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

Decreasing gain and rate of growth since 1990
Sources of Population Growth: Natural increase from 1990 to 2016

- **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

- 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

by Census Tract
Montgomery County, Maryland

by Census Tract
Montgomery County, Maryland

Population Change
- 4,000 or more
- 1,000 - 3,999
- 225 - 999
- No significant change
- Decrease

Roads and Transitways:
- Major Highways
- MARC Line
- Metro Line
- Metro Stations

Population Density Change (people per sq.mi.)
- 2,000 or more
- 500 - 1,999
- 21 - 499
- No significant change
- Decrease

Roads and Transitways:
- Major Highways
- MARC Line
- Metro Line
- Metro Stations

More Diverse

• Increasing foreign-born population

1990: 141,166  
2016: 344,645  
+293,300 (59%)

• Greater racial & ethnic diversity
Location of Racial and Ethnic Changes from 1990 to 2016

Non-Hispanic White
-83,987
-15%

Non-Hispanic Black or African American
+96,258
108%

Hispanic
+143,718
258%

Non-Hispanic Asian
+93,271
153%

Population Change
- 1,500 or more
- 500 - 1,499
- 37 - 499
- No significant change
- Decrease
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

Source: 1990 Census, U.S. Census Bureau. Created by M/AOCPC, Research and Special Projects Division

Source: 2010-2016 American Community Survey 5-year estimates, U.S. Census Bureau. Created by M/AOCPC, Research and Special Projects Division
Increasingly Older Population

**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

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

2016 median income ranks 17th among counties across the nation.

1989 and 2016 median household incomes are within the margin of 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

Map 12. Average Household Income Change, 1990-2016 by Census Tract
Montgomery County, Maryland

Map 11. Average Household Income, 2016 by Census Tract
Montgomery County, Maryland

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.
Housing Trends
Housing Unit Growth by Type

• 32% in Overall Growth

• Growth Slowing

• Large, multi-family buildings grew the fastest

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

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)

Change in Average Sale Value

Change in Average Rent per sq. ft.

Montgomery County Trends Since 1990
Affordability & Demand Factors

Change in Cost Burden Over Time

- Rental
- Mortgaged
- Recession

Change in Number of MPDUs Over Time

- For Sale
- Rental
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

Figure 42

- Educational, health and social services
- Professional, scientific, management, administrative, and waste management services
- Public administration
- Arts, entertainment, recreation, accommodation and food services
- Retail trade
- Finance, insurance, real estate, and rental and leasing
- Other services (except public administration)
- Construction
- Manufacturing
- Information
- Transportation and warehousing, and utilities
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**
Retail Jobs

**Figure 58**
Construction Jobs
Private sector: professional services wages grew most
Federal jobs have paid the most on average.
Commercial Growth from 1990-2017

Total commercial inventory grew by 22 million sq. ft.

- Office Space: 17,736,930 sq. ft.
- Industrial/Logistics: 2,434,996 sq. ft.
- Retail: 1,611,531 sq. ft.

Figure: 63
Commercial Growth Slowing Down

Figure: 64
Regional overview:

- Commercial growth was consistent & healthy
- MoCo competitive with other inner ring counties
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
Appendix
Gains in median incomes varies by subgroups

Median Household Income by Race and Hispanic Origin

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

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
### Median Household Income by Tenure and Family Type

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<tr>
<td><strong>Tenure:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Owner-occupied</td>
<td>$120,815</td>
<td>$128,614</td>
<td>$7,799</td>
<td>6.5%</td>
</tr>
<tr>
<td>Renter-occupied</td>
<td>$63,625</td>
<td>$62,268</td>
<td>No difference</td>
<td></td>
</tr>
<tr>
<td><strong>Family Type:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Family</td>
<td>$115,891</td>
<td>$120,827</td>
<td>$4,936</td>
<td>4.3%</td>
</tr>
<tr>
<td>Non-Family</td>
<td>$67,044</td>
<td>$60,089</td>
<td>No difference</td>
<td></td>
</tr>
</tbody>
</table>

**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