



# Thrive 2050: A Framework for Thinking About the Future

## What is Thrive Montgomery 2050? What can it do?

- Thrive Montgomery 2050 is Montgomery County's General Plan.
- A General Plan is a **policy document** that guides, over multiple decades, how a jurisdiction will develop and change over time and **respond to future opportunities and challenges**.
- Unlike a sector plan, master plan or functional plan, a General Plan does not provide specific land use guidance to address short-term issues in targeted geographic areas. **It does not change zoning**; and it addresses multiple topic areas, rather than just one.
- Thrive 2050 will have an **implementation chapter** that will discuss tools for implementing recommendations in the plan
  - Additional land use, facility, infrastructure plans & studies
  - Capital improvements process
  - Zoning & other regulatory tools



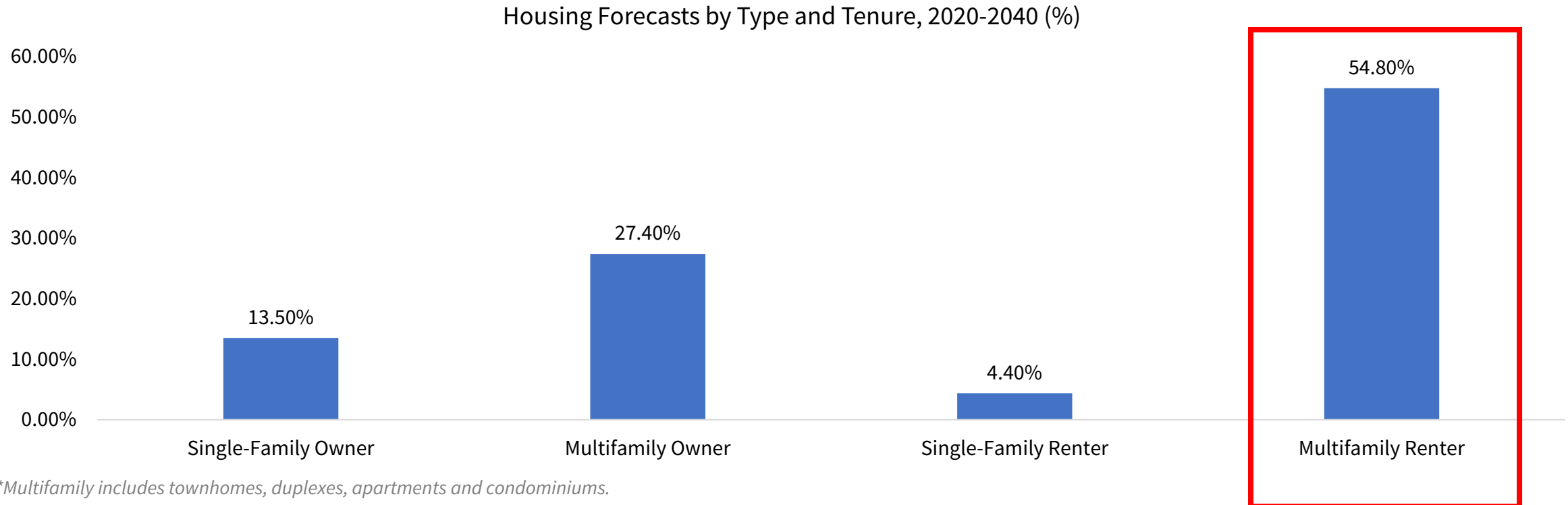
## What does Thrive 2050 propose for single-family zoning?

- Thrive Montgomery 2050 recommends **modest increases of density** in areas currently zoned exclusively for single-family housing near high-capacity transit to provide **housing types such as duplexes, triplexes and quadplexes** for varying housing needs and affordability levels.
- This is an important step in how the county begins to address **past inequities and constraints on** housing choice, while also creating more housing that is affordable and attainable to people of all income levels.
- Full list of recommendations available on [thrivemontgomery.com](https://thrivemontgomery.com)



# Montgomery County expected to add over 60,000 households by 2040

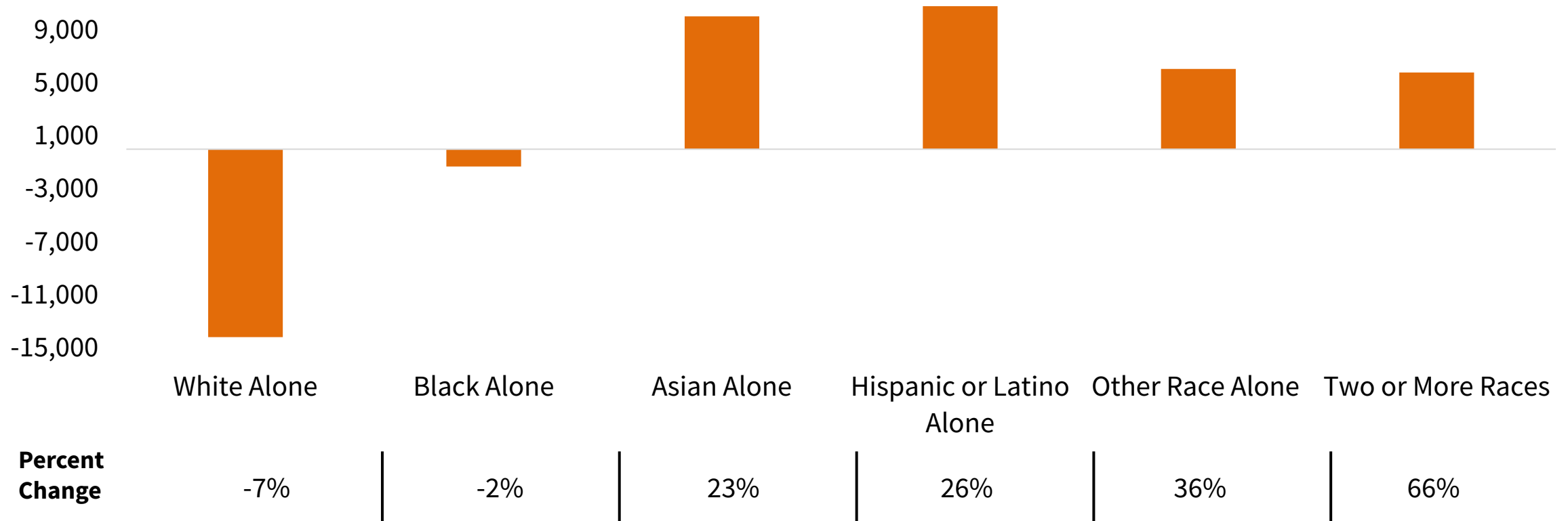
- Between 2020 and 2040, Montgomery County is expected to need to add 63,031 new households, both working and non-working households, specifically new residents who are seniors or persons with disabilities.
- Over the 2020 to 2040 period, forecast assumptions suggest that Montgomery County will need to add the following types of housing units to accommodate the forecasted households:



## Montgomery County has become more diverse in the last decade

- On net, the number of white and black households have fallen, while Asian, Hispanic, and other households have grown rapidly.

### Change in Number of Households by Race of Householder, 2010 - 2018





The county will continue to be a regional driver of population growth in the 55+ age group, capturing the highest share (a fifth) of regional growth.

- Due to the large existing 55+ population, the county is not adding 55+ households the most rapidly.
- The only proportion of population expected to grow by 2040 is 55+ households

### Shifts in the 55+ Age Group, 2010-2018

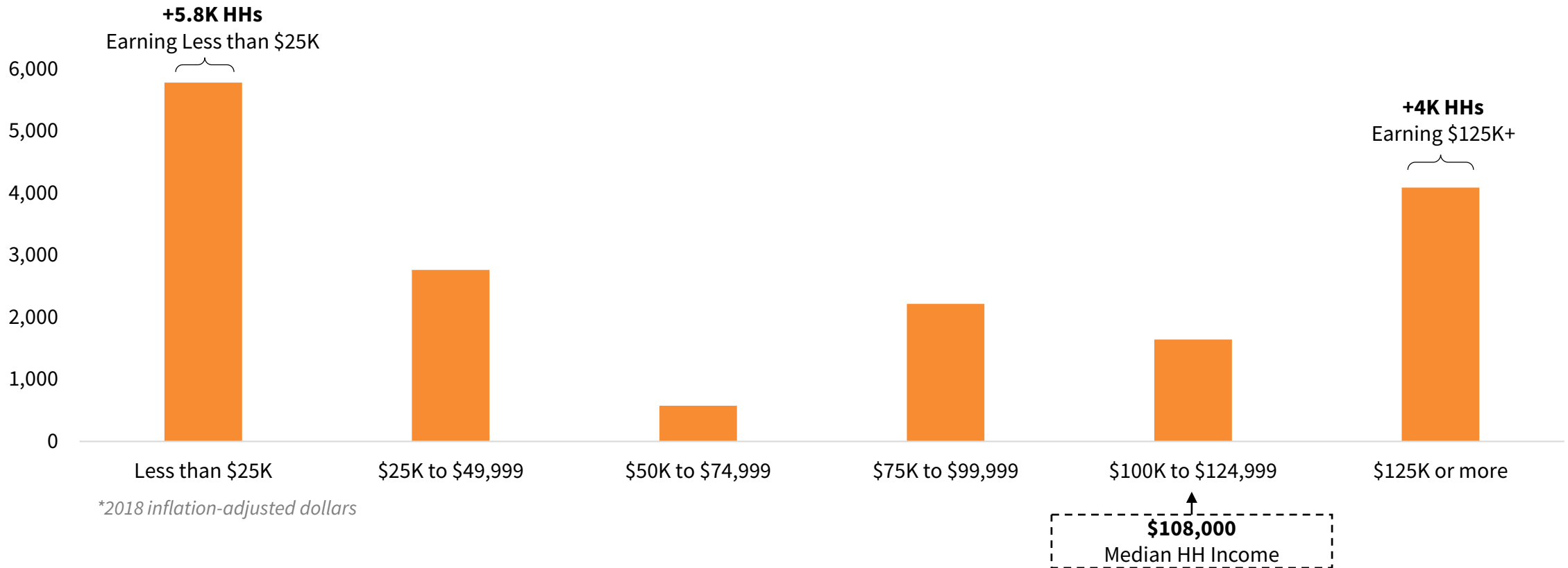
*ranked by largest to smallest % change in population*

	Percent Change in Population	Share of Regional Change in Population
Loudoun County	69%	11%
Prince William County	47%	10%
Charles County	41%	4%
Frederick County	36%	6%
Prince George's County	31%	18%
Alexandria city	27%	2%
<b>Montgomery County</b>	<b>26%</b>	<b>19%</b>
Fairfax County	25%	19%
Arlington County	23%	3%
DC	19%	8%

## “Barbell” growth in low- and high-income households

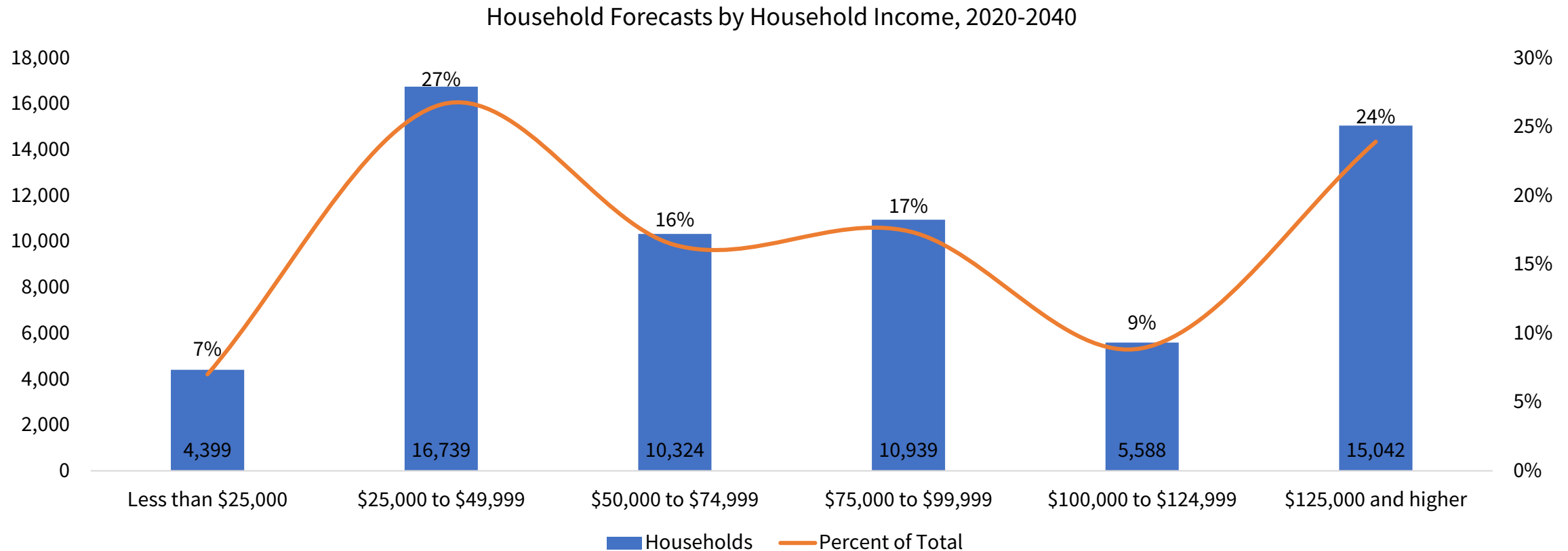
- Since 2010, household growth in Montgomery County has been concentrated in households the lowest and highest end of the income distribution.
- These trends could be due to various factors, including existing households increasing their income or lower income households moving to the county.

**Change in Number of Households by Income Bracket, 2010-2018**



## We expect this “barbell income growth” to continue - county is expected to gain low- and high-income households

- Based on the wages of new jobs and the number of workers per household, along with the incomes of non-working households, it is expected that the greatest shares of new households over the 2020 to 2040 period will have incomes between \$25,000 and \$49,999 (26.6%) and \$125,000 and over (23.9%).

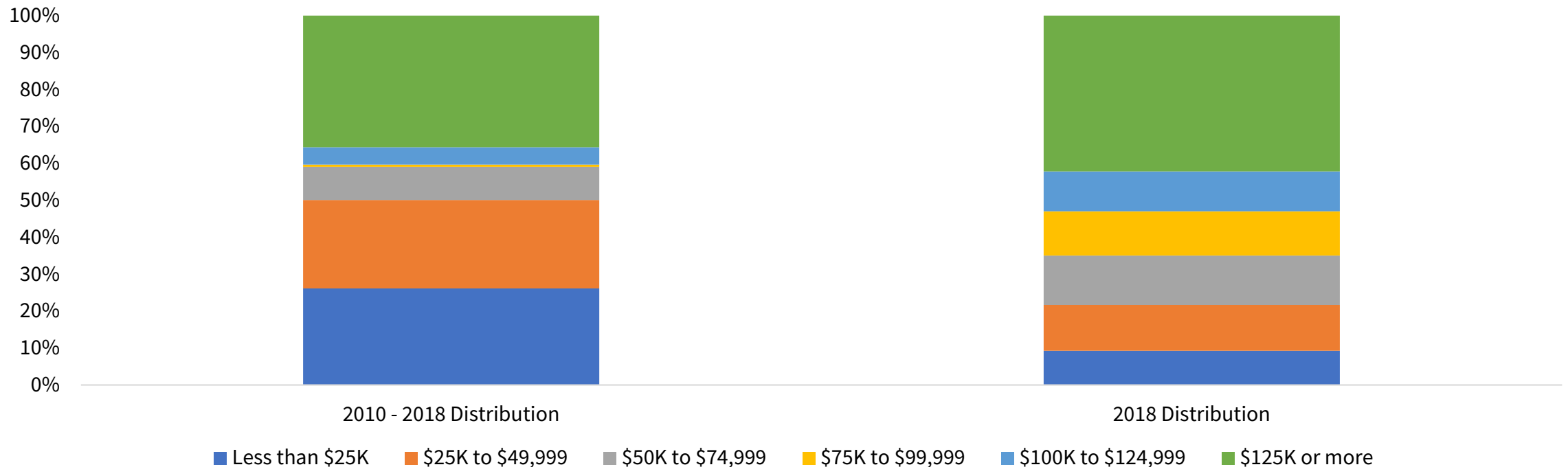




# 1 in 2 new households in Montgomery County are low-income (<\$50K)

- Since 2010, about half of all new households earn less than \$50K annually.
- While in 2018, households earning less than \$50K comprised of just less than a third of total households, this group has been growing the most rapidly over the past decade.
  - This indicates that while high income households remain the largest group in, there is an increasing need for affordable housing to accompany the County's shifting demographics.

## Net New Households, 2000 - 2018



# Montgomery County capturing an outsized share of low-income (<\$50K) HHs

- Only large county in region for which this is true—Fairfax and Prince George’s are adding low-income households at a lower proportion to their existing shares. D.C. is actively losing low-income residents—likely displacing them into these adjacent counties.

**Share of Total Households in the Region, 2018**

18%

Montgomery County

**Rest of Region:**

Fairfax County	19%
Prince George's County	15%
District of Columbia	14%
Prince William County	7%
Loudoun County	6%
Howard County	5%
Arlington County	5%
Frederick County	4%
Alexandria city County	3%
Charles County	3%

**Share of Low-Income Households in the Region, 2018**

17%

Montgomery County

**Rest of Region:**

Fairfax County	14%
Prince George's County	18%
District of Columbia	21%
Prince William County	6%
Loudoun County	4%
Howard County	4%
Arlington County	4%
Frederick County	5%
Alexandria city County	4%
Charles County	3%

**Share of Net New Low-Income Households in the Region, 2010-2018**

20%

Montgomery County

**Rest of Region:**

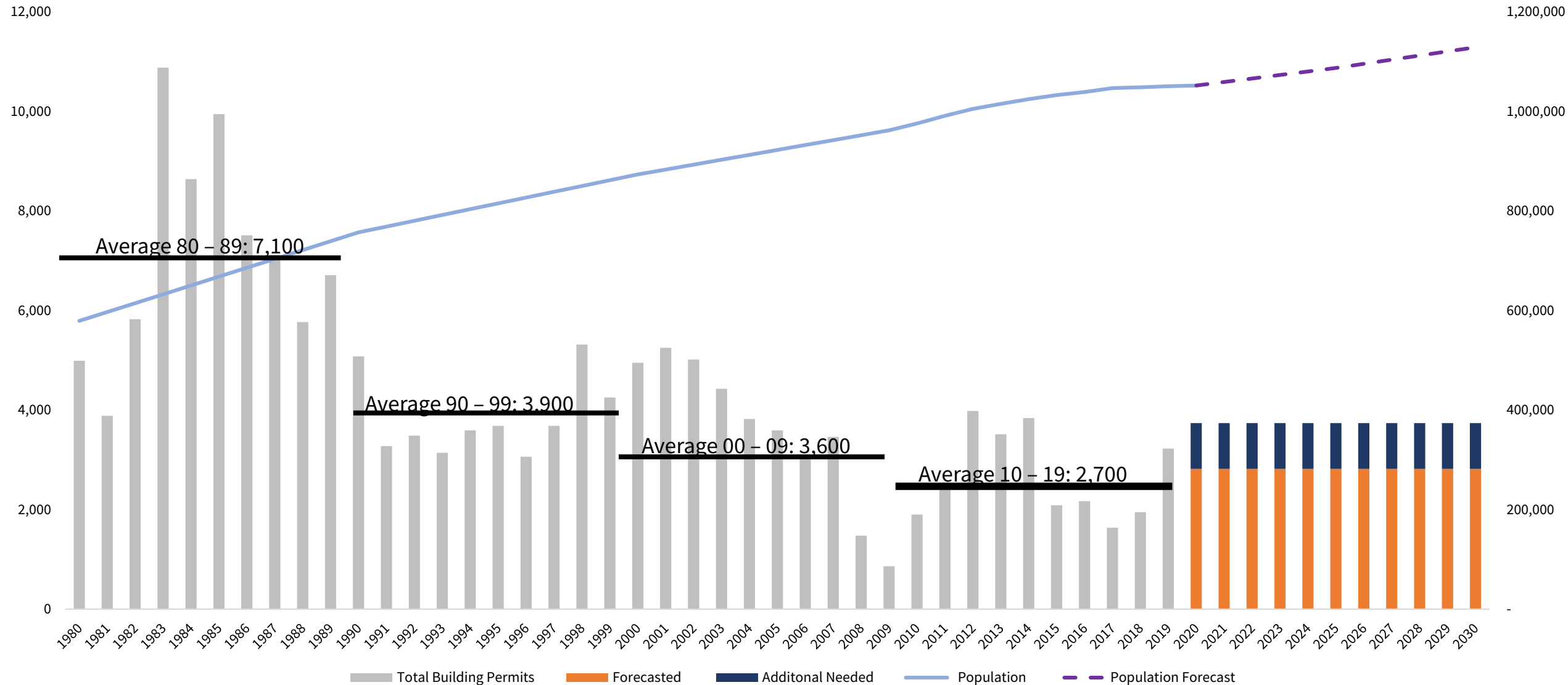
Fairfax County	15%
Prince George's County	14%
District of Columbia	-8%
Prince William County	14%
Loudoun County	12%
Howard County	8%
Arlington County	3%
Frederick County	10%
Alexandria city County	4%
Charles County	9%

Lower  
Share

Greater  
Share

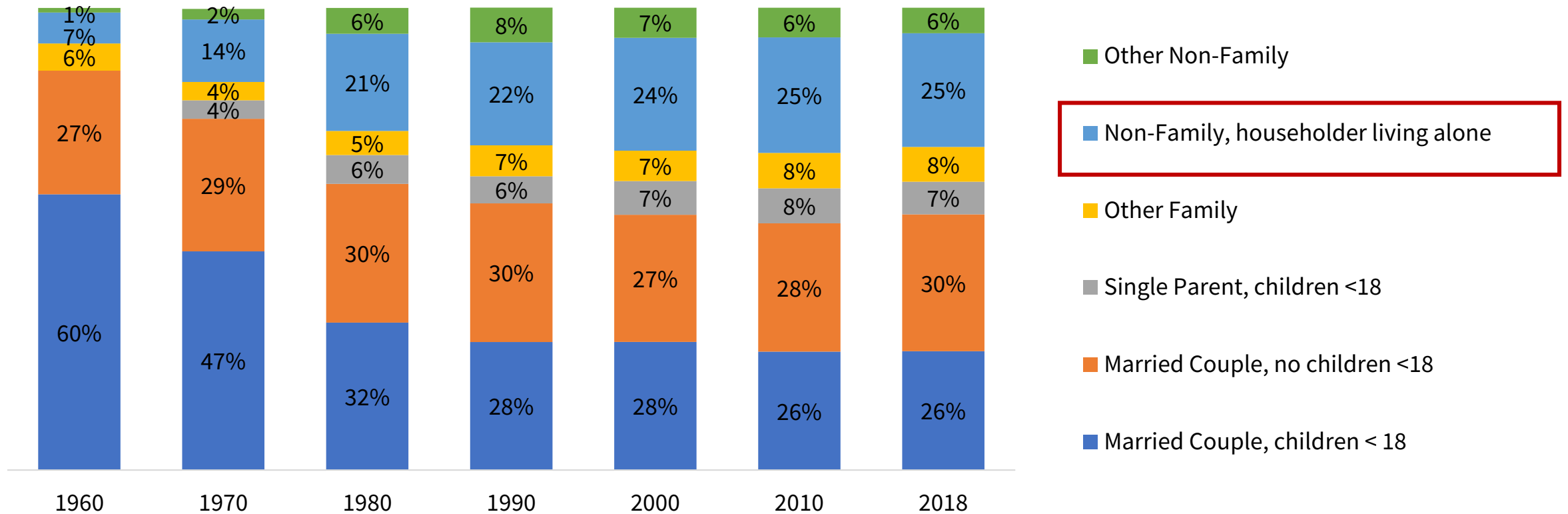
# Limited new construction creates supply constraints

Montgomery County Building Permits

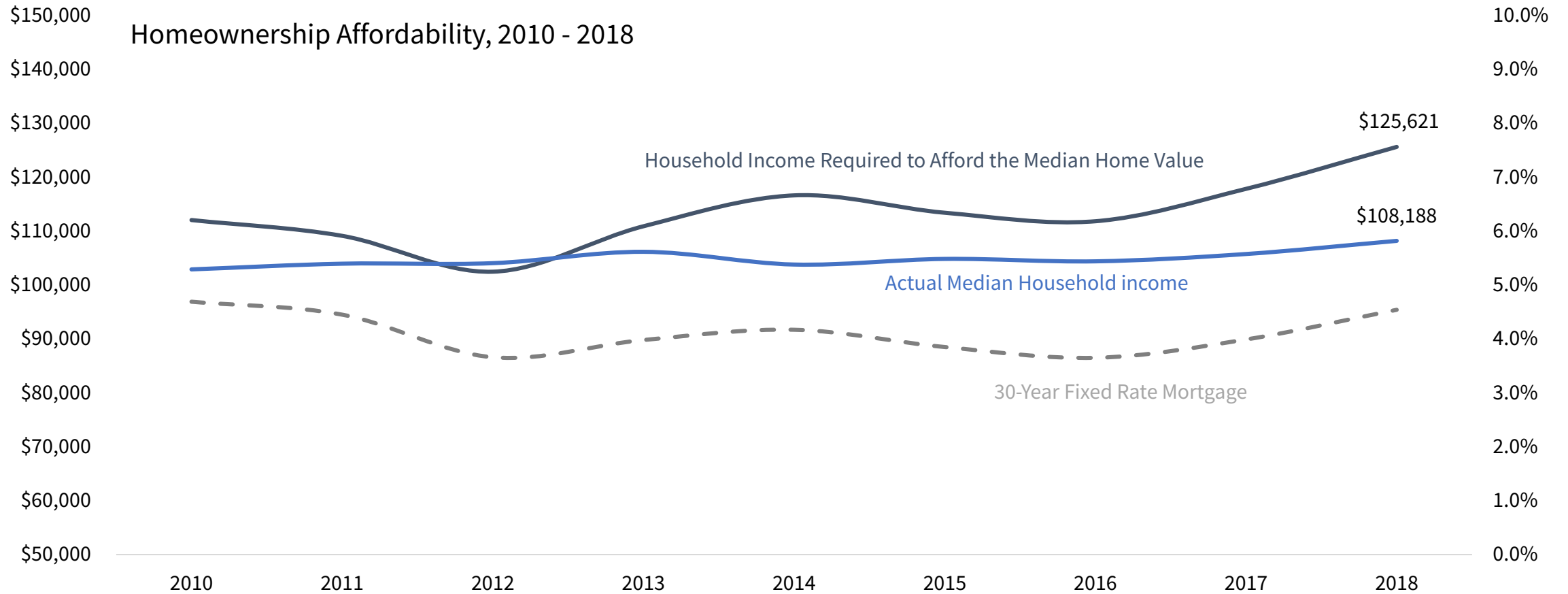


# Non-family households (other non-family and non-family, householder living alone) are the most common household type since 2000

Household Family Types 1960-2018



# Homeownership one of the biggest ways to build wealth, but owning unaffordable to median HH



*\*2018 inflation-adjusted dollars*

# Only Household Income \$150K+ segment adding owners on net, post-recession

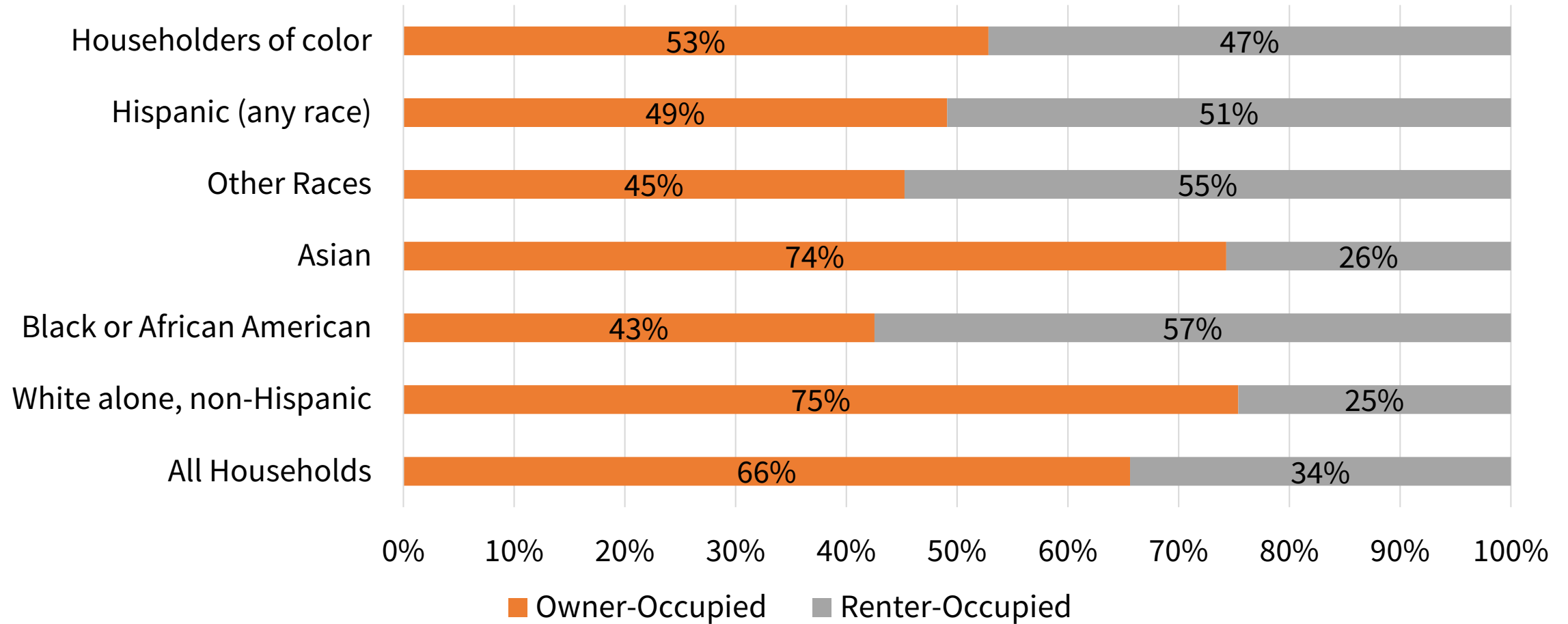
- \$150K is just under 120% AMI for a household of 4. Ownership for households earning below that has not recovered since the last recession.

**Change in Number of Owner-Occupied Housing Units by Household Income**

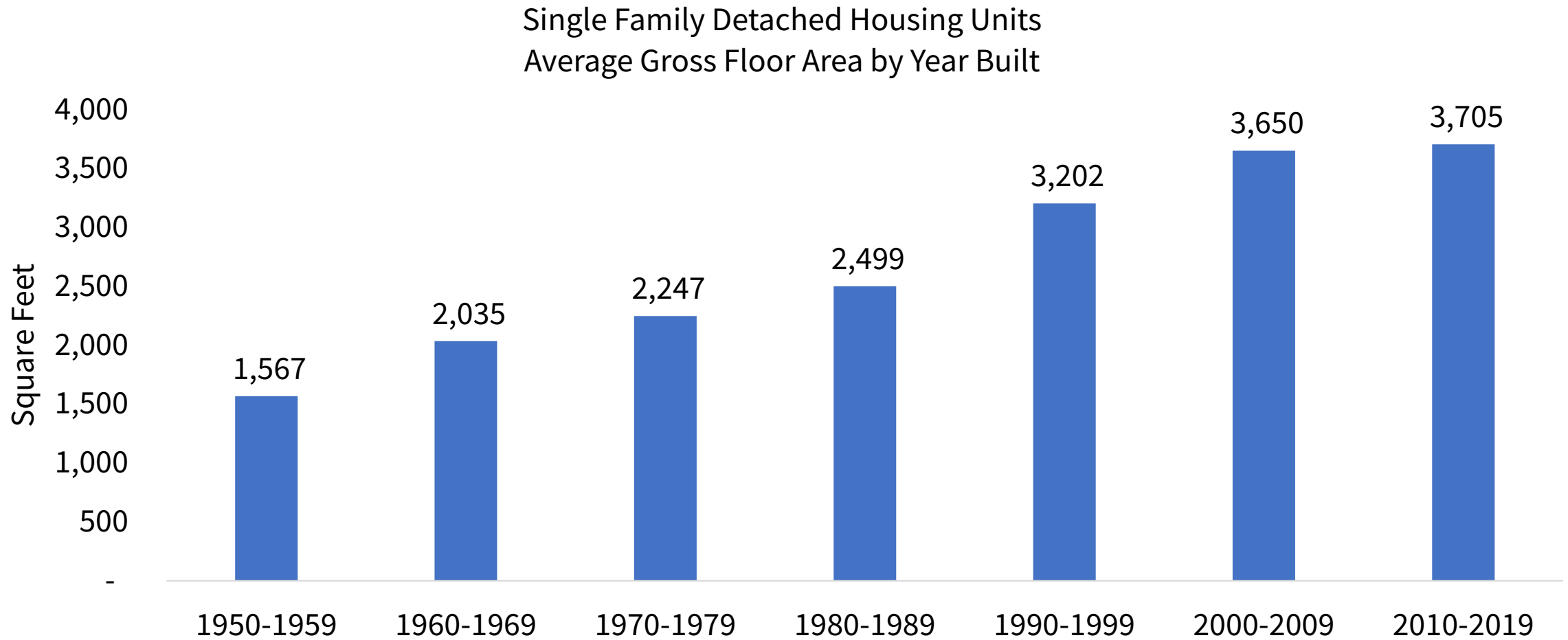
	2000 – 2010	2010 – 2018
Less than \$25K	4,619	-725
\$25 to 50K	10,331	-5,167
\$50 to 75K	7,858	-6,574
\$75 to 100K	2,632	-5,378
\$100 to \$150K	4,228	-6,528
\$150K+	-7,861	21,820



## Limited access to homeownership reinforces racial gaps in wealth accumulation



# New single-family housing units are getting larger



- Household size has decreased from 3.65 people/household in 1960 to 2.77 people/household in 2016

# 1 in 3 owner households are over-housed

- “Over-housing” driven by low density, aging, and/or wealth

Number of **Owner** Households by Housing Unit Size and Household Size

		Number of People in Household				
		1	2	3	4	5+
Number of Bedrooms	0-1	5,800	800	400	100	200
	2	11,300	9,800	3,000	1,000	1,700
	3	<b>16,500</b>	28,000	16,400	12,200	10,100
	4	<b>9,200</b>	<b>31,000</b>	17,400	16,900	11,700
	5+	<b>3,400</b>	<b>12,800</b>	<b>7,100</b>	11,400	9,900

Right-sized

Overcrowded

Over-housed

# 1 in 7 renter households are overcrowded

- Income, not family need, drives access to unit size.
- On the extremes, large low-income households are squeezed in small units, and small high-income households can access and occupy large units.

**Number of Renter Households by Housing Unit Size and Household Size**

		Number of People in Household				
		1	2	3	4	5+
Number of Bedrooms	0-1	32,200	11,000	2,300	400	400
	2	11,300	17,500	9,900	7,500	3,500
	3	1,300	3,800	5,200	6,000	1,500
	4	300	900	1,400	1,100	1,100
	5+	200	0	500	500	300

Right-sized

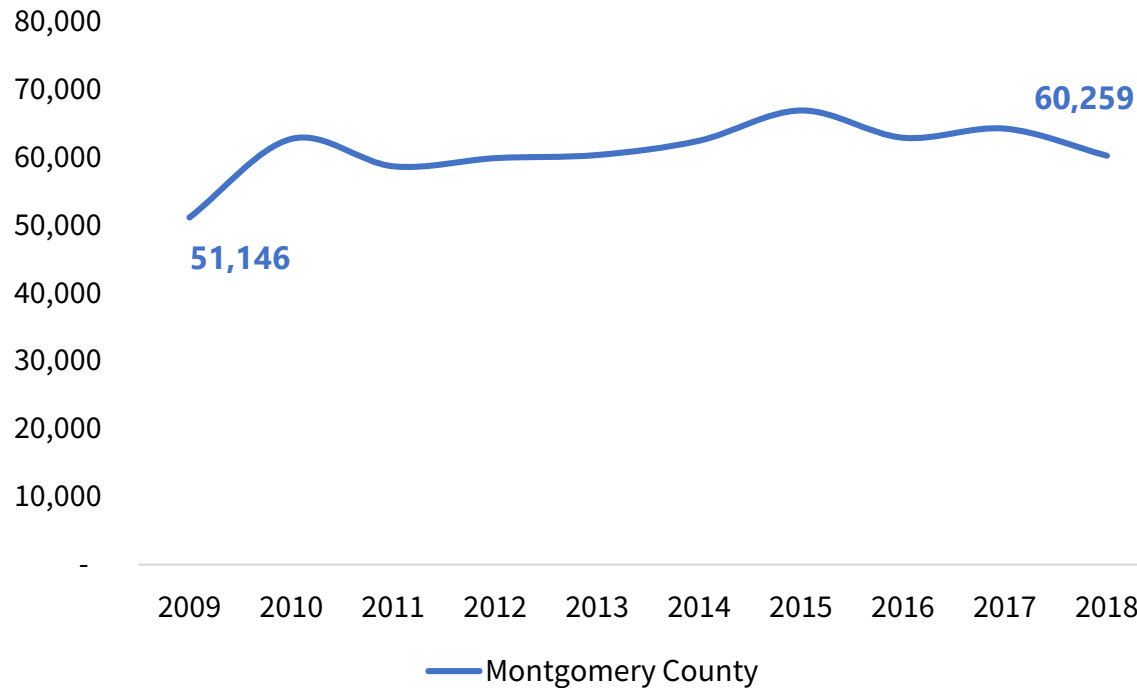
Overcrowded

Over-housed

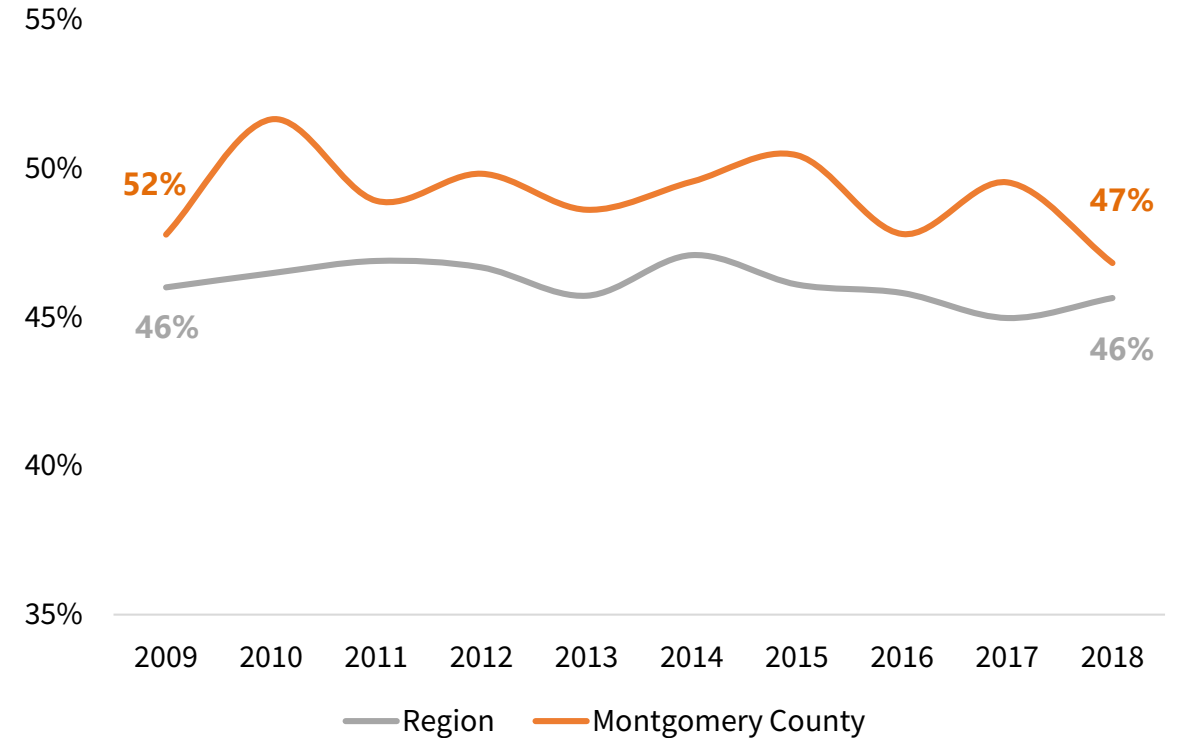
## Cost-burdened households increasing, despite falling share

- The barbell income growth helps to explain why even though the number of housing cost-burdened renters has increased, the percentage of renter households that are cost burdened has decreased over the same period.

**Number of Housing Cost-Burdened Renter Households, 2010-2018**

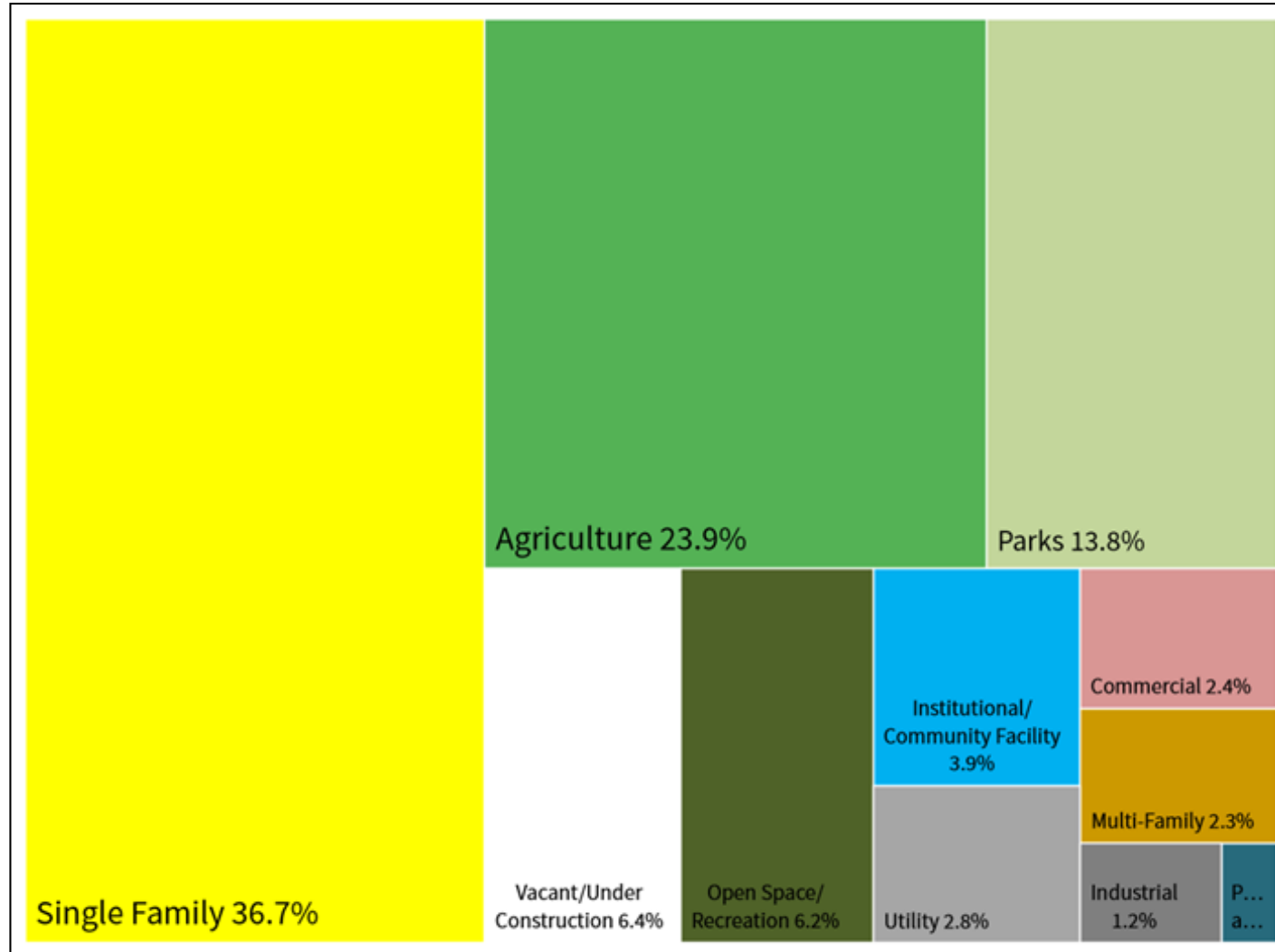


**Percentage of Renter Households that are Cost-Burdened, 2010-2018**



*\*Assumes a cost burden threshold of spending 30% of gross income on housing.*

## Current Land Use







For more on Thrive Montgomery 2050 visit:  
[ThriveMontgomery.com](http://ThriveMontgomery.com)