Montgomery Planning

BRIEFING ON ROUND 10 MWCOG COOPERATIVE FORECAST: 2020-2050

Description

Staff from the Research and Strategic Projects Division will provide a briefing on the results of the Round 10 MWCOG Cooperative Forecast for Montgomery County.

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SUMMARY

- Montgomery County participates in the Metropolitan Washington Council of Governments (MWCOG) Cooperative Forecast, which provides local and regional household, population, and employment projections. The Round 10 Cooperative Forecast covers the period from 2020 to 2050 and is the first set of projections produced after the COVID-19 pandemic.

- This informational briefing will provide an overview of the forecast results and methodology. Staff will present slides during the meeting with additional details on the assumptions and the analysis.

- The main findings are: 1) Montgomery County is forecasted to gain 143,000 jobs, 88,000 households, and 189,000 new residents between 2020 and 2050. 2) Most of the growth in households, population, and employment are forecasted to occur in the corridor areas and activity centers along the WMATA Red Line, Interstate 270, and U.S. Highway 29.

PROJECT INFORMATION

Draft

Not Applicable

Date

May 11, 2023

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Planning Board Information

MCPB

Item No. 6

Montgomery County participates in the Metropolitan Washington Council of Governments (MWCOG) Cooperative Forecast. MWCOG is an independent, nonprofit association comprised of 300 elected officials from 24 local governments, the Maryland and Virginia state legislatures, and U.S. Congress and brings area leaders together to address major regional issues in the District of Columbia, suburban Maryland, and Northern Virginia. It also staffs the National Capital Region Transportation Planning Board (TPB), the federally designated metropolitan planning organization (MPO) for metropolitan Washington. Working with local, state, regional, and federal partners, the TPB coordinates future plans, provides data and analysis to decision makers, and coordinates regional programs to advance safety, land-use coordination, and more.

The Cooperative Forecast Program was established in 1975, and local governments in metropolitan Washington have worked cooperatively for many years to develop region-wide and neighborhood-level forecasts for employment, population, and households. Each series of forecasts, or a "round", typically covers a period of 20 to 30 years with projections in five-year increments. The forecasts provide data necessary for local and regional planning activities, including analyzing the effects of growth and demand for public facilities, developing policy responses to regional issues, and private sector market analysis. Montgomery Planning also works closely with City of Gaithersburg and City of Rockville, which develop their own forecasts that are included as part of Montgomery County's forecasts.

The Round 10 Cooperative Forecast is the most current set of projections and the first one produced after the COVID-19 pandemic. This forecast covers the period from 2020 to 2050 in five-year increments.

ROUND 10 FORECAST OVERALL RESULTS (CONTROL TOTALS)

EMPLOYMENT FORECAST CONTROL TOTALS

The Round 10 employment forecast projects a gain of nearly 143,000 jobs between 2020 and 2050, an increase of 29% from 493,500 in 2020 to 636,500 in 2050 (see Table 1). The COVID-19 pandemic significantly impacted the local and national economy and contributed to large job losses and high unemployment in 2020. The tremendous loss in employment in 2020 partly resulted in forecast numbers that are eight to ten percent lower than those from the prior Round 9.2 forecast. Despite the lower forecast, Montgomery County's share of the MWCOG region's employment is expected to

stabilize by 2035, and its employment-to-household ratio is expected to stabilize and then increase through 2050.

Table 1: Round 10 Employment Forecast Control Totals

Round 10	2020	2025	2030	2035	2040	2045	2050	Change 2020 to 2050	Percent Change 2020 to 2050
Employment	493,500	522,900	545,600	568,300	591,000	613,800	636,500	142,900	29.0%

Note: Numbers for employment and absolute change rounded to the nearest hundred. Numbers for absolute change and percent change calculated from unrounded numbers.

Montgomery Planning staff used a multi-pronged approach to estimate current and future employment. Per MWCOG guidance, the Round 10 employment forecast reflects jobs where employees' on-site place of work is in Montgomery County, regardless of remote work status or location. Base year employment for 2020 was calculated from Bureau of Labor Statistics data plus other public data sources to account for self-employment, federal government, and other types of jobs. To estimate future growth, Montgomery Planning looked at historic trends in overall growth and the county's share of regional employment. We also reviewed a county forecast by Woods & Poole Economics, a national forecasting firm. Finally, the amount of projected job growth was also informed by additional review and analysis of current projects in the development pipeline as well as discussions with Planning Department staff and members of the MWCOG Cooperative Forecasting and Data Subcommittee. Based on this analysis, we estimated an annualized growth rate of 0.9% through 2050.

HOUSEHOLDS AND POPULATION FORECAST CONTROL TOTALS

The Round 10 household forecast anticipates a gain of nearly 88,000 households between 2020 and 2050, an increase of nearly 23% from 386,600 in 2020 to 474,300 in 2050. The Round 10 population forecast projects a gain of more than 189,000 people between 2020 and 2050, an increase of nearly 18% from 1,061,200 in 2020 to 1,250,700 in 2050 (see Table 2). The COVID-19 pandemic interrupted existing demographic trends, which resulted in a loss of more than 6,000 residents from 2020 to 2021 due to smaller natural increase and more net out-migration. However, future demographic trends were assumed to reflect a continuation of pre-pandemic trends. Round 10 household and population forecast numbers are generally one to two percent lower than those from the prior Round 9.2 forecast until the 2040s when the forecast numbers for these two rounds converge. Like in previous forecast rounds, the average household size is expected to decrease through 2050.

Table 2: Round 10 Households and Population Forecast Control Totals

Round 10	2020	2025	2030	2035	2040	2045	2050	Change 2020 to 2050	Percent Change 2020 to 2050
Population	1,061,200	1,083,000	1,118,100	1,153,900	1,189,600	1,222,200	1,250,700	189,400	17.8%
Households	386,600	398,400	416,600	434,100	450,000	463,200	474,300	87,700	22.7%

Note: Numbers for population, households, and absolute change rounded to the nearest hundred. Numbers for absolute change and percent change calculated from unrounded numbers.

Montgomery Planning researchers developed a cohort component of change model to estimate the forecast for households and population. In the model, population and households were projected in five-year period increments (or "cohorts") from 2020 to 2050. For each cohort, the number of births, deaths, and migrants were projected and added to the population at the beginning of the period to obtain the projected population at the end of the period. The projected population for each five-year period was then combined with headship rates (the percentage of the population who are household heads) to estimate the number of households. Projected age-specific fertility rates, mortality rates, net migration rates, and headship rates used to calculate the components of each cohort were informed by an analysis of historical trends. Data for these trends were obtained from various sources, including the Census Bureau, Maryland Department of Health, and National Center for Health Statistics.

ROUND 10 FORECAST BY POLICY AREA

ALLOCATION BY TRANSPORTATION ANALYSIS ZONES (TAZ) AND POLICY AREA

The employment, household, and population totals are allocated to Transportation Analysis Zones (TAZ), which are smaller geographical units that approximate neighborhoods or census tracts. The allocation process relied on an analysis of information from various sources, including the current development pipeline, adopted master plans and zoning, and discussions with Montgomery Planning staff. Historical information on residential and commercial vacancy rates, household size, space utilization per job also informed how employment, households, and population were distributed. In the following sections, results are presented by Policy Areas, which are composed of one or more TAZs. Additional details will be provided in the presentation during the briefing to the Planning Board.

EMPLOYMENT FORECAST BY POLICY AREA

Table 3 shows the Round 10 employment forecast numbers for 2020 and 2050 plus the 30-year change by policy areas. The policy areas forecasted to have the most absolute growth over 30 years include Bethesda CBD, Gaithersburg City, R&D Village, Rockville City, White Flint, and White Oak. On a percentage basis, the largest amount of growth is forecasted to occur in three areas that only have a small number of jobs to begin with: Glenmont, Grosvenor, and Shady Grove Metro Station. Additionally, the major employment centers of White Flint and White Oak are also forecasted to have significant growth on a percentage basis. Most of these policy areas were also forecasted to have the largest growth in Round 9.2.

HOUSEHOLDS AND POPULATION FORECAST BY POLICY AREA

Table 4 and Table 5 show the Round 10 population and household forecast numbers, respectively, for 2020 and 2050 plus the 30-year change by policy areas. The policy areas forecasted to have the most absolute growth over 30 years include Bethesda CBD, Gaithersburg City, North Bethesda, Silver Spring CBD, and White Flint. The largest percentage growth is forecasted to occur in White Flint, as well as Glenmont, Shady Grove Metro Station, and Twinbrook (but with growth from small numbers of households and population in 2020). Except for North Bethesda, these same areas were also forecasted to have the largest growth in Round 9.2.

Table 3: Round 10 Employment Forecast by Policy Area

Policy Area	Employment 2020	Employment 2050	Change 2020 to 2050	Percent Change 2020 to 2050
Aspen Hill	8,500	9,700	1,200	14%
Bethesda CBD	32,900	42,400	9,500	29%
Bethesda/Chevy Chase	41,900	48,500	6,600	16%
Clarksburg	4,300	6,600	2,400	56%
Cloverly	1,900	2,200	300	14%
Damascus	2,500	3,000	500	21%
Derwood	14,700	15,000	300	2%
Fairland/Colesville	11,900	13,600	1,700	15%
Friendship Heights	9,400	10,500	1,100	12%
Gaithersburg City	45,100	60,800	15,700	35%
Germantown East	9,800	14,000	4,200	42%
Germantown Town Center	3,200	4,100	900	27%
Germantown West	10,000	17,500	7,400	74%
Glenmont	400	1,000	600	160%
Grosvenor	400	800	400	123%
Kensington/Wheaton	21,900	23,200	1,300	6%
Montgomery Village/Airpark	13,900	15,400	1,500	11%
North Bethesda	33,000	40,400	7,500	23%
North Potomac	3,000	3,200	200	8%
Olney	8,400	10,200	1,800	21%
Potomac	19,700	22,600	2,900	15%
R&D Village	20,500	30,700	10,200	50%
Rockville City	52,900	64,500	11,700	22%
Rockville Town Center	16,300	22,400	6,100	38%
Rural East	10,600	12,300	1,700	16%
Rural West	4,200	4,800	600	15%
Shady Grove Metro Station	1,200	2,900	1,700	147%
Silver Spring CBD	19,300	26,100	6,800	35%
Silver Spring/Takoma Park	17,800	19,600	1,800	10%
Twinbrook	14,900	17,200	2,300	15%
Wheaton CBD	5,700	7,600	1,900	33%
White Flint	11,700	23,600	11,900	101%
White Oak	21,800	40,100	18,200	84%
Total	493,500	636,500	142,900	29%

Note: Numbers for employment and absolute change rounded to the nearest hundred. Numbers for absolute change and percent change calculated from unrounded numbers**.**

Table 4: Round 10 Population Forecast by Policy Area

Policy Area	Population 2020	Population 2050	Change 2020 to 2050	Percent Change 2020 to 2050
Aspen Hill	66,500	67,700	1,200	2%
Bethesda CBD	14,800	30,600	15,900	108%
Bethesda/Chevy Chase	78,300	87,000	8,600	11%
Clarksburg	29,200	38,000	8,800	30%
Cloverly	16,600	17,200	600	4%
Damascus	11,700	13,200	1,500	12%
Derwood	17,700	18,400	700	4%
Fairland/Colesville	61,800	64,600	2,700	4%
Friendship Heights	6,600	7,900	1,300	20%
Gaithersburg City	70,100	83,700	13,700	19%
Germantown East	25,300	26,200	900	4%
Germantown Town Center	3,700	5,000	1,300	33%
Germantown West	61,900	66,600	4,800	8%
Glenmont	3,400	6,700	3,300	98%
Grosvenor	6,300	10,200	3,900	63%
Kensington/Wheaton	106,600	112,600	6,000	6%
Montgomery Village/Airpark	57,100	59,800	2,700	5%
North Bethesda	38,200	54,600	16,400	43%
North Potomac	26,900	27,600	700	3%
Olney	34,900	36,700	1,700	5%
Potomac	49,600	54,100	4,500	9%
R&D Village	12,800	16,500	3,700	29%
Rockville City	55,300	67,600	12,300	22%
Rockville Town Center	8,400	14,500	6,100	73%
Rural East	34,800	39,300	4,500	13%
Rural West	22,100	26,500	4,400	20%
Shady Grove Metro Station	2,300	9,800	7,600	330%
Silver Spring CBD	16,900	29,600	12,700	75%
Silver Spring/Takoma Park	81,500	88,200	6,800	8%
Twinbrook	4,200	9,400	5,200	123%
Wheaton CBD	8,200	13,800	5,600	68%
White Flint	6,600	19,900	13,300	199%
White Oak	20,900	26,900	6,000	29%
Total	1,061,200	1,250,700	189,400	18%

Note: Numbers for population and absolute change rounded to the nearest hundred. Numbers for absolute change and percent change calculated from unrounded numbers.

Table 5: Round 10 Households Forecast by Policy Area

Policy Area	Households 2020	Households 2050	Change 2020 to 2050	Percent Change 2020 to 2050
Aspen Hill	24,800	25,300	400	2%
Bethesda CBD	8,600	16,800	8,200	96%
Bethesda/Chevy Chase	28,000	31,700	3,600	13%
Clarksburg	8,700	12,300	3,700	42%
Cloverly	5,300	5,500	200	3%
Damascus	3,900	4,500	600	16%
Derwood	5,800	6,100	300	5%
Fairland/Colesville	21,300	22,300	1,000	5%
Friendship Heights	4,000	4,600	500	13%
Gaithersburg City	25,900	33,000	7,200	28%
Germantown East	8,300	8,800	400	5%
Germantown Town Center	1,700	2,200	500	31%
Germantown West	21,900	24,300	2,300	11%
Glenmont	1,100	2,700	1,600	140%
Grosvenor	3,500	5,600	2,000	58%
Kensington/Wheaton	34,000	36,400	2,400	7%
Montgomery Village/Airpark	18,600	19,700	1,100	6%
North Bethesda	14,400	21,900	7,600	52%
North Potomac	8,800	9,000	200	3%
Olney	11,900	12,500	600	5%
Potomac	17,300	19,200	1,900	11%
R&D Village	6,100	7,800	1,700	28%
Rockville City	21,800	27,900	6,100	28%
Rockville Town Center	3,900	7,000	3,100	81%
Rural East	11,500	13,100	1,600	14%
Rural West	7,300	8,800	1,500	20%
Shady Grove Metro Station	1,100	4,400	3,300	289%
Silver Spring CBD	10,600	17,100	6,500	61%
Silver Spring/Takoma Park	29,500	32,500	3,000	10%
Twinbrook	2,200	4,800	2,600	120%
Wheaton CBD	3,600	6,000	2,500	69%
White Flint	4,000	10,500	6,500	162%
White Oak	7,200	10,100	2,900	40%
Total	386,600	474,300	87,700	23%

Note: Numbers for households and absolute change rounded to the nearest hundred. Numbers for absolute change and percent change calculated from unrounded numbers.