




City of Rockville

MEMORANDUM

April 23, 2010

TO: Planning Commission

FROM: Cindy Kebba, Planner II 

VIA: David Levy, Chief of Long-Range Planning 

SUBJECT: Presentation of 2010 Strategic Scan

Introduction and Purpose

The extent to which the City is able to act strategically relies on having a good understanding of current demographic, economic, and social conditions, as well as past and projected trends. The Strategic Scan is a staff document that provides the City with a report of key conditions, trends and projections that are relevant to policy decisions and investments.

The primary purpose of the Strategic Scan is to provide a foundation for the public, the Planning Commission and the Mayor and Council for the upcoming revision to the Comprehensive Master Plan (CMP), through collecting, organizing, synthesizing and clearly presenting key data. As such, the Strategic Scan can be understood as a first step in the CMP revision process, though the information presented may very well inform decision-making in the nearer term.

The data provided in the Strategic Scan represents only a fraction of available data, recognizing that no single report can cover all of the topics that may be relevant to a city as diverse and complex as Rockville, considering both its own characteristics and its location in an even more complex metropolitan region; but it does provide a baseline for discussion about Rockville's future. The document covers local and regional conditions and trends on demographics, households, economic conditions, land use, development, transportation, public safety, and public engagement; and makes connections among them wherever possible. The document will have been successful if it helps the city to better understand the multidimensional implications of change.

While the City can affect the trajectory of some these trends, there are others that are beyond the capacity of the City government to alter. In both cases, the conditions and

trends serve to describe the environment and context within which City policy is formed and municipal services are provided.

This report is part of a broader series of CMP-related topics that are being discussed this year, consistent with direction from the Planning Commission and the Mayor and Council during last year's review of the CMP. They include:

- Parks Recreation and Open Space – discussed in January/February 2010
- Critical Sites – Began discussion on April 14, 2010
- Strategic Scan – Presentation and discussion on April 28, 2010
- Municipal Growth Element of the CMP – Scheduled to begin May 12, 2010
- Water Resources Element of the CMP - Scheduled to begin May 12, 2010
- Rockville Pike – Future
- Discussion of broader revisions to the CMP – Future

The intention is to update this report every two years. The next update will include information from the 2010 Census, which the U.S. Census Bureau indicates will begin to be released at the end of 2010 and beginning of 2011.

A Note on Data Sources, Collection and Analysis

On direction from the City Manager and the Community Planning and Development Services (CPDS) Director, Long-Range Planning Staff began this process in Spring 2009. The first step was to review the 2002 CMP to identify key data categories. Long-Range Planning Staff interviewed staff throughout the City and related organizations (e.g., Rockville Economic Development, Inc.), to learn what each of them saw as the most significant trends and issues facing the City, and to collect relevant studies and reports. After having developed a draft set of data categories, staff conducted research to determine whether the desired data was available at a reasonable cost. A strong bias was to concentrate on data sets that have their own regular schedule for being updated and that could be collected and assembled at little or no cost to the City. Most data were collected in 2009 and through the first quarter of 2010. Long-Range Planning Staff analyzed and interpreted the collected data and identified major themes, in coordination with other departments.

A key part of this document relates to forecasts of population, household and employment trends. CPDS staff develops these forecasts on a regular basis in conjunction with Montgomery County's division of the Maryland National Capital Park and Planning Commission, which develops County projections, and the Metropolitan Washington Council of Governments (COG), which develops the regional forecast. Data in the 2010 Strategic Scan incorporates Round 8 forecasts for the city, county and the region. Round 8 projections have also been used for the new Municipal Growth Element and the Water Resources Element of the CMP.

It is important to recognize that actual growth over time can vary widely from the projections, especially when projections cover several decades. Factors that affect actual growth, and which do change over time, include economic/market forces; and local, state and regional policies, regulations and investments. Projections are based on the best

information available at the time. They take into consideration approved development projects and, especially for periods further into the future, estimates of development demand that are not yet associated with specific projects.

Major external sources included decennial Census data and sample data from the American Community Survey (ACS). Although it is relatively new, the ACS will provide regularly updated demographic and economic data at a level of geography previously achieved only by the decennial census. More information on COG forecasts, the Census, ACS and other data sources is provided at the end of the Strategic Scan document.

The Strategic Scan – Key Trends

Data and analysis of local and regional trends of importance to Rockville are organized in the Strategic Scan under the chapter headings of Demographics, Economy, Housing, Development Trends, Transportation, Water Resources, Public Safety and Civic Engagement.

The following is a summary of key trends discussed in each chapter and can be viewed as an Executive Summary of the document.

Chapter 1 – Demographics

Rockville continues to grow, though the rate is projected to be slower than during 2000-2010.

- The City's 2010 estimated population is 62,476. There are an estimated 24,327 households.
- Population is projected to increase by 21,453 between 2010 and 2040, or an average of 715 people per year.
- More than 10,000 new households are expected in Rockville by 2040, or an average of about 340 per year. This represents approximately the number of housing units that would be required to accommodate projected growth.
- Household size in Rockville has been declining for the past half century.

Rockville is ethnically/culturally diverse. The youngest segments of the population are the most diverse.

According to the Census Bureau's 2006-2008 American Community Survey (ACS):

- 34% of Rockville's population was born outside of the U.S., compared to 30% in Montgomery County.
- 19% of Rockville residents are not U.S. citizens, compared to 16% in Montgomery County.

- Approximately 41% of Rockville’s population, age 5 and older, speak a language other than English at home, compared to 36% in Montgomery County.
- Asians represent the fastest-growing population group and the largest minority group in Rockville, followed by Hispanics.
- There is no majority population in Rockville’s public elementary schools. Non-Hispanic white students are the largest minority and represent 40.5% of total enrollment.
- Asian and Hispanic student enrollment has increased and together these two groups account for 43.5% of the 2009 elementary student population in the City.
- The highest ESOL (English for Speakers of Other Languages) participation rates are at elementary schools on the east side of the City.

Rockville’s population is becoming older.

- Rockville’s median age is 40.2, compared to 38.8 in Montgomery County, 37.7 in Maryland, and 36.8 in the U.S.
- The group of Rockville residents 65 and older growing faster than any other.

Chapter 2 – Economy

Rockville enjoys a fundamentally healthy economy within a similarly healthy Montgomery County economy, despite the recent recession.

- There are approximately 74,500 jobs in Rockville (2010), following an estimated loss of approximately 2,000 jobs since 2005 due to the recession. Employment is projected to increase to 105,400 by 2040.
- One-fifth of Rockville’s jobs are in professional, scientific and technical services. This reflects the high educational attainment levels in Rockville, Montgomery County and the region.
- Rockville’s total employment is projected to increase by 38% between 2005 and 2040.
- Office employment growth is expected to exceed retail, industrial and other employment growth through 2040. Office space represents the largest category of new and planned non-residential development.
- Employment growth will be concentrated within mixed-use zones in the Rockville Pike and I-270 corridors, and in the areas of Research Boulevard, Piccard Drive/Redland Road, Tower Oaks, and King Farm.
- Some of Rockville’s largest employers are in the public sector; Montgomery County government is the largest employer in the City.

- The unemployment rate in Rockville continues to be well below rates in Maryland and the U.S, although it has risen since the start of the recession in 2007. After remaining in the 2.5% to 3.5% range from 2000 to 2008, Rockville's 2009 unemployment rate was 4.8%, still well below Maryland's 7.1% rate and the 9.3% national rate. However, elevated unemployment will have some effect on near-future income tax revenues.

Rockville and Montgomery County have median household incomes that are well above the national average, and poverty rates are relatively low. However, elementary school FARMs (Free And Reduced Meals) data indicate that household economic stress is more acute in the eastern half of the City.

- Rockville's 2007 median household income was \$86,085 compared to \$89,284 in Montgomery County and \$50,007 in the U.S.
- Rockville's poverty rate, at 3.9% in 2006-2008, was lower than Gaithersburg (5.5%) and Montgomery County (5.2%).
- The overall percentage of students eligible for FARMs (Free and Reduced Meals) at public schools in Rockville is lower than Montgomery County's overall rate . The three elementary schools east of MD 355, located in Twinbrook and East Rockville, have the highest FARMs participation rates of all the public schools inside of Rockville's boundaries. FARMs rates are much lower in the central and western parts of the City.

Chapter 3 – Housing

Rockville's homeownership rate remains high, though rates have declined slightly. The recession has affected the local and area housing market, though less so in Rockville than in other locations in the region.

- More than 20% of Rockville's housing inventory was built within the last ten years, reflecting the housing boom that preceded the recession. Less than 10% of Montgomery County's housing inventory was built during the last decade.
- Single-family detached homes accounted for 47% of Rockville's 2005 housing inventory; single-family attached homes (townhouses) accounted for 14%; and multifamily homes accounted for 39% of the total.
- The number of homes sold in Rockville fell from 1,743 in 2004 to 539 in 2008, which represented a faster rate of decline than in the Washington, DC metropolitan area. Rockville's decrease in sales was due in part to the recession and the weak housing market, but can also be attributed to the large supply of new housing at King Farm, Fallsgrove, and multifamily projects that came on line in the middle of the decade that had been largely absorbed by 2008.

- Generally, housing prices have fallen in Rockville and Montgomery County in recent years. However, prices declined more in the Virginia suburbs than in the Maryland suburbs from 2007 to 2008 and Rockville prices declined less than most area jurisdictions, including Montgomery County.
- There has been an increase in foreclosures since 2007 in Rockville and Montgomery County, but Rockville's foreclosure rate has not been particularly high for the region. Property maintenance complaints have not been increasing with the foreclosure rate.
- Almost two-thirds of Rockville homes are owner-occupied. The percentage of owner-occupied units has been declining slightly.

Housing is unaffordable for some.

- The percentage of renters and homeowners who spend more than 30% of their household income (a standard indicator of housing affordability) has been rising in Rockville as well as in Gaithersburg and Montgomery County. Renters are more cost-burdened than homeowners. Almost half of Rockville renters spend more than 30% of their household income on housing.
- There is a deficit of housing that is affordable to “workforce” households in Rockville and in other employment core areas in the region.
- Apartment rents are higher and vacancy rates are lower in Rockville compared to other municipalities in Montgomery County and countywide figures.

Chapter 4 - Development Trends

There is almost no developable vacant land in Rockville. Future development will be in mixed-use zones.

- Over the years Rockville has grown outward from its center through numerous annexation actions and its land area has increased from one-half acre in 1900 to its current 13.5 acres.
- Rockville's density of 4,600 people per square mile firmly establishes it as an urban area, according to the U.S. Census Bureau's definition. Between 1990 and 2010, which covers the time period that Falls Grove and King Farm were annexed and fully developed, land area increased by 14% while the population increased by 39%. Density increased by 21%. Rockville is 2.4 times more dense than Montgomery County.
- Protecting the integrity of single-family residential neighborhoods is a goal of City-wide and neighborhood plans. Future development will occur in areas that are not single-family neighborhoods.

- Because of the scarcity of undeveloped land in Rockville, almost all future development will be infill or redevelopment of existing commercial and industrial properties. There are no tracts of vacant land remaining for large-scale development, unless any of the golf courses ceases operation and becomes available for development.
- Density is expected to increase in areas just outside Rockville to the north (Great Seneca Science Corridor) and south (White Flint) and this will have impacts on Rockville, whether or not Rockville becomes more densely developed.
- Rockville is faced with a flattening of assessed real estate values and reduced revenues from property taxes due to the current economic climate and slower pace of development.

Chapter 5 – Transportation

- Commute times are long in the D.C. region (33.3 minute average) but Rockville residents have a shorter average commute of 28.8 minutes.
- Rockville residents have more sustainable transportation habits compared to the region and the nation. Rockville commuters drive alone to work less often and take public transportation more frequently as compared with the region as a whole.
- Weekday passenger boardings at the Twinbrook, Rockville and Shady Grove Metrorail stations have increased significantly since 1985.
- Some intersections in Rockville have very high levels of congestion at some time of day or evening. These include, but are not limited to: MD 355 intersections at Edmonston Road, Congressional Lane, Halpine Lane, Gude Drive, First Street and Veirs Mill Road; Park Road at South Stonestreet; Wootton Parkway at Seven Locks Road; Tower Oaks Boulevard at the I-270 ramps; and West Montgomery Avenue at the I-270 ramps.
- According to multi-year data that has been collected, levels of service at other key intersections along MD 355 at peak travel times have not deteriorated and, in fact, have improved in some instances.
- Although vehicle accidents declined, vehicular collisions with bicycles and pedestrians increased between 2006 and 2008 and the City is responding to the challenges of bicycle and pedestrian safety.

Chapter 6 – Water Resources

Rockville's water/sewer and stormwater management systems are aging but capacity is sufficient for the foreseeable future.

- Maintaining the highest water quality is one of the greatest challenges of the City's water distribution system. "Aging" water in ground level storage tanks and corroding pipes contribute to water quality deterioration. Only 10% of Rockville's water is stored at optimum elevations.
- Spending on maintenance and rehabilitation projects has increased in recent years because of aging infrastructure. Most of the City's water and sanitary sewer pipes were installed prior to the 1970s and portions of the storm drainage system is approaching the end of its useable life.
- Nineteen percent of the City's fire hydrants have less than optimal fire flows, but this percentage is expected to decline as implementation of the City's water main replacement program progresses.
- The City's Department of Public Works (DPW) estimates that there is sufficient water capacity for a development pipeline of 4,500 housing units and 5.6 million square feet of commercial space based on a model that was run in 2006. The City will run the model every ten years with the best projection data that is available at that time. There is excess capacity in the sanitary sewer system as well.
- There will be a limited need for the extension of new pipes in the future because new development is expected to occur where water and sewer infrastructure already exists. However, the existing infrastructure may need to be upgraded.
- Some properties near the edges of the City are served by the Washington Suburban Sanitary Commission (WSSC). There are a few isolated properties within Rockville that are served by septic and well systems. City water and sewer service would likely need to be extended to properties within the City's Maximum Expansion Limits that are annexed into the City if they are on well and septic systems.
- Stormwater management will be affected by new state regulations in 2010 and some City facilities need to be brought up to current standards. Developer contributions have helped fund stormwater maintenance and CIP projects in the past. A reduction in development in recent years prompted adoption of the Stormwater Management Utility Fee as an additional funding source.

Chapter 7 – Public Safety

Serious "Part 1" crimes have not been increasing despite growing population and greater density.

- Recently released 2009 data indicates a 15% overall decline in serious "Part 1" offenses from 2008 although aggravated assaults increased by 100%. Montgomery County also reports an overall decline in Part 1 offenses in 2009 despite an increase in aggravated assaults.

- Rockville’s crime rate index is lower than those of Gaithersburg and Takoma Park.
- Property crimes far outweigh violent crimes against persons. Only 5% of calls for police service are for more serious, “Part 1” offenses.

Chapter 8 – Civic Engagement

There was an average of 4,400 daily visits to the City’s Web site in 2009.

- A peak average number of daily visits in 2007 (5,276) was associated with the opening of the Town Square development in the same year.

Visits to the City’s community centers and attendance at City-sponsored events are generally increasing.

- Twinbrook Community Center welcomes the most visitors (65,700 in 2008).
- Visits to the Lincoln Park Community Center increased by 300% between 2002 and 2008.
- Attendance at City-sponsored events totaled more than 167,000 in fiscal year 2009.

Voter participation in Rockville municipal elections averages about 22% and is similar to other cities.

- Voter turnout, as a percentage of eligible voters, has been declining for the past five municipal elections and in 2009 was at its second lowest level of the past twelve municipal elections.

Attachment: 2010 Strategic Scan