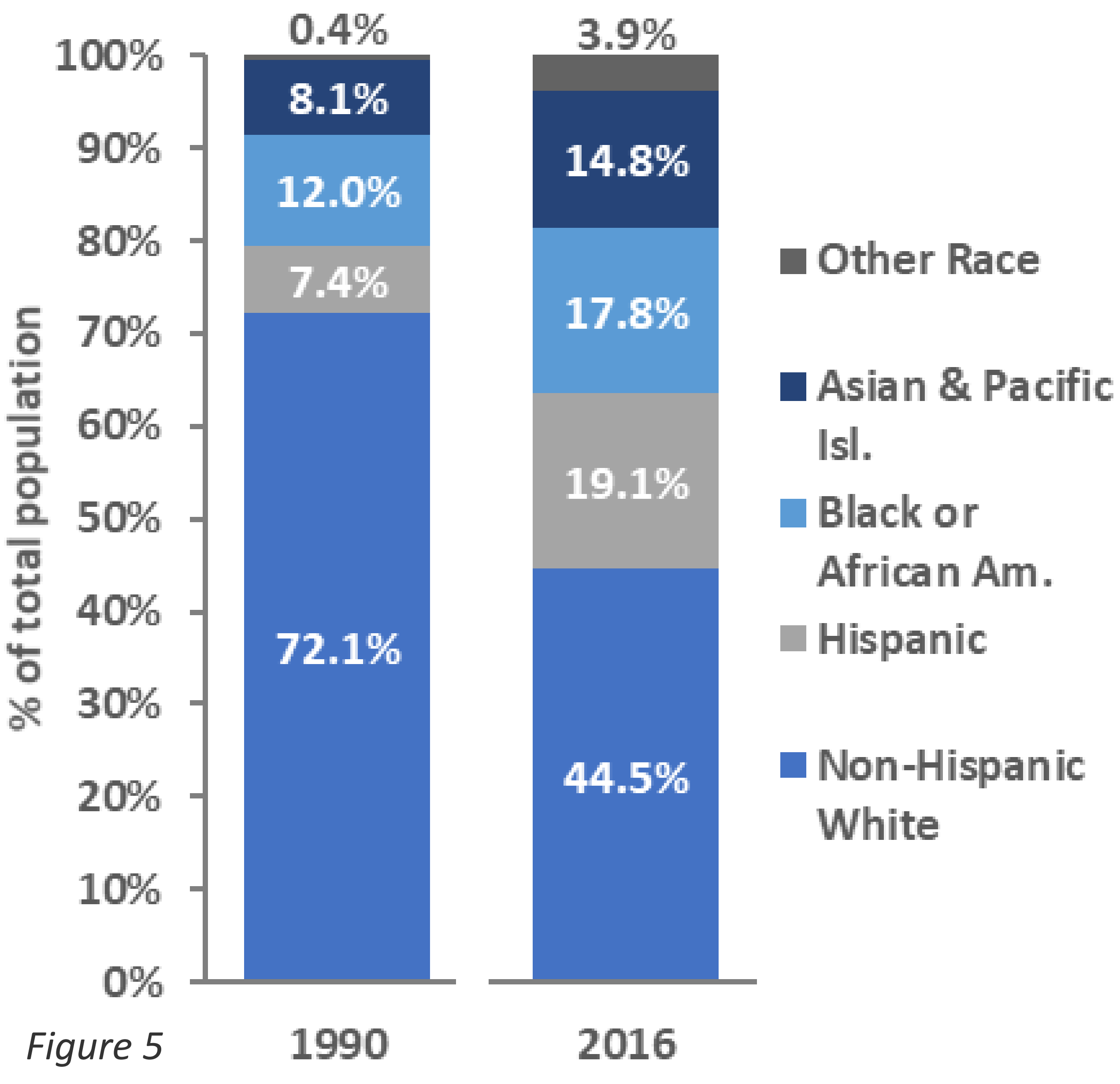
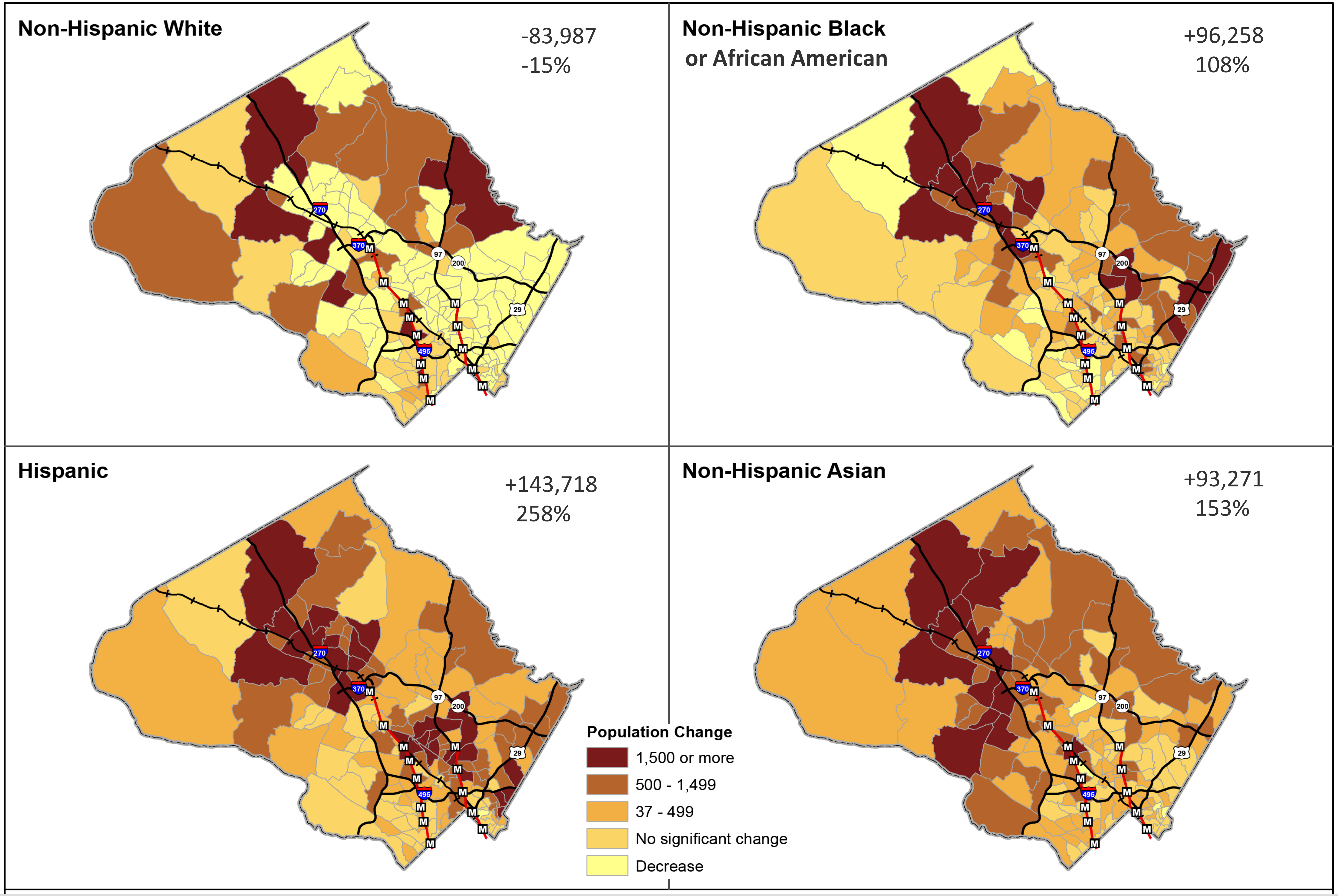


Figure 5

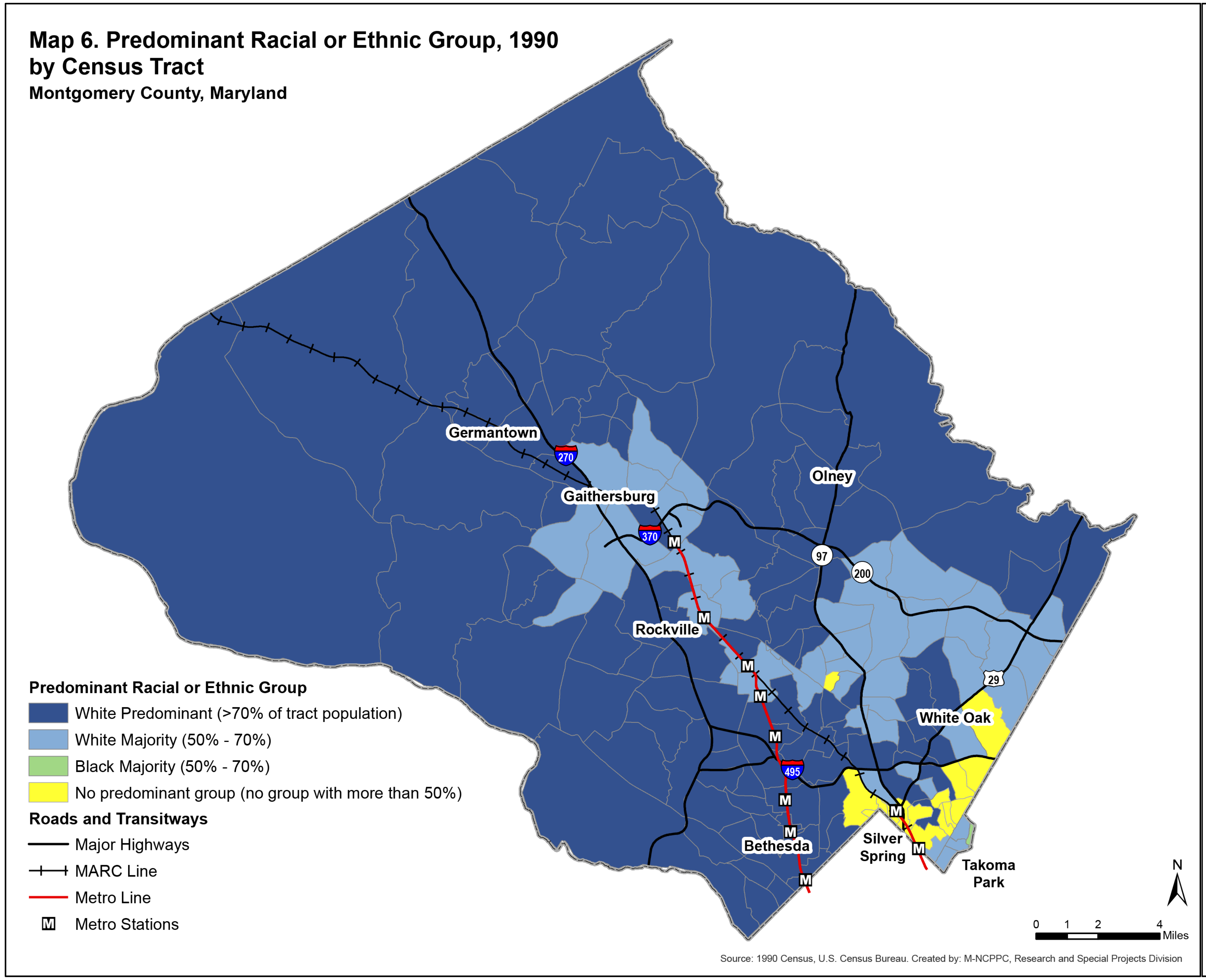
Location of Racial and Ethnic Changes from 1990 to 2016



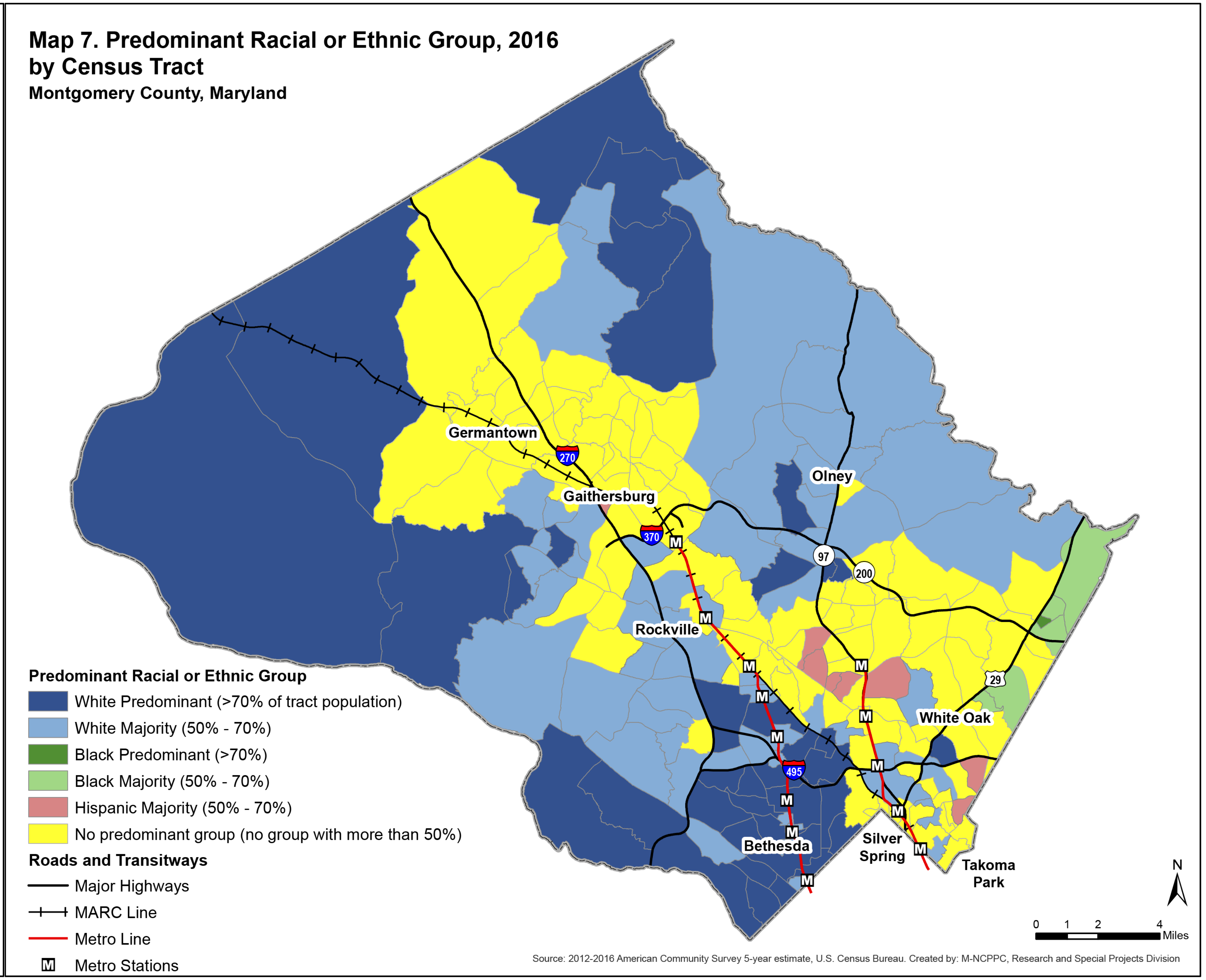
Map 5

Increasing Racial and Ethnic Diversity

Map 6. Predominant Racial or Ethnic Group, 1990 by Census Tract
Montgomery County, Maryland



Map 7. Predominant Racial or Ethnic Group, 2016 by Census Tract
Montgomery County, Maryland



Increasingly Older Population

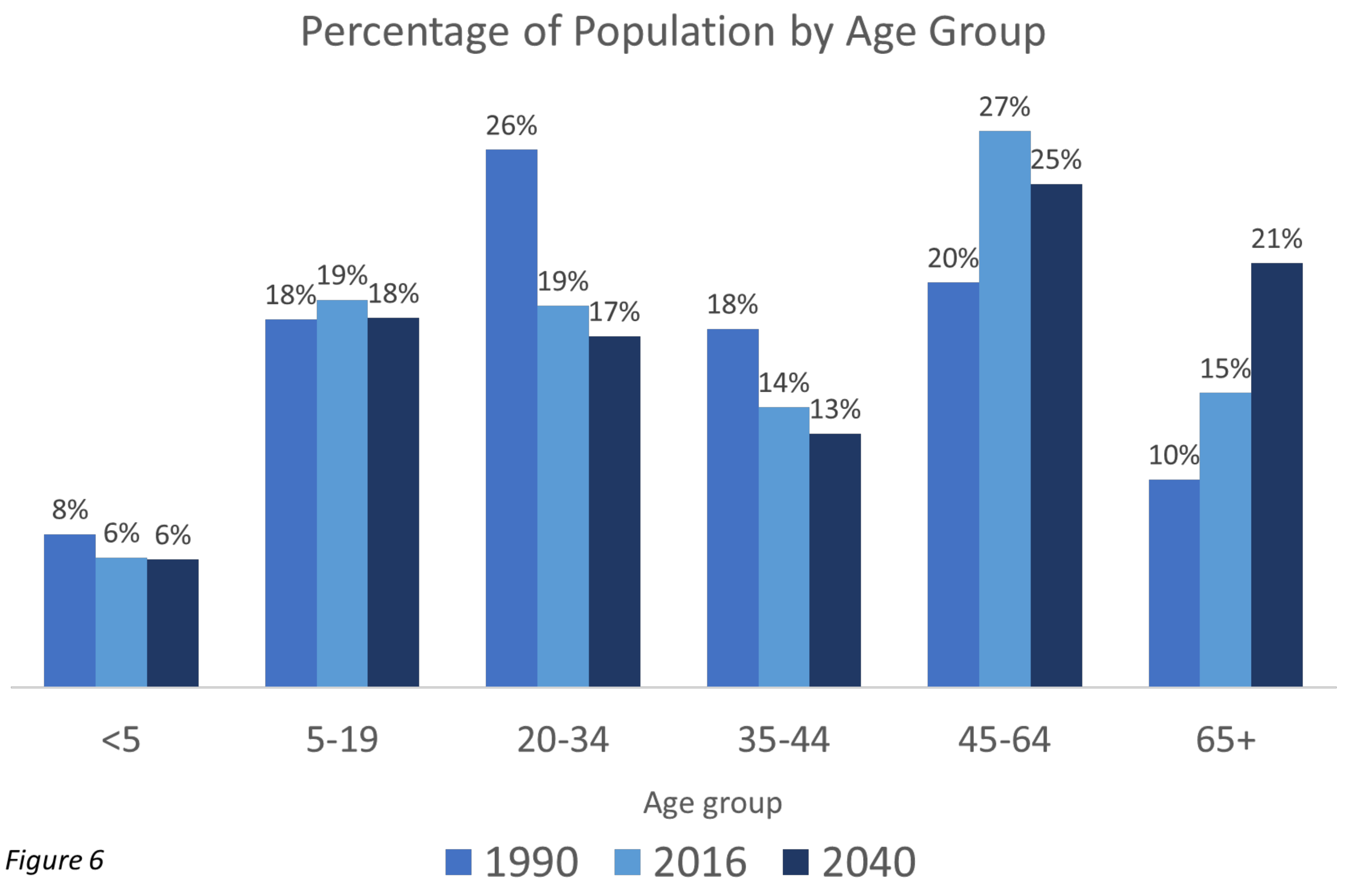


Figure 6

Aging baby boom generation:

- 1990: ages 26 to 44
- 2016: ages 52 to 70
- Increased median age from 33.9 years in 1990 to 39 in 2016
- Forecasted to increase 65+ population from 14% in 2016 to 21% in 2040

19% of residents are young adults age 20 to 34 in 2016

23% of the population are children <18, in 2016

Gains in Educational Attainment

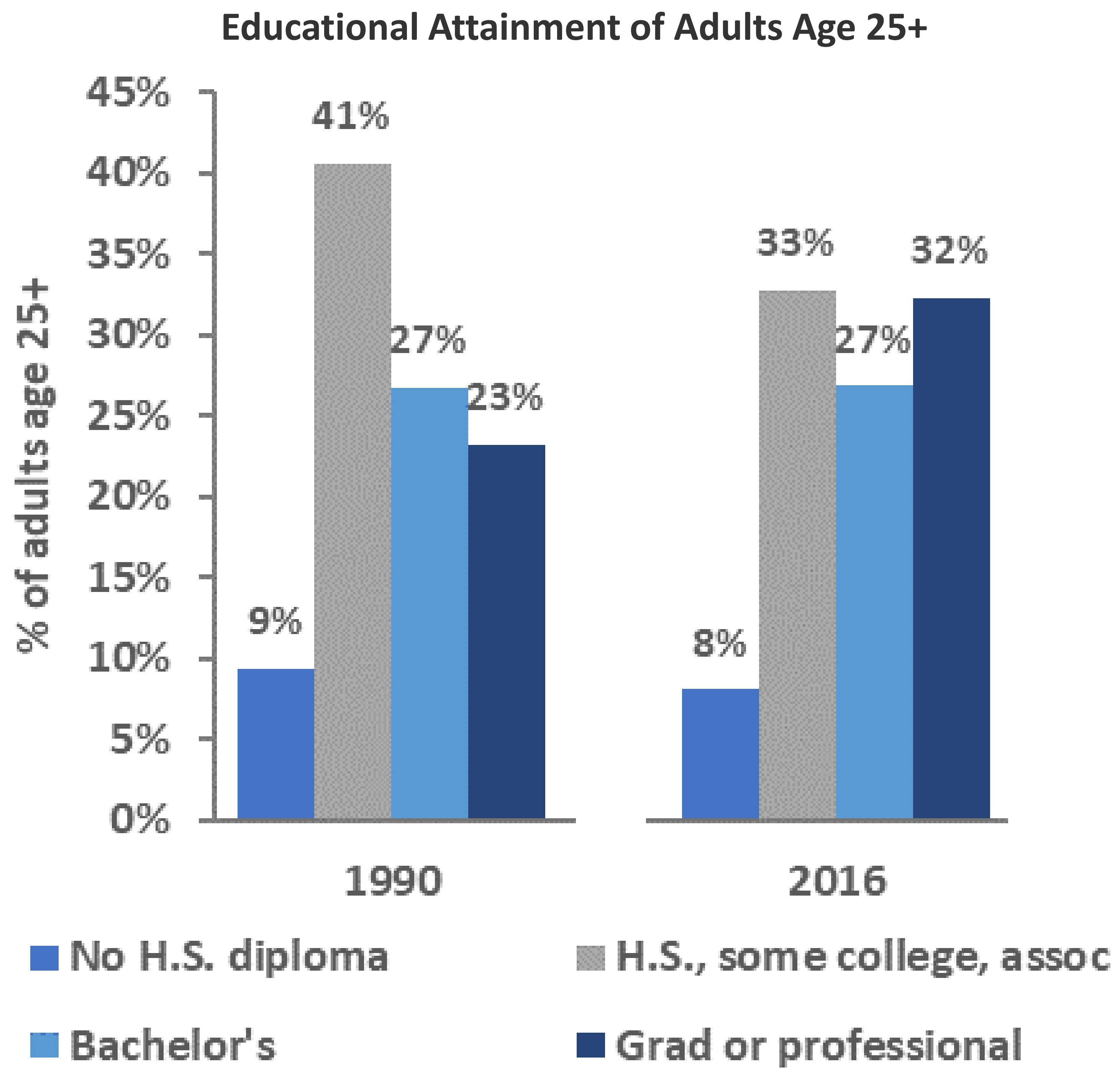


Figure 11

Highly educated adult residents:

- 59% have B.A. degrees compared to 50% in region
- Gains in graduate and professional degrees from 23% in 1990 to 32% in 2016
- Concentration of advanced degrees 5th in U.S.
- High levels of educational attainment correlated with management, business and science jobs and high median income households

Household Income Lost Ground after Peaking in 2007

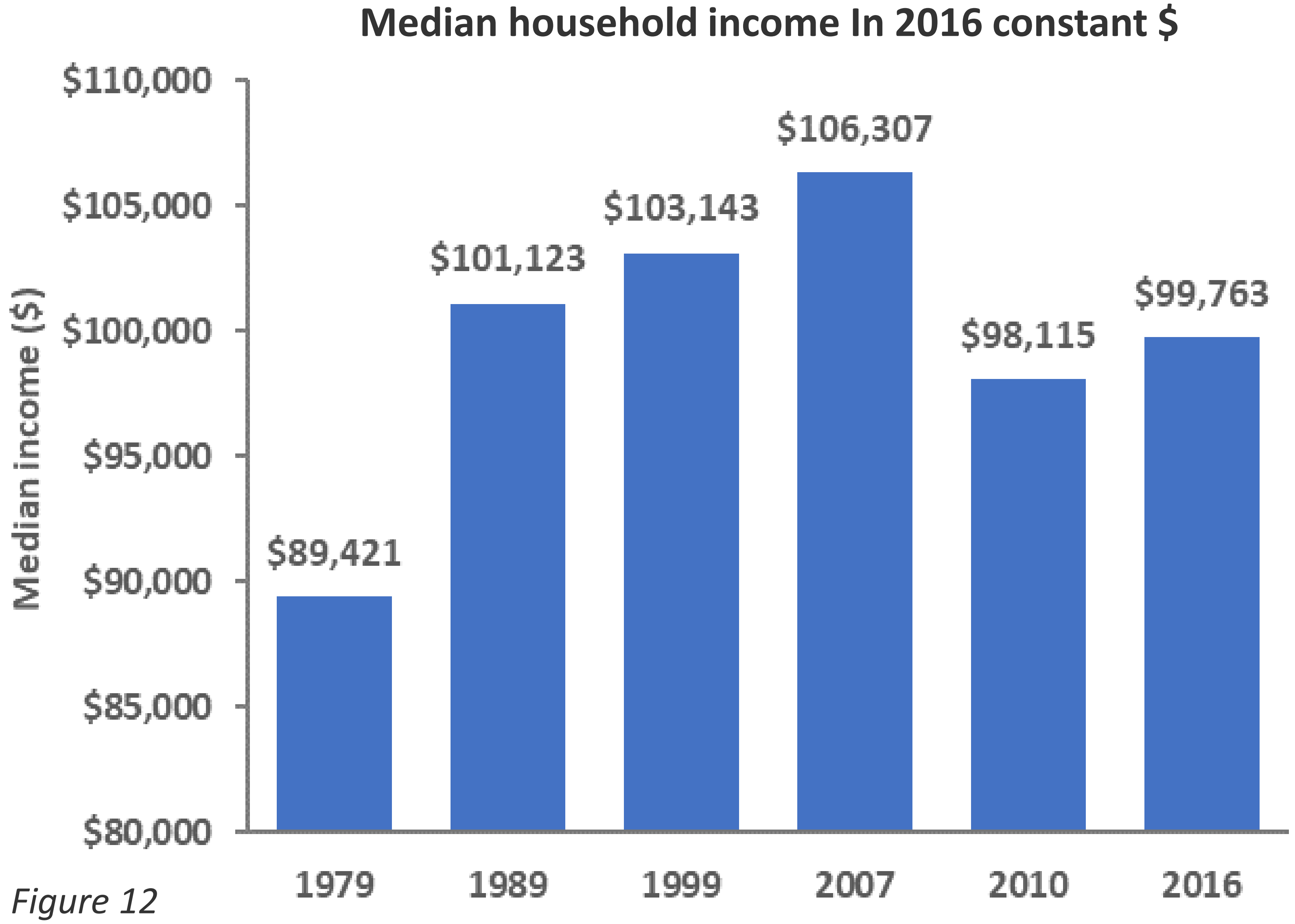


Figure 12

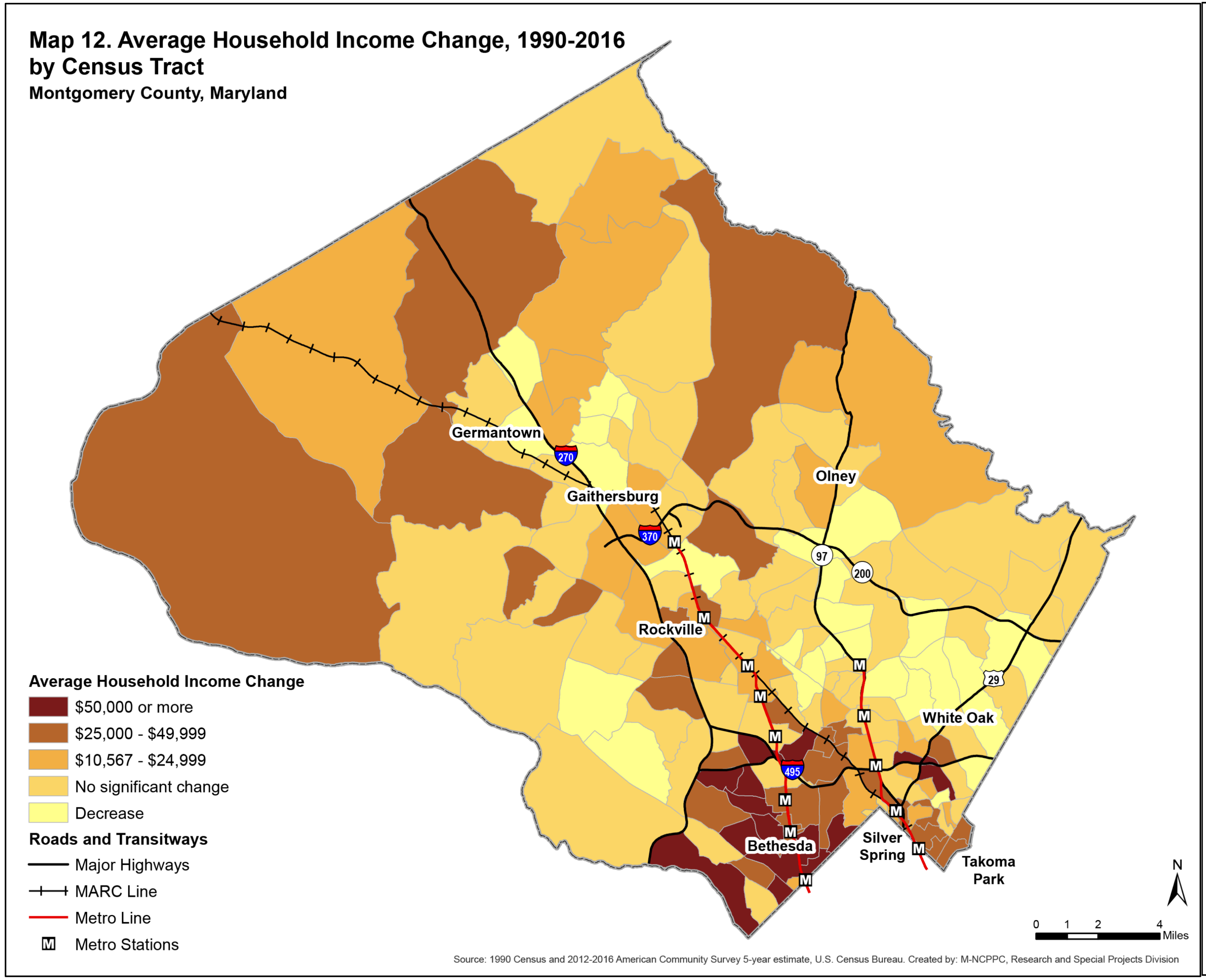
2016 median income ranks 17th among counties across the nation

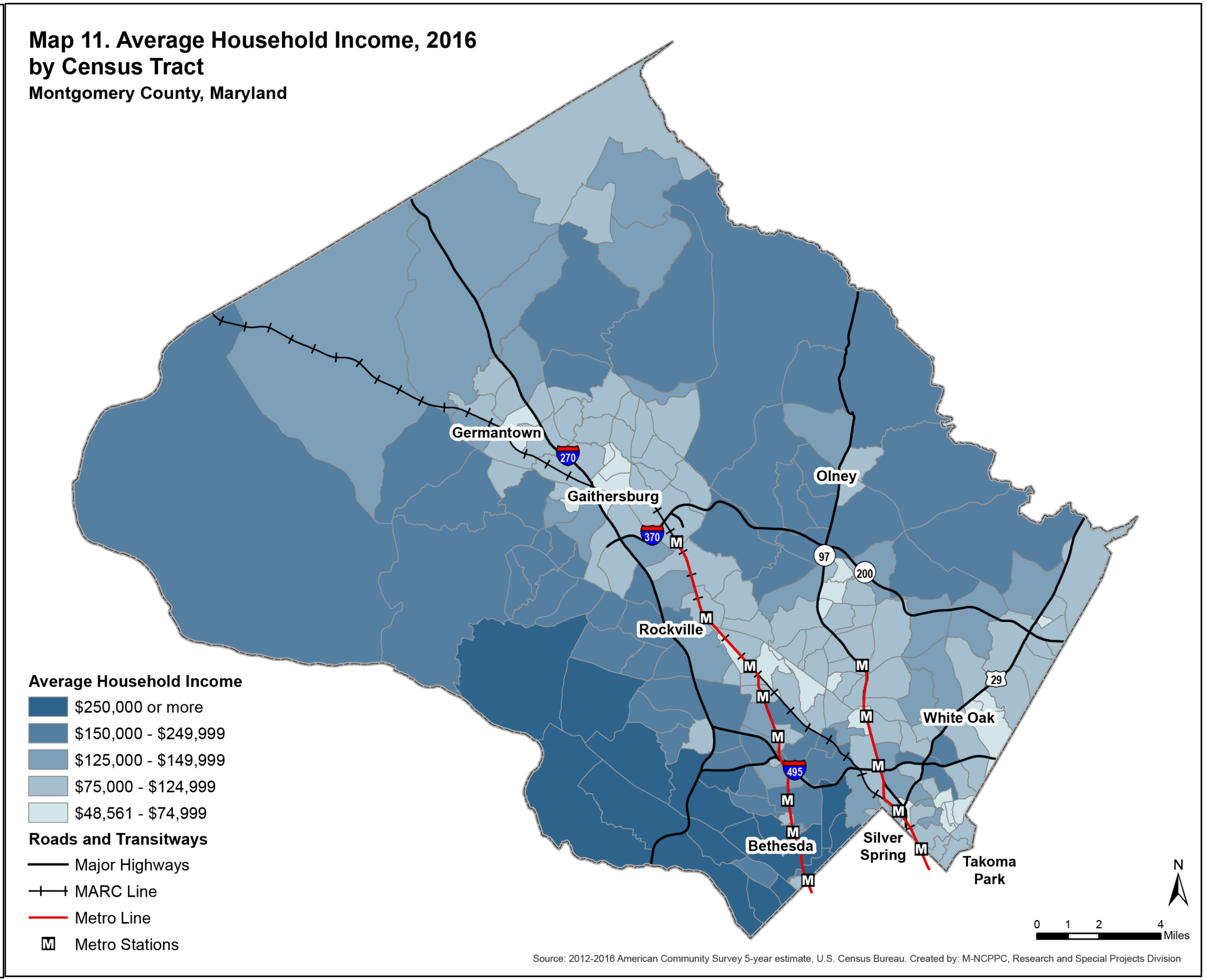
1989 and 2016 median household incomes are within the margin or error

Median household income has not regained lost income after peaking before the 2007-2009 recession

Incomes in Howard, Fairfax, and Alexandria are also down 4-6% since 2007

Change in Household Income





Types of Households Stabilize after 1990

Since 1990, married-couples with children < 18 are less common than:

- Married-couples with NO children < 18
- Non-family households

Non-family households are the most common household type since 2000.

Wider variety of household types since 1960, but distribution relatively stable since 1990

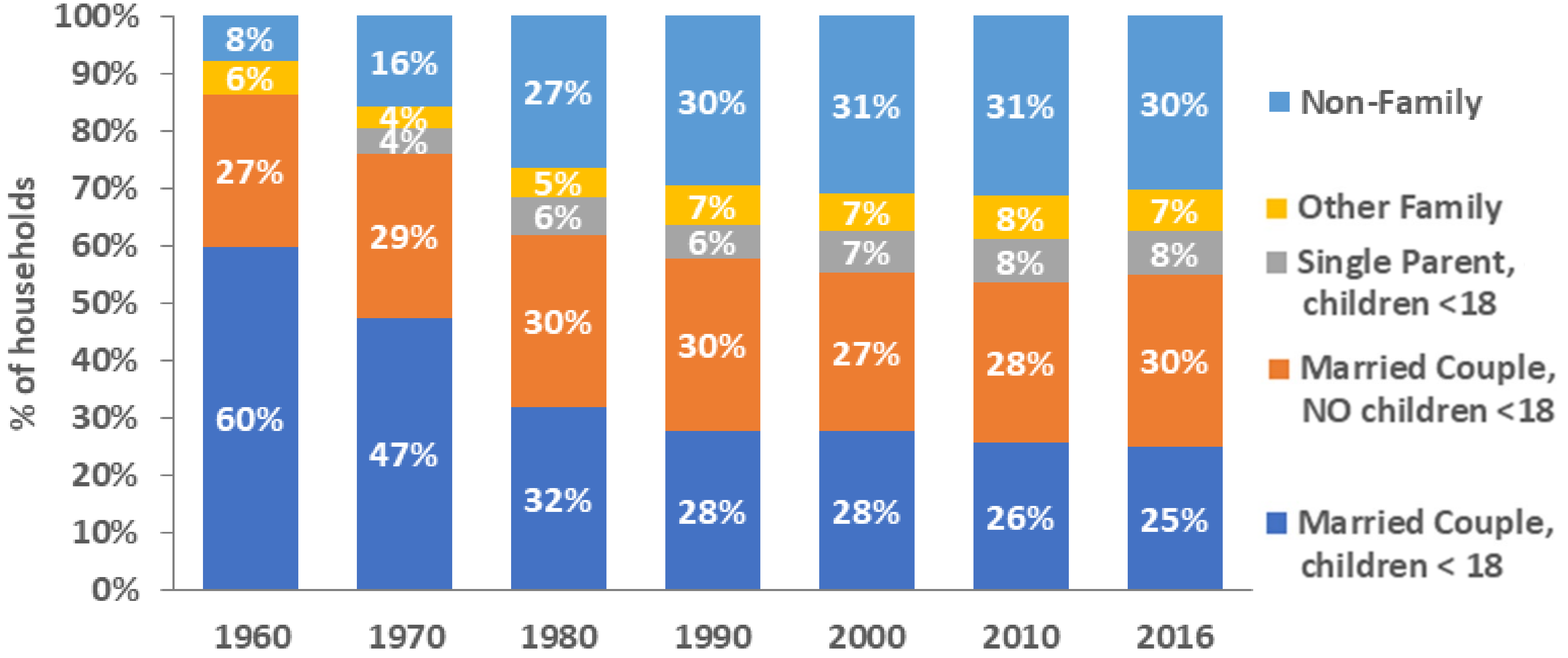
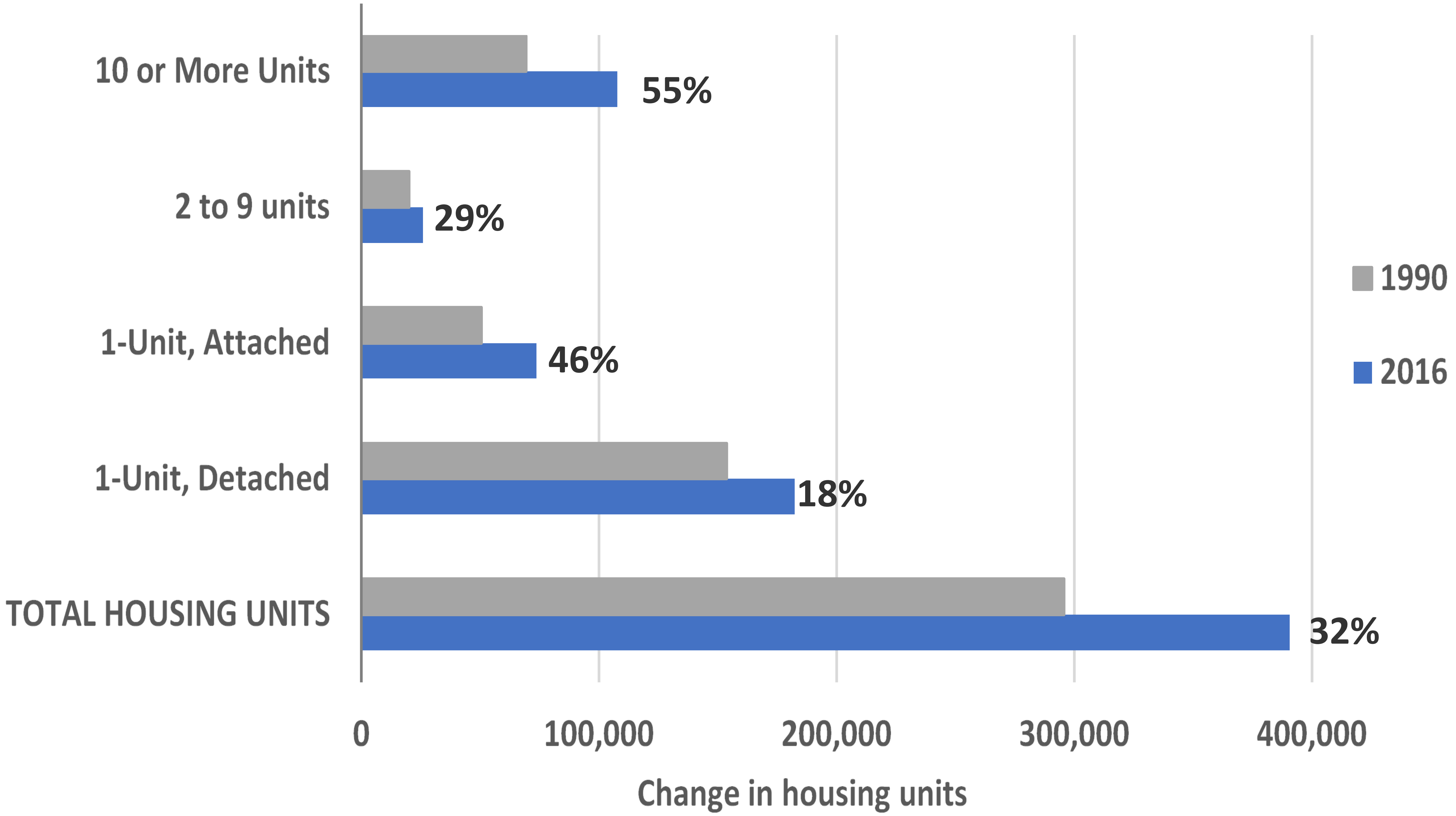


Figure 15

Housing Trends

Housing Unit Growth by Type

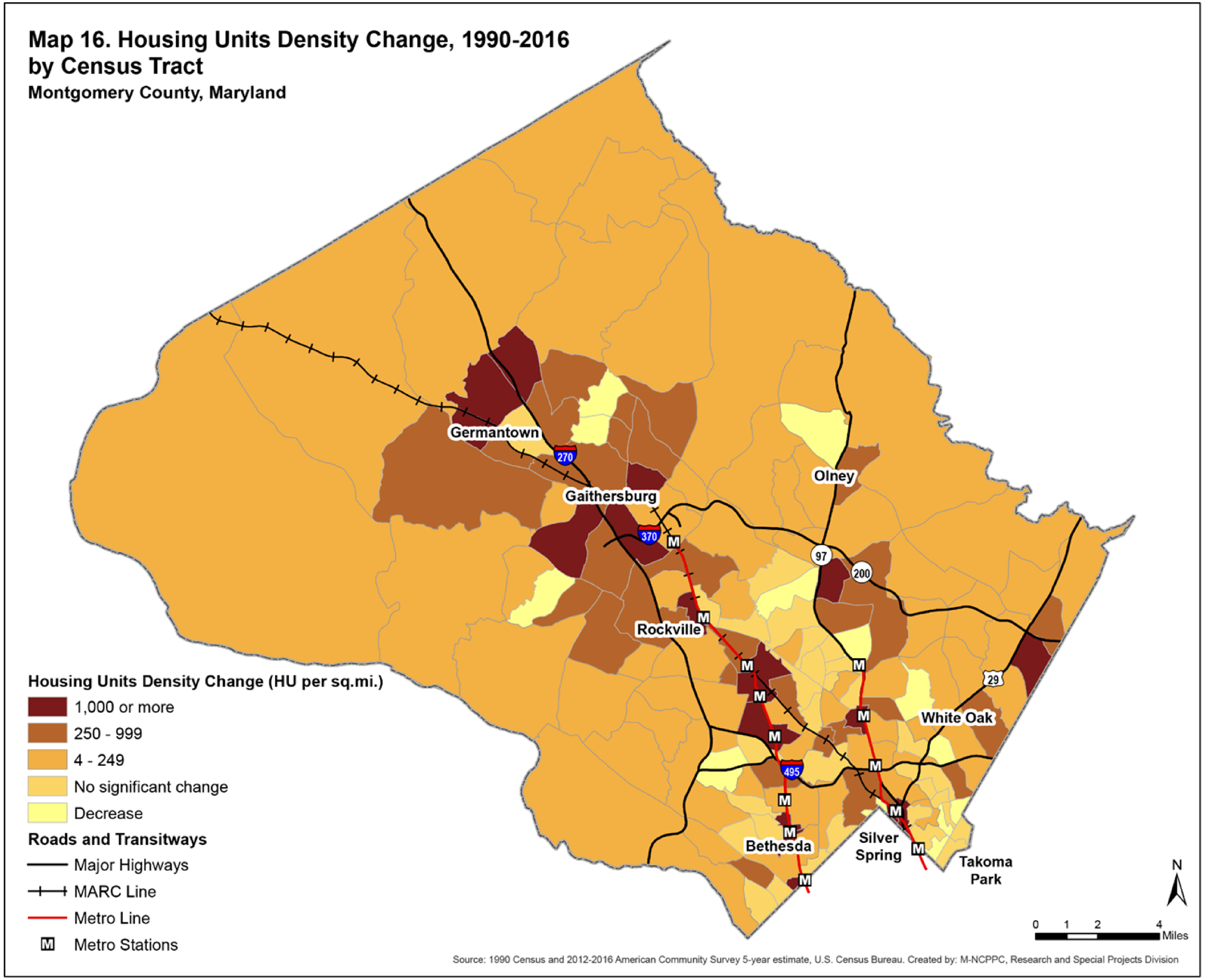
- **32% in Overall Growth**
- **Growth Slowing**
- **Large, multi-family buildings grew the fastest**



Sources: 1990 U.S. Census; 2016 American Community Survey, 1-year estimate, U.S. Census Bureau.

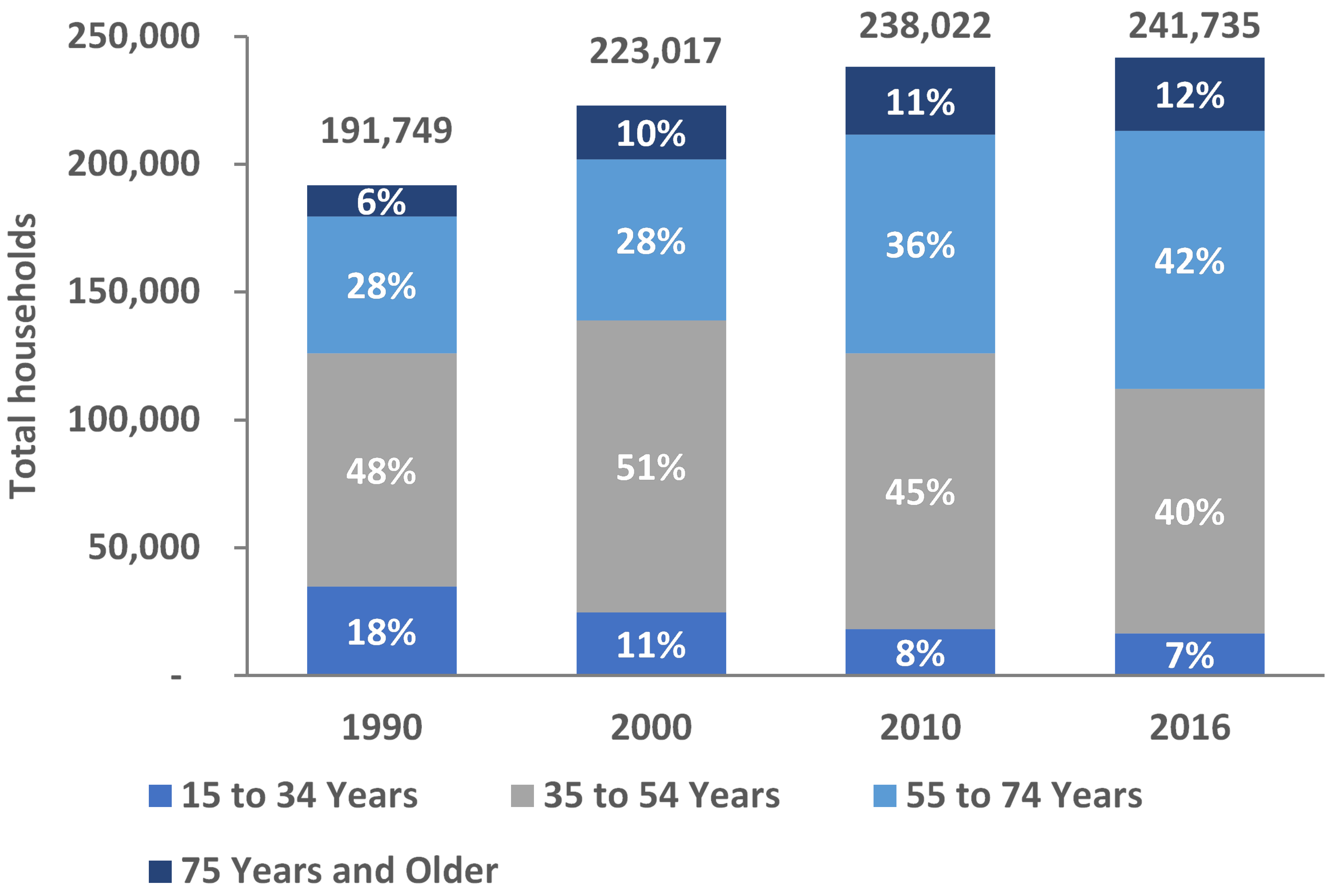
Housing Unit Change in Density Since 1990

Most growth seen along Metro lines and major transportation corridors



Age of Homeowners

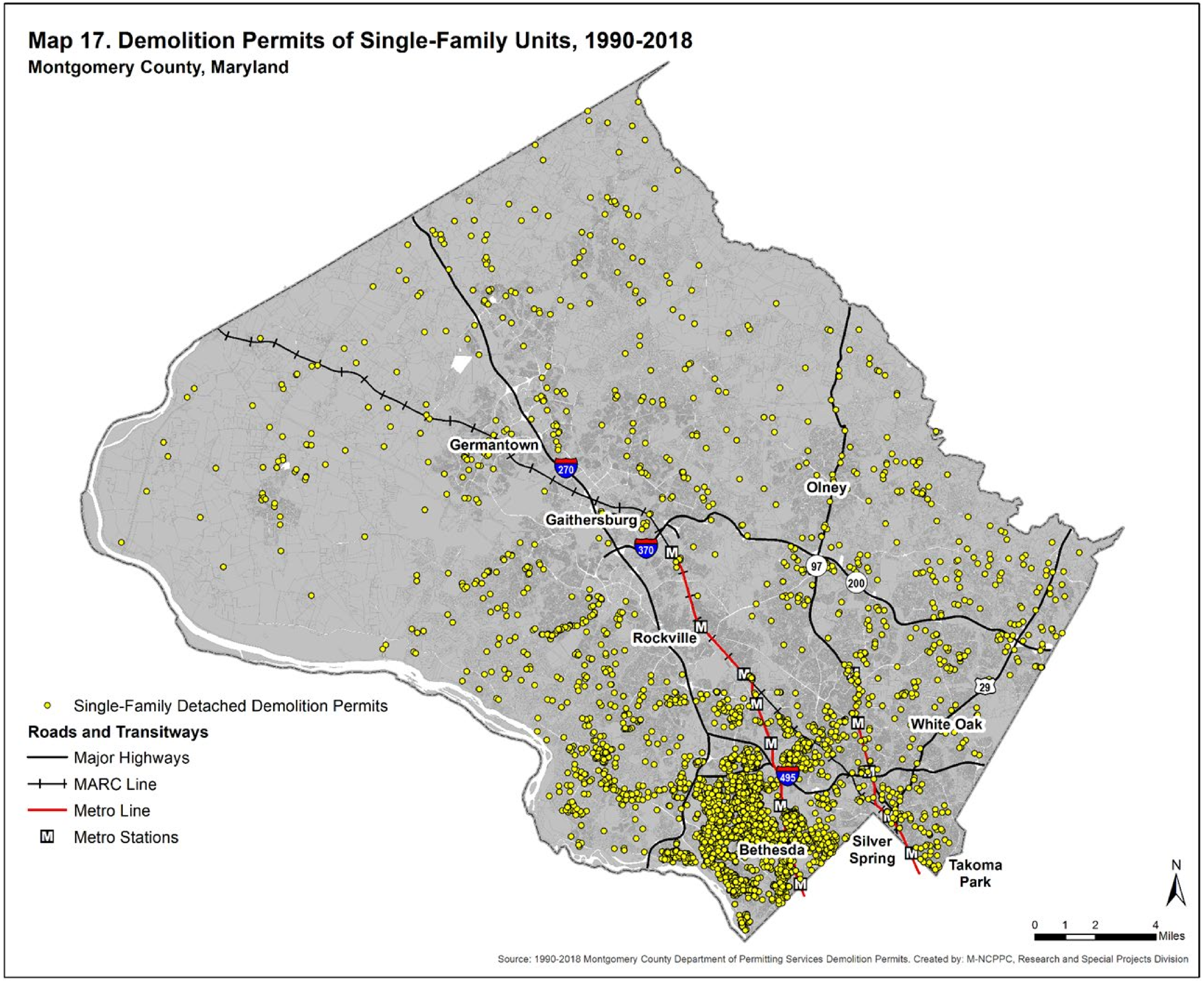
- **Increase in 55+ homeowners**
- **Decrease in the number of younger homeowners**
- **Demand shifts**
  - **Population changes**
  - **Affordability**
  - **Product diversity**



Source:1990-2010 Census, 2016 American Community Survey, 1-year estimate U.S. Census Bureau.

Housing Demolitions

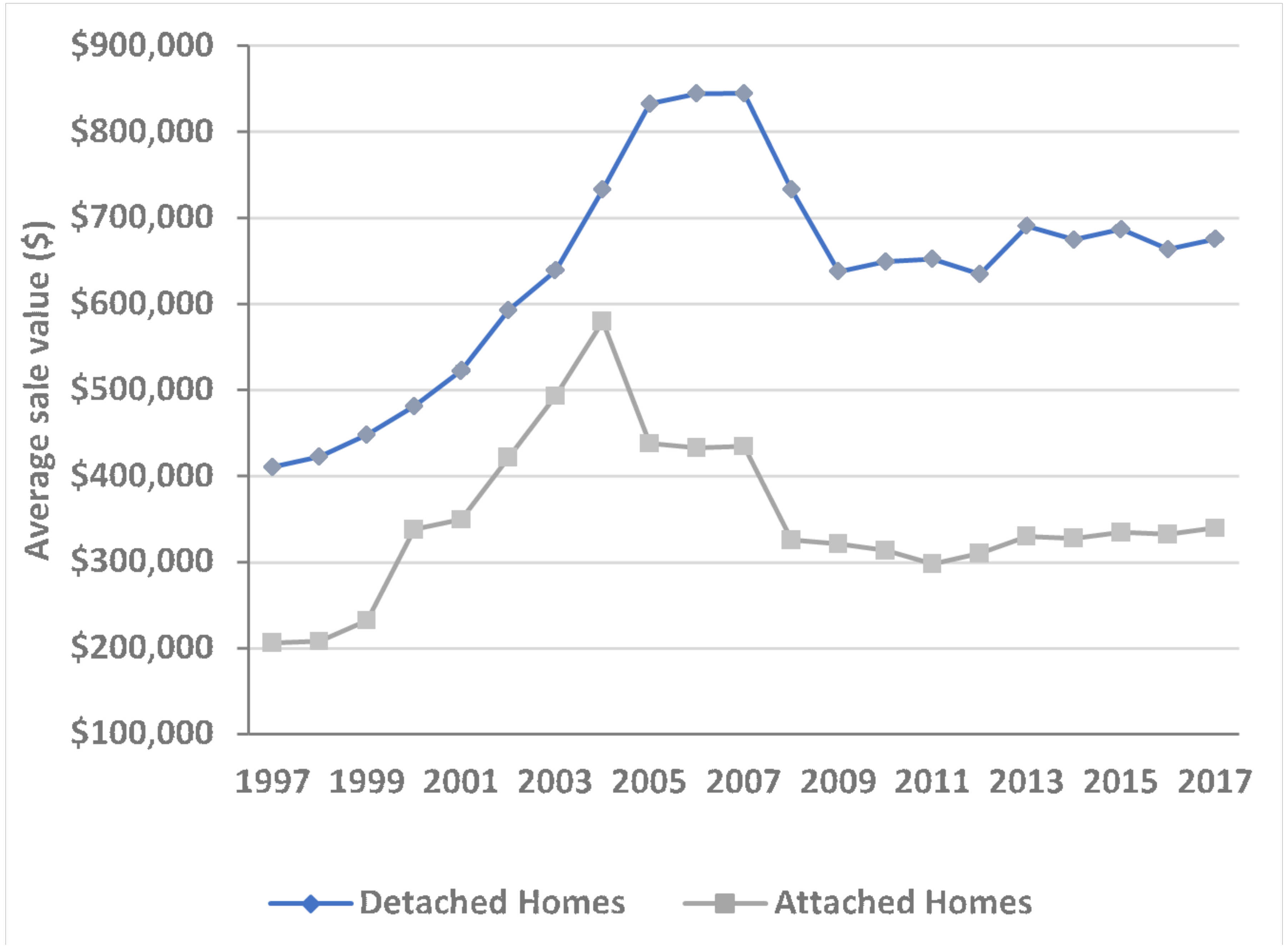
- 4,400 demolition permits issued for single-family homes since 1990
- 150 tear-downs per year, on average
- Mostly in Bethesda
- 6 multi-family buildings were torn down or redeveloped since 1990
  - 756 units were demolished
  - 1,784 units added
  - 1,028 units yielded from redevelopment



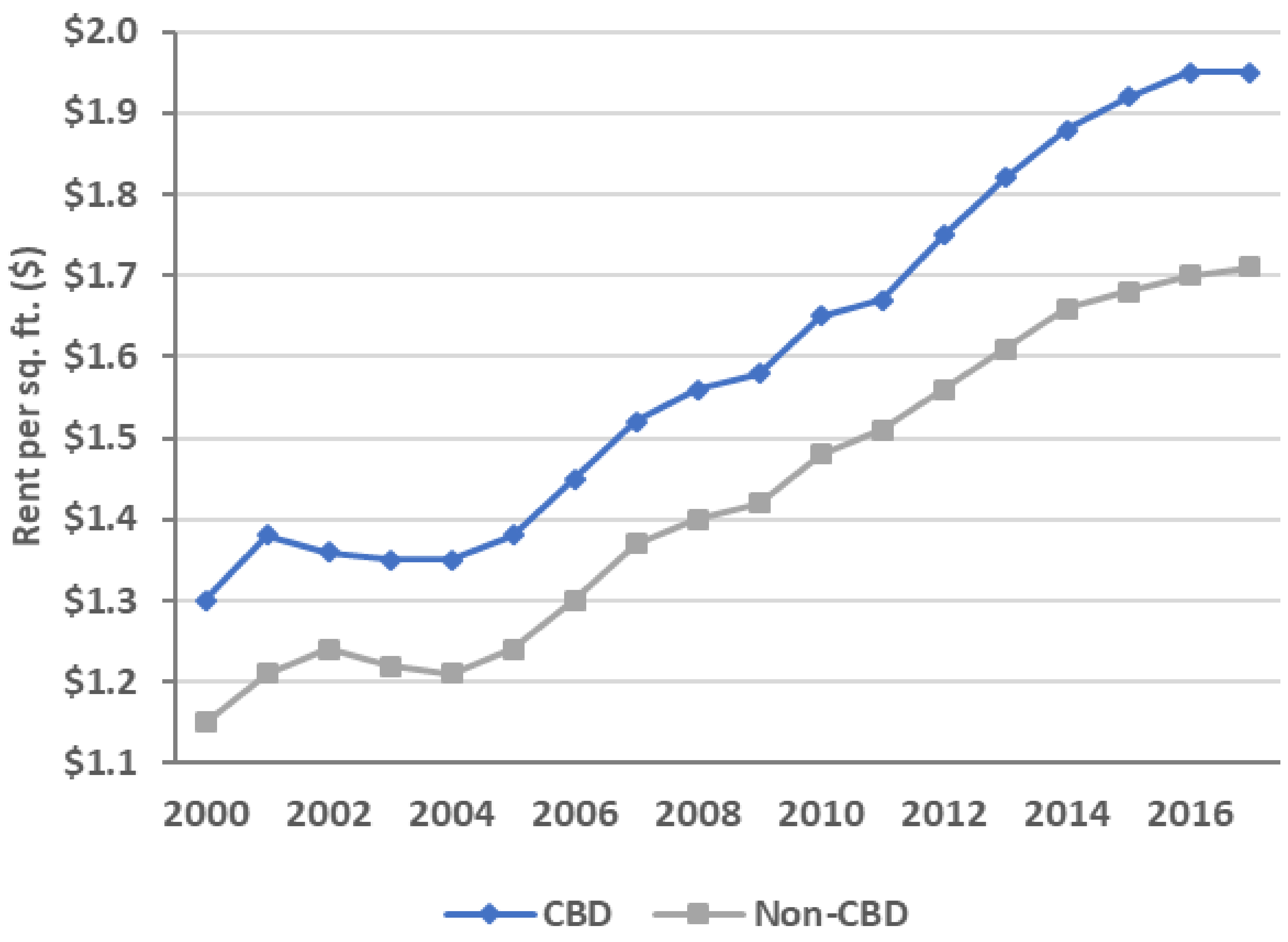
Housing Market: Sales & Rentals
(adj. for inflation)

Figure: 25
Figure: 31

Change in Average Sale Value



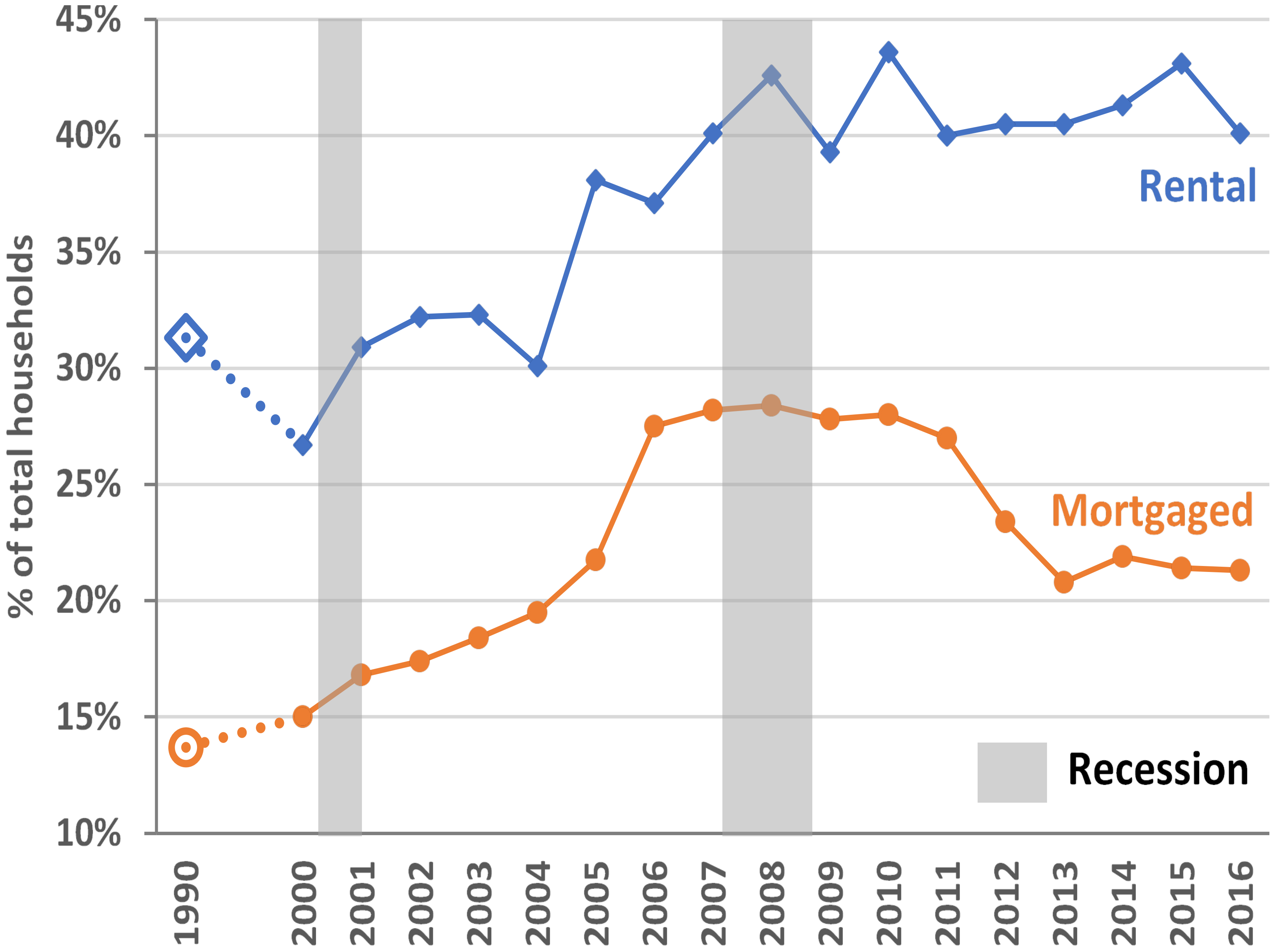
Change in Average Rent per sq. ft.



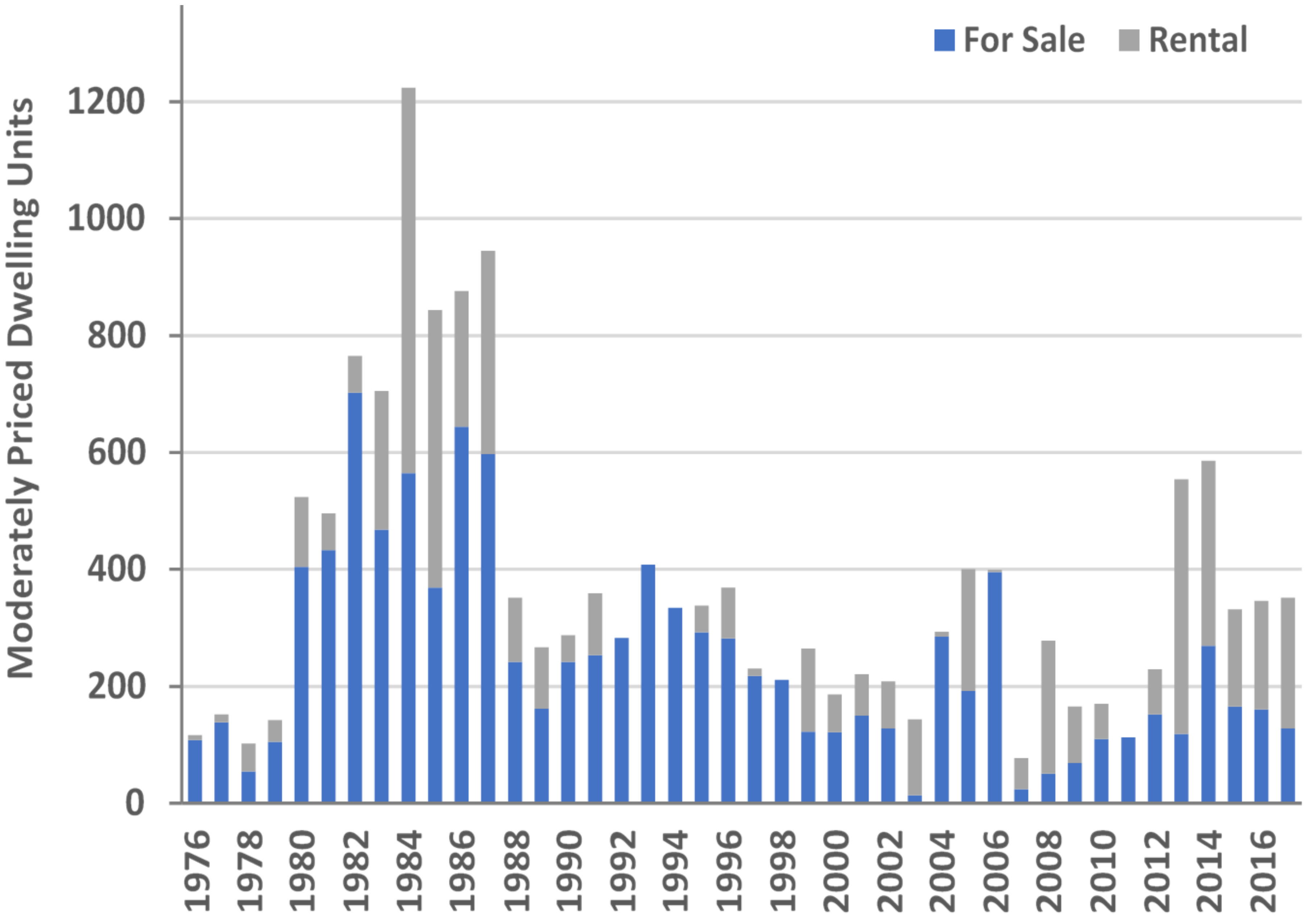
Affordability & Demand Factors

Figure: 32
Figure: 33

Change in Cost Burden Over Time



Change in Number of MPDUs Over Time

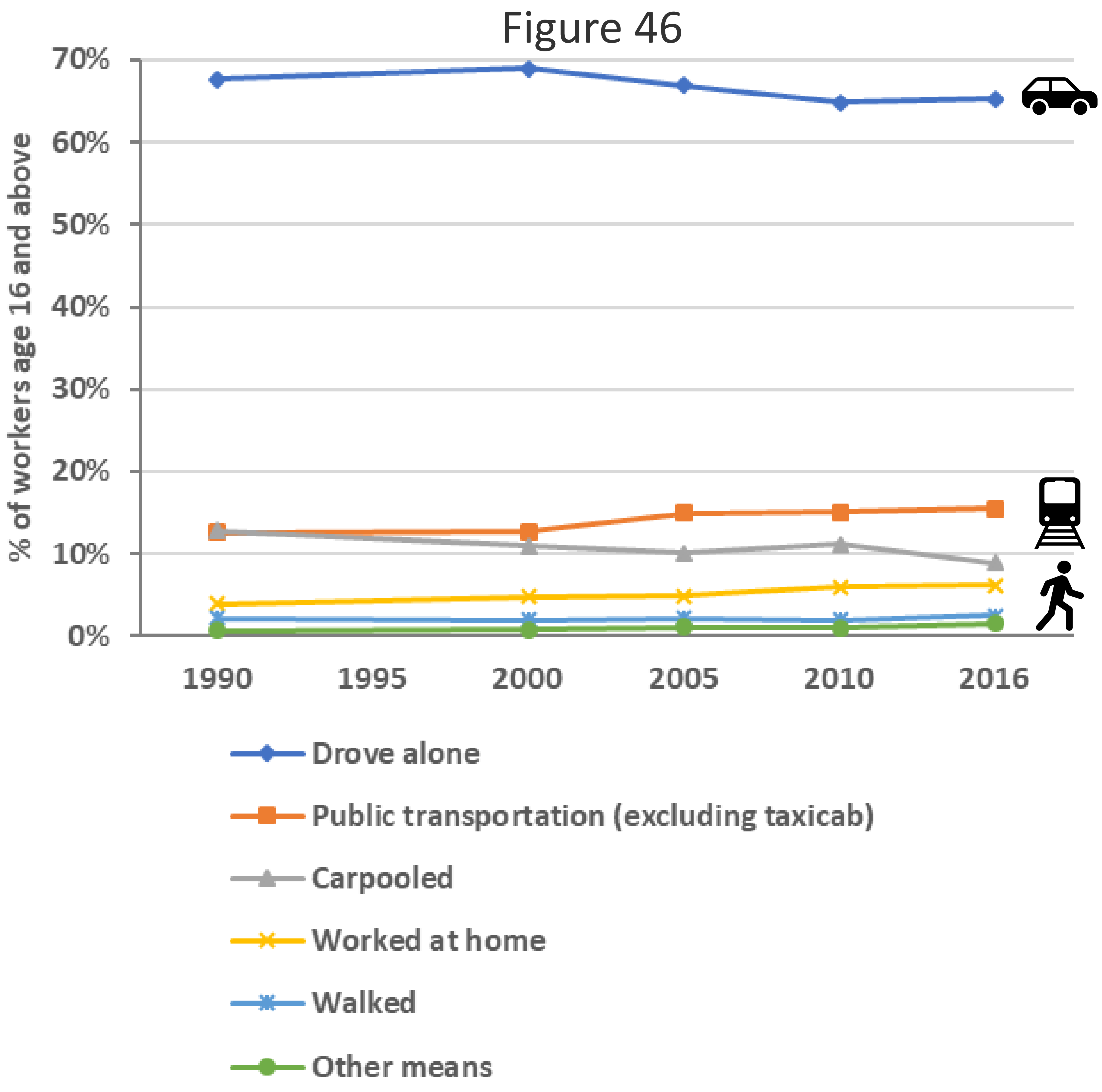


Employment Trends

A large workforce lives here

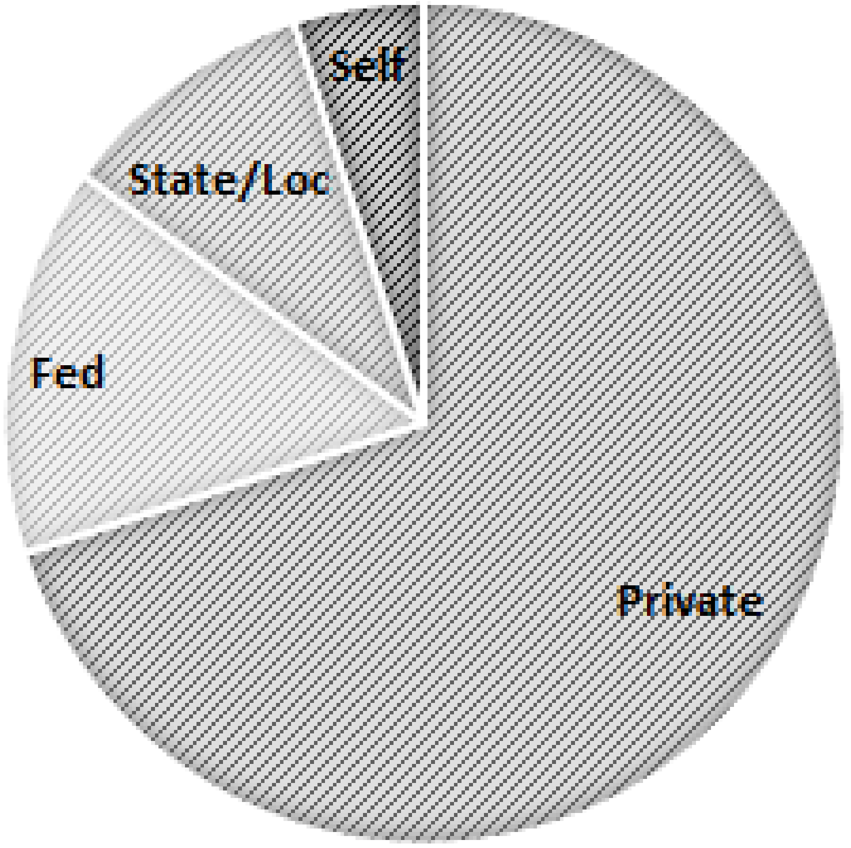
- Nearly 600,000 in 2016 – 2nd largest regionally – grew 31%
- Most (**60%**) work **inside the county**
- They (still) primarily **drive to work**
- They commute **6 min longer** on average
- **Aging residents** remain in the workforce

Commuters who live here primarily drive to work

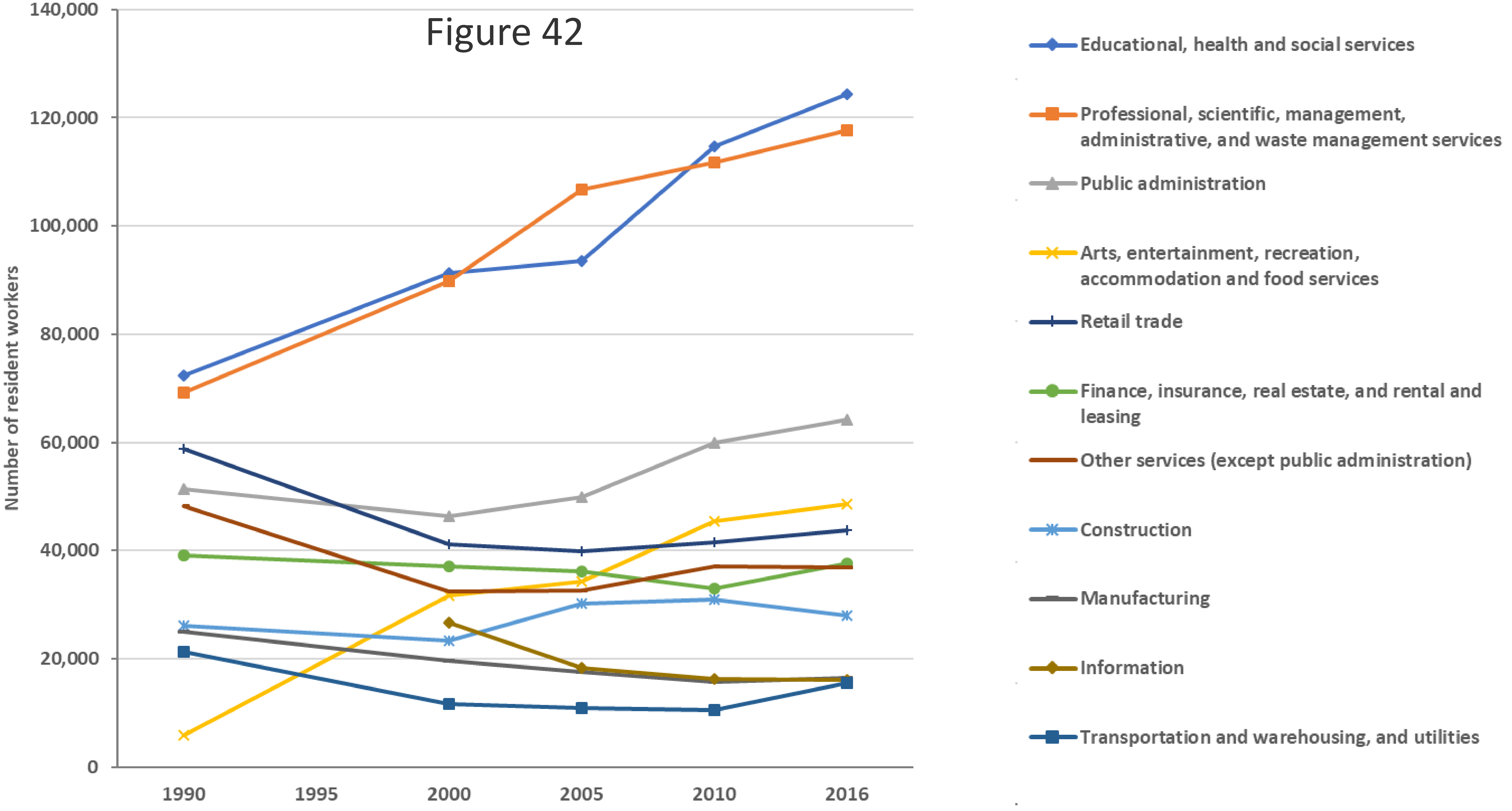


Split of public/private workers has been stable

- 68-73% private sector
- 13-15% federal government
- 8% state/local government
- 6-7% self-employed

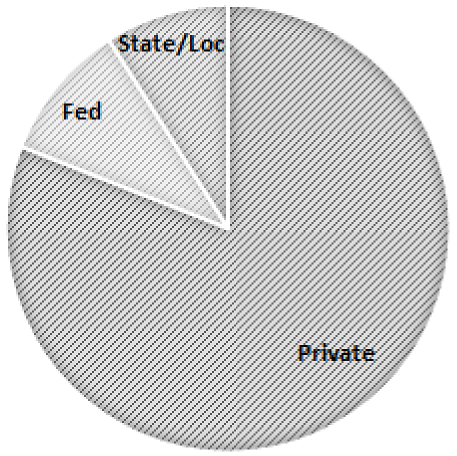


2 top industries employ **40%** of residents



Jobs located in the county have:

Remained constant by sector breakdown



81% private sector

10% federal government

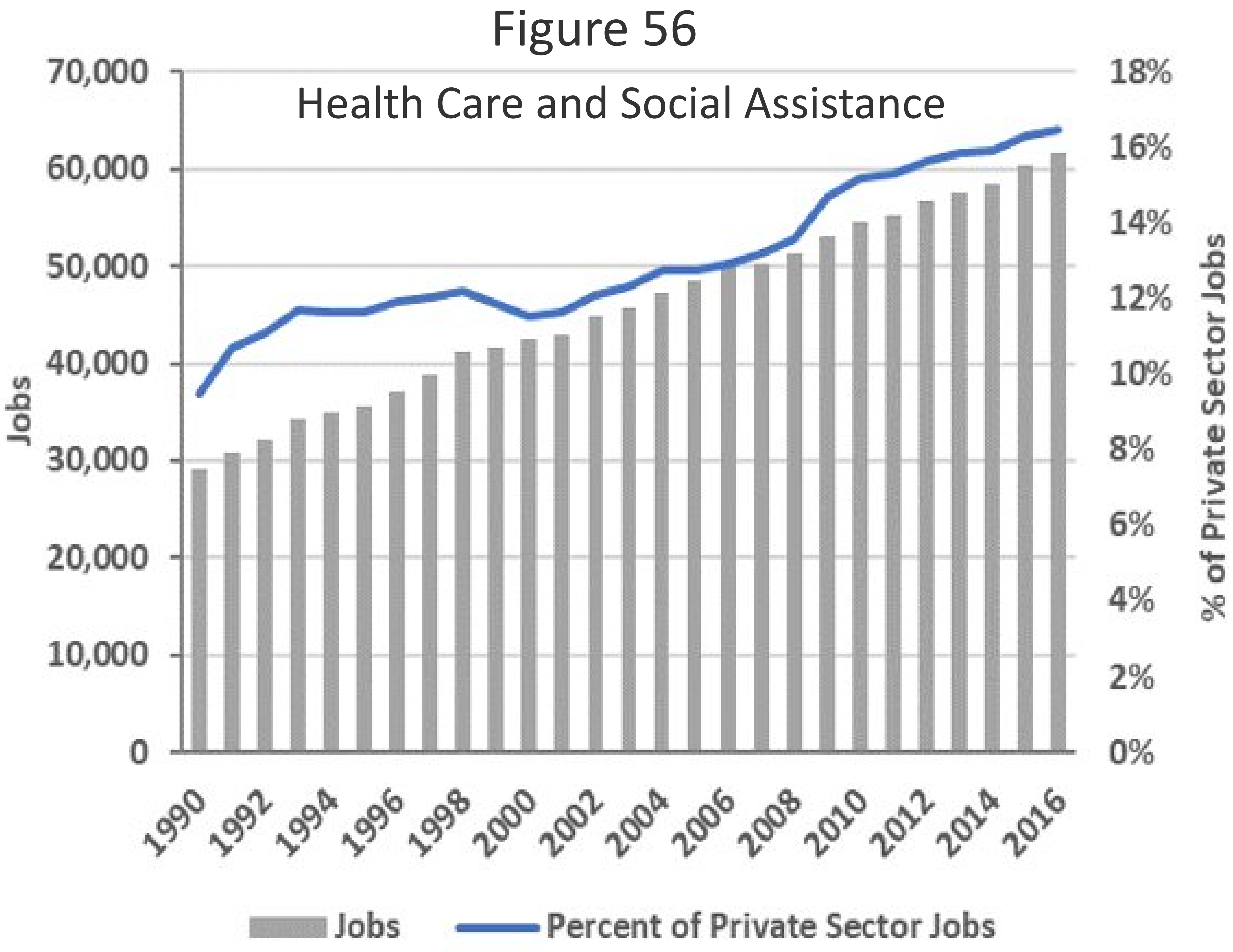
9% local government

Been concentrated in 2 industries

Professional, scientific and technical services (the largest at 65,000)

Health care and social assistance (grew the fastest at 111%)

Health care and social assistance growth outpaced other industries



Retail and construction jobs are declining

Figure 57

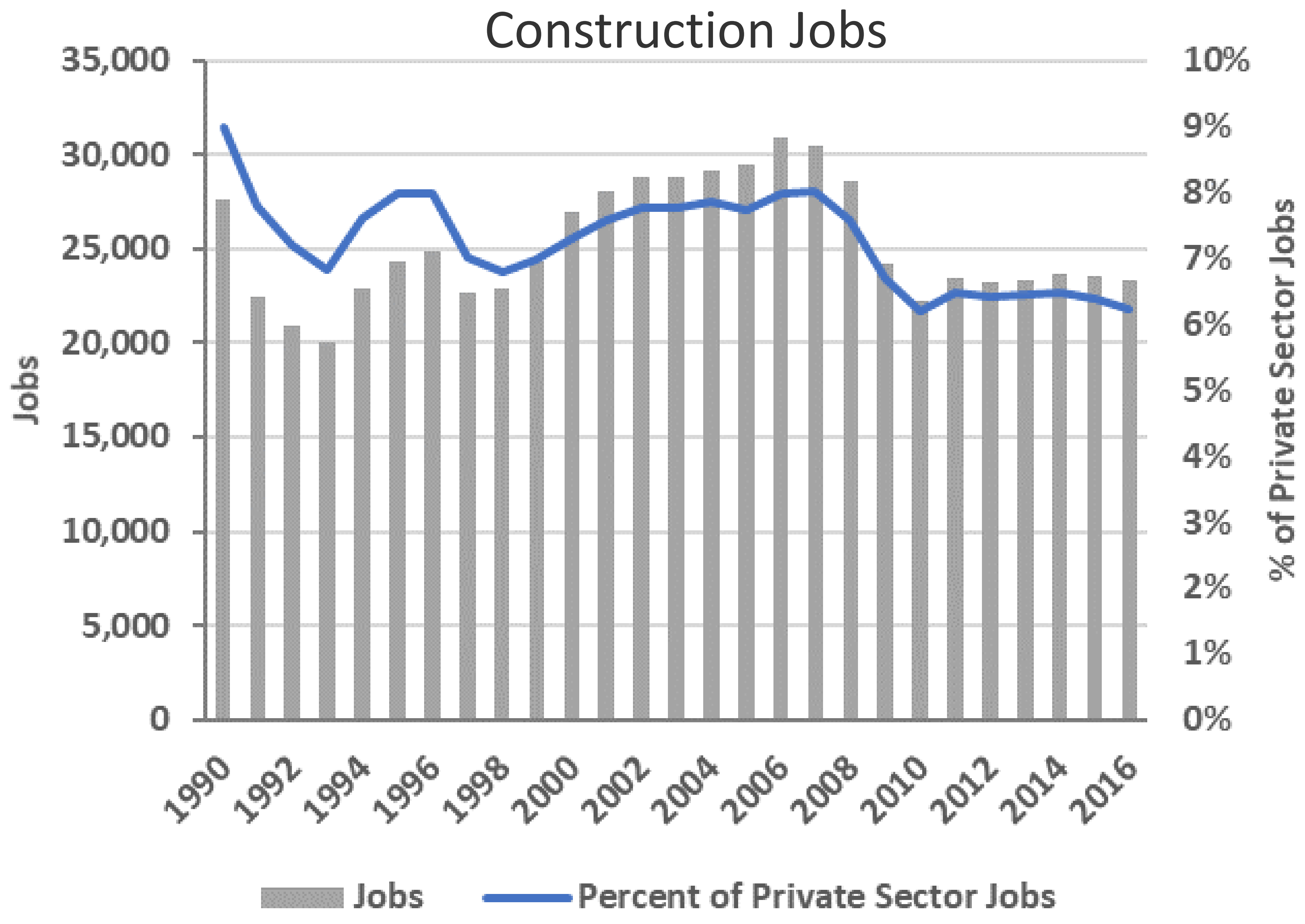
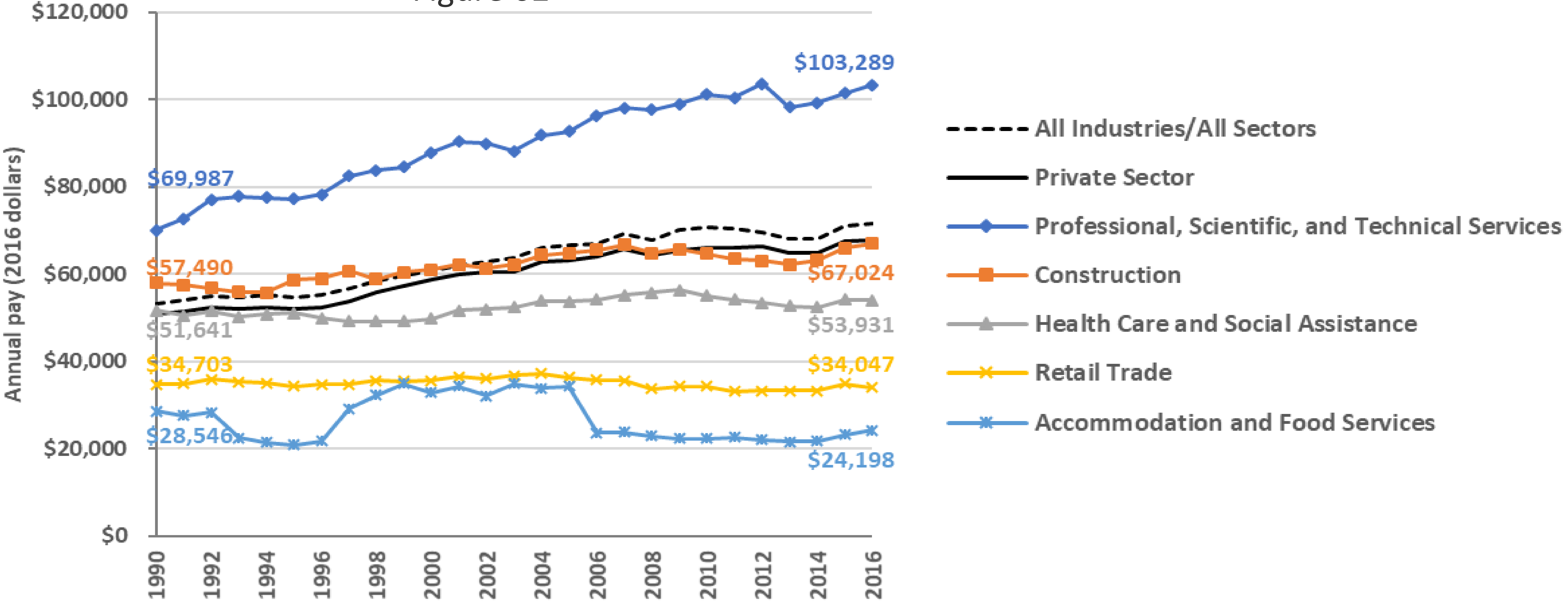


Figure 58

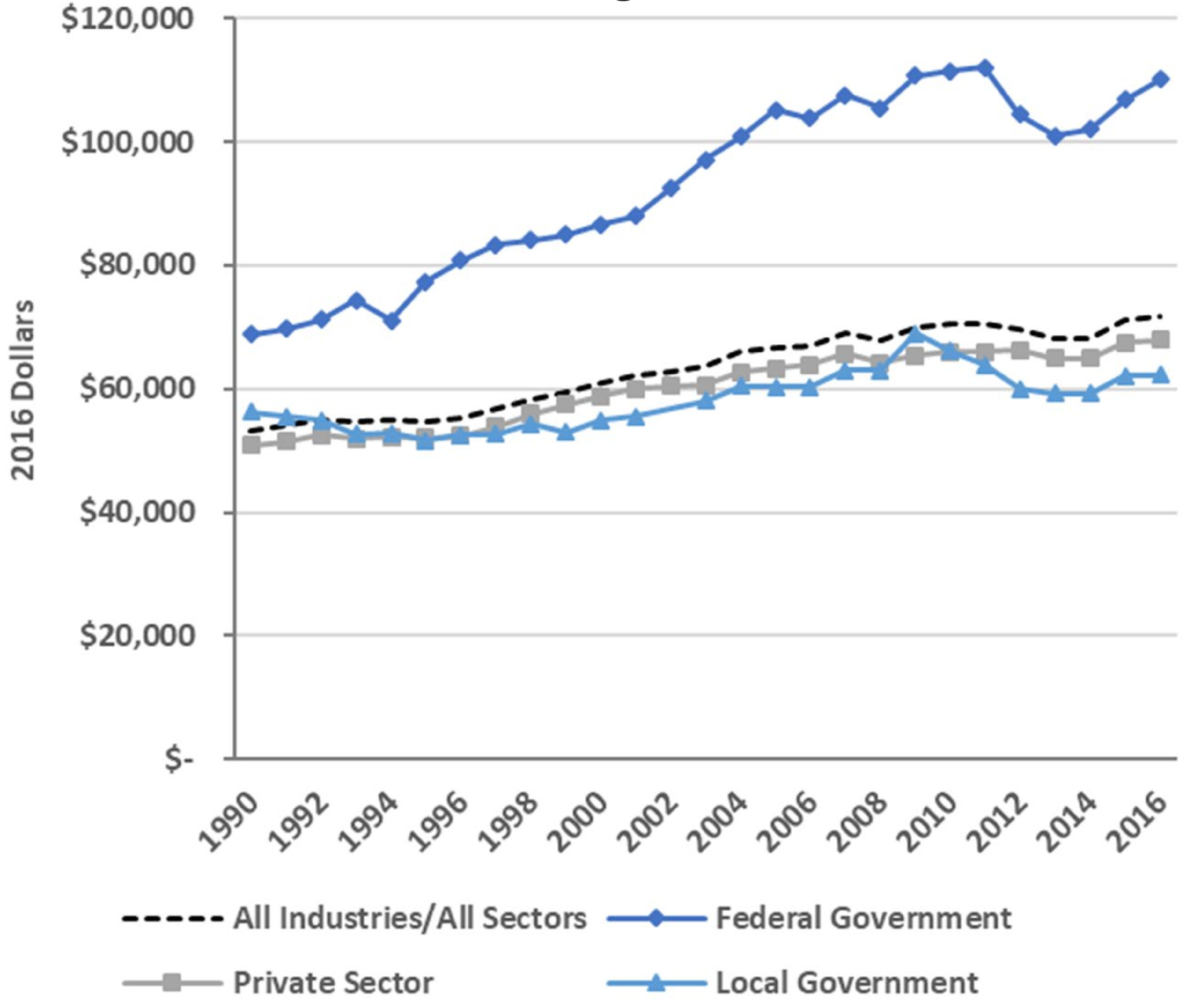
Private sector: professional services wages grew most

Figure 62

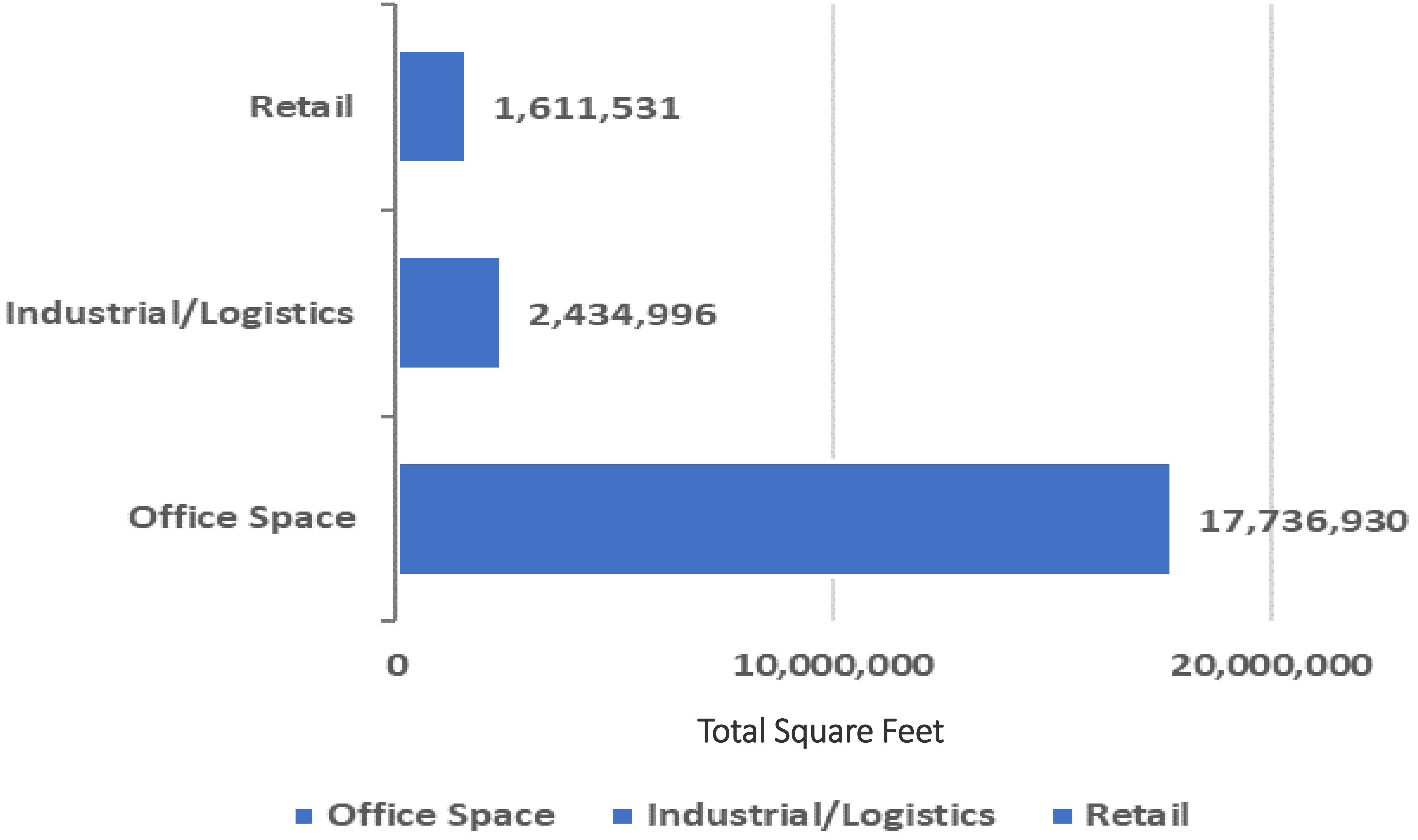


Federal jobs have paid the most on average

Figure 61



Commercial Growth from 1990-2017



Total commercial inventory grew by 22 million sq. ft.

Figure: 64

Commercial Growth Slowing Down

Regional overview:

- **Commercial growth was consistent & healthy**
- **MoCo competitive with other inner ring counties**

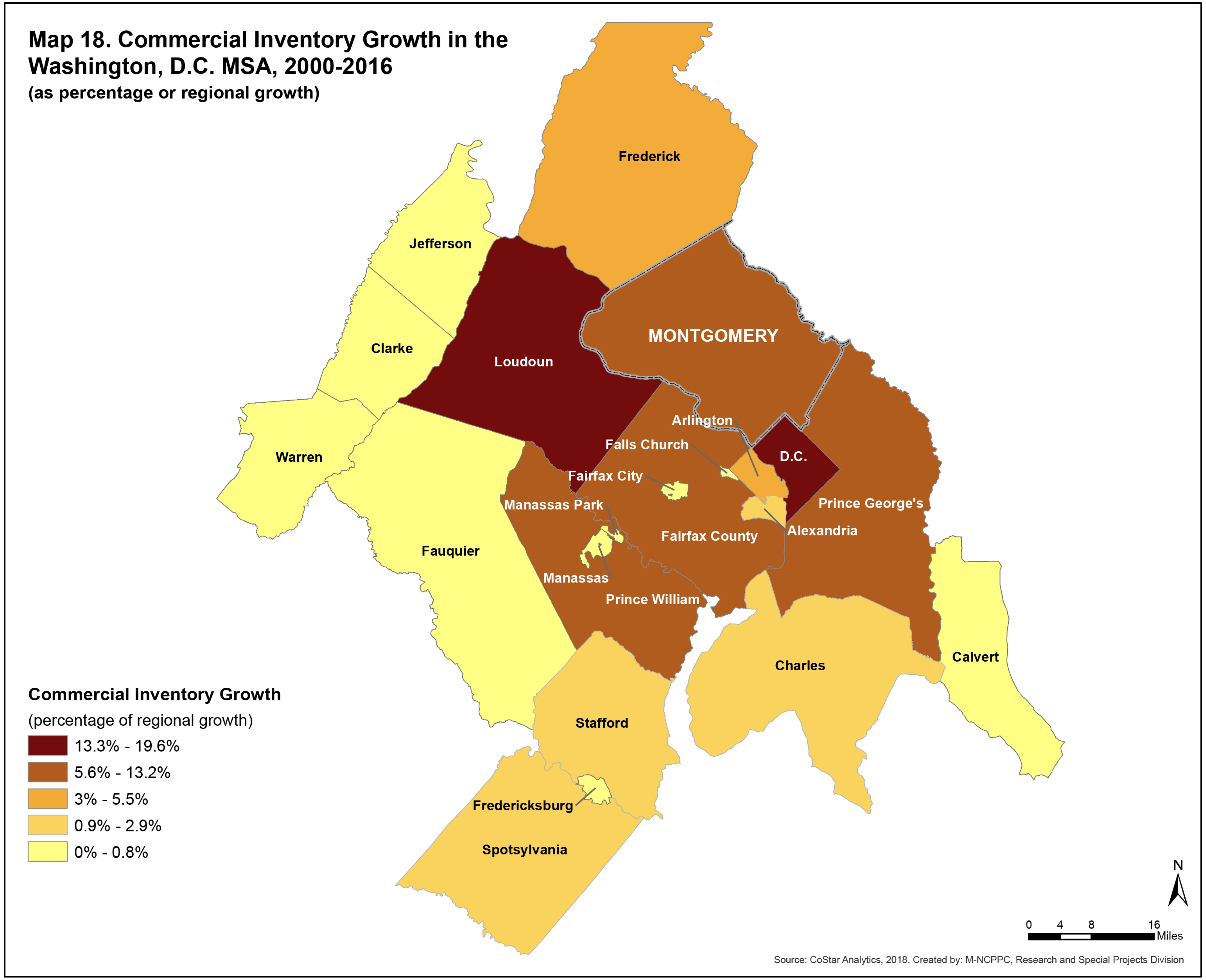
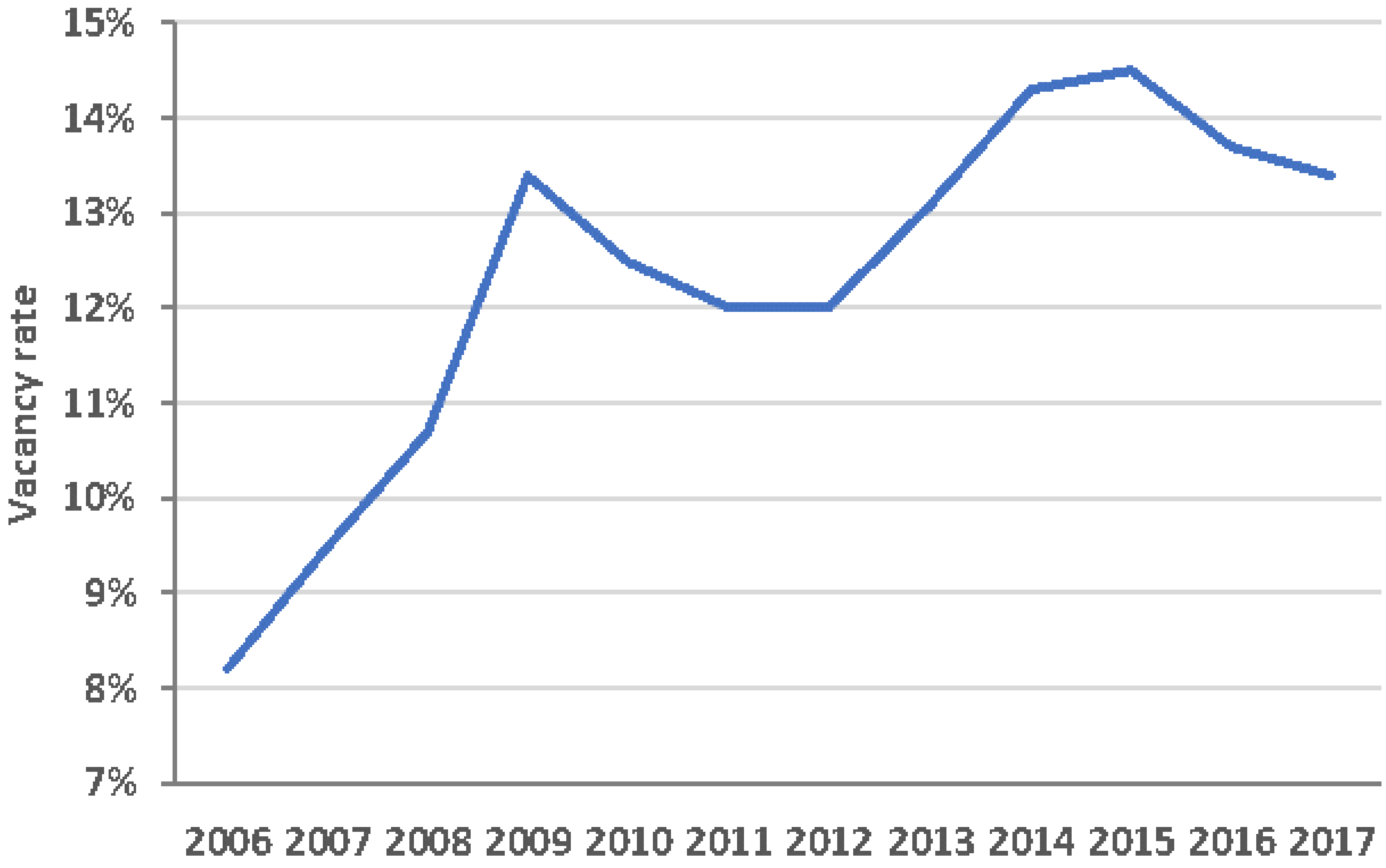


Figure: 69

Office Market

- **Exists mostly along the I-270 corridor**
- **Class A accounts for 90% of growth**
- **Increasing vacancies indicate growing surplus**



Retail & Industrial Markets

- **76% of retail space is Class A or B**
- **Growth from 38.5 million square feet to just over 40 million**
- **Location and competitiveness of retail market has changed very little since the 1990s**
- **Types, mixes, uses and physical demands for retail space are changing rapidly**
- **Industrial/logistics markets on the rise**

Conclusion and Next Steps

Implications for General Plan Update

- Increasing diversity
  - Population
  - Housing
- Aging demographics
- Incomes haven't kept up with costs
- Employment stable, but challenges remain
- Need to shift from greenfield to infill

Apendix

Gains in median incomes varies by subgroups

Median Household Income by Race and Hispanic Origin

	1989 (2016$)	2016	Change	% Change
All households	$101,123	$99,763	*No difference*	
Race and Hispanic origin:				
Non-Hispanic White	$108,842	$122,291	$13,449	12.4%
Asian	$95,696	$101,830	$6,134	6.4%
Hispanic	$72,319	$70,100	*No difference*	
Black or African Am.	$73,356	$69,313	*No difference*	

Income compared to non-Hispanic white households

- Asian: 83%
- Hispanic: 57%
- African Am.: 57%

Median income change between 1989 and 2016

- Gains in NH white & Asian households
- No change in Hispanic & African Am. households

Gains in median incomes varies by subgroups

Median Household Income by Tenure and Family Type

	1989 (2016$)	**2016**	**Change**	**% Change**
All households	$101,123	$99,763	*No difference*	
Tenure:				
Owner-occupied	$120,815	$128,614	$7,799	6.5%
Renter-occupied	$63,625	$62,268	*No difference*	
Family Type:				
Family	$115,891	$120,827	*$4,936*	4.3%
Non-Family	$67,044	$60,089	*No difference*	

Income compared by tenure and family type

- Non-family: 50% of family income
- Renter: 48% of owner-occupied income

Median income change between 1989 and 2016

- Gains in owner-occupied & family households
- No change in renter & non-family households