

# CITY OF GAITHERSBURG

Visioning Exercise Data Analysis

Prepared for the City of Gaithersburg in February 2019



Prepared by:



**VCU**

Center for Urban and Regional Analysis  
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The City of Gaithersburg has grown substantially over the last 30 years, expanding its tax base and population through several large scale annexations and greenfield developments. Those actions allowed the City to meet the demands of new growth through development on large tracts of open land rather than infill development or redevelopment. The City is forecast to add approximately 20,000 new residents and 20,000 new jobs by 2045<sup>1</sup>, totaling roughly 89,000 residents and 66,000 jobs. However, unlike previous periods of development, the City's capacity to expand through annexation and greenfield development is limited. Gaithersburg is largely built-out and its boundaries approach its Maximum Expansion Limits (MEL), which is also built out with limited greenfield development opportunities. As a result, land within those limits is unlikely to ever enter the City or provide significant absorption of the City's projected growth.

Addressing the City's future growth will require redevelopment rather than greenfield development—a point addressed in the City's 2009 *Municipal Growth Element*:

“Going forward, the City of Gaithersburg will be typified by redevelopment projects that must address this burgeoning growth in both population and jobs that are to be found in the region as a whole, while still achieving the City goals and objectives.”<sup>2</sup>

Gaithersburg's 1999 Housing Policy—written in a period of fewer development constraints—encouraged single family detached housing. According to the policy, residential developments of more than 100 units should strive to have at least 50 percent single family detached housing. Between 2000 and 2010, the number of single-family detached and attached units in Gaithersburg grew by approximately just over 1,200 units while the number of multifamily units increased by close to 1,000—close to a 1:1 ratio (see Figure 1.1).<sup>3</sup> However, between 2010 and 2016, the ratio of new multifamily to new single family increased to 2.7 with more than 2,000 additional units of multifamily to 700 units of single family detached and attached units.<sup>4</sup>

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<sup>1</sup> MWCOG, “Final Round 9.1 Cooperative Forecasts,” October 10, 2018.

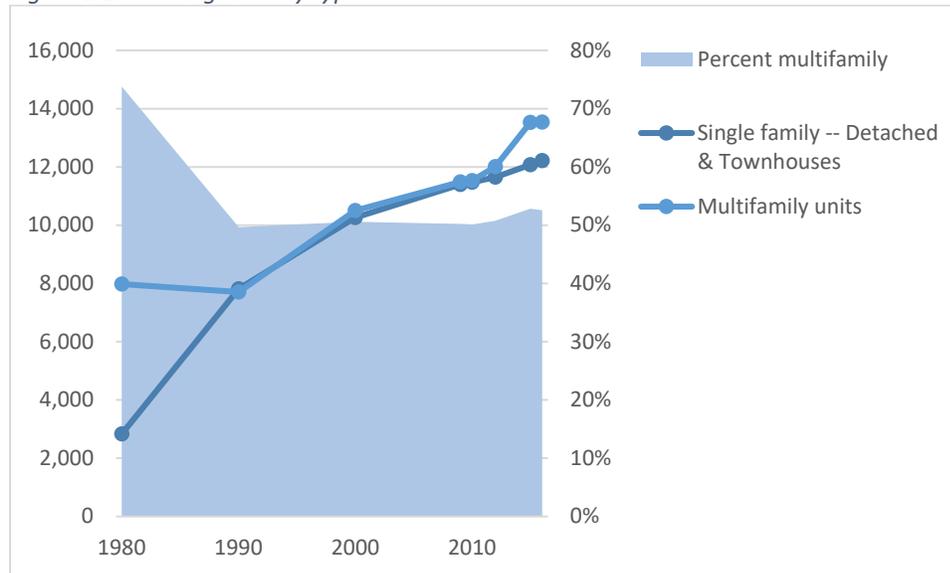
<sup>2</sup> City of Gaithersburg, “Municipal Growth: A Master Plan Element,” April 14, 2009.

<sup>3</sup> City of Gaithersburg

<sup>4</sup> Ibid.

## City of Gaithersburg Visioning Exercise Data Analysis

Figure 1.1: Housing units by type over time



Source: US Census Bureau, Decennial Census and American Community Survey

Without significant land available for greenfield development, such as in the years after 2009, the City will have difficulty meeting the demands of new residential growth through single family developments. The increase in new multifamily after 2009 reflects that. But in a land-constrained environment, redevelopment will also require balancing the needs of residential and commercial development.

This report seeks to identify a baseline of demographic, housing, transportation, and economic conditions in the city and the region, placing Gaithersburg and its strategic plan within the context of Montgomery County and the Washington, D.C. metropolitan area. In this report, discussion of the Washington, D.C. metro area refers to the Washington-Arlington-Alexandria, DC-VA-MD-WV Metropolitan Statistical Area (DC metro).

The report provides data at increasing levels of detail and specificity:

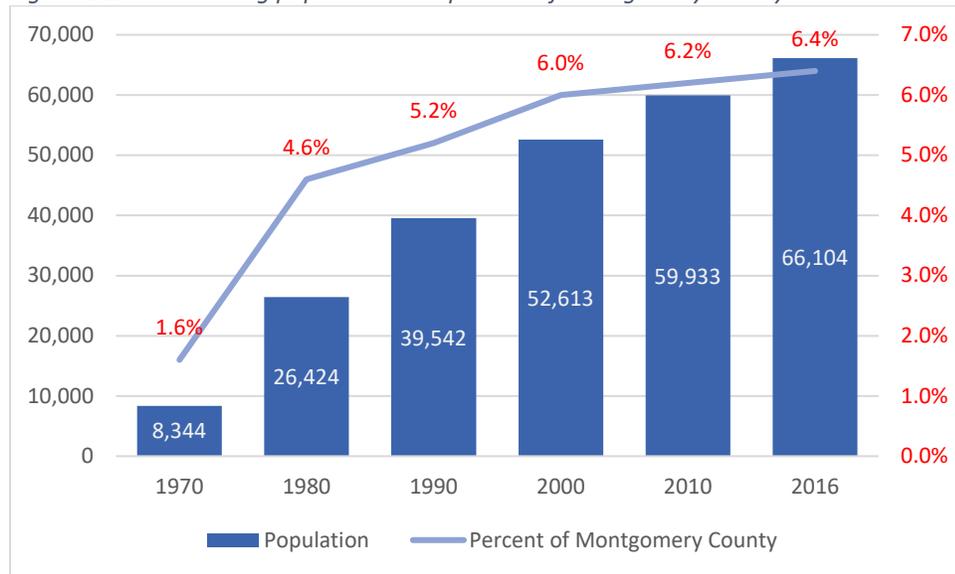
1. The first section identifies the current conditions and recent trends in the City and the region, discusses projected growth and pipeline development totals, and identifies City areas available for future development.
2. The second section looks at specific demographic, housing, economic, and transportation trends within the city, identifies how those trends suggest the city will grow in the coming decades, and points to neighborhoods or census tracts likely to lead that growth or require attention.
3. The third section breaks down the correlations between different trends and points to anticipated strengths and weaknesses.

## Section 1: Local and regional trends

### Section 1-A: Demographic

American Community Survey (ACS) estimates from 2016 place the city’s population at 66,104—about 6.4 percent of the total population of Montgomery County (1,026,371) and just over 1 percent of the population of the DC metro area (6,011,752). Gaithersburg has shown continued growth as a share of Montgomery County’s population; however, the City’s history of greenfield development of annexed land prior to 2009 contributed to that growth. Population increases after 2009 primarily reflect growth within the city’s existing boundaries.

Figure 1.2: Gaithersburg population as a percent of Montgomery County

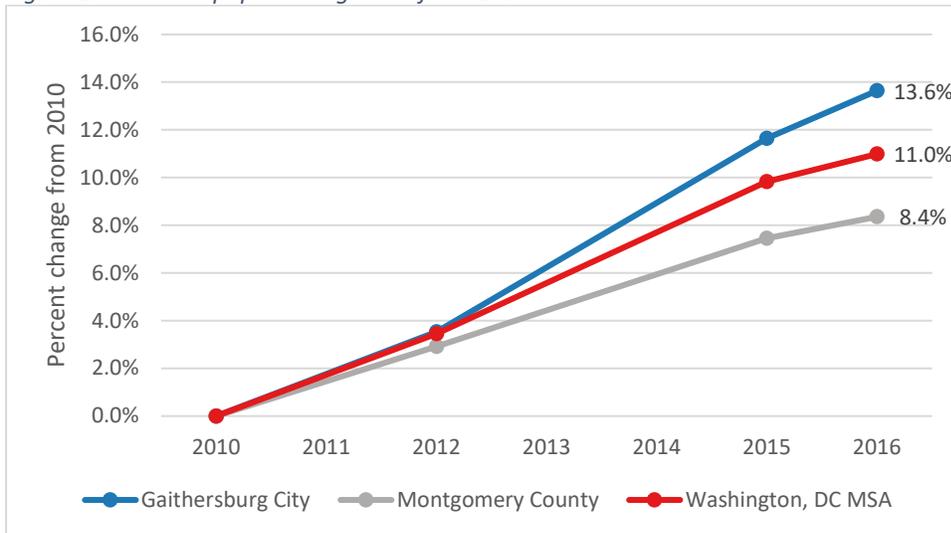


Source: US Census Bureau, Decennial Census and American Community Survey

Gaithersburg’s population increased by 13.6 percent between 2010 and 2016 (see Figure 1.3). The City’s population growth outpaced Montgomery County (8.4 percent) and the DC Metro (11.0 percent). MWCOG projections expect that trend to continue through 2045 (further discussion of projections on p. 24).

## City of Gaithersburg Visioning Exercise Data Analysis

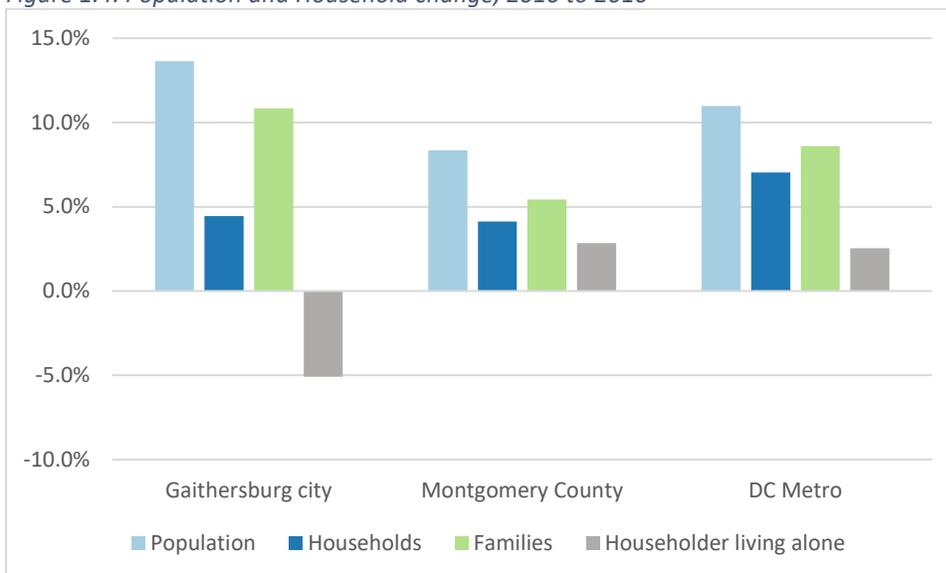
Figure 1.3: Percent population growth from 2010 baseline



Source: US Census Bureau, American Community Survey

The City grew its number of households 4.4 percent between 2010 and 2016, increasing from 22,800 to 23,800. Montgomery County households increased at a slightly lower rate of 4.1 percent, and DC metro households increased by a higher 7.0 percent. The difference between household and population growth suggests that Gaithersburg's growth is in the form of larger households than the DC region overall. This is echoed by a larger increase in families in Gaithersburg (10.8 percent) than in Montgomery County (5.4 percent) or the DC metro (8.6 percent). The number of householders living alone in Gaithersburg fell by 5.1 percent while increasing between 2 and 3 percent in the County and DC metro.

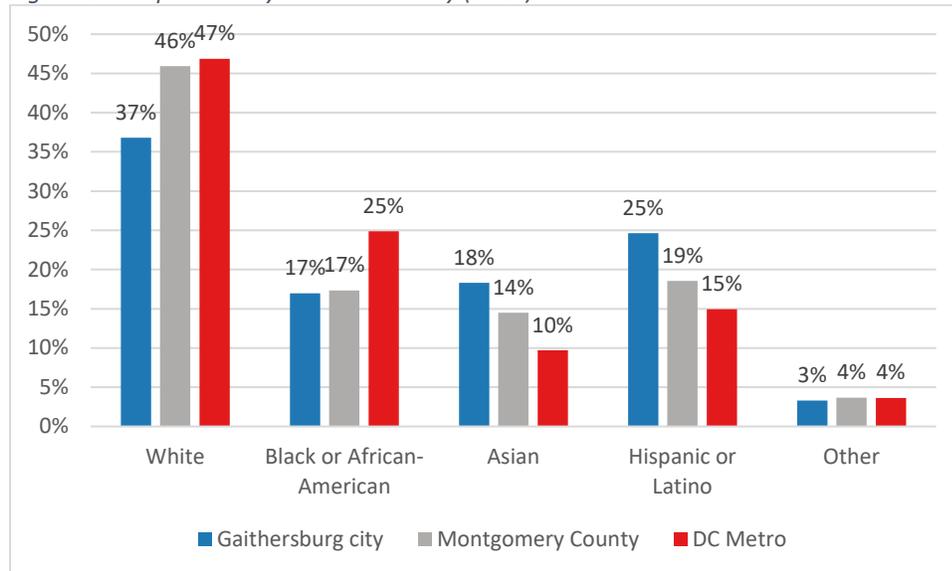
Figure 1.4: Population and Household change, 2010 to 2016



Source: US Census Bureau, American Community Survey

Gaithersburg’s 2016 population was diverse, with 63 percent of the population identifying in a group other than White<sup>5</sup>. Approximately 25 percent of the population identified as Hispanic or Latino, 18 percent as Asian, 17 percent as Black or African-American, and 3 percent as a different race or multiple races (see Figure 1.5). A smaller proportion of Gaithersburg’s population identified as White compared to Montgomery County or the DC metro. The City’s Asian and Hispanic or Latino populations are large relative to the County or the metro area.

Figure 1.5: Population by race or ethnicity (2016)



Source: US Census Bureau, American Community Survey

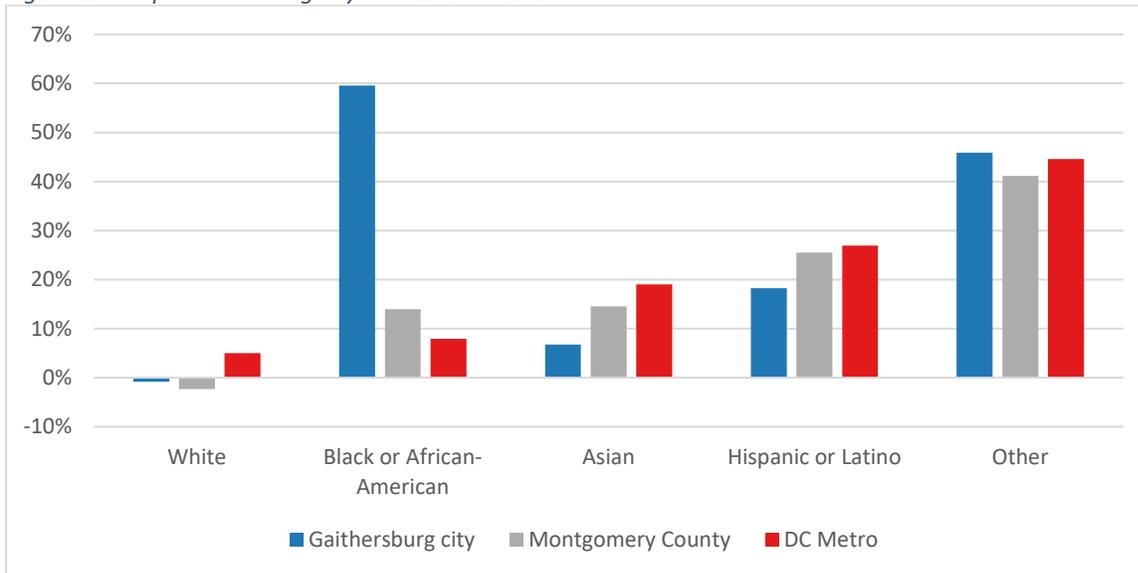
Gaithersburg’s Black or African-American population is small relative to the DC metro, making up 17 percent of the City’s total, compared to 25 percent in the region. However, the City’s population growth between 2010 and 2016—nearly 8,000 individuals—was driven largely by an increase in Black or African-American residents. Gaithersburg’s Black or African-American population increased by more than 4,100 (60 percent) between 2010 and 2016. The Hispanic or Latino population increased by 18 percent, or 2,500 residents, in the same period. The White population fell by about 1 percent in the City.

The contraction in White residents between 2010 and 2016 was also visible in Montgomery County, where the White population fell by 2 percent. However, the DC metro saw an increase in White residents of 5 percent. Gaithersburg’s 60 percent increase in Black or African-American residents was far higher than increases in the County (14 percent) and DC metro (8 percent).

<sup>5</sup> Unless otherwise noted, races and ethnicities other than Hispanic or Latino or Latino should be considered non-Hispanic or Latino.

## City of Gaithersburg Visioning Exercise Data Analysis

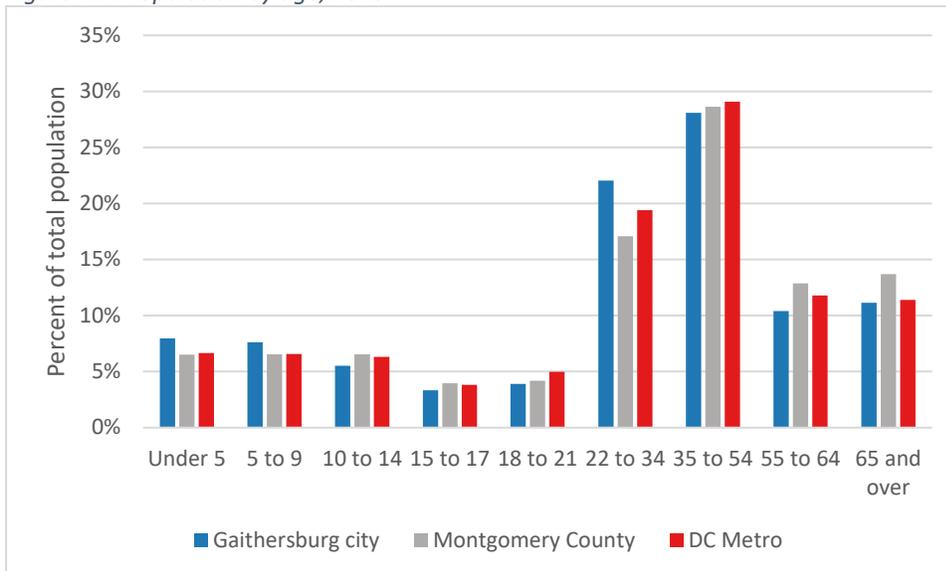
Figure 1.6: Population change by race 2010 to 2016



Source: US Census Bureau, American Community Survey

Gaithersburg’s population is generally younger than that of Montgomery County and similar to the DC metro. The City has a proportion of residents in the under 18 age groups comparable to both the County and the metro area. However, Gaithersburg’s 2016 population was weighted towards working-age adults, with 28 percent aged 35 to 54 years and 22 percent aged 22 to 34 years. The City’s 22 percent share of residents 22 to 34 surpasses that of Montgomery County (17 percent) and the DC metro (19 percent). The City’s population is also comprised of fewer older residents than Montgomery County, with approximately 22 percent over the age of 55 compared to the County’s 27 percent.

Figure 1.7: Population by age, 2016



Source: US Census Bureau, American Community Survey

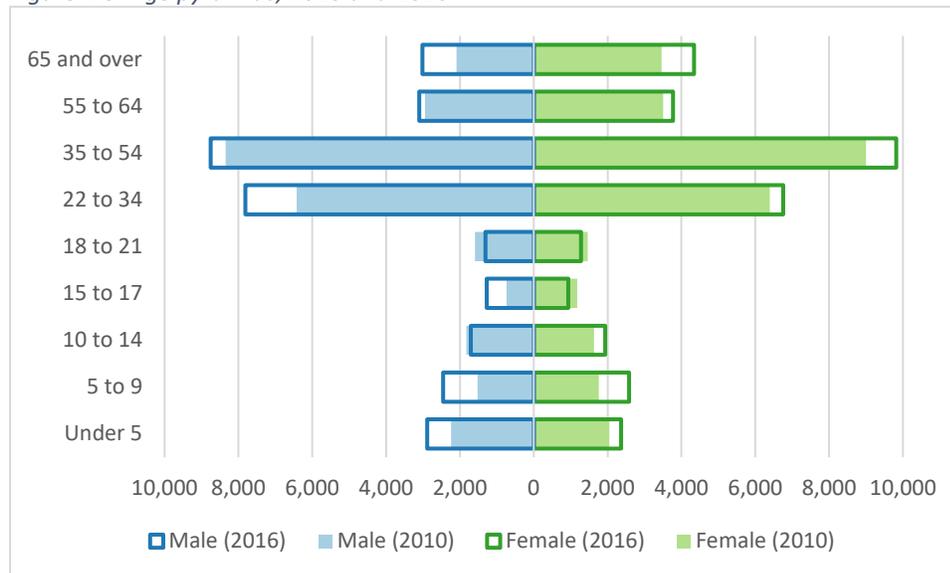
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Gaithersburg experienced the greatest growth between 2010 and 2016 in several groups, as shown in Figure 1.8:

- Working age adults: Males 22 to 34 (+1,390) and Females 35 to 54 (+819)
- Older adults: Males 65 and over (+928) and Females 65 and over (+877)
- Children: Males 5 to 9 (+934) and Females 5 to 9 (+824)

Both male and female 18 to 21 year old populations shrank, as well as female 15 to 17 year olds.

Figure 1.8: Age pyramids, 2010 and 2016

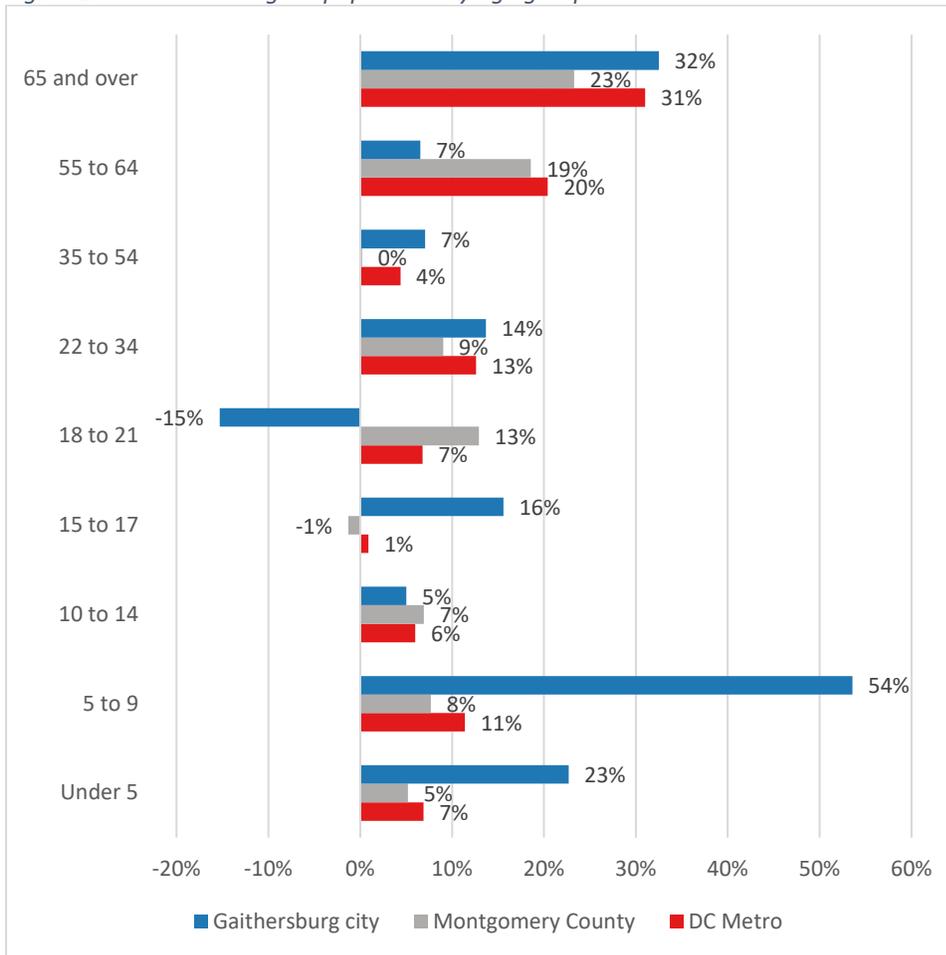


Source: US Census Bureau, American Community Survey

Gaithersburg's increase in younger populations between 2010 and 2016 outpaced Montgomery County and the DC metro (see Figure 1.9). The City's 5 to 9 years and under 5 years age groups increased by 54 percent and 23 percent, compared to more modest increases of 8 percent and 5 percent in the County and 11 percent and 5 percent in the region. Gaithersburg also experienced a 32 percent increase in residents 65 and over. Montgomery County and the DC metro also saw strong growth in older residents, of 23 percent and 31 percent respectively. Gaithersburg's 15 percent contraction in residents 18 to 21 contrasts with the 13 percent growth in the County and 7 percent growth in the DC metro.

## City of Gaithersburg Visioning Exercise Data Analysis

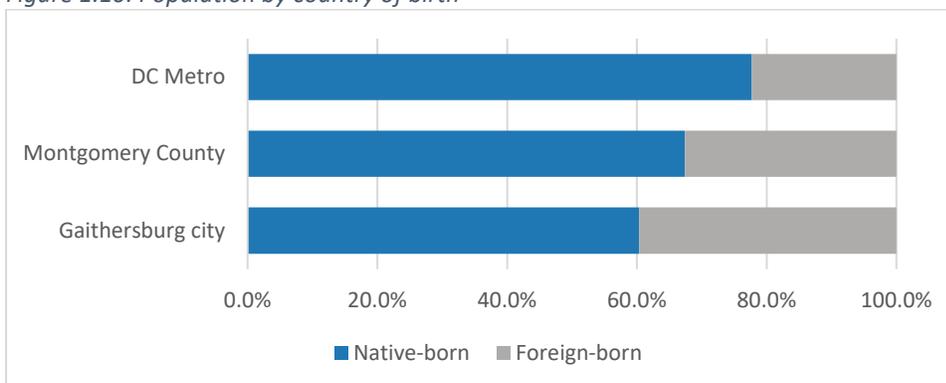
Figure 1.9: Percent change in population by age group



Source: US Census Bureau, American Community Survey

The City is attractive for residents born outside of the US. Nearly 40 percent of Gaithersburg’s 2016 population was foreign-born—a percentage higher than both Montgomery County (33 percent) and the DC metro (22 percent).

Figure 1.10: Population by country of birth

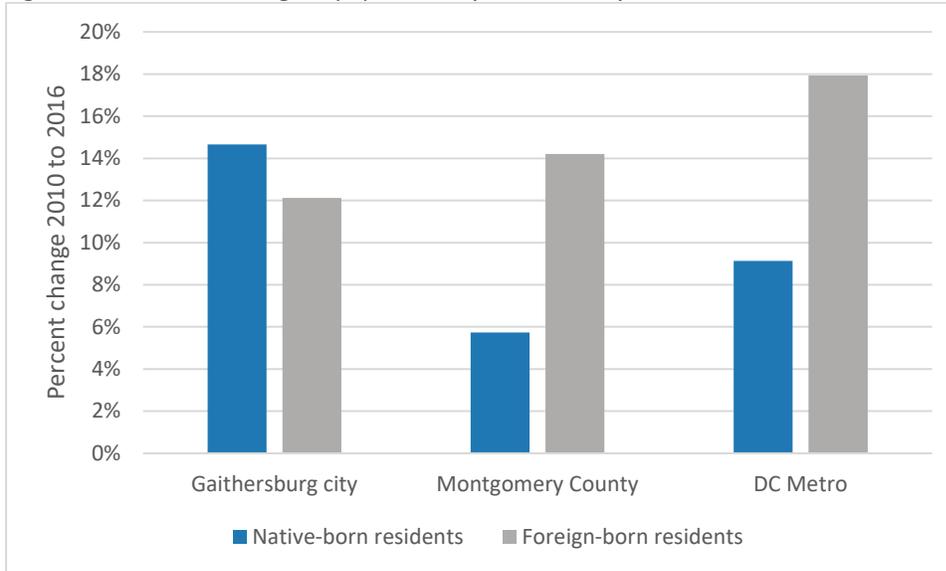


Source: US Census Bureau, American Community Survey

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The City's foreign-born population also grew by 12 percent between 2010 and 2016—slightly slower than populations in the County (14 percent) and the region (18 percent). However, Gaithersburg's increase in native-born residents (15 percent) outpaced Montgomery County and the DC metro.

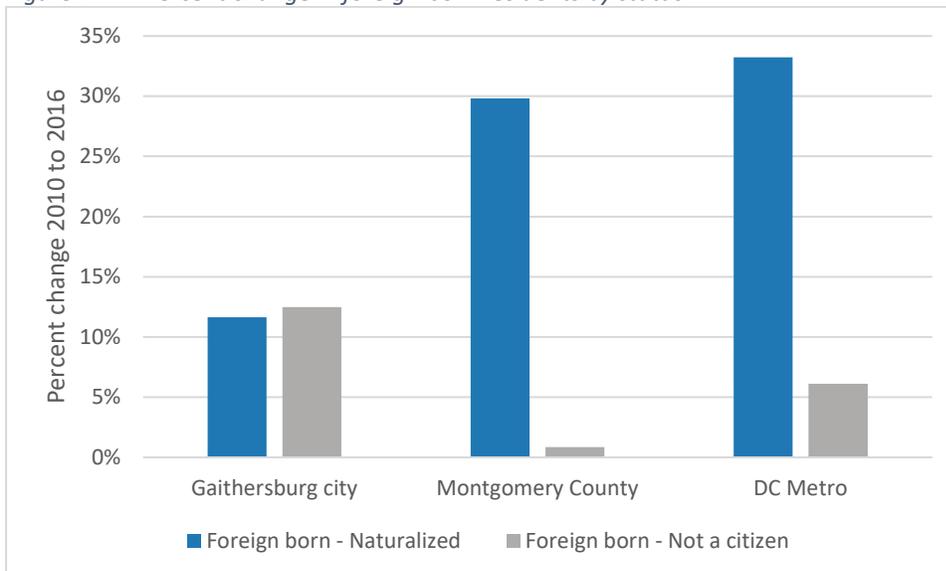
Figure 1.11: Percent change in population by birth country, 2010 to 2016



Source: US Census Bureau, American Community Survey

Among foreign-born citizens in Gaithersburg, approximately 43 percent are naturalized citizens. More than half of foreign-born residents of Montgomery County are naturalized, and 49 percent of the region's foreign-born residents are naturalized. The proportion of foreign-born residents who are citizens in Gaithersburg remains unchanged from 2010, but the shares in the County and the region have increased due to strong growth in naturalized residents.

Figure 1.12: Percent change in foreign-born residents by status

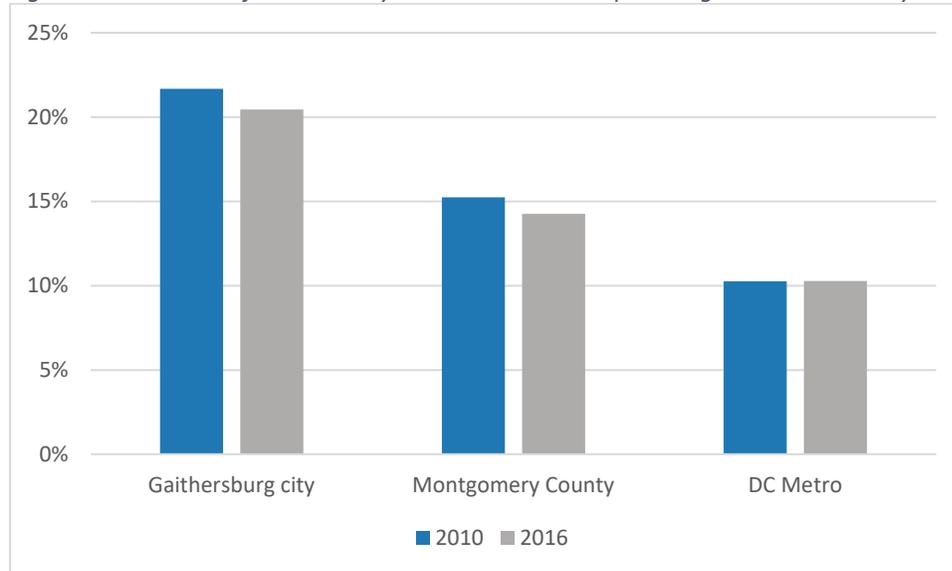


Source: US Census Bureau, American Community Survey

Although the US has no official language, individuals who have difficulty speaking English are likely to have greater difficulty in the labor market as well as in daily errands. In 2016, approximately 20 percent of Gaithersburg residents 5 years and older spoke English less than “very well,” down from 22 percent in 2010. Although the overall population increased between 2006 and 2011, it did so at a rate slower than the population speaking English “very well”.

Montgomery County had a lower share of residents who spoke English less than “very well” in 2016, with 14 percent of residents. The DC metro also had a lower share, with 10 percent of residents.

Figure 1.13: Percent of residents 5 years and older who speak English less than “very well”



Source: US Census Bureau, American Community Survey

Of the Gaithersburg residents with limited English in 2016, more than half spoke Spanish. Spanish speakers represent the largest group of residents who speak English less than “very well” in the County and the DC metro as well.

Figure 1.14: Language spoken by residents who speak English less than “very well”

Language	Gaithersburg city	Montgomery County	DC Metro
<b>Spanish</b>	57%	47%	52%
<b>Indo-European</b>	16%	17%	15%
<b>Asian/Pacific Islander</b>	22%	27%	24%
<b>Other</b>	5%	8%	9%

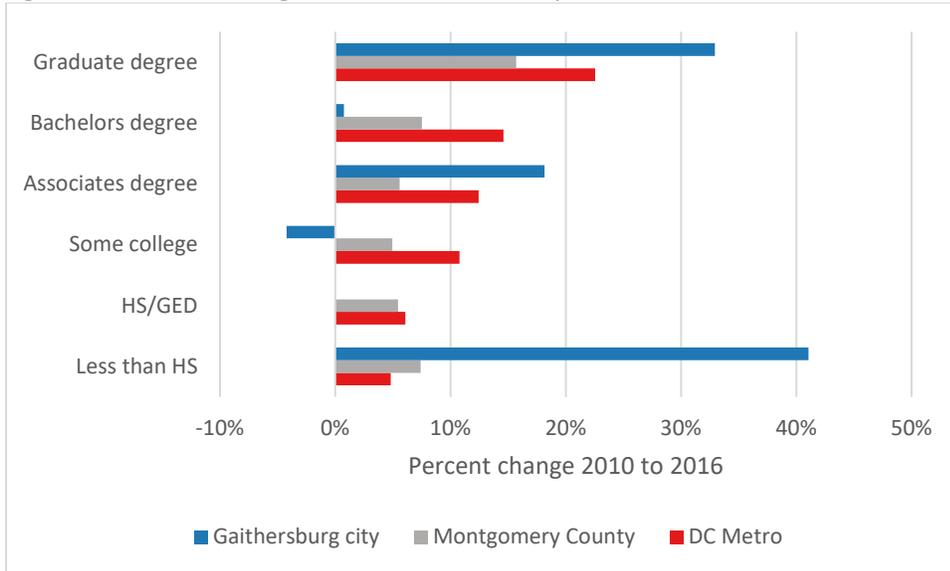
Source: US Census Bureau, American Community Survey

Among Gaithersburg adults 25 and over, 27 percent had earned a graduate degree or higher in 2016. Another 27 percent had earned a bachelor’s degree. Those percentages are roughly comparable to Montgomery County, which has a higher percentage of adults with graduate degrees (32 percent), and the DC metro, which has a lower percentage of graduate degree holders (24 percent). However, Gaithersburg has a higher percentage of adults who have not completed high school—13 percent—compared to the County (9 percent) and the DC metro (10 percent).

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Between 2010 and 2016, Gaithersburg saw the number of adults without a high school diploma increase by more than 1,600, or 41 percent. The increase is substantially higher than increases in the County (7 percent) or the region (5 percent). However, the number of adults with a graduate degree increased by almost 3,000, or 33 percent, in the same period—well above the County increase of 16 percent and the regional increase of 23 percent.

Figure 1.15: Percent change in adults 25 and over by educational attainment



Source: US Census Bureau, American Community Survey

## Section 1-B: Transportation

Gaithersburg workers travel to work primarily by driving alone. According to 5-year estimates from 2011 to 2015, 68 percent of workers 16 and over in the City said they drove alone to work (Figure 1.16). Another 11 percent carpooled, 14 percent took public transportation (bus, subway, or railroad), and 4 percent worked at home.

Those proportions are comparable to transportation modes of Montgomery County and the DC metro. Slightly smaller proportions of workers in the County and region drove alone, and higher proportions traveled to work via subway. Gaithersburg's workers have a higher rate of bus ridership (8 percent) than Montgomery County (5 percent) or the DC metro (5 percent).

Figure 1.16: Mode of transportation to work, 2011-2015 estimates

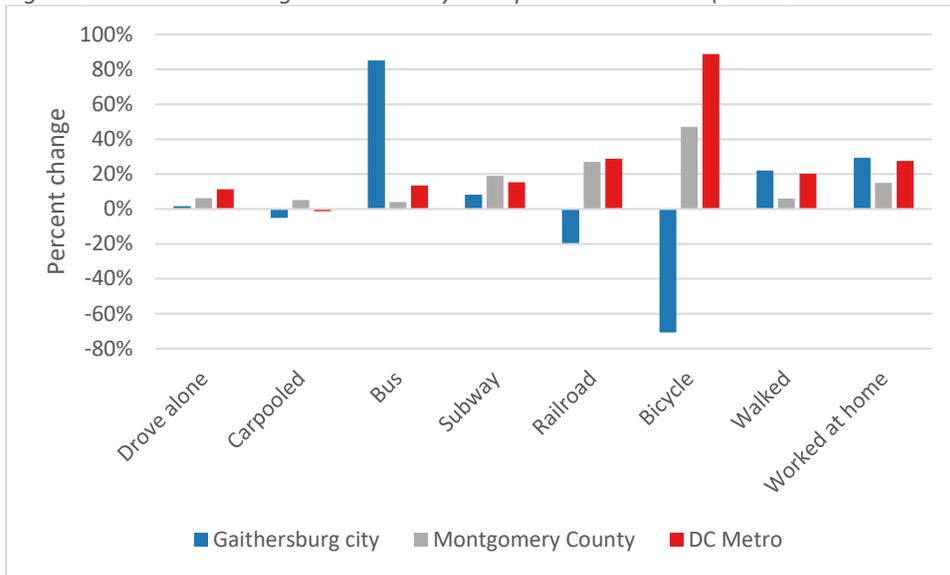
Mode	Gaithersburg city	Montgomery County	DC Metro
<b>Total Workers 16 and older:</b>	33,664	532,746	3,123,672
<b>Car, truck, or van:</b>	79%	75%	76%
<b>Drove alone</b>	68%	65%	66%
<b>Carpooled:</b>	11%	10%	10%
<b>In 2-person carpool</b>	8%	7%	7%
<b>In 3-person carpool</b>	2%	1%	2%
<b>In 4-person carpool</b>	1%	1%	1%
<b>In 5- or 6-person carpool</b>	<1%	<1%	<1%
<b>In 7-or-more-person carpool</b>	<1%	<1%	<1%
<b>Public transportation (excluding taxicab):</b>	14%	16%	14%
<b>Bus or trolley bus</b>	8%	5%	5%
<b>Streetcar or trolley car</b>	0%	<1%	<1%
<b>Subway or elevated</b>	6%	10%	8%
<b>Railroad</b>	1%	1%	1%
<b>Ferryboat</b>	<1%	<1%	<1%
<b>Taxicab</b>	0%	<1%	<1%
<b>Motorcycle</b>	<1%	<1%	<1%
<b>Bicycle</b>	<1%	1%	1%
<b>Walked</b>	2%	2%	3%
<b>Other means</b>	1%	1%	1%
<b>Worked at home</b>	4%	6%	5%

Source: US Census Bureau, American Community Survey

Gaithersburg saw its number of workers driving alone increase by 377, or 2 percent, between the 5-year estimate periods of 2005 to 2009 and 2011 to 2015. The increase is smaller than the 6 percent increase in Montgomery County and 11 percent increase in the DC metro. Gaithersburg workers' increases in bus use far surpassed increases in the County and region, and increases in walking, and working at home outpaced increases in the County while keeping pace with the DC metro. Declines in rail use and bicycling in Gaithersburg are contrary to large increases in Montgomery County and the DC metro.

## City of Gaithersburg Visioning Exercise Data Analysis

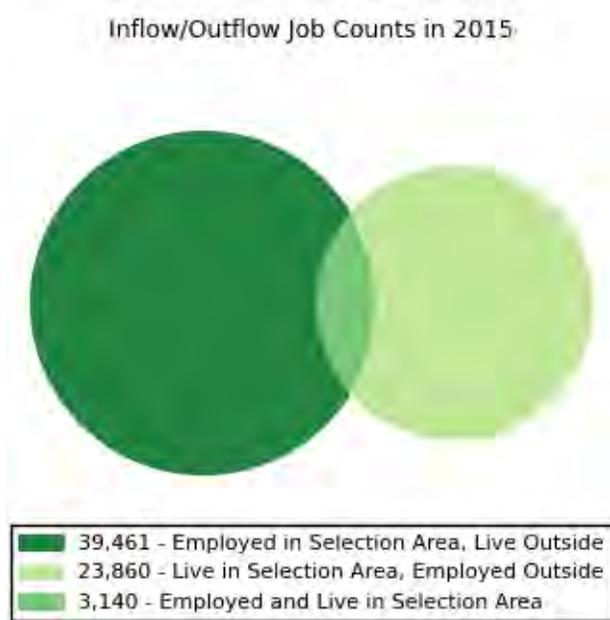
Figure 1.17: Percent change in workers by transportation to work (2005-2009 estimates to 2011-2015 estimates)



Source: US Census Bureau, American Community Survey

Gaithersburg’s residents work primarily outside of the City, according to the US Census Bureau’s Center for Economic Studies. According to the Census Bureau’s LEHD OnTheMap web application, approximately 88 percent of working adults who lived in the City in 2015 (the most recent year available) were employed outside of its municipal boundaries. Likewise, 93 percent of workers employed in Gaithersburg live outside of its boundaries. According to the same data, Montgomery County has a nearly even split between residents who are employed within the County (49 percent) and residents employed outside of the County (51 percent). Approximately 88 percent of DC metro residents work within the region.

Figure 1.18: Gaithersburg employment flows



Source: US Census Bureau, Center for Economic Studies (LEHD)

Approximately 12 percent of City residents work in Gaithersburg. City-provided commuter trends data indicates that the 12 percent figure is consistent across both the eastern and western sides of the City—about 12 percent of residents on both sides work in the City. Approximately 8 percent of workers who live east of I-270 also work east of I-270 (within the City), and 7 percent of workers who live west of I-270 also work west of I-270. Those percentages are little-changed from the City’s 2015 *Commuting Trends For Primary Jobs* report, which looked at commuting trends for 2011-2012.

Among Gaithersburg residents who commute outside of the City for work, 49 percent travel fewer than 10 miles, and another 40 percent travel 10 to 24 miles. Approximately 20 percent of commuters outside of the City for work travel to District 4, which includes Rockville, Twinbrook, and White Flint. Another 19 percent travel to District 9. Just 11 percent of commuters travel to Washington, DC. There is no clear difference in commuting patterns between residents east of I-270 and residents west of I-270.

More than 75 percent of Gaithersburg’s workers are private wage or salaried workers, according to 2011 to 2015 estimates (see Figure 1.19). Private workers carpooled and took public transportation at rates higher than their representation overall. Government workers—19 percent of Gaithersburg’s workers—drove alone at a higher rate than their representation. Gaithersburg is proximate to a number of potential government employers, including the County seat in Rockville, NIH and NIST facilities. The proximity of these jobs likely plays a role in the greater share of government workers who drive alone.

Figure 1.19: Means of transportation to work by class of worker (2011-2015 estimates)

<b>Class of worker</b>	<b>Total</b>	<b>Drove alone</b>	<b>Carpooled</b>	<b>Public Transportation</b>
<b>Private wage and salary workers</b>	75.5%	74.6%	80.7%	79.8%
<b>Government workers</b>	19.0%	20.2%	17.0%	18.6%
<b>Self-employed</b>	5.5%	5.1%	2.3%	1.7%
<b>Unpaid family workers</b>	0.0%	0.0%	0.0%	0.0%

Source: US Census Bureau, American Community Survey

## Section 1-C: Housing

Although a majority of the City’s housing in 2016 was single-family (detached or attached), 48 percent of units in Gaithersburg are multifamily dwellings. In Montgomery County and the DC metro, multifamily units constitute 35 and 34 percent of units.<sup>6</sup>

<sup>6</sup> Please note that in order to compare “like” data, these figures utilize estimates from the US Census Bureau. Full counts of Gaithersburg housing units by type based on City data are included afterward.

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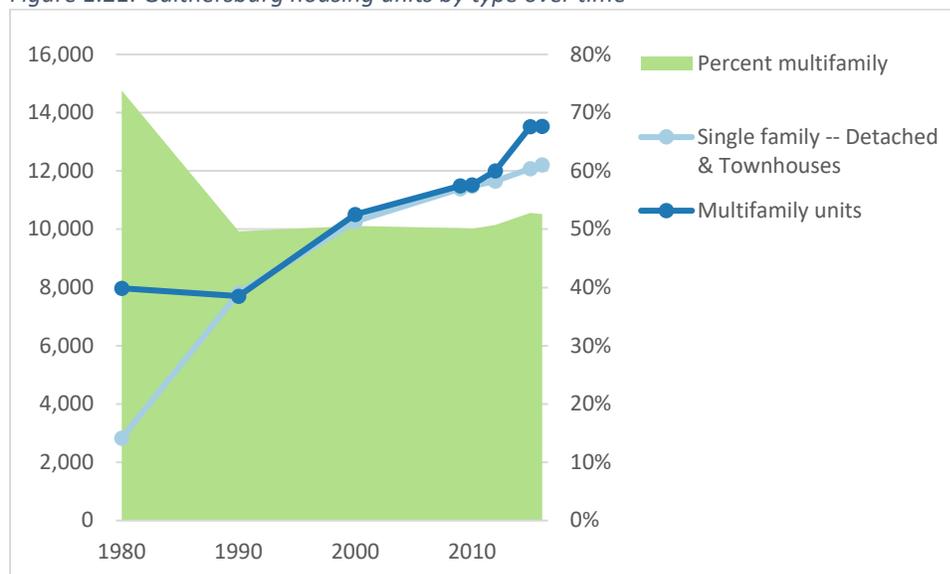
Figure 1.20: Dwelling units by type, 2016



Source: US Census Bureau, American Community Survey

As noted earlier, Gaithersburg’s housing unit growth has shifted from primarily (54 percent) single-family units (both towns and detached) between 2000 and 2010 to predominately (73 percent) multifamily between 2010 and 2016 (see Figure 1.21). According to ACS estimates, between 2010 and 2016, 61 percent of new units in Montgomery County and 42 percent of new units in the DC metro were multifamily.

Figure 1.21: Gaithersburg housing units by type over time



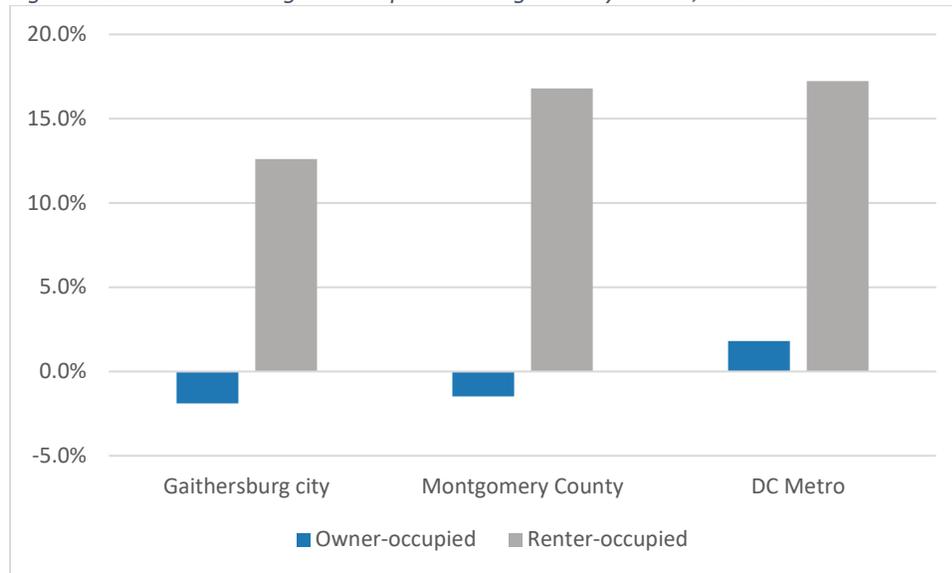
Source: City of Gaithersburg

Although a majority of 2016 Gaithersburg residents (53 percent) lived in owner-occupied housing, the City shifted towards more renter-occupied units between 2010 and 2016. The number of owner-occupied units fell by 2 percent, and the number of renter-occupied units increased by 13 percent. It should be noted that intended residential uses—that is, the City’s proportion of housing units permitted and developed as rental apartments—do not always align with actual resident choices: residents may

purchase a home or condo and then rent the unit to a tenant. As such, the rate of rentership may be higher than the estimated proportion of units intended for rental.

The trend in Gaithersburg mirrors County shifts towards renter-occupied units and away from owner-occupied units. Although the DC metro saw an increase in owner-occupied units of 2 percent, contrary to declines in owner-occupied units in the City and the County, the change was smaller than the 17 percent increase of renter-occupied units.

Figure 1.22: Percent change in occupied housing units by tenure, 2010 to 2016

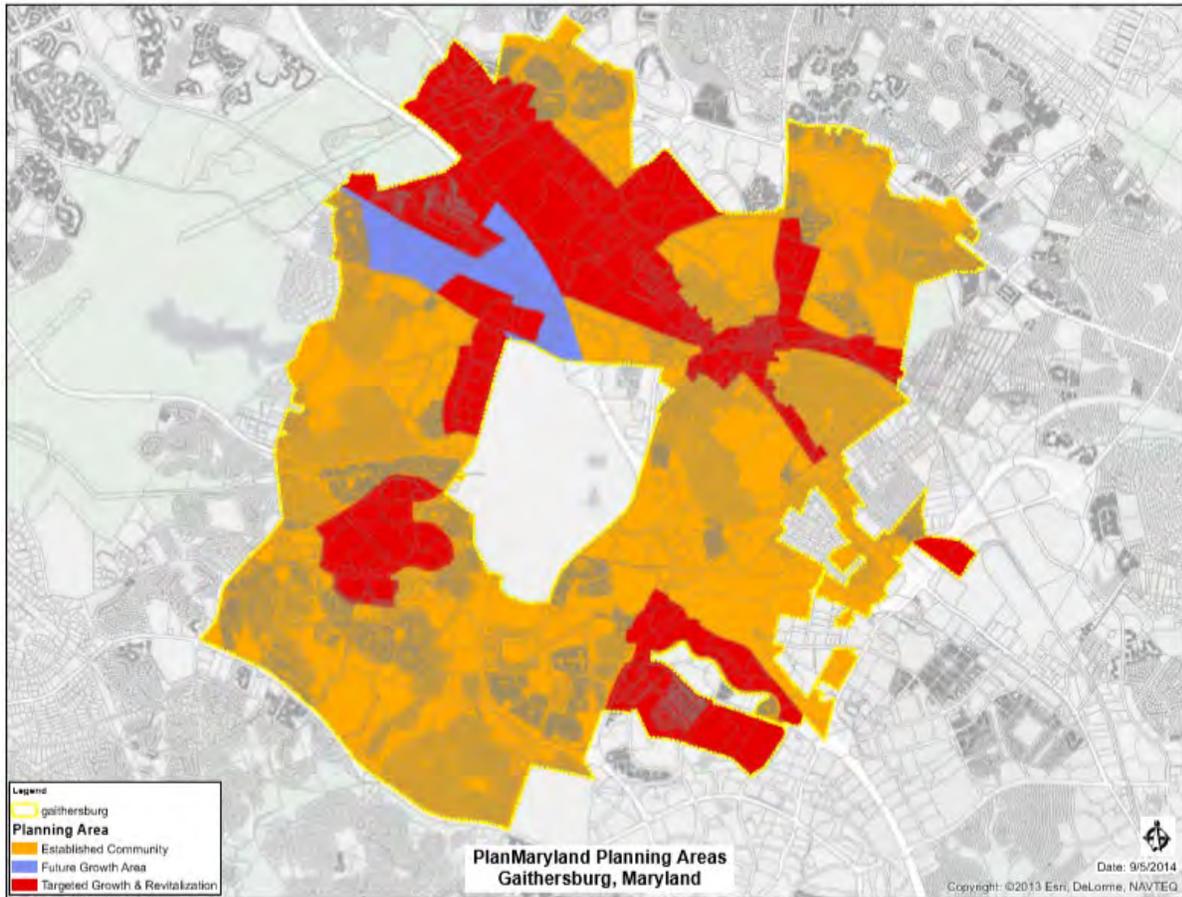


Source: US Census Bureau, American Community Survey

The City’s 2009 Land Use Element identifies a number of infill and redevelopment opportunities for single-family (detached and townhomes) and multifamily housing (two or more units per structure). The PlanMaryland Planning Area for Gaithersburg Map (Figure 21) shows shaded areas for identified “Future Growth Area” and “Targeted Growth and Revitalization” (8 subareas). The area categorized for “Targeted Growth and Revitalization” covers more of Gaithersburg’s total land area than the identified “Future Growth Area”. Also included in the PlanMaryland Planning Area are the Established Community Areas, where little or no development is expected.

In Gaithersburg’s Established Community Areas (EC), 62.7 percent of residents were homeowners as opposed to renters, but in Gaithersburg’s Targeted Growth & Revitalization Areas (TGRA), 71.1 percent were renters. Within TGRAs, the sales price of residential homes from 2002 to 2011 remained fairly stagnant compared to Established Communities, where sales prices hit a high in 2003. Both TGRAs and ECs experienced high turnover rates in housing.

Figure 1.23: PlanMaryland Planning Areas, City of Gaithersburg

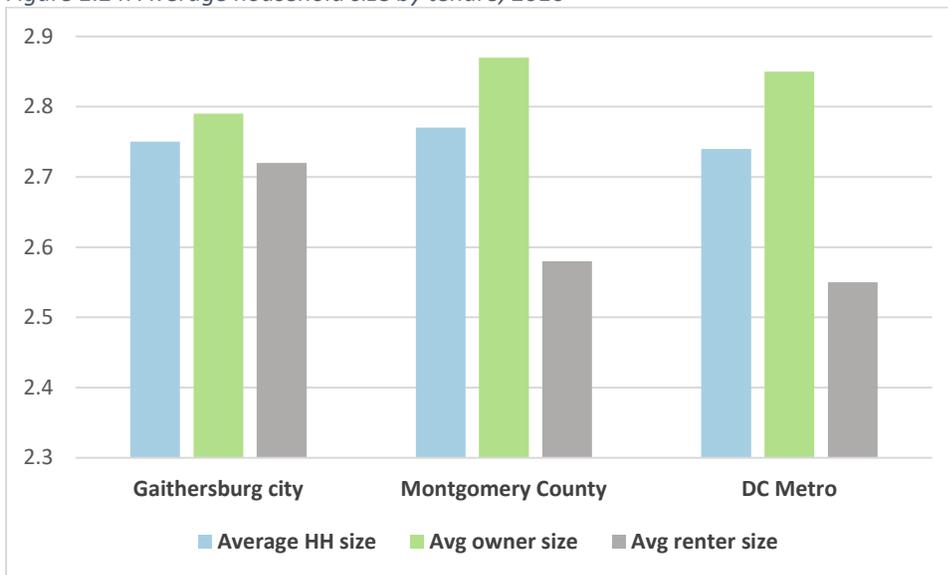


Source: PlanMaryland, Maryland Department of Planning

The shift towards renting seen in the ACS estimates has been accompanied by an increase in average household size. In Gaithersburg, the average household size increased almost 9 percent from 2.53 in 2010 to 2.75 in 2016. Average household size increased across all tenure types, with an increase in average owner household size of 3 percent and an increase in average renter household size of 18 percent. The increase in Gaithersburg’s average renter household size was more than double that of Montgomery County and the DC metro. Gaithersburg households have similar average sizes regardless of tenure, but Montgomery County and the DC metro have significantly higher average owner household sizes than average renter household sizes.

## City of Gaithersburg Visioning Exercise Data Analysis

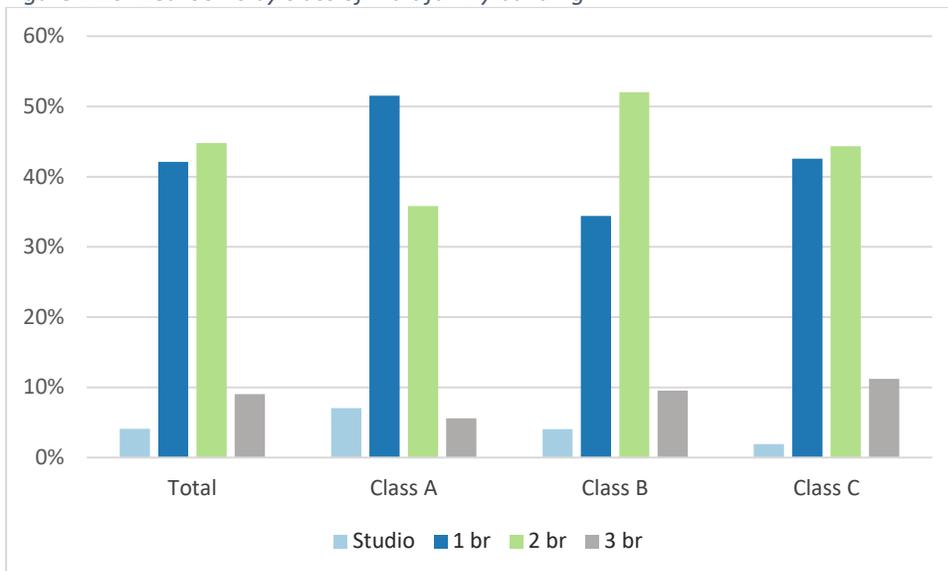
Figure 1.24: Average household size by tenure, 2016



Source: US Census Bureau, American Community Survey

Gaithersburg’s multifamily units are primarily 1 to 2 bedroom units. Of the 10,183 multifamily units in the City, according to a CoStar apartment survey from January 2019, approximately 45 percent had 2 bedrooms and 42 percent had 1 bedroom. Newer apartments—Class A buildings—had higher percentages of studio and 1 bedroom units. Class B buildings, which are older but of good quality, had a higher percentage of 2 bedroom units and lower percentage of 1 bedroom units. The oldest buildings—Class C buildings likely in need of rehabilitation or redevelopment—had higher percentages of 1, 2, and 3 bedroom units. Despite increasing average household sizes, newer multifamily development has favored fewer bedrooms. As Class C buildings age and require replacement, development will likely need to focus on both replacing existing 2 and 3 bedroom units as well as constructing new units with more bedrooms.

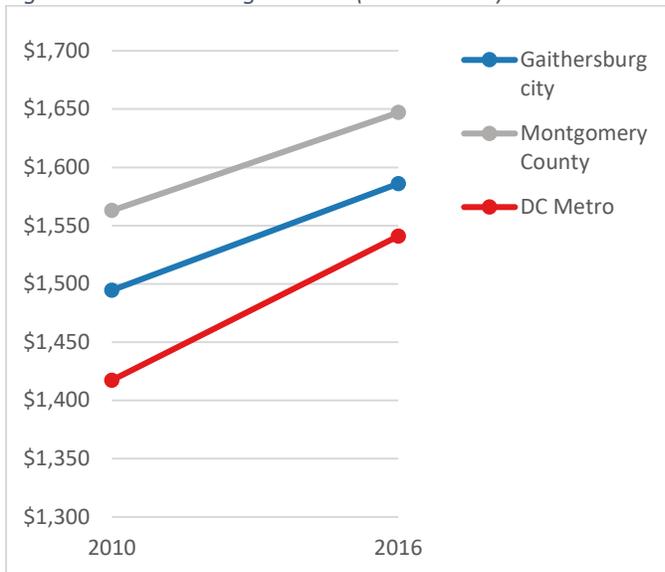
Figure 1.25: Bedrooms by class of multifamily building



Source: CoStar

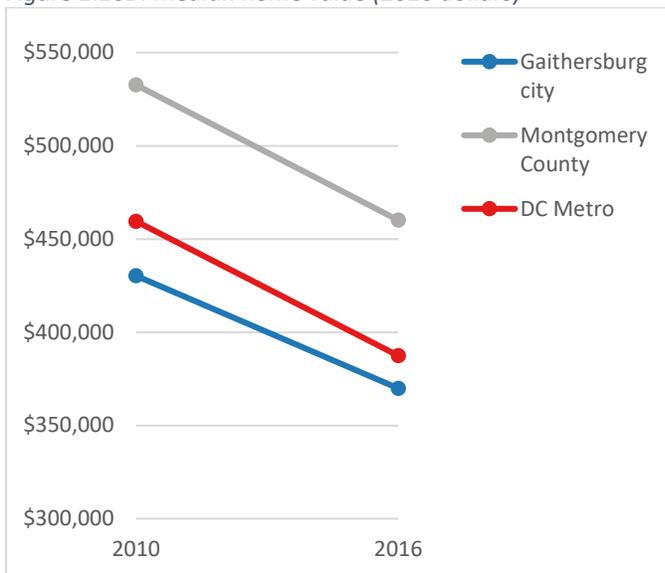
Gaithersburg’s inflation-adjusted median gross rent increased between 2010<sup>7</sup> and 2016, but the median home value declined. The 2016 median gross rent of \$1,586 represents a 6.1 percent increase from 2010. However, the 2016 median home value—\$369,900—is 14 percent below 2010 levels.

Figure 1.26A: Median gross rent (2016 dollars)



Source: US Census Bureau, American Community Survey; US Bureau of Labor Statistics

Figure 1.26B: Median home value (2016 dollars)



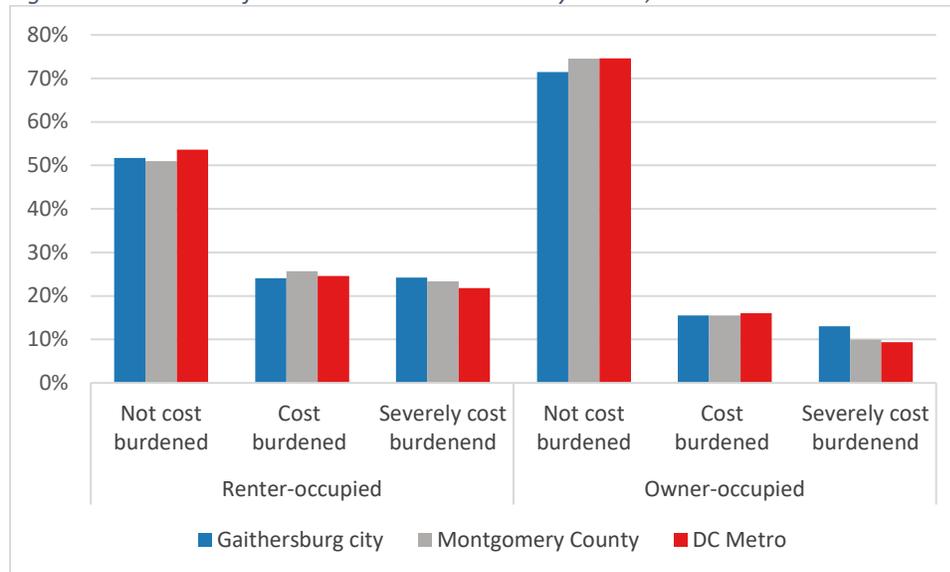
Source: US Census Bureau, American Community Survey; US Bureau of Labor Statistics

Cost-burdened households have fewer dollars to allocate towards needs like food, healthcare, and transportation because they spend more than 30 percent of their incomes on housing costs. Approximately 48 percent of Gaithersburg renter-occupied households and 29 percent of owner-occupied households are cost burdened or severely cost-burdened (paying more than 50 percent of income

<sup>7</sup> In order to remain comparable with the income measures noted, these numbers have also been adjusted by a factor of 1.102996255, per the CPI-U-RS.

towards housing). Although the rates of cost burden within the City are largely similar to those of households in Montgomery County and the DC metro, Gaithersburg’s rates of severe cost burden are slightly higher.

Figure 1.27: Percent of households cost burdened by tenure, 2016



Source: US Census Bureau, American Community Survey

The number of cost-burdened (including severe cost burden) renter-occupied households in Gaithersburg increased by 14 percent between 2010 and 2016—less than increases in the County (18 percent) and the region (20 percent). Rising measures of rent and falling measures of income align with this pattern. However, cost burden among owner-occupied units has fallen. The number of owner-occupied units in Gaithersburg paying more than 30 percent of their incomes towards housing declined by 20 percent between 2010 and 2016. Declines in Montgomery County and the DC metro were larger, falling 23 to 24 percent.

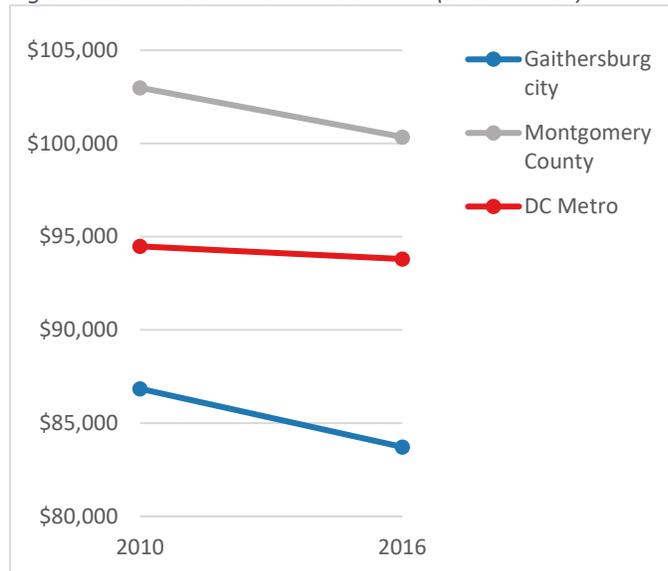
A recent study produced by the Urban Institute and MWCOG found that more than half of the region’s 714,500 rental units were potentially affordable to low or extremely low-income households; however, a substantial number of these units were not available to low or very low-income renters because they were occupied by higher income households (MWCOG). The report found that 94,200 additional affordable units were required to house all of the region’s low and very low-income households.

Gaithersburg’s *Active Pipeline Development* report from July 2018 suggests modest single-family detached development, with just 107 units, or 5 percent of the active pipeline. The bulk of the active residential pipeline---2007 units in this report---takes the form of Garden Apartments. Approximately 1,375 Garden Apartment units are planned, with an additional 192 Garden Condo units. Together, those units cover 79 percent of the active pipeline. Another 17 percent come from townhouses or stacked townhouse condo units.

## Section 1-D: Economic

The median household income in Gaithersburg in 2016 was \$83,724—a 3.6 percent decline from 2010 after adjusting for inflation<sup>8</sup>. Median household incomes in the County and the DC metro also fell—2.6 percent and 0.7 percent—but started from a higher point.

Figure 1.28: Median Household Income (2016 dollars)



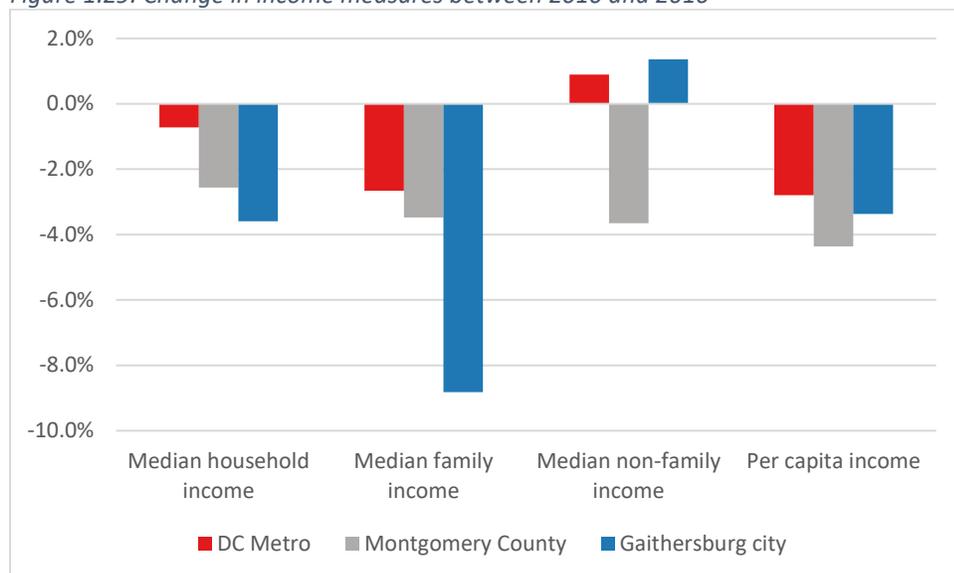
Source: US Census Bureau, American Community Survey; US Bureau of Labor Statistics

Most measures of income fell within Gaithersburg between 2010 and 2016. However, the median family income fell almost 9 percent while the median non-family income increased by just over 1 percent. Trends within the City have generally followed County and regional trends with the exception of median non-family income. The measure increased in Gaithersburg while falling in Montgomery County.

<sup>8</sup> Dollars are adjusted to 2016 levels. Figures from 2010 have been adjusted by a factor of 1.102996255, following guidance from the US Census Bureau to utilize the CPI-U-RS (Consumer Price Index for All Urban Consumers Research Series).

## City of Gaithersburg Visioning Exercise Data Analysis

Figure 1.29: Change in income measures between 2010 and 2016



Source: US Census Bureau, American Community Survey; US Bureau of Labor Statistics

Data from October 2018 collected by CoStar provides a summary of existing commercial space by sector in the City. Using Gaithersburg’s square feet to jobs conversion factors to estimate jobs by sector offers a more detailed understanding of the City’s current economic landscape.

Gaithersburg’s commercial space—17.7 million square feet in total—supports more than 46,000 jobs. Another 1.26 million square feet of available space could support an additional 3,500 jobs. Office space accounts for the greatest share of existing jobs (52 percent) and potential jobs (62 percent). Retail space accounts for 31 percent of existing jobs, but the sector has less available square footage and accounts for 16 percent of potential jobs. Flex space, which includes R&D, accounts for 11 percent of existing jobs and 15 percent of potential jobs. Industrial space supports 6 percent of existing jobs and 7 percent of potential jobs.

Figure 1.30: Current square footage and supported jobs by commercial sector (October 2018)

Sector	Existing SF	Available SF	Existing jobs		Potential jobs		Total supportable jobs	
			Number	Percent	Number	Percent	Number	Percent
Flex	2,120,736	213,865	5,049	11%	509	15%	5,559	11%
Industrial	1,611,468	129,183	2,984	6%	239	7%	3,223	6%
Office	7,192,591	652,781	23,975	52%	2,176	62%	26,151	53%
Retail	6,777,696	272,914	14,120	31%	569	16%	14,689	30%
<b>Total</b>	<b>17,702,491</b>	<b>1,268,743</b>	<b>46,129</b>		<b>3,493</b>		<b>49,622</b>	

Sources: City of Gaithersburg; CoStar

Additional sources of employment data—public data from the American Community Survey and private data from ESRI/Infogroup—provide pictures of both Gaithersburg’s economy and its residents. ESRI and Infogroup’s data focuses on the distribution of jobs across industry sectors for individuals who work in Gaithersburg, and it reflects the City’s economy. The ACS data from the Census Bureau reflects the

distribution of jobs held by residents of Gaithersburg, and it reflects the City’s immediate labor force who may hold jobs located outside the City.

The City’s employment is led by retail trade, constituting 17.3 percent of jobs. Construction also stands out in Gaithersburg, providing 14.5 percent of jobs. Each of these sectors holds a greater share of Gaithersburg jobs than it does Gaithersburg residents, according to ACS estimates. City residents more frequently work in educational services and health care and social assistance (21.6 percent) and professional, scientific, and management, and administrative and waste management services (21.3 percent). Approximately 8.3 percent of residents worked in public administration, but 3.8 percent of Gaithersburg jobs fell into that sector.

The contrast between Gaithersburg business/jobs and Gaithersburg residents is unsurprising, given the large proportion of residents who work outside the City (88 percent in 2015, according to Census Bureau estimates). However, the large share of retail trade jobs in Gaithersburg suggests the city may function as a shopping destination for certain goods. A 2017 Montgomery County retail trends study suggested Gaithersburg may be oversupplied in most retail categories except neighborhood goods. The study pointed to an issue of “replacement oversupply,” which occurs when new retail development neither replaces nor redevelops old retail space.

Figure 1.31: Jobs and residents by industry sector

<b>NAICS sector</b>	<b>Jobs in Gaithersburg (ESRI/Infogroup 2018)</b>	<b>Residents in Gaithersburg (ACS 2017)</b>
<b>Retail trade</b>	17.3%	6.8%
<b>Construction</b>	14.5%	6.1%
<b>Professional, scientific, and management, and administrative and waste management services</b>	14.1%	21.3%
<b>Educational services, and health care and social assistance</b>	12.1%	21.6%
<b>Arts, entertainment, and recreation, and accommodation and food services</b>	11.5%	10.7%
<b>Information</b>	7.4%	3.8%
<b>Finance and insurance, and real estate and rental and leasing</b>	6.8%	6.8%
<b>Other services, except public administration</b>	5.9%	6.2%
<b>Public administration</b>	3.8%	8.3%
<b>Manufacturing</b>	3.5%	2.5%
<b>Wholesale trade</b>	1.4%	1.7%
<b>Transportation and warehousing, and utilities</b>	1.0%	4.1%
<b>Agriculture, forestry, fishing and hunting, and mining</b>	0.1%	0.1%

Sources: US Census Bureau, American Community Survey; ESRI/Infogroup

## Section 1-E: MWCOG projections and development pipeline

Since 2000, the regional economy has experienced a steady 12 percent growth in federal jobs. In 2010, federal wages and salaries and procurement comprised almost 40 percent of metropolitan Washington’s economy, according to the George Washington Center for Regional Analysis. That share is forecast to shrink to just under 30 percent by 2020 (MWCOG State of the Region, 2016). Greater regional and national jobs trends could further create challenges for the labor force and redevelopment in Gaithersburg: a decrease in the use of office space, declining popularity of suburban office parks, increased telecommuting, the growing number of workers holding multiple jobs, and greater inter-jurisdictional connectivity all present opportunities and challenges (MWCOG State of the Region, 2016).

Forecasts developed with the Metropolitan Washington Council of Governments (MWCOG) project a 22,200 increase in Gaithersburg’s population by 2045. The 33 percent increase is greater than that of Montgomery County (21 percent) and the MWCOG region (29 percent). Likewise, Gaithersburg households are forecast to increase by 8,800, or 36 percent, by 2045—more than Montgomery County (23 percent) or the region (33 percent).

Those residential growth pressures will compete with employment growth, which the MWCOG forecast to rise at a larger rate—42 percent, or 19,300 jobs—by 2045. Gaithersburg’s growth is again expected to be greater than that of the County (31 percent) or the region (35 percent).

The City’s 2009 Municipal Growth Element acknowledges the competing pressures of jobs and housing in a discussion on the jobs to housing ratio (J/H). The ratio measures the balance of jobs and housing units in an area, indicating whether that place has a balance of jobs and housing or an imbalance. Metropolitan areas are often balanced: they function as largely independent economic geographies. However, individual counties, cities, and towns are often imbalanced, functioning as job centers with higher jobs to housing ratios or bedroom communities with lower ratios.

Gaithersburg’s estimated J/H in 2015 was 1.8, suggesting that the City will need to attract or grow many jobs to become a job center. MWCOG forecasts suggest that job growth will outpace housing growth, increasing the J/H to 2.0 by 2045. The City laid out a path to achieve a 3:1 J/H overall in the 2009 Municipal Growth Element by establishing a 5:1 J/H target for development in future growth areas. MWCOG forecasts indicate Gaithersburg is behind on that goal.

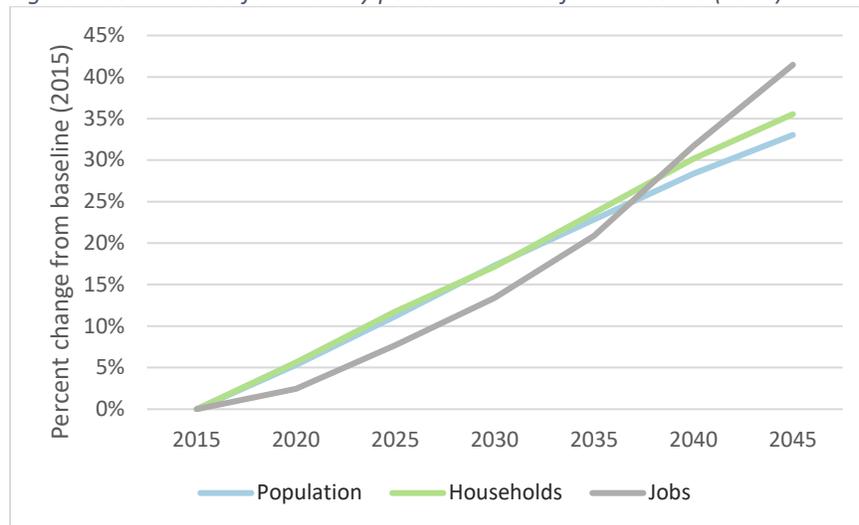
Figure 1.32: MWCOG Cooperative Forecasts

<i>Summary of Intermediate Employment Forecasts: Final Round 9.1 Cooperative Forecasts (thousands)</i>								<b>2015 to 2045</b>		<b>MWCOG</b>
<b>City of Gaithersburg</b>	<b>2015</b>	<b>2020</b>	<b>2025</b>	<b>2030</b>	<b>2035</b>	<b>2040</b>	<b>2045</b>	<b>Number</b>	<b>% Change</b>	<b>Share</b>
<b>Households</b>	24.7	26.0	27.5	28.9	30.5	32.1	33.4	8.8	35.5%	1.4%
<b>Population</b>	67.1	70.7	74.6	78.7	82.4	86.1	89.3	22.2	33.0%	1.4%
<b>Employment</b>	46.4	47.6	50.0	52.7	56.1	61.1	65.7	19.3	41.5%	1.7%
<b>Jobs/Housing ratio</b>	1.8	1.8	1.8	1.8	1.8	1.9	2.0			

The MWCOG projections suggest that job growth will trail population and housing growth through 2035 but increase rapidly thereafter (see Figure 29). The pressure to redevelop in favor of housing could

preclude economic development goals if it is done in a way that does not preserve space for commercial activity that is generally incompatible with residential uses.

Figure 1.33: MWCOG forecasts by percent increase from baseline (2015)



Source: US Census Bureau, American Community Survey

The Center for Urban and Regional Analysis (CURA) has also developed forecasts<sup>9</sup> for employment, housing, and population based on data provided by the City of Gaithersburg. These forecasts suggest the City could see a population increase of 56 percent from its 2010 levels by 2040, or approximately 33,492 people. We anticipate similar growth in households, with a 53 percent increase from 2010—11,734 units—by 2040. Both of those growth rates are faster than the MWCOG projections. However, CURA’s employment forecast is based on a lower starting point—numbers obtained from Gaithersburg—that suggests the City will see an increase in jobs of 13,782 (43 percent) from the 2012 level of 32,035. CURA forecasts indicate that the strongest growth in employment should be expected in Professional, Science, and Technology jobs (5,600) and Healthcare jobs (5,000).

The City’s key strategies to approach economic development, as noted in the FY 2019 Strategic Plan, include leveraging the City’s recognition and strength as a center of biotechnology. Biotech and R&D land uses—important elements of Gaithersburg’s economic base—have space and use requirements that include chemical storage and generators. Office and R&D commercial spaces in flexibly zoned areas are often described as “flex” space. Those uses are incompatible with residential uses in ways that retail or mixed-use development are not.

Gaithersburg’s active development pipeline, based on the City’s July 2018 *Active Pipeline Development* report, includes 1,895 approved but unbuilt units of housing. More than 80 percent of those units are multifamily, and approximately 13 percent are townhomes—single-family attached buildings. Just 5 percent are single-family (detached) dwellings. The pressure to create multifamily units is clear within the development pipeline, and the proposed housing mix is suited to a space-constrained city.

Those pipeline units are insufficient to cover the City’s projected growth over the next 30 years. MWCOG estimates suggest an increase of 8,800 households, resulting in an average of 2.67 people per household.

<sup>9</sup> Methodology discussion forthcoming.

CURA estimates suggest an increase of more than 11,000 households over 30 years, with a final average of 2.78 people per household. With the current active pipeline totals, each estimate suggests household growth will overtake housing unit growth within 10 years. The inactive pipeline---that is, units without approved site plans (some expired)---totals 5,326 units. Including those inactive units extends the pipeline’s lifespan closer to 20 years. However, assuming household growth as projected, the City will still need an additional 1,500 to 4,400 units of housing in 30 years. Given that aging housing may require replacement throughout that time period, the need for additional units may be greater.

Figure 1.34: Projected new households and pipeline gap

Projection	New households (30 years)	Active pipeline	Units needed (excl. inactive)	Inactive pipeline	Units needed (incl. inactive)
MWCOG	8,800	2,007	6,793	5,326	1,467
CURA	11,734	2,007	9,727	5,326	4,401

The City tracks its active commercial development pipeline, defined as approved but unbuilt space, which totals more than 3.34 million square feet. Although the development pipeline reflects approved development, “by right” changes in use—changes that do not require site plan approval—may not be reflected in current numbers. For example, a site plan approved for office use can be changed to R&D use without additional plan approval, provided that the change does not impact parking. Pipeline square footage totals reflect the maximum approved square footage for a use and do not guarantee the totals will ultimately occur.

Approximately 74 percent of the active development pipeline square footage has been approved for office space or research and development (R&D). Although the vast majority of that square footage was approved for office use, conversions to R&D use are possible prior to development. Another 13 percent of the pipeline’s total square footage is anticipated retail space and 9 percent anticipated warehouse space. There are no manufacturing or industrial uses in the pipeline.

Figure 1.35: Active commercial development pipeline

Use	Square feet	Percent
<b>Total</b>	3,346,533	100%
<b>Office + R&amp;D</b>	2,484,445	74%
<b>Retail</b>	431,070	13%
<b>Warehouse</b>	304,804	9%
<b>Restaurant</b>	67,464	2%
<b>Institutional</b>	58,293	2%
<b>Recreation</b>	457	<1%
<b>Educational</b>	0	0%
<b>Lodging</b>	0	0%
<b>Community</b>	0	0%
<b>Manufacturing/Industrial</b>	0	0%

Source: City of Gaithersburg

## City of Gaithersburg Visioning Exercise Data Analysis

The number of jobs in Gaithersburg is forecast to grow by more than 40 percent by 2045. MWCOG forecasts start from a 2015 employment level of 46,400, but CURA projections using data from the US Bureau of Labor Statistics use a 2012 starting point of 32,035. These projections forecast an increase ranging from around 14,000 (CURA) to 19,000 (MWCOG), but each suggests an increase of similar percentage magnitude. A portion of this anticipated growth could come from a reduction in vacant nonresidential space in the City, as discussed in Section 1-D. Such a vacancy reduction would add a maximum of 3,493 jobs to the baseline, or approximately 18% of the MWCOG forecast and 25% of the CURA forecast.

Using the City’s conversion factors, the number of square feet of each pipeline development use may be converted into the number of jobs such space could support. The City’s active pipeline could support approximately 10,267 jobs, based on the conversion factors in Figure 33. Office space accounts for more than 80 percent of those jobs; however, as noted previously, uses approved as office may be converted to R&D without approval and those changes are not reflected in the pipeline.

*Figure 1.36: Pipeline development supported jobs*

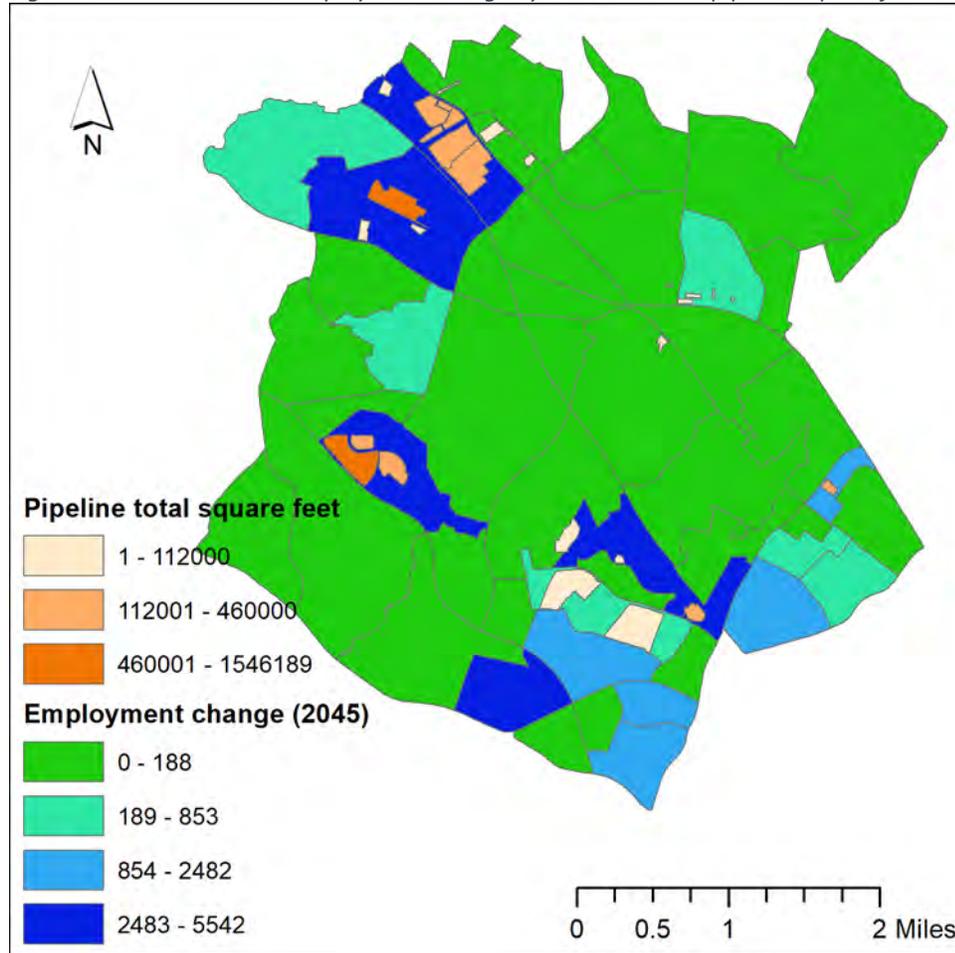
Pipeline use	Square feet	Percent of pipeline	Sq ft per employee	Supportable new jobs	Percent of new jobs
<b>Total</b>	3,346,533	100%	326 (avg)	10,267	100%
<b>Office</b>	2,484,445	74%	300	8,281	81%
<b>Retail</b>	431,070	13%	480	898	9%
<b>Warehouse</b>	304,804	9%	540	564	5%
<b>Restaurant</b>	67,464	2%	180	375	4%
<b>Institutional</b>	58,293	2%	400	146	1%
<b>Recreation</b>	457	<1%	540	1	<1%
<b>R&amp;D</b>	475	<1%	420	1	<1%
<b>Educational</b>	0	0%	400	0	0%
<b>Lodging</b>	0	0%	1,300	0	0%
<b>Community</b>	0	0%	540	0	0%
<b>Manufacturing/Industrial</b>	0	0%	540	0	0%

*Sources: City of Gaithersburg; MWCOG*

The 10,267 potential supported pipeline jobs represent more than half of the MWCOG projected increase in employment by 2045. Note, however, that these potential pipeline jobs are a maximum number that does not account for the approximate 7% vacancy rate in nonresidential space, as shown by the CoStar data. In addition, the pipeline jobs suggest a changing employment landscape in Gaithersburg. Existing commercial square footage is weighted towards office space, but if jobs follow pipeline totals by sector (without by-right changes), office jobs would become a greater part of the economy.

Much of the increase in employment forecast by MWCOG is anticipated to happen in or near the City’s Targeted Areas of Growth and Revitalization (see Figure 33). The City’s current commercial development pipeline reflects that forecast, with most of the anticipated commercial square footage located in high growth traffic analysis zones (TAZs.)

Figure 1.37: 2015 to 2045 employment change by TAZ and active pipeline square feet totals



Source: City of Gaithersburg; MWCOG

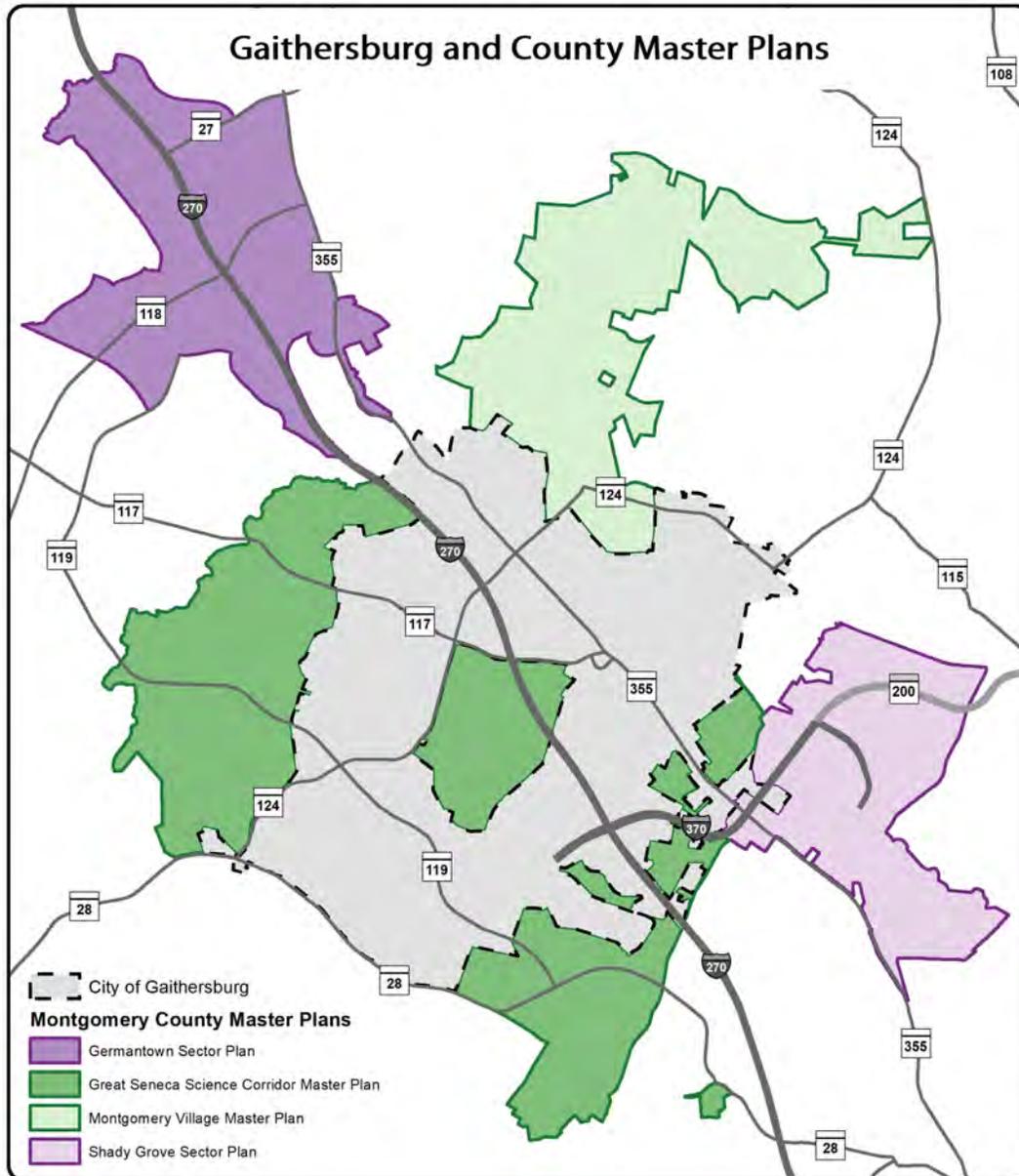
However, Gaithersburg does not exist as an island. Workers commute to and from, into and out of Gaithersburg and will continue to do so. Montgomery County’s Master Plan outlines proposed land uses for the areas surrounding Gaithersburg (see Figure below).

- The Great Seneca Science Corridor, along the western boundary of Gaithersburg, currently includes significant single-family residential development. Its existing and proposed residential units total 9,000. Its existing and proposed commercial square footage totals 17,500,000.
- Germantown, just northwest of Gaithersburg, is planned for 16,418 residential units and 24.1 million square feet in commercial development—a significant increase from the existing 6,214 residential units and 8 million commercial square feet. Some of this planned residential is currently under construction along I-270.
- Montgomery Village’s Master Plan allows for 2.5 million square feet in commercial development and 3.9 million square feet in residential development.
- The 2006 Shady Grove Sector Plan calls for zoning changes that encourage housing and mixed-use plans, including an emphasis to permit new technology, and research and development uses.

## City of Gaithersburg Visioning Exercise Data Analysis

In short, proximate area plans call for significant housing development. Housing available outside Gaithersburg could meet overflow demand that the City, in balancing its redevelopment pressures, may not be able to address.

Figure 1.38



## Section 1-F: Key points

The City of Gaithersburg is growing, and growth since 2009 has taken place without significant greenfield development. Gaithersburg's 14 percent growth rate between 2010 and 2016 outpaced both Montgomery County and the DC metro. The City's household growth has been strongest among families, which grew by over 10 percent—more than Montgomery County at 5 percent or the DC metro at 8 percent.

The City is demographically diverse, with a large foreign-born population and a rapidly growing Black or African-American population. Gaithersburg's 60 percent increase in Black or African-American residents from 2010 to 2016 was greater than sub-15 percent increases in Montgomery County and the DC metro. The City's foreign-born population is large compared to the surrounding region, but growth in foreign-born residents between 2010 and 2016 was faster in the County (14 percent) and the DC metro (18 percent) than the City (12 percent). Although more than 20 percent of residents speak English less than very well, that proportion fell from 2010 to 2016.

The population expansion has been led by adults with high levels of education, as well as adults without high school diplomas. Each group grew more in Gaithersburg than in the County or the metro.

The City's housing policy calls for an even split between single-family detached housing and multifamily development. Housing growth between 2000 and 2010 appears to have followed the 1999 policy only if townhomes (single-family attached) are included in the count. Growth since 2010 has favored multifamily units, and with few foreseeable opportunities for greenfield development, that trend may continue.

Slightly more Gaithersburg residents (68 percent) commute to work by driving alone than in Montgomery County (65 percent). However, City residents using the bus to get to work increased by more than 80 percent between 2009 5-year estimates and 2015 5-year estimates. Gaithersburg's residents travel outside of the City for work, with 88 percent of working residents traveling outside the City for employment.

Incomes and housing values in Gaithersburg and the region fell between 2010 and 2016 as the median gross rent increased. This corresponds with an increase in the number of cost-burdened renter households. Cost burden has declined among owner-occupied households.

Population, housing, and employment forecasts point towards significant growth in the City. Population growth in the space-constrained city will make meeting the goals of the City's 1999 housing policy difficult, and employment growth will force the City to balance economic and housing goals. The City's active development pipeline may support upwards of 10,000 jobs. Most of those jobs are in the office sector, according to the October 2018 development pipeline snapshot. But the pipeline does not account for by-right changes that could ultimately result in more R&D jobs. Given the role of biotechnology and R&D in the City's economy, growth in that space will be essential.

Anticipated development in areas surrounding Gaithersburg include substantial mixed-use, commercial and residential components that could absorb some of the City's residential growth pressures, assuming that such growth is not in response to separate pressures in the County.

## Section 2: Current Baseline Data Summary for Analysis

Having developed an understanding of Gaithersburg’s current conditions and trends relative to the County and the DC metro, this report now looks at conditions and trends within the City. The analysis uses data and maps to understand how different variables—demographic, housing, transportation, and economic—are distributed in the City, by Census tract when available.

It should be noted that multiple Census tracts possess unique qualities that may skew data. The first of these Census tracts is 7008.29(W)<sup>10</sup>. While centered in Gaithersburg, this Census tract is not entirely in the City of Gaithersburg. This is due to the U.S. Department of Commerce’s National Institute of Standards and Technology – a federal entity which provides Gaithersburg its unique doughnut-like shape.

Tract 7007.24(E) overlaps the inner ring of the City. A majority of the housing units in this tract are located in Montgomery County and are multifamily rental. The tract’s housing units that fall within the City’s boundaries are owner-occupied single family detached and duplex dwellings.

Additional Census tracts overlap the outer edge of the City. As a considerable portion of housing units in these Census tracts are in the city they have been considered in this analysis. These Census tracts which span the city border with housing units located in the city include 7007.04(E), 7007.06(W), 7007.16(E), 7007.20(E), 7007.22(E), 7008.16(W), 7008.17(W), and 7008.23(W).

Two Census tracts overlap the City boundary but have no housing units within the city. These tracts have been excluded from analysis and include Census tracts 7007.13 (Lakeforest Mall) and 7007.18. Other tract excluded from analysis—7006.10(W), 7007.21(E)—contain few housing units.

The final Census tract that may show skewed data is Census tract 7007.23(E). This Census tract contains the Asbury Methodist Village, a continuing care retirement community. This intentional community attracts and concentrates many residents with similar demographic attributes which may skew data, as well as accounting for approximately 62% of all housing units in the tract.

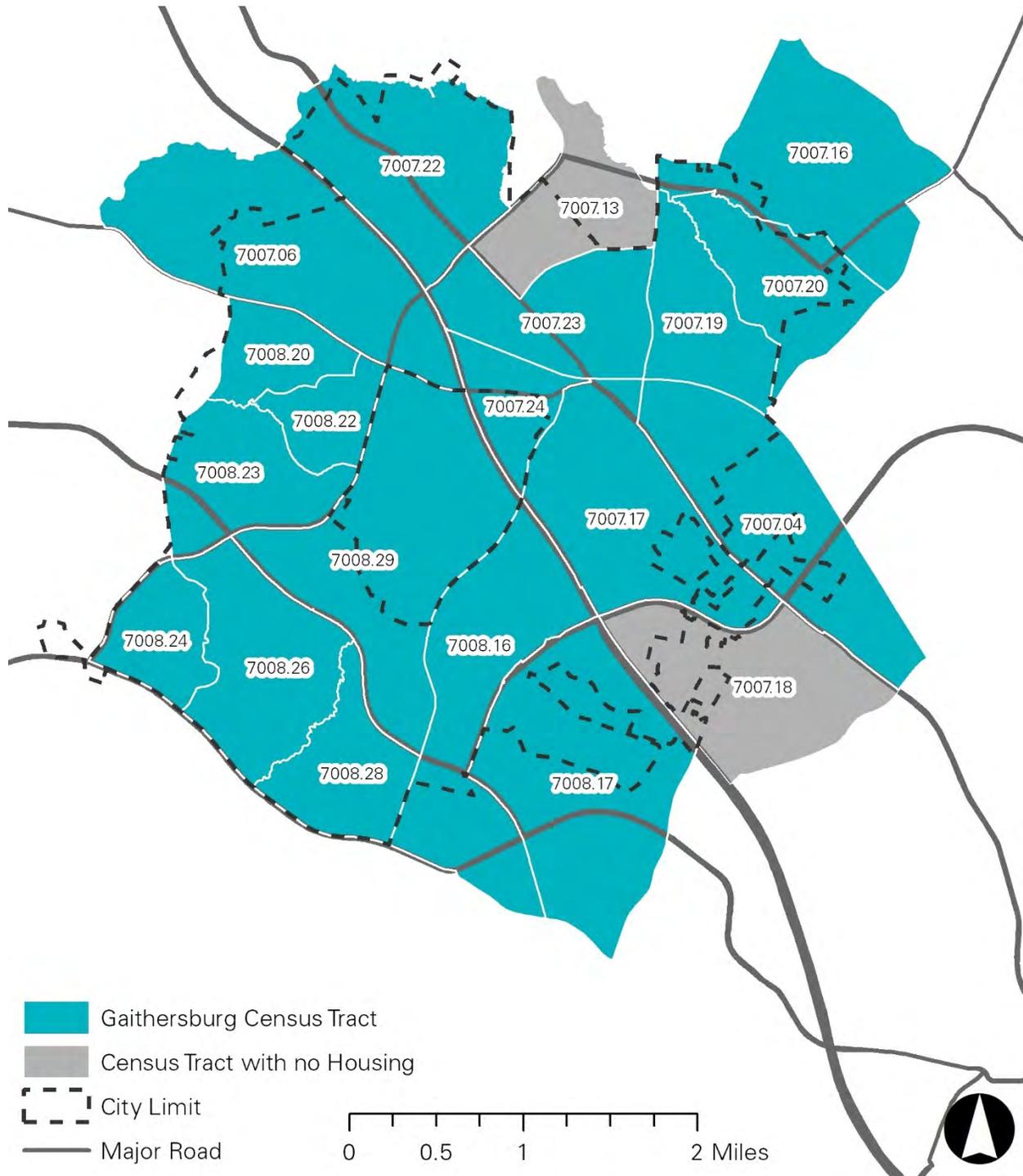
A basemap of Gaithersburg’s Census tracts is on the following page in Map 2.0.

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<sup>10</sup> Census tracts are designated as east or west of I-270 by (E) or (W).

City of Gaithersburg Visioning Exercise Data Analysis

Map 2.0 – Gaithersburg Census Tract Basemap (2016)



## Section 2-A: Demographic

### Income (current baseline)

Income, by most measures (e.g., median household income, median family income, median non-family income, per capita income), is considerably higher in the southwest area of the City. The top five highest median household income census tracts are in this area of the City and include 7008.28(W) (\$139,091), 7008.24(W) (\$131,712), 7008.26(W) (\$122,109), 7008.29(W) (\$121,734), and 7008.23(W) (\$111,506). The higher end of the income distribution curve seems focused on the Kentlands, Lakelands, and surrounding neighborhoods.

At the opposite end of the income spectrum, the lowest incomes in the City appear to occur east of I-270. The lowest census tracts for median household income include 7007.24(E) (\$47,913), 7007.22(E) (\$59,904), and 7007.23(E) (\$60,122). I-270 seems to be a line of division when it comes to median income in the City – higher median incomes are evident to the west and lower to the east.

A notable exception to this regional demographic pattern based on median income is evident in census tracts 7008.20(W) and 7008.22(W). While both census tracts lie to the west of I-270, just to the south of Clopper Road they do not experience the same high median incomes as their neighboring census tracts to the south with median household incomes of \$70,093 and \$61,574, respectively.

When observing the percentage change in household median income between 2010 and 2016 (without adjustment for inflation) it is of note that the largest median gain, 7007.06(W) with an increase of 47.4 percent, and the largest median loss, 7007.22(E) with a decrease of -22.2 percent, border one another in the northwest corner of the City. I-270 divides these two census tracts with very different trends over the years.

The full detail of median household income by census tract can be seen in Table 2.1 and Map 2.1 A and B.

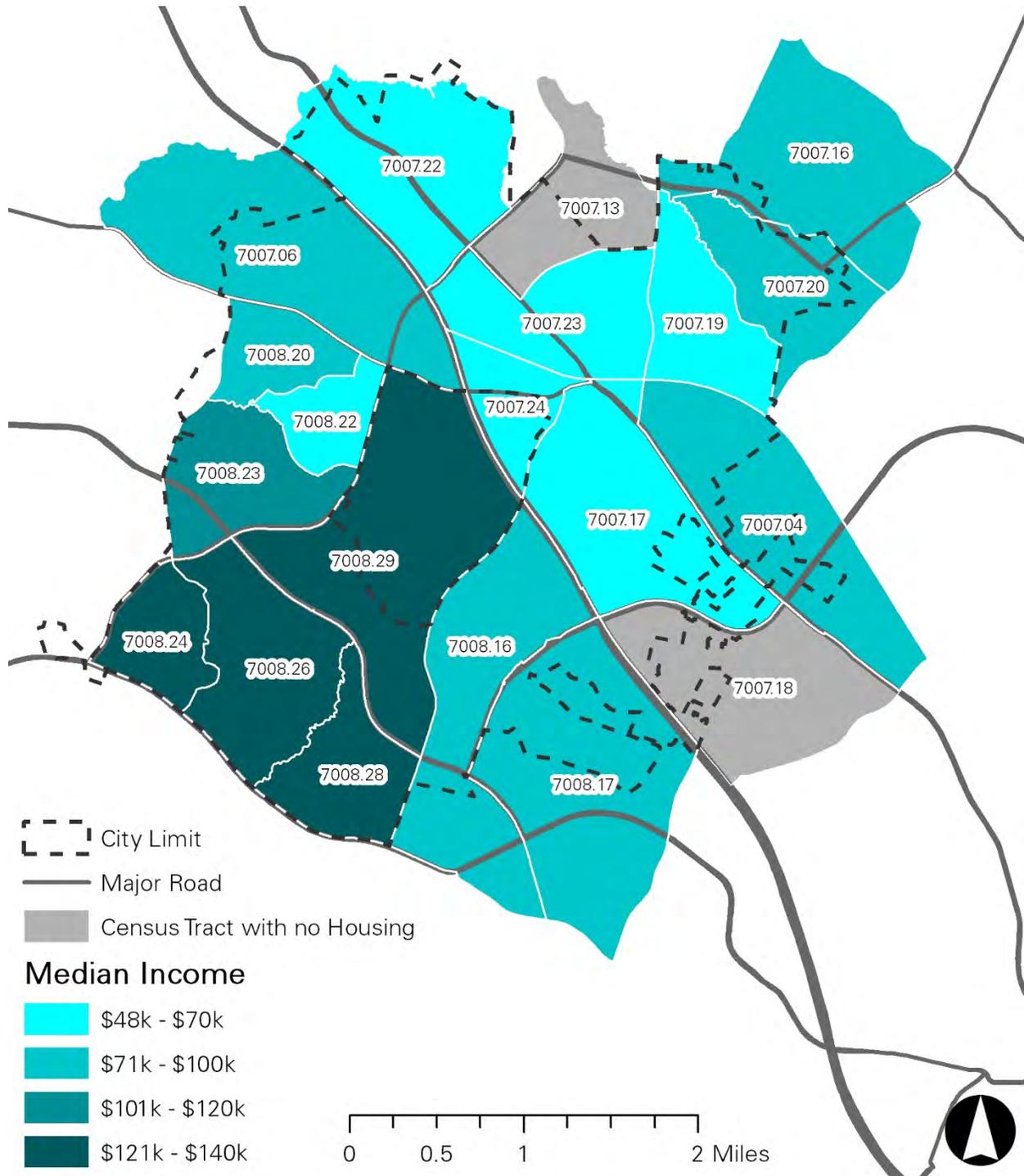
*Table 2.1: Gaithersburg Median Household Income by Census Tract (Sorted Highest to Lowest)*

<i>Census Tract</i>	<i>Median Household Income</i>	<i>Change (2010 – 2016)</i>
7008.28(W)	\$139,091	-0.1%
7008.24(W)	\$131,712	-13.1%
7008.26(W)	\$122,109	9.4%
7008.29(W)	\$121,734	1.3%
7008.23(W)	\$111,506	2.4%
7007.20(E)	\$99,034	15.6%
7008.17(W)	\$90,000	11.1%
7007.16(E)	\$87,434	5.4%
7007.04(E)	\$85,188	24.3%
7008.16(W)	\$85,145	23.1%
7007.06(W)	\$82,121	47.4%
7008.20(W)	\$70,093	-2.6%
7007.19(E)	\$62,917	1.0%
7007.17(E)	\$61,915	-4.8%
7008.22(W)	\$61,574	0.0%
7007.23(E)	\$60,122	19.0%
7007.22(E)	\$59,904	-22.2%
7007.24(E)	\$47,913	1.5%

*Source: American Community Survey 2010/2016 (5-Year) – Table B19013*

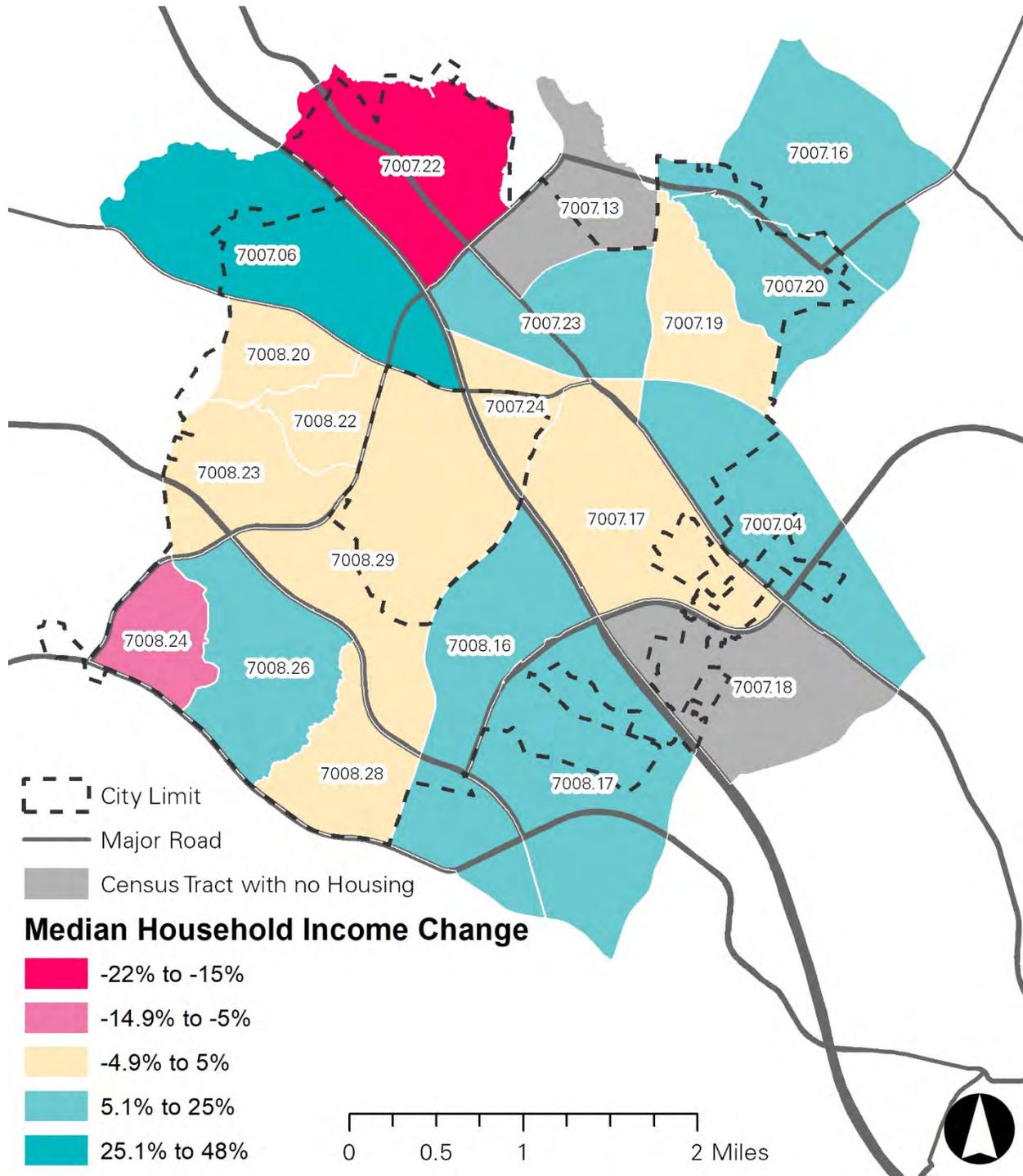
City of Gaithersburg Visioning Exercise Data Analysis

Map 2.1 A – Gaithersburg Median Household Income by Census Tract (2016)



Source: American Community Survey 2016 (5-Year) – Table B19013

Map 2.1 B – Gaithersburg Median Household Income Change by Census Tract (2010 - 2016)



Source: American Community Survey 2010/2016 (5-Year) – Table B19013

Education (current baseline)

Education often shows spatial correlation to income – this is true in Gaithersburg. The census tract with the highest bachelor’s degree attainment is in tract 7008.26(W) where 88 percent of all residents have their bachelor’s degree. Surrounding areas west of I-270 exhibit higher bachelor’s educational attainment values on the whole.

The inverse of this correlation is seemingly true as well. The two census tracts with the smallest percentage share of residents with a bachelor’s degree are 7007.24(E) (21%) and 2007.19 (29%), both located east of I-270. Again, generally, values for education are lower east of I-270.

The largest percentage losses from 2010 to 2016 with regards to bachelor’s degree attainment occurred in census tracts 7008.22(W) and 7007.22(E) with percentage changes of -37 and -12. Both census tracts are near targeted growth areas in the City’s north end. The largest gains between 2010 and 2016 as a percent were made in 7007.06(W) and 7007.19(E), both located outside of the City’s highest income Census tracts, respectively exhibiting percentage changes of 69 percent.

The full detail of bachelor’s degree educational attainment of residents older than 25 by census tract as well as trends between 2010 and 2016 can be seen in Table 2.2 and Maps 2.2 A and B.

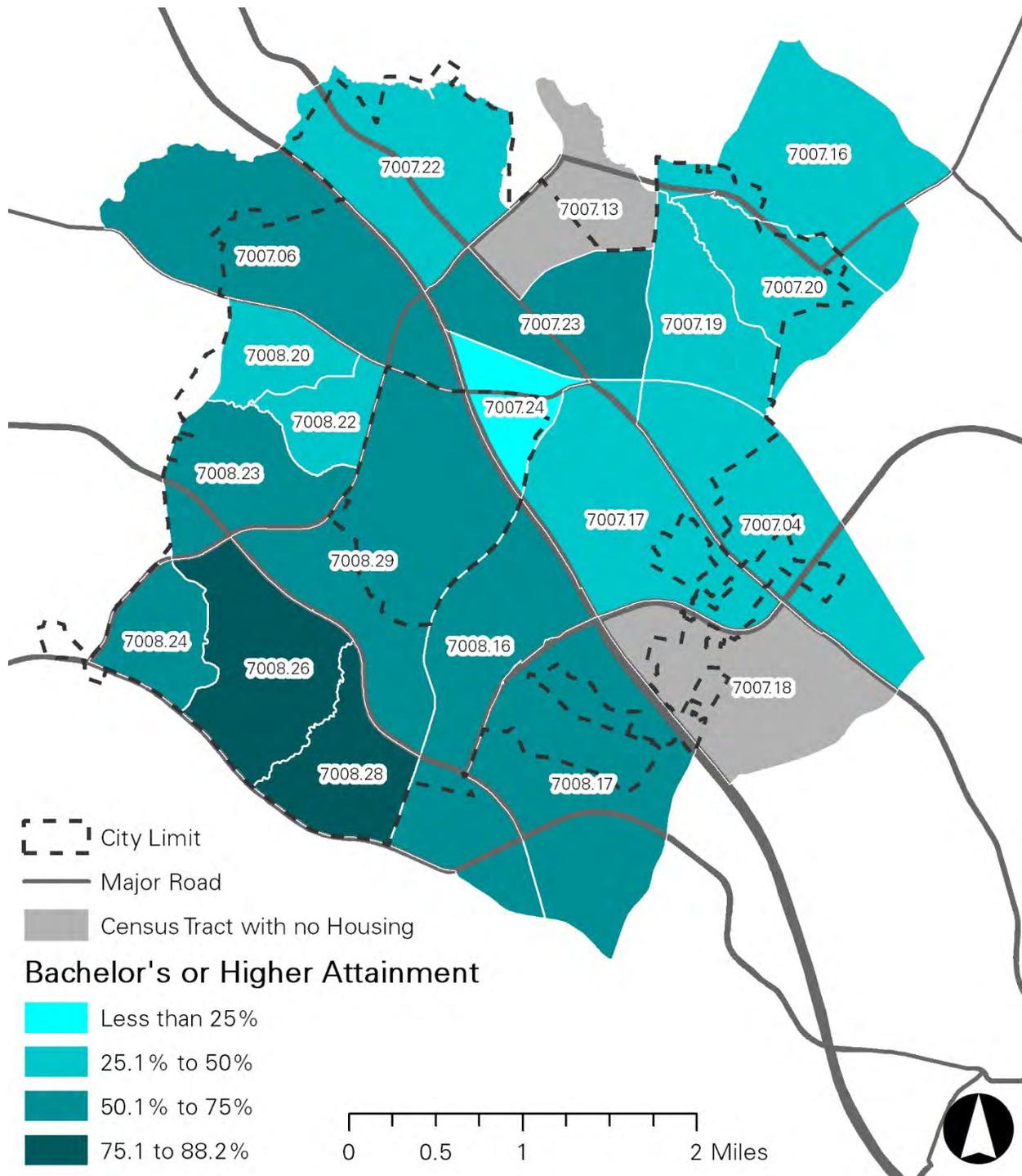
*Table 2.2: Gaithersburg Bachelors Attainment of Those Older than 25 (Sorted Highest to Lowest by Percentage)*

<i>Census Tract</i>	<i>Bachelor’s Degree</i>	<i>Bachelor’s Degree %</i>	<i>Change (2010-2016)</i>
7008.26(W)	3,535	88%	16%
7008.28(W)	1,252	80%	5%
7008.29(W)	1,749	72%	19%
7008.24(W)	1,379	71%	-2%
7008.23(W)	1,638	64%	3%
7008.17(W)	2,855	63%	25%
7008.16(W)	3,291	56%	18%
7007.06(W)	1,509	54%	69%
7007.23(E)	1,561	51%	30%
7008.20(W)	870	48%	0%
7007.16(E)	2,461	47%	37%
7007.04(E)	970	47%	6%
7007.22(E)	1,389	45%	-12%
7008.22(W)	446	44%	-37%
7007.20(E)	962	39%	5%
7007.17(E)	1,610	38%	15%
7007.19(E)	1,714	29%	69%
7007.24(E)	478	21%	10%

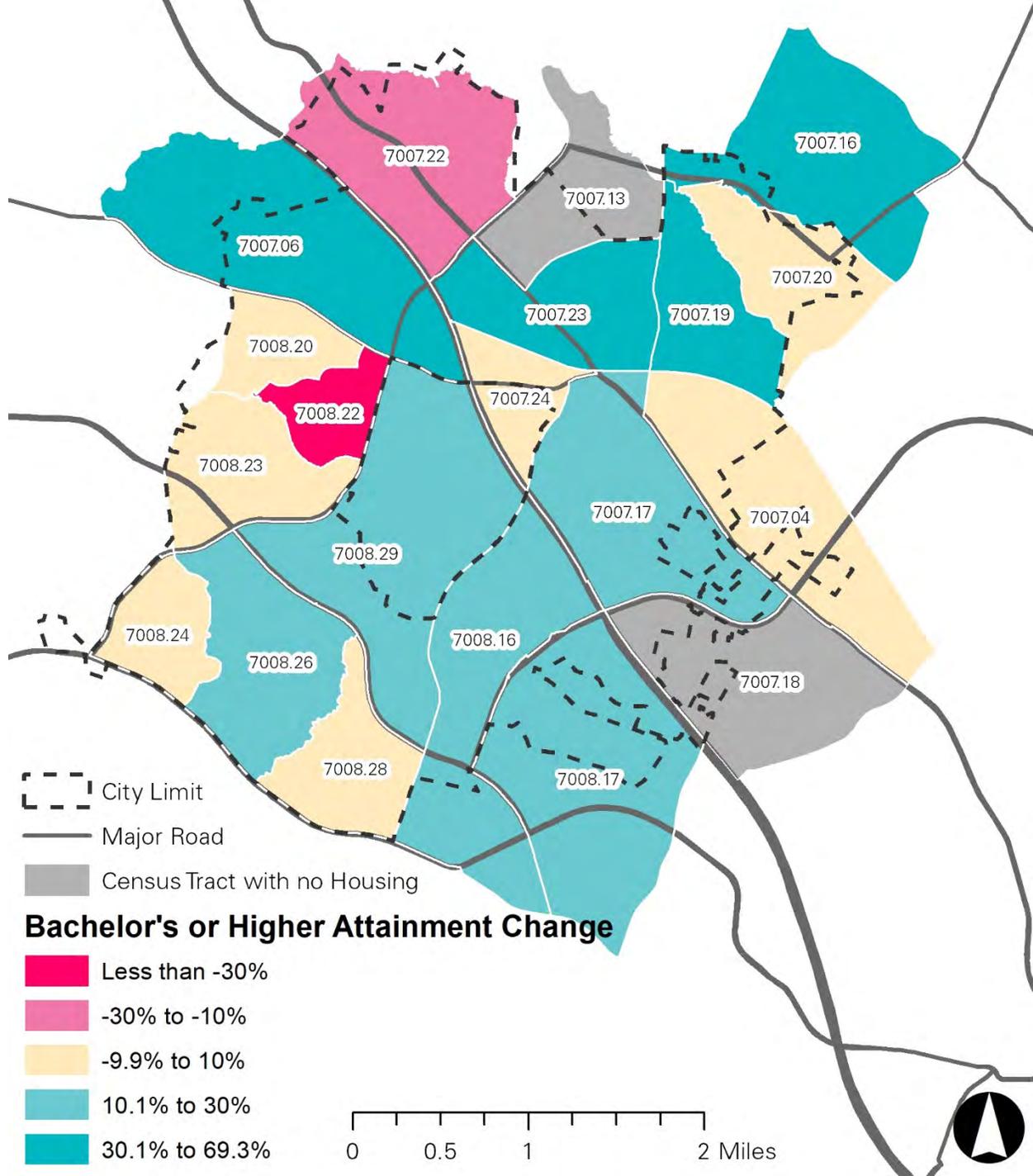
*Source: American Community Survey 2010/2016 (5-Year) – Table B15002*

# City of Gaithersburg Visioning Exercise Data Analysis

Map 2.2 A – Gaithersburg Educational Attainment of Bachelor's Degree of Residents Over the Age of 25 by Census Tract (2016)



Map 2.2 B – Gaithersburg Change in Educational Attainment of Bachelor’s Degree of Residents Over the Age of 25 by Census Tract (2010-2016)



## Age (Current Baseline)

Table 2.3 and Maps 2.3 A through D display the age cohort distribution and trends from 2010 to 2016 of the City by census tract. Notable takeaways include the following:

- Low share of older members of the workforce (55-64 years old) in census tracts 7007.19(E), 7007.23(E), 7007.24(E), and 7008.16(W) which may correlate with lower rates of education, income, and other factors
  - However, 7007.24(E) has the highest rates of young children (<5 and 5-9 years old)
  - Alternatively, 7007.23(E) has a very high share of those above age 65 at 49.8 percent (next highest share for this age cohort is a mere 16.8 percent) this is mostly due to the presence of the Asbury Methodist Village, a continuing care retirement community located in the Census tract.
- Low share of young adults (22-34 years old) in census tracts 7008.24(W), 7008.26(W), and 7008.28(W) with a considerably higher share of those age cohorts 35 years old and older suggests either higher housing costs and inability to break into the housing market or lack of interest in the area for younger adults.
  - 7008.28(W) shows two of the highest shares of children and teenagers ages 10 – 14 and 15 – 17 which along with the large share of older adults infers many older families.
- Population change trends show that those above the age of 65 has grown in nearly every census tract. The exception to this occurs in census tract 7008.22(W) which experienced a loss and census tract 7007.23(E) which only experienced a small percentage change.
- Population change trends for those under the age of 18 are not as simple as those above 65. Census tract 7008.17(W) saw the largest negative shift, with more than a 50 percent loss of those under the age of 18. Similarly, but considerably less so, census tracts 7007.22(E) and 7008.28(W) show losses of the share of those under 18 between 5 and 49.9 percent. While 7007.17(E) and 7008.26(W) saw little change, all other census tracts saw growth in the population under the age of 18. Particularly notable are census tracts 7007.19(E) and 7007.23(E) which witnessed increases of those under the age of 18 of more than 50 percent between 2010 and 2016.

City of Gaithersburg Visioning Exercise Data Analysis

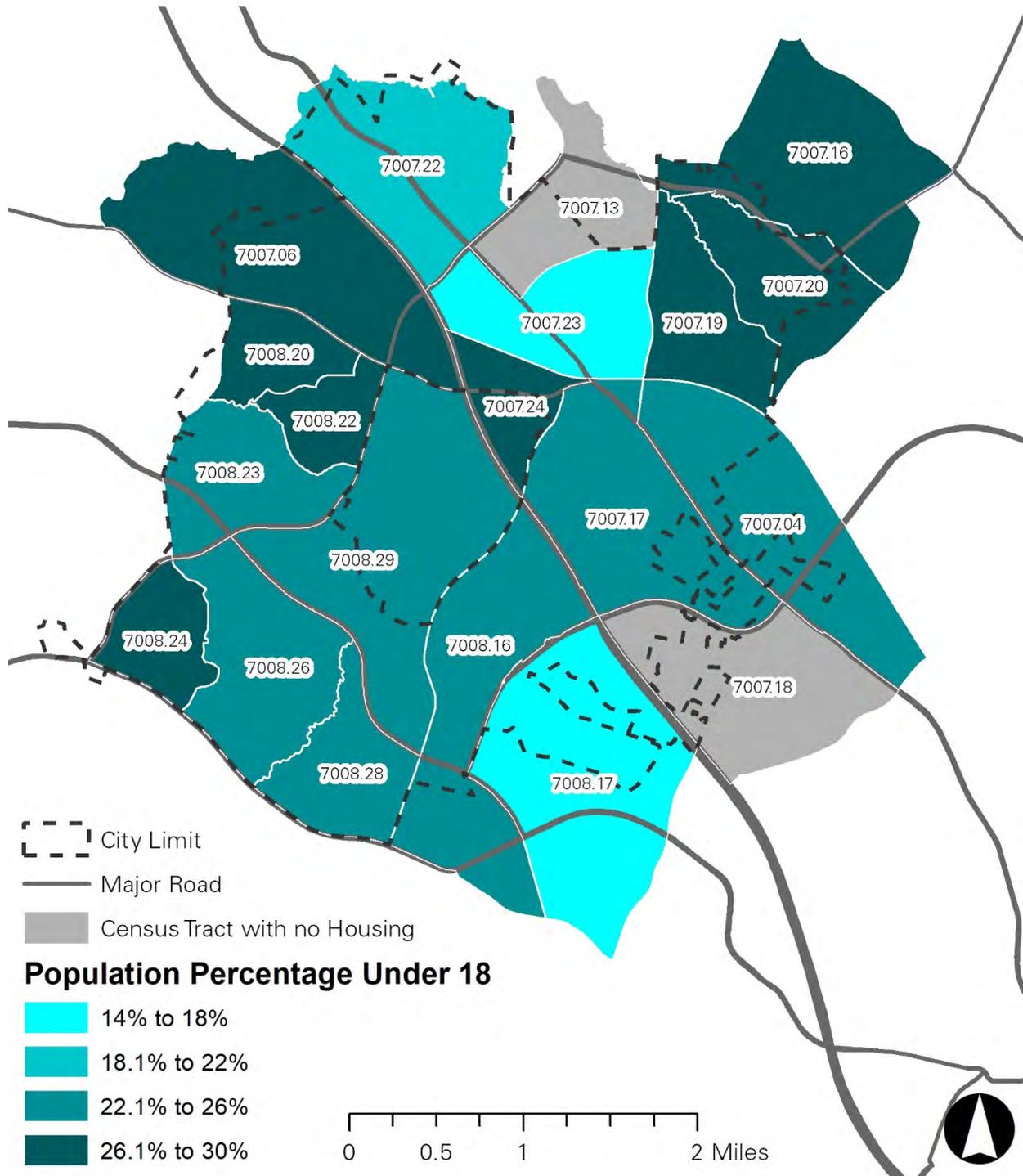
Table 2.3: Gaithersburg Age Cohort Distribution Sorted Numerically by Census Tract (2016)

Census Tract	<5	5-9	10-14	15-17	18-21	22-34	35-54	55-64	>65
7007.04(E)	8.1%	6.9%	7.0%	2.5%	3.6%	16.2%	29.5%	13.0%	13.3%
7007.06(W)	10.4%	7.5%	6.4%	2.1%	4.5%	29.3%	25.2%	9.4%	5.1%
7007.16(E)	8.9%	8.0%	8.5%	3.1%	6.4%	17.7%	25.4%	13.5%	8.6%
7007.17(E)	8.6%	7.0%	5.0%	3.5%	8.2%	24.1%	25.9%	8.3%	9.5%
7007.19(E)	10.1%	8.5%	4.2%	4.2%	5.4%	27.7%	27.2%	7.4%	5.4%
7007.20(E)	9.4%	7.6%	5.0%	4.9%	5.3%	19.7%	27.1%	13.0%	8.1%
7007.22(E)	6.3%	5.1%	7.4%	3.0%	1.4%	25.4%	30.3%	12.3%	8.8%
7007.23(E)	7.6%	3.9%	1.4%	1.6%	2.4%	20.1%	9.2%	3.9%	49.8%
7007.24(E)	12.3%	13.2%	1.9%	2.7%	4.7%	23.5%	29.8%	6.3%	5.7%
7008.16(W)	5.8%	8.1%	7.0%	3.2%	3.8%	28.0%	30.1%	7.4%	6.7%
7008.17(W)	3.9%	5.3%	2.2%	2.6%	2.2%	29.5%	29.0%	13.8%	11.5%
7008.20(W)	9.8%	6.5%	7.1%	3.8%	2.6%	22.2%	31.3%	11.6%	5.2%
7008.22(W)	10.9%	8.8%	4.5%	5.2%	6.8%	16.2%	31.1%	9.9%	6.5%
7008.23(W)	8.0%	8.0%	5.2%	2.5%	2.3%	14.9%	28.3%	18.0%	12.8%
7008.24(W)	7.5%	10.1%	6.6%	4.3%	4.7%	12.8%	27.3%	16.3%	10.5%
7008.26(W)	6.9%	9.5%	4.7%	2.9%	1.2%	13.3%	34.7%	9.9%	16.8%
7008.28(W)	5.4%	6.3%	7.5%	6.1%	4.1%	9.6%	31.8%	17.8%	11.3%
7008.29(W)	7.7%	7.0%	5.1%	2.3%	1.7%	16.8%	35.2%	10.2%	14.1%

Source: American Community Survey 2016 (5-Year) – Table B01001

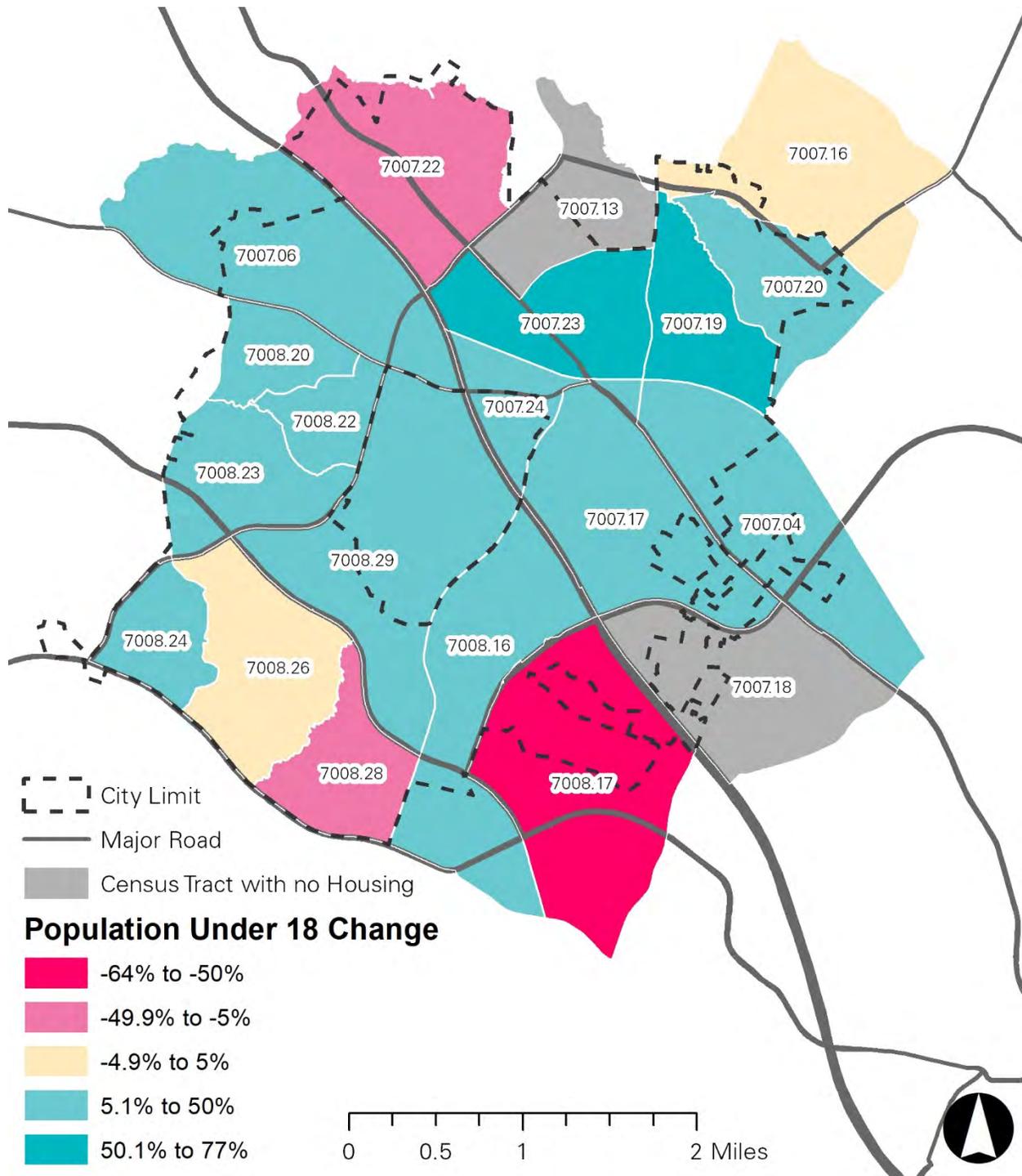
Note: Red denotes lowest 3 shares of individual cohort for all census tracts while blue indicates highest 3

Map 2.3 A – Gaithersburg Percentage of Total Population Under Age 18 (2016)

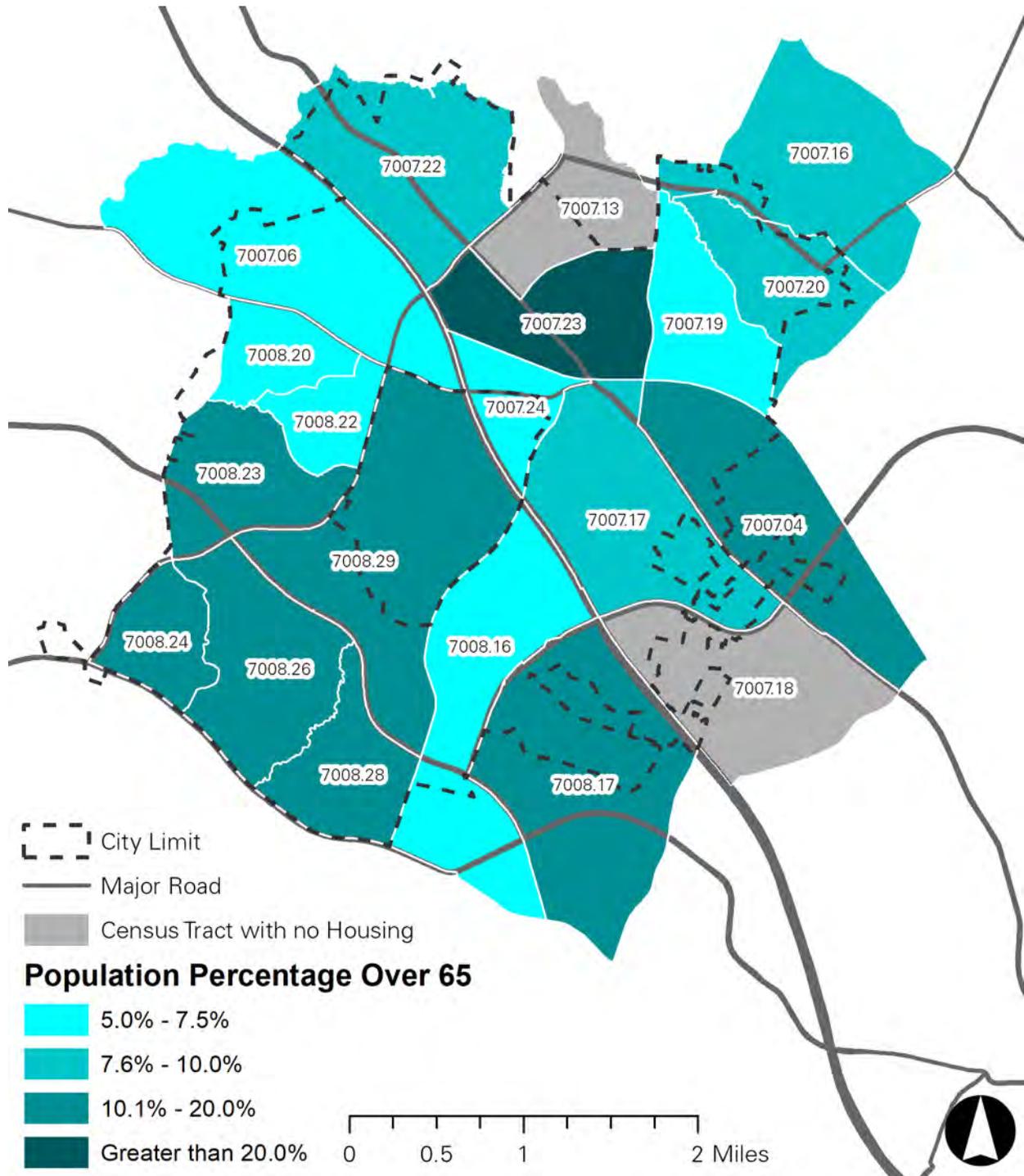


Source: American Community Survey 2016 (5-Year) – Table B01001

Map 2.3 B – Gaithersburg Percentage of Total Population Under Age 18 Change (2010-2016)

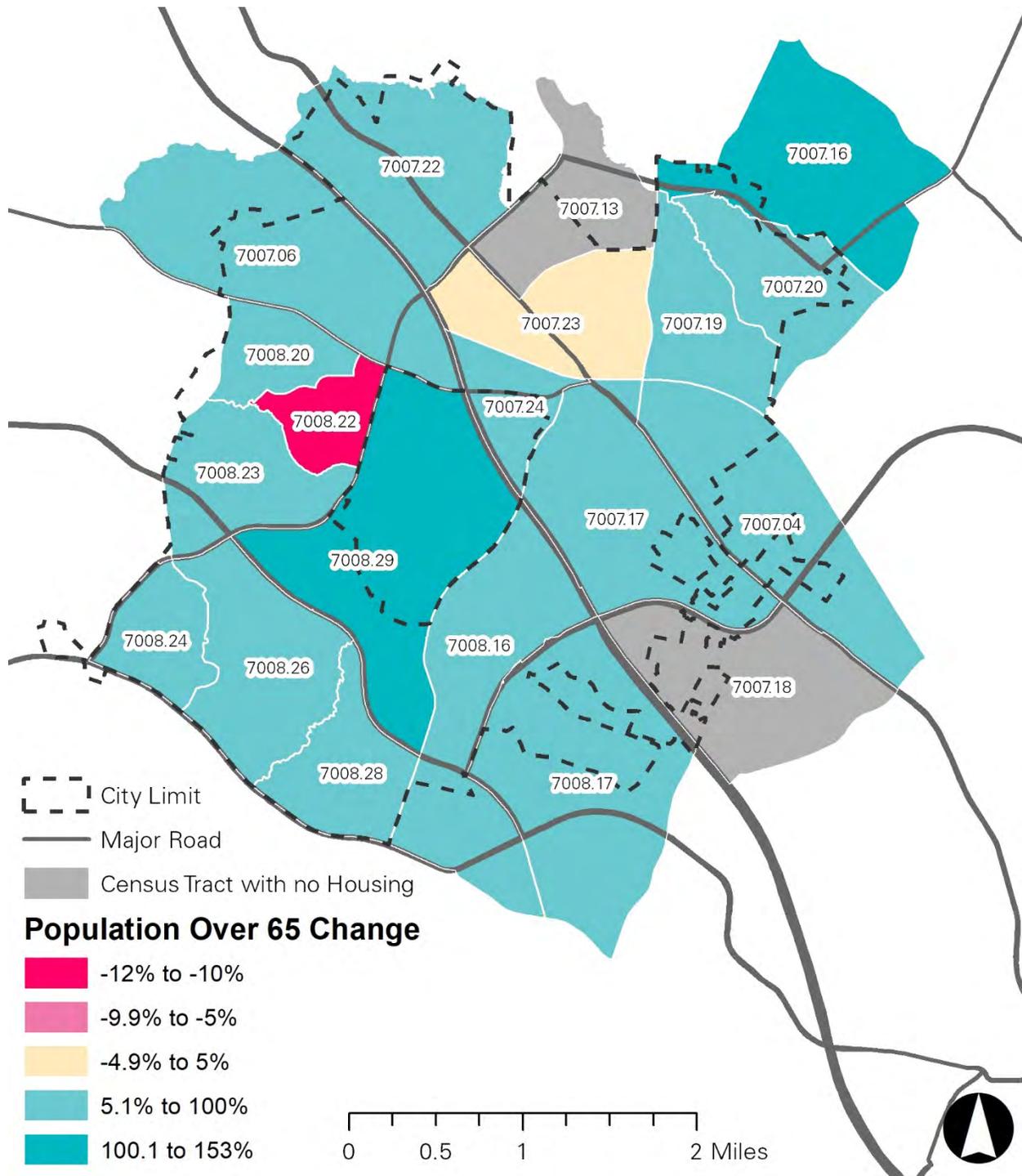


Map 2.3 C – Gaithersburg Percentage of Total Population Over Age 65 (2016)



Source: American Community Survey 2016 (5-Year) – Table B01001

Map 2.3 D – Gaithersburg Percentage of Total Population Over Age 65 Change (2010-2016)



### Household Size and Type Share (Current Baseline)

The largest average total (owner and renter values combined) household sizes in Gaithersburg occur primarily in the northeastern portion of the city. This includes census tracts 7007.04(E), 7007.16(E), 7007.19(E), and 7007.20(E), which all have average household sizes larger than three. The only census tract to the west of I-270 with an average household size higher than 3.0 is 7008.16.

Lower average household sizes are evident in census tracts 7007.23(E), which may be influenced by the high share of residents over the age of 65; 7008.26(W) which has ranks high in median income and bachelor’s degree attainment; as well as census tract 7008.17.

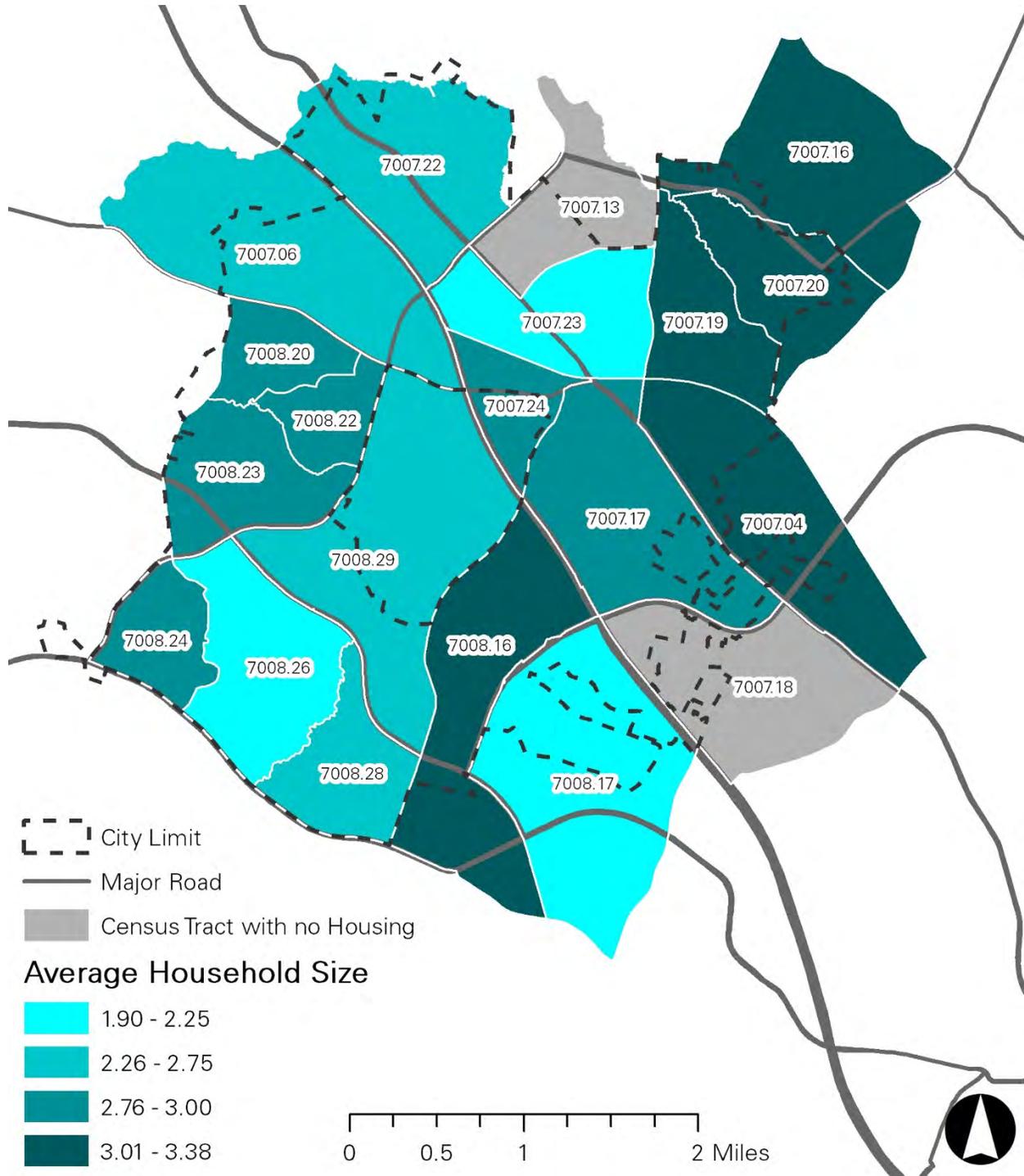
Results in detail for household sizes and shares ranked by total household size (owner and renter combined), owner, and renter as well as family household versus living alone households can be viewed in Tables 2.4 A and B while Maps 2.4 A-F display the total household size (owner and renter combined) and percentage of family versus living alone households as well as trends from 2010 to 2016.

*Table 2.4 A: Gaithersburg Average Household Size (Sorted by Total, Owner, and Renter Household Size)*

Sorted by Average Total Household Size		Sorted by Average Owner Household Size		Sorted by Average Renter Household Size	
<i>Census Tract</i>	<i>Average Household Size</i>	<i>Census Tract</i>	<i>Average Owner Household Size</i>	<i>Census Tract</i>	<i>Average Renter Household Size</i>
7007.19(E)	3.4	7007.04(E)	3.4	7007.19(E)	3.6
7007.20(E)	3.4	7007.20(E)	3.4	7007.20(E)	3.4
7007.04(E)	3.2	7008.16(W)	3.1	7007.16(E)	3.2
7007.16(E)	3.1	7007.19(E)	3.0	7008.22(W)	3.2
7008.16(W)	3.1	7007.16(E)	3.0	7008.28(W)	3.2
7008.23(W)	3.0	7007.17(E)	3.0	7008.24(W)	3.1
7007.17(E)	3.0	7008.23(W)	3.0	7007.24(E)	3.0
7007.24(E)	3.0	7008.20(W)	2.8	7008.16(W)	3.0
7008.22(W)	2.9	7008.24(W)	2.8	7007.17(E)	2.9
7008.24(W)	2.8	7007.22(E)	2.7	7008.23(W)	2.8
7008.20(W)	2.8	7007.06(W)	2.6	7008.29(W)	2.8
7007.06(W)	2.7	7008.22(W)	2.6	7007.04(E)	2.8
7008.28(W)	2.6	7008.28(W)	2.6	7008.20(W)	2.7
7007.22(E)	2.6	7008.29(W)	2.5	7007.06(W)	2.7
7008.29(W)	2.5	7008.26(W)	2.4	7007.22(E)	2.5
7008.26(W)	2.2	7008.17(W)	2.0	7008.17(W)	2.1
7008.17(W)	2.0	7007.24(E)	1.7	7007.23(E)	2.0
7007.23(E)	1.9	7007.23(E)	1.5	7008.26(W)	1.7

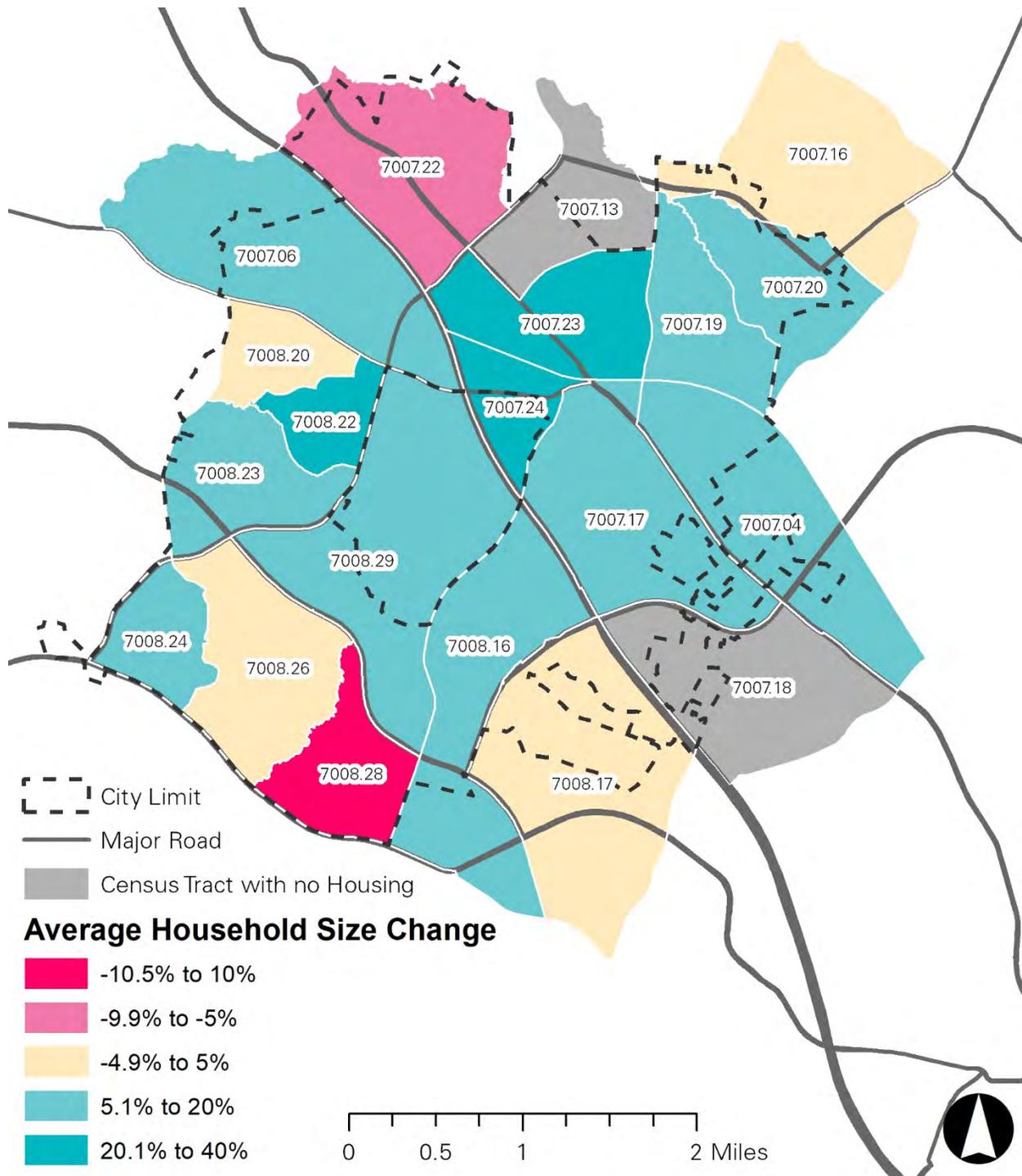
Source: American Community Survey 2016 (5-Year) – Table B25010

Map 2.4 A – Gaithersburg Average Total (Owner and Renter) Household Size (2016)



Source: American Community Survey 2016 (5-Year) – Table B25010

Map 2.4 B – Gaithersburg Average Total (Owner and Renter) Household Size Change (2010-2016)



Source: American Community Survey 2010/2016 (5-Year) – Table B25010

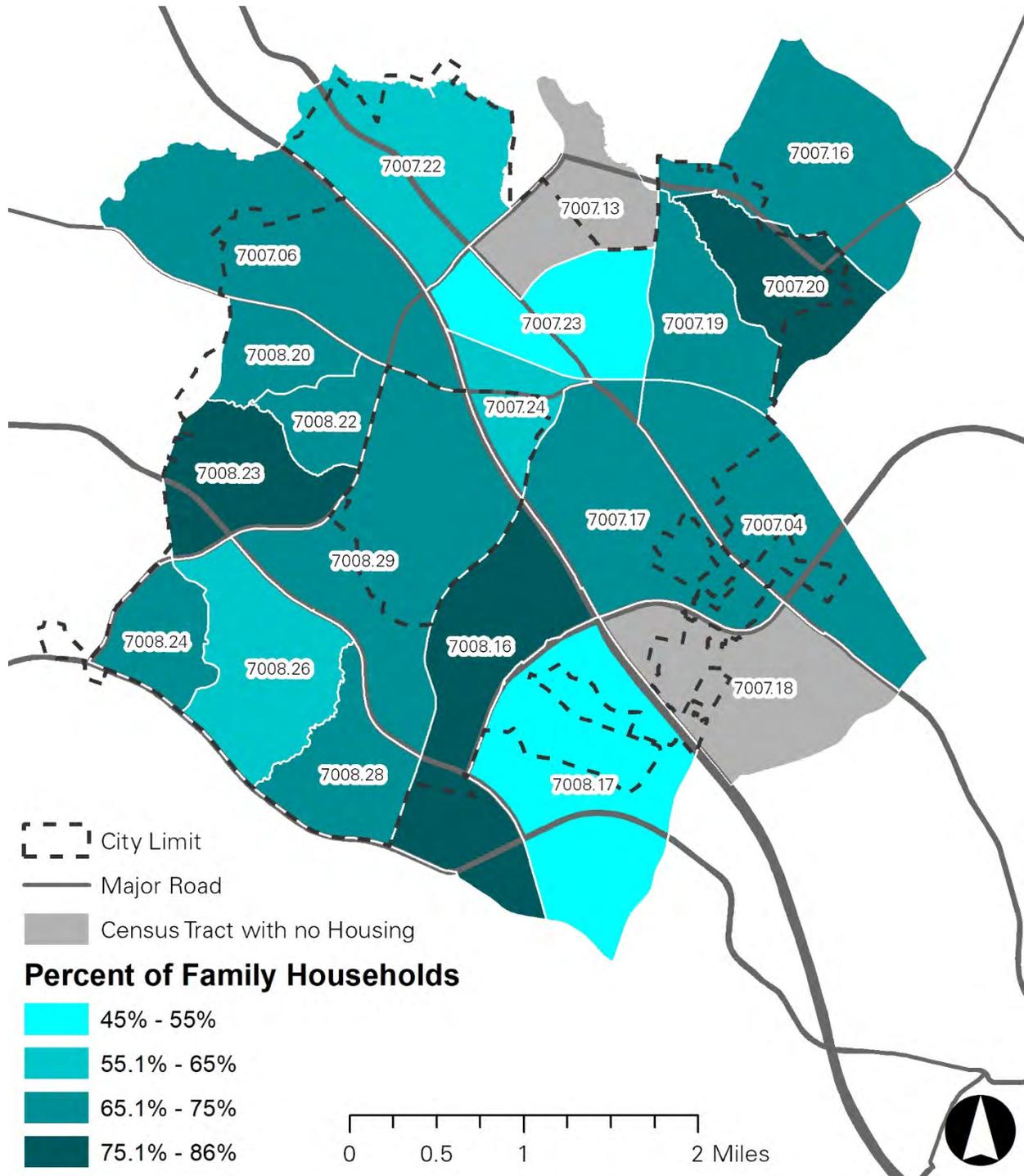
City of Gaithersburg Visioning Exercise Data Analysis

Table 2.4 B: Gaithersburg Family and Living Alone Household Share

Sorted by Family Household Percentage			Sorted by Living Alone Household Percentage		
<i>Census Tract</i>	<i>Family Households</i>	<i>Family Household %</i>	<i>Census Tract</i>	<i>Living Alone Households</i>	<i>Alone Household %</i>
7008.23(W)	1,025	86.4%	7007.23(E)	909	49.5%
7007.20(E)	952	84.3%	7008.26(W)	1045	40.8%
7008.16(W)	2,375	82.1%	7008.17(W)	1078	39.0%
7008.24(W)	776	74.4%	7007.24(E)	496	38.7%
7008.29(W)	943	72.9%	7008.22(W)	173	28.1%
7007.04(E)	678	72.7%	7007.22(E)	479	27.8%
7007.16(E)	2,005	72.2%	7008.20(W)	251	25.2%
7008.28(W)	615	69.7%	7007.06(W)	386	24.2%
7008.22(W)	422	68.5%	7008.28(W)	211	23.9%
7008.20(W)	680	68.1%	7007.19(E)	657	22.5%
7007.17(E)	1,575	68.1%	7007.17(E)	513	22.2%
7007.19(E)	1,971	67.6%	7008.29(W)	285	22.0%
7007.06(W)	1,061	66.4%	7007.04(E)	205	22.0%
7007.24(E)	785	61.3%	7007.16(E)	593	21.4%
7007.22(E)	1,025	59.6%	7008.24(W)	211	20.2%
7008.26(W)	1,452	56.7%	7008.16(W)	438	15.1%
7008.17(W)	1,366	49.5%	7007.20(E)	164	14.5%
7007.23(E)	841	45.8%	7008.23(W)	135	11.4%

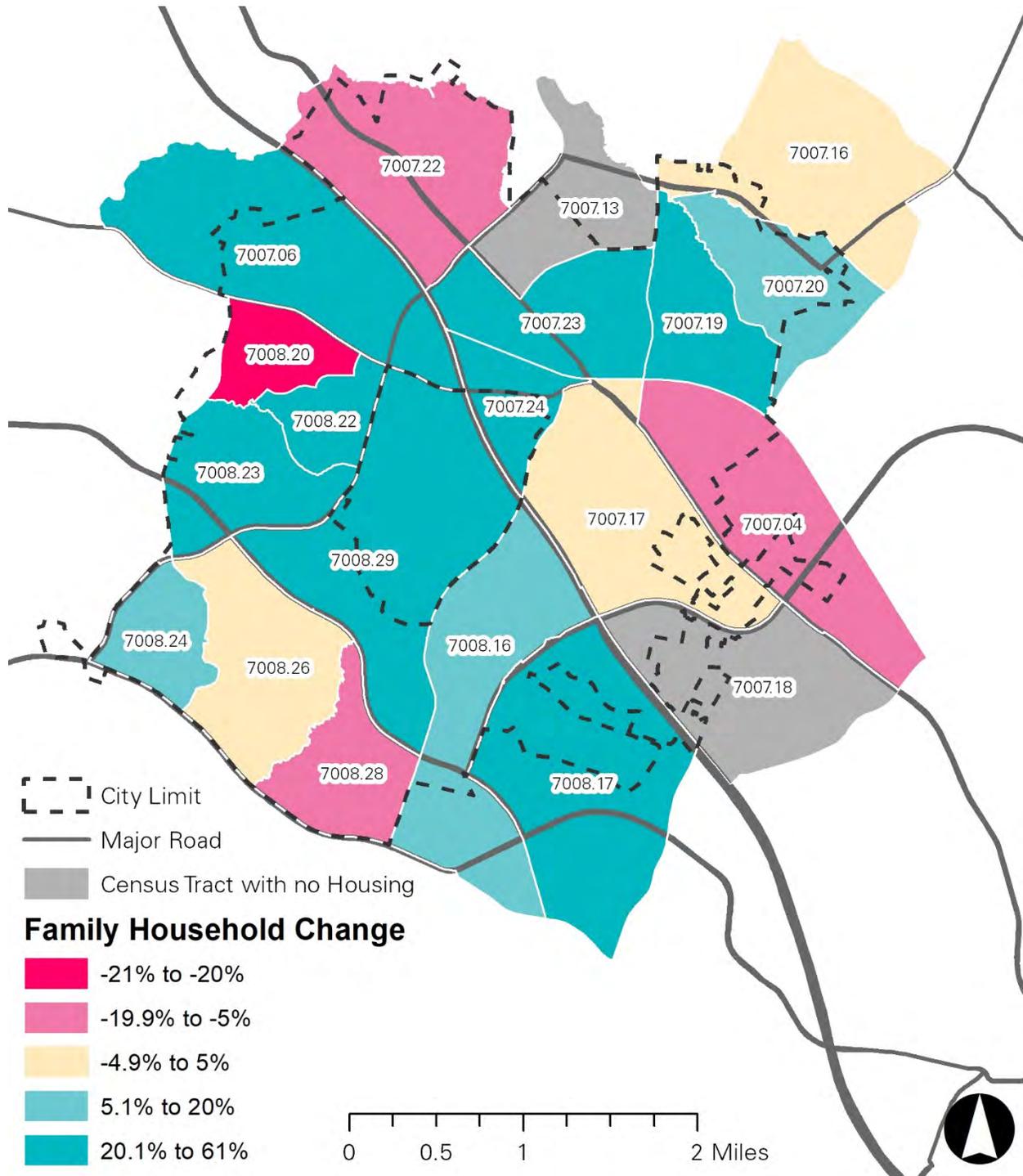
Source: American Community Survey 2016 (5-Year) – Table B11001

Map 2.4 C – Gaithersburg Family Household Share (2016)



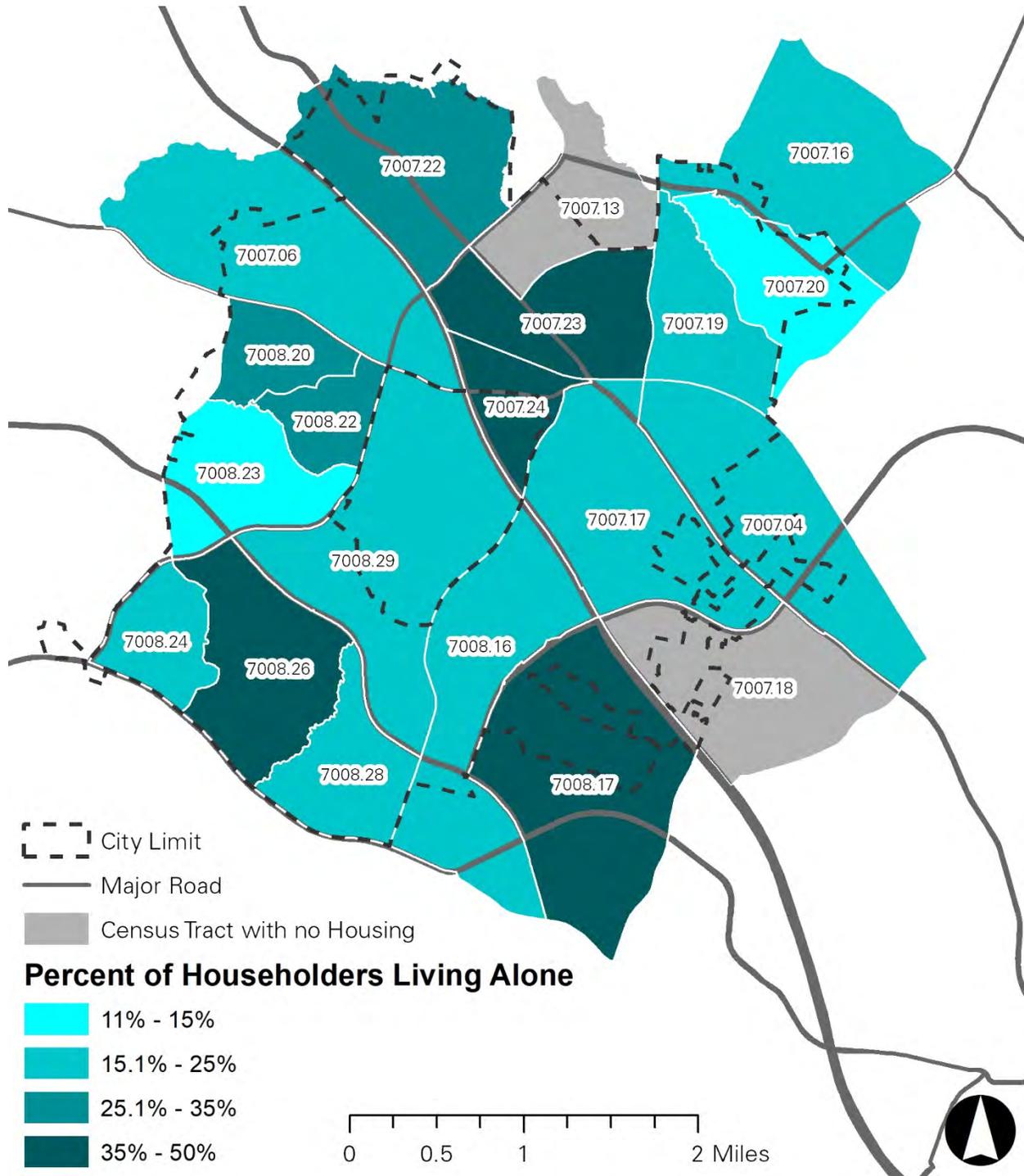
Source: American Community Survey 2016 (5-Year) – Table B11001

Map 2.4 D – Gaithersburg Family Household Change (2010-2016)



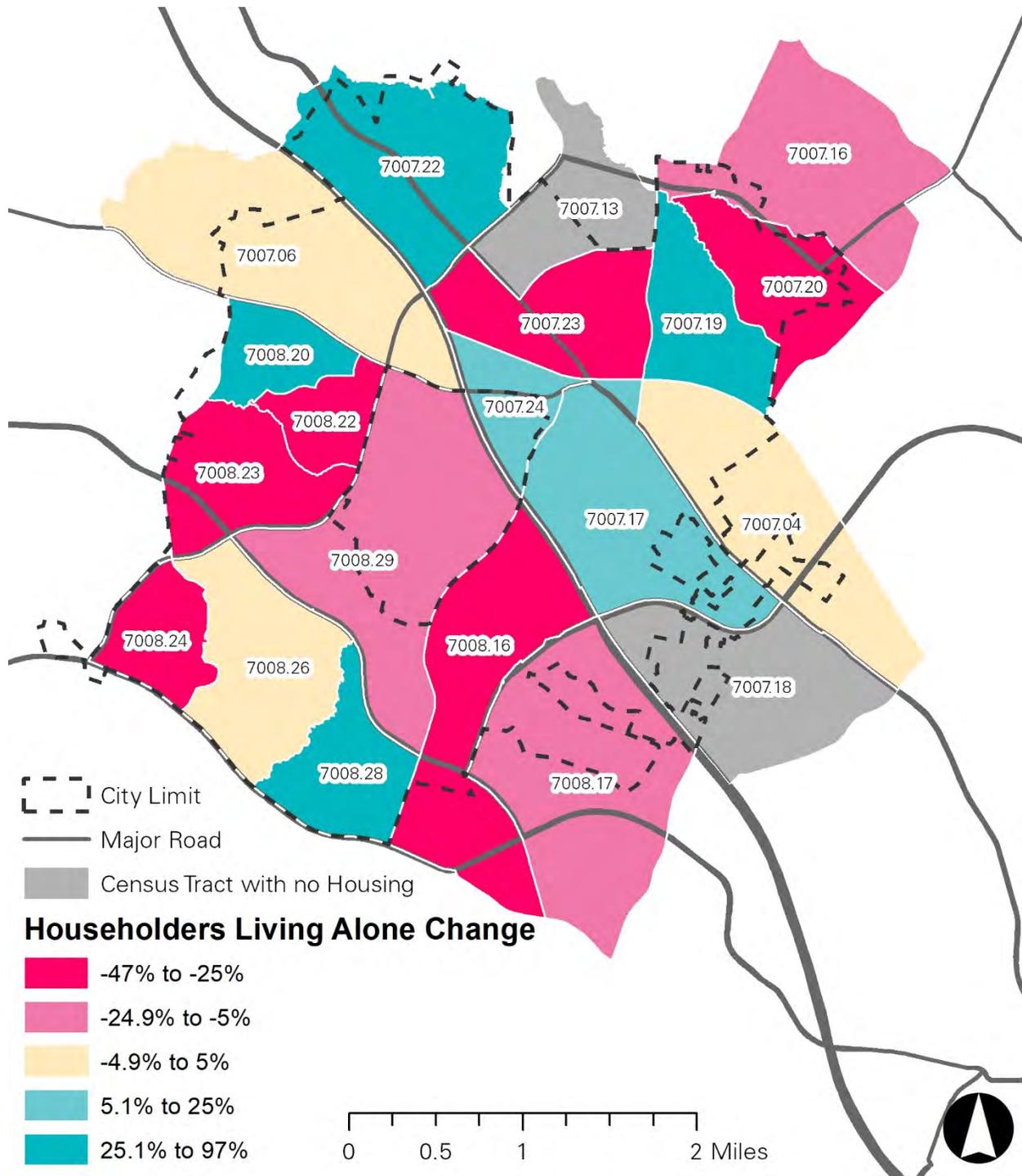
Source: American Community Survey 2010/2016 (5-Year) – Table B11001

Map 2.4 E – Gaithersburg Living Alone Household Share (2016)



Source: American Community Survey 2016 (5-Year) – Table B11001

Map 2.4 F – Gaithersburg Living Alone Household Change (2010-2016)



## City of Gaithersburg Visioning Exercise Data Analysis

### Race and Ethnicity (Current Baseline)

The southwest portion of the City has a concentration of higher shares of white population. Census tracts 7008.23(W), 7008.24(W), 7008.26(W), 7008.28(W), and 7008.29(W) all have shares of white population more than 50 percent, with 7008.26 (Kentlands/Lakelands) being 74.8 percent. Alternatively, the largest shares of minority populations occur in census tracts 7007.17(E), 7007.19(E), 7007.24(E), and 7008.16(W) which all have values of combined minority populations over 50 percent.

Table 2.5 provides a breakdown of race and ethnicity for specific categories. Maps 2.5 A and C provide information on white share of population and minority shares of population by census tract. Maps 2.5 B and D display racial trends from 2010-2016 in terms of white and minority (all other race and ethnicities) population.

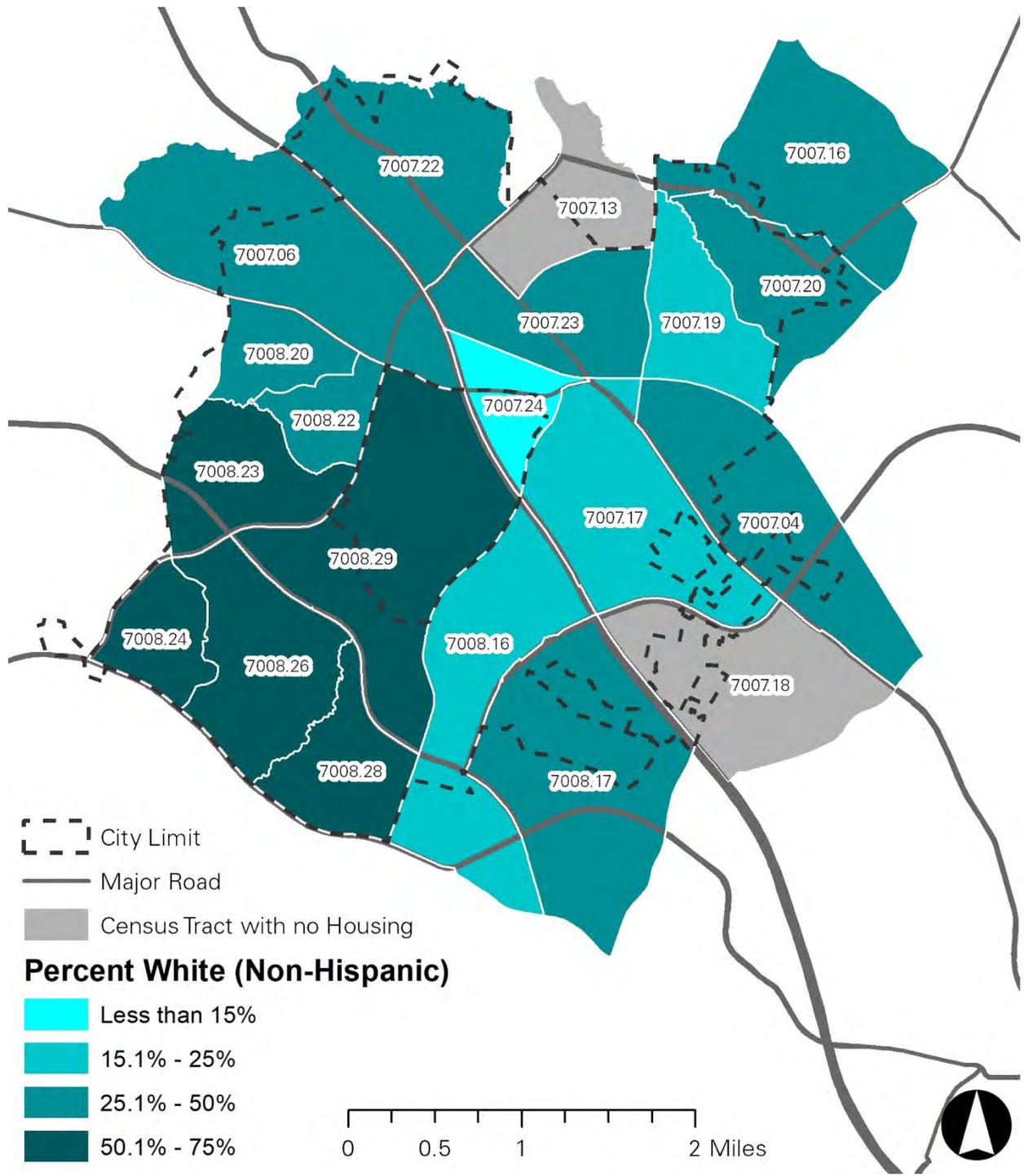
Table 2.5 – Gaithersburg Race and Ethnicity Share (2016)

Census Tract	White	Black	American Indian and Alaska Native	Asian	Native Hawaiian /Other Native Pacific Islander	Other Race	Multi Race	Hispanic
7007.04(E)	36.7%	6.4%	0.0%	26.9%	0.3%	0.7%	2.4%	27.1%
7007.06(W)	30.7%	26.9%	0.0%	22.6%	0.0%	0.3%	1.5%	23.7%
7007.16(E)	31.6%	32.6%	0.9%	13.1%	0.0%	0.0%	4.4%	25.5%
7007.17(E)	21.5%	33.0%	0.0%	9.6%	0.0%	0.5%	1.8%	41.9%
7007.19(E)	23.8%	28.7%	0.0%	9.7%	0.0%	1.1%	1.0%	42.1%
7007.20(E)	27.2%	20.5%	0.0%	14.6%	0.0%	0.7%	7.8%	32.7%
7007.22(E)	25.2%	43.0%	0.2%	20.7%	0.0%	0.0%	3.6%	20.2%
7007.23(E)	48.8%	25.1%	0.1%	7.4%	0.0%	0.3%	1.7%	21.6%
7007.24(E)	8.6%	27.5%	0.0%	13.0%	0.0%	0.3%	1.4%	55.1%
7008.16(W)	21.9%	25.7%	0.0%	27.8%	0.0%	0.5%	1.4%	27.9%
7008.17(W)	41.6%	21.2%	0.0%	22.5%	0.0%	0.0%	5.5%	12.9%
7008.20(W)	26.0%	26.2%	0.0%	17.5%	0.0%	2.4%	3.3%	30.0%
7008.22(W)	35.1%	14.3%	1.1%	17.5%	0.0%	0.3%	2.4%	31.1%
7008.23(W)	58.6%	8.0%	0.7%	19.0%	0.0%	0.0%	2.1%	12.2%
7008.24(W)	68.9%	8.2%	0.7%	14.4%	0.0%	0.0%	5.3%	3.1%
7008.26(W)	74.8%	3.5%	0.0%	14.4%	0.0%	0.0%	1.6%	5.8%
7008.28(W)	64.2%	2.5%	0.2%	26.0%	0.0%	0.6%	3.5%	3.2%
7008.29(W)	50.3%	4.4%	0.2%	28.4%	0.0%	0.0%	6.3%	10.6%

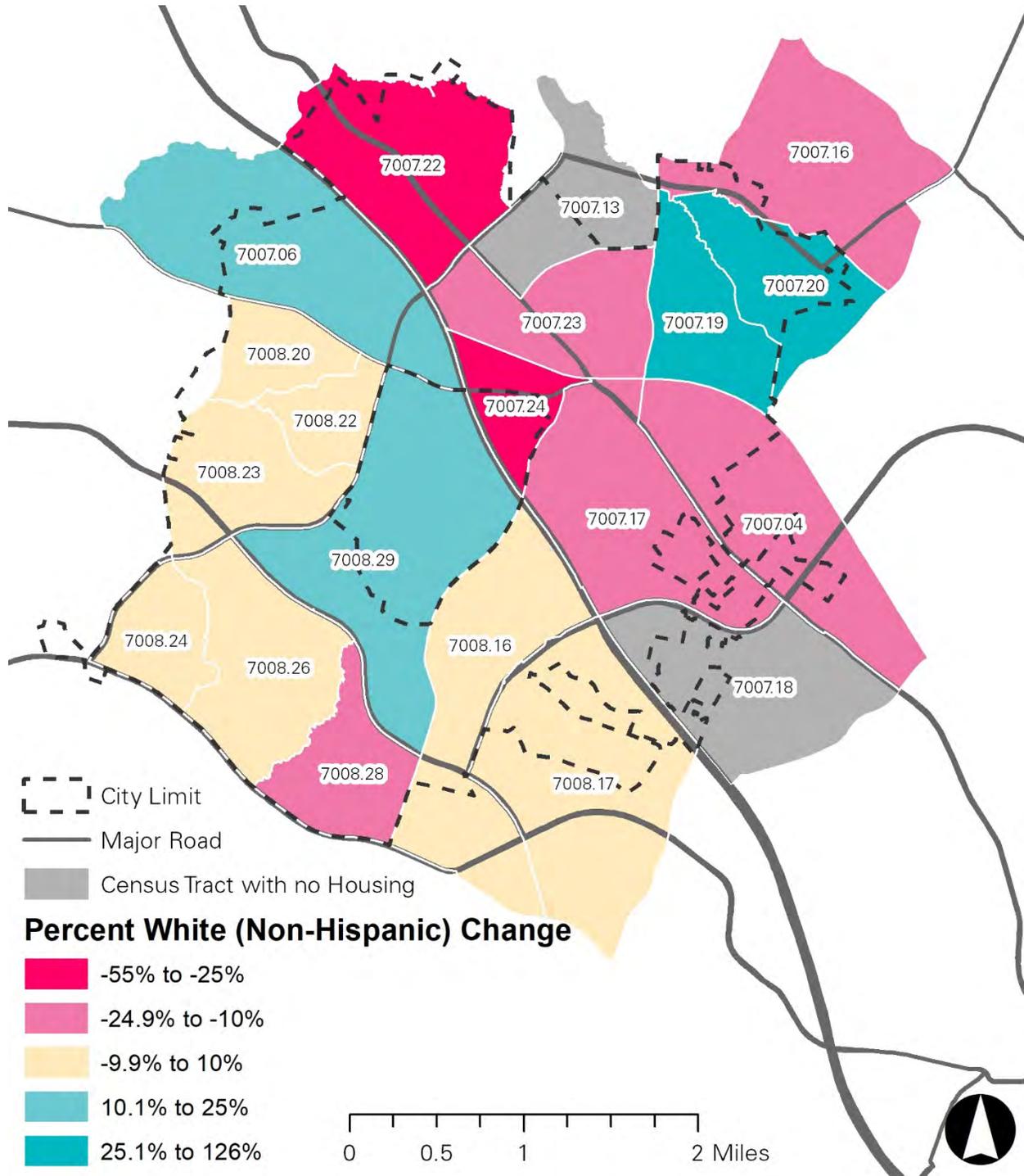
Source: American Community Survey 2016 (5-Year) – Table B03002

Note: Red denotes lowest 3 shares of individual cohort for all census tracts while blue indicates highest 3

Map 2.5 A – Gaithersburg White Population Percentage (Non-Hispanic) (2016)

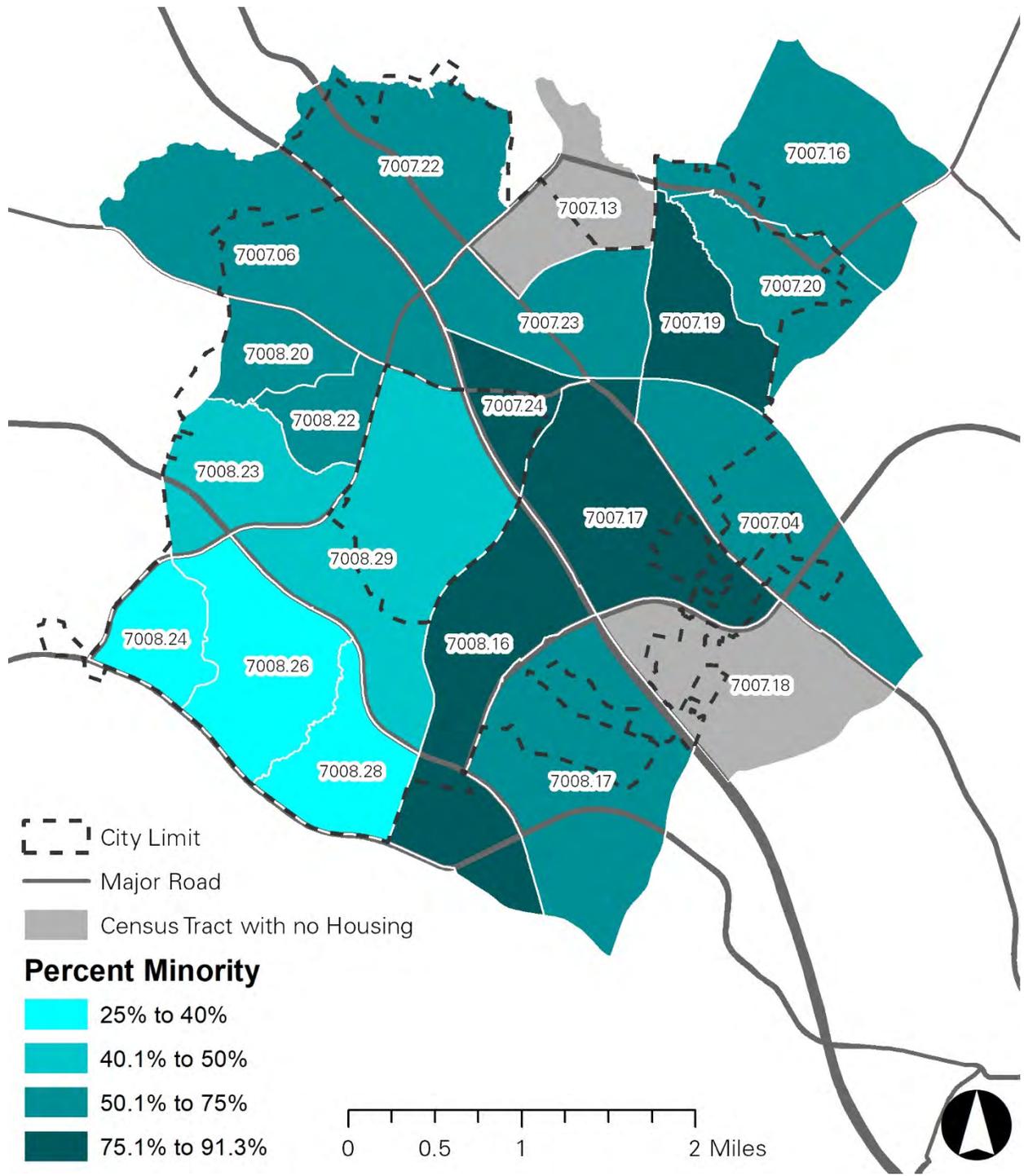


Map 2.5 B – Gaithersburg White Population Percentage (Non-Hispanic) Change (2010-2016)

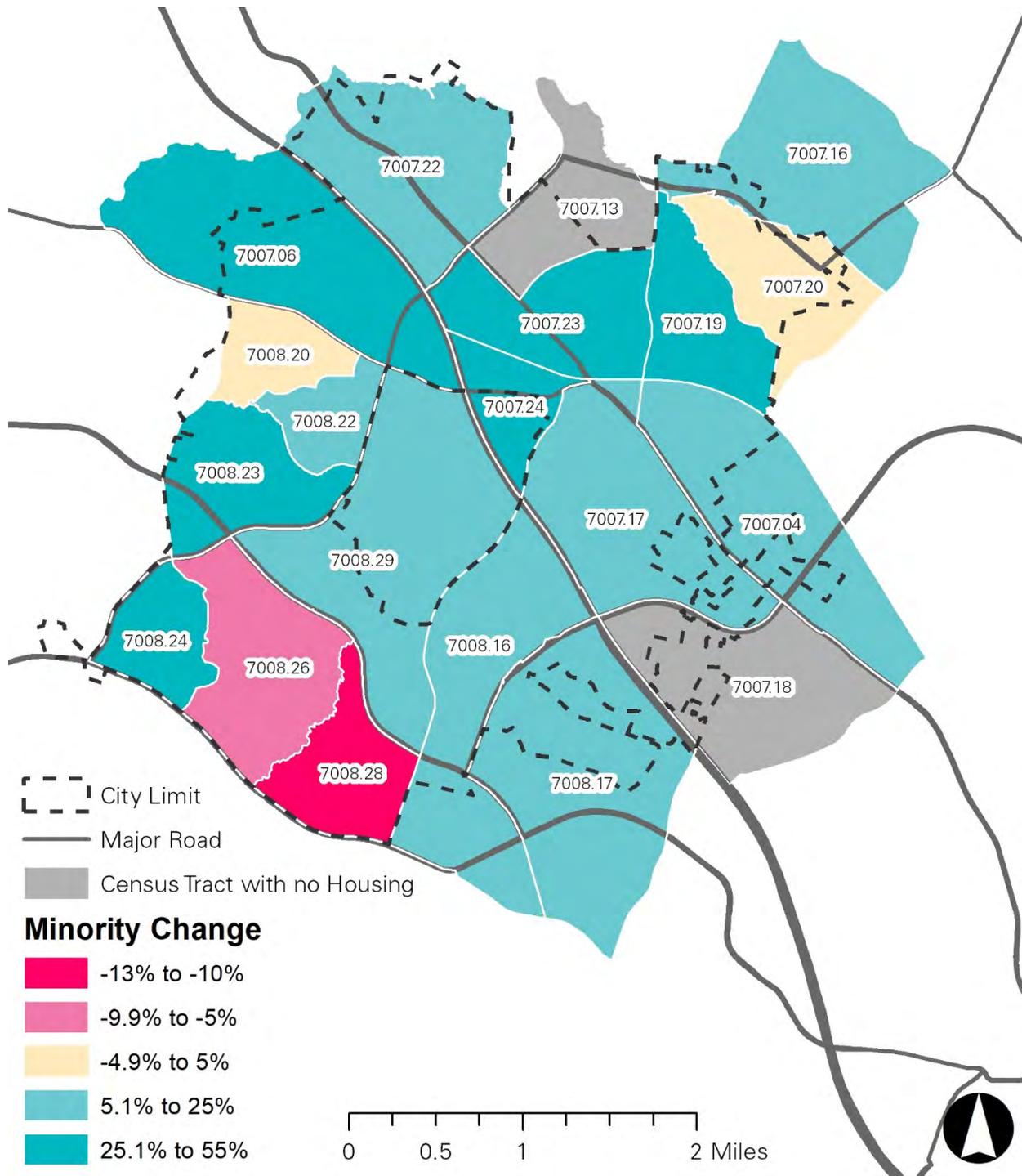


Source: American Community Survey 2010/2016 (5-Year) – Table B03002

Map 2.5 C – Gaithersburg Minority Population Percentage (2016)



Map 2.5 D – Gaithersburg Minority Population Change (2010-2016)



Nativity (Current Baseline)

Foreign born population percentages exhibit correlation with race and ethnicity. Census tracts 7008.24(W) and 7008.26(W) have the lowest shares of foreign-born population as well as some of the lowest shares of minority populations. Once again, the inverse holds true, census tracts 7007.19(E), 7007.24(E), and 7008.16(W) which all have high shares of minority residents also shows a high share of foreign-born residents. Table 2.6 breaks down US and foreign-born nativity by percentage into a variety of sub-categories. Map 2.6 A displays the percentage share of foreign-born nativity by census tract. Map 2.6 B shows the trend of native-born residents in the City from 2010 to 2016.

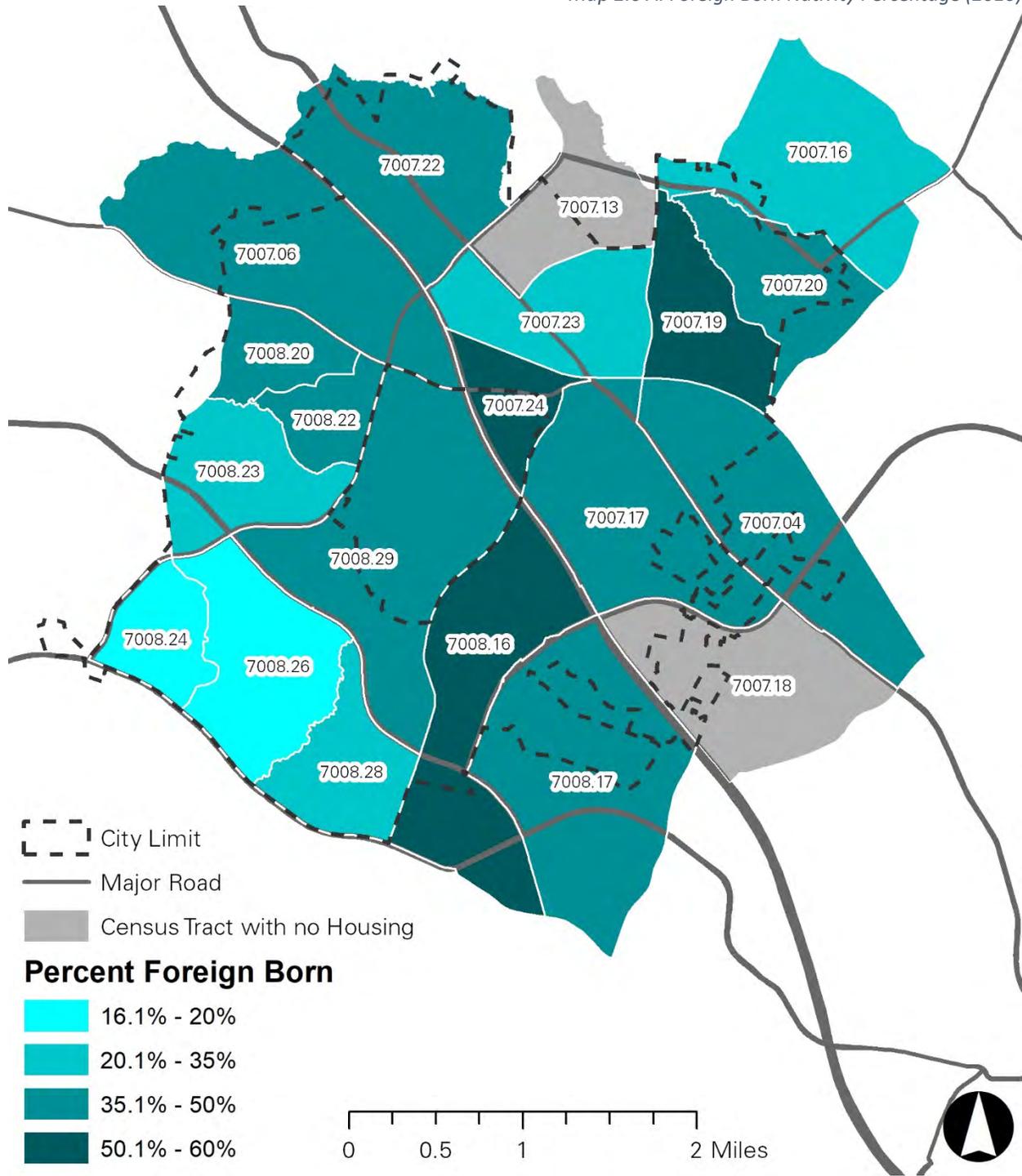
Table 2.6: US and Foreign-Born Nativity Percentage by Category (2016)

Census Tract	Native Born (US) %	Native Born (MD) %	Native Born (Other State) %	Native (Outside US) %	Foreign Born %	Foreign Naturalized %	Foreign Not a Citizen %
7007.04(E)	56.4%	29.9%	24.8%	1.7%	43.6%	21.0%	22.6%
7007.06(W)	55.8%	27.5%	27.6%	0.7%	44.2%	17.8%	26.4%
7007.16(E)	65.5%	37.1%	27.6%	0.8%	34.5%	23.1%	11.4%
7007.17(E)	56.1%	34.6%	20.4%	1.1%	43.9%	14.2%	29.7%
7007.19(E)	48.9%	27.3%	19.7%	1.8%	51.1%	18.1%	33.0%
7007.20(E)	61.5%	31.8%	26.4%	3.3%	38.5%	18.2%	20.3%
7007.21	52.4%	26.0%	25.4%	1.0%	47.6%	14.3%	33.3%
7007.22(E)	61.2%	26.0%	32.6%	2.7%	38.8%	17.3%	21.5%
7007.23(E)	70.0%	22.3%	47.6%	0.0%	30.0%	15.7%	14.3%
7007.24(E)	39.6%	19.9%	18.3%	1.4%	60.4%	17.3%	43.1%
7008.16(W)	46.8%	21.2%	23.2%	2.4%	53.2%	16.1%	37.1%
7008.17(W)	64.7%	19.9%	39.1%	5.7%	35.3%	18.8%	16.4%
7008.20(W)	58.3%	23.8%	31.8%	2.8%	41.7%	15.1%	26.5%
7008.22(W)	58.2%	29.5%	28.1%	0.6%	41.8%	14.9%	26.9%
7008.23(W)	69.4%	23.0%	41.5%	4.9%	30.6%	18.0%	12.6%
7008.24(W)	83.9%	28.2%	53.1%	2.6%	16.1%	11.3%	4.8%
7008.26(W)	80.9%	28.2%	52.0%	0.7%	19.1%	12.5%	6.6%
7008.28(W)	73.2%	29.1%	43.5%	0.6%	26.8%	20.9%	5.9%
7008.29(W)	63.5%	27.8%	33.5%	2.2%	36.5%	21.7%	14.8%

Source: American Community Survey 2016 (5-Year) – Table B05002

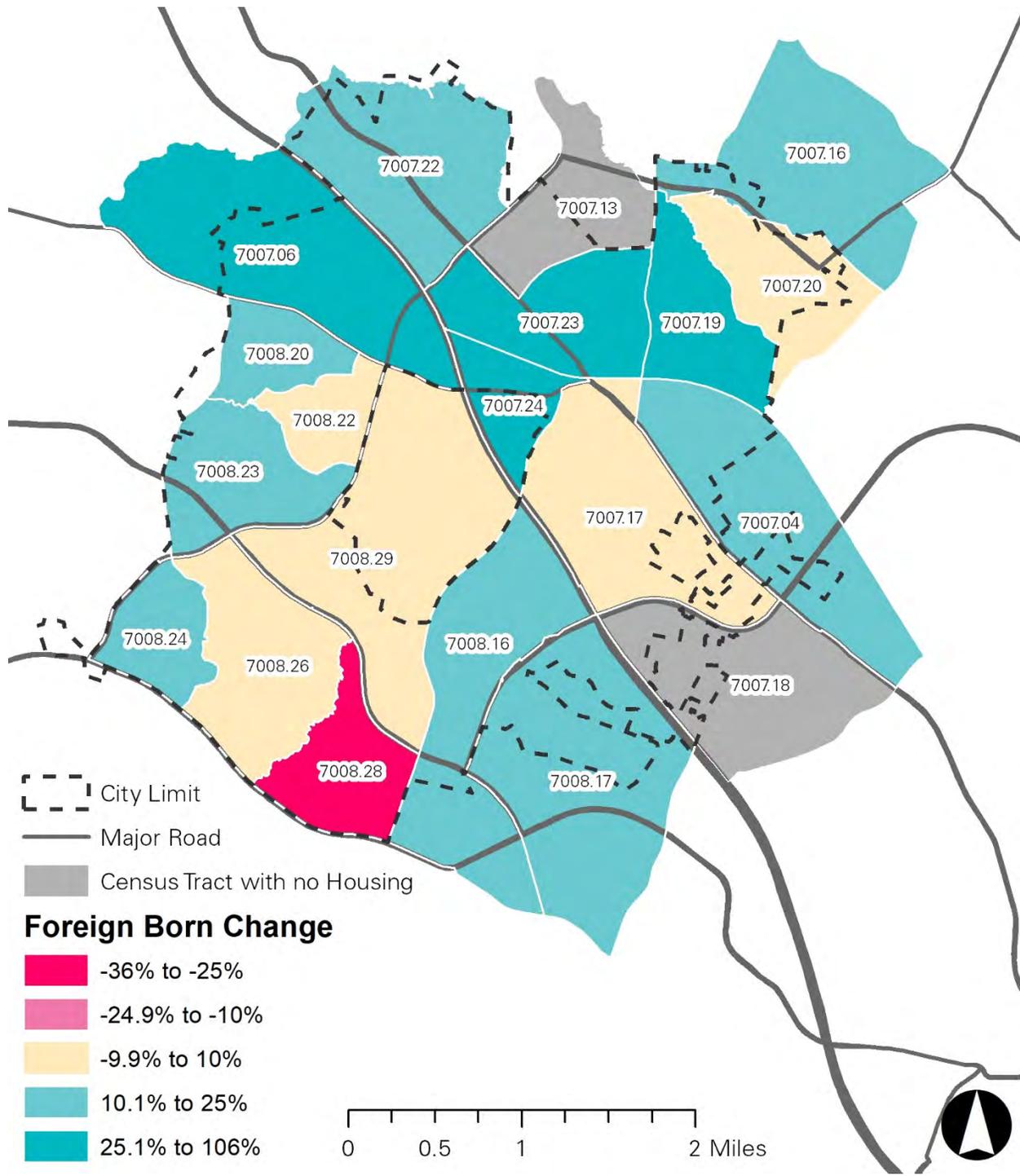
Note: Red denotes lowest 3 shares of individual cohort for all census tracts while blue indicates highest 3

Map 2.6 A: Foreign Born Nativity Percentage (2016)



Source: American Community Survey 2016 (5-Year) – Table B05002

Map 2.6 B: Foreign Born Nativity Change (2010-2016)



Family and Individual Poverty (Current Baseline)

The definitions for those below the poverty threshold (i.e., those living in poverty) are dependent on the size of the family unit. In 2016, the poverty threshold was defined by the Census as an income of \$12,228. The threshold for families living in poverty is considerably more complicated as it is dependent on the presence of related children under the age of 18. For example, a household of two’s poverty threshold in 2016 was defined at \$15,569 while a family of nine people or more was set at \$46,400.

The three highest percentage values for both persons and families living in poverty are all located to the east of I-270. Census tracts 7007.19(E), 7007.23(E), and 7007.24(E) all have percentage values of persons and families living in poverty above 13.4%. The percentage of persons in poverty is almost always higher than the percentage of families in poverty. The exception to this trend can be observed in Census tract 7008.23(W).

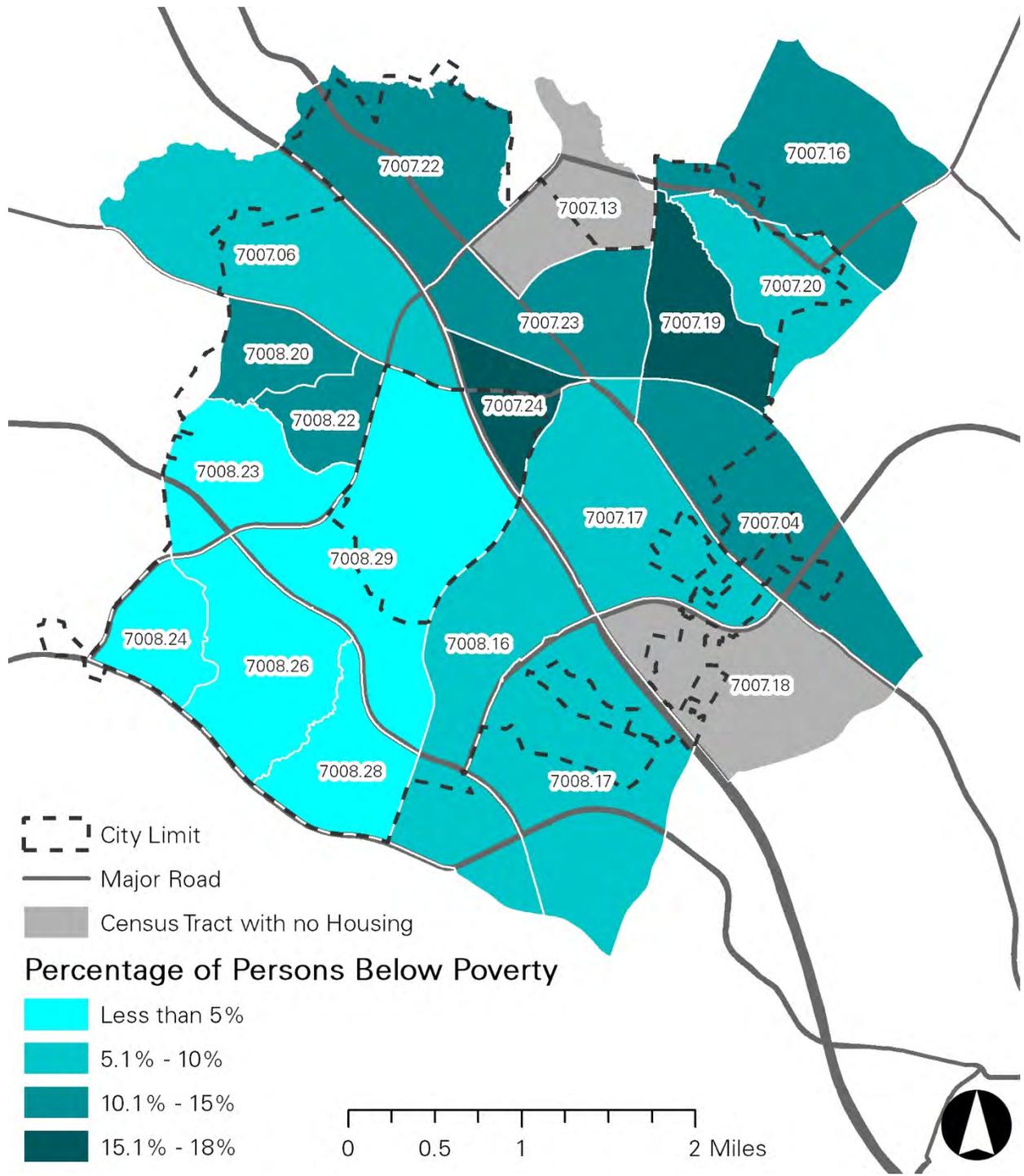
Table 2.7: Poverty Percentage by Census Tract of Persons and Families in Poverty

Sorted by Persons in Poverty %		Sorted by Families in Poverty %	
Census Tract	Persons in Poverty %	Census Tract	Families in Poverty %
7007.19(E)	17.8%	7007.19(E)	14.9%
7007.24(E)	17.0%	7007.24(E)	13.9%
7007.23(E)	14.9%	7007.23(E)	13.4%
7008.22(W)	13.4%	7008.20(W)	11.0%
7008.20(W)	13.4%	7008.22(W)	10.7%
7007.22(E)	12.0%	7007.22(E)	10.1%
7007.04(E)	11.2%	7007.04(E)	8.3%
7007.16(E)	10.1%	7007.20(E)	6.9%
7008.17(W)	9.6%	7007.16(E)	6.8%
7007.17(E)	8.5%	7007.17(E)	6.4%
7007.20(E)	7.6%	7008.17(W)	5.1%
7007.06(W)	7.3%	7007.06(W)	4.5%
7008.16(W)	5.4%	7008.16(W)	4.0%
7008.29(W)	4.7%	7008.29(W)	3.8%
7008.24(W)	4.5%	7008.23(W)	3.4%
7008.23(W)	3.3%	7008.24(W)	3.4%
7008.28(W)	3.1%	7008.28(W)	2.3%
7008.26(W)	1.6%	7008.26(W)	0.9%

Source: American Community Survey 2010/2016 (5-Year) – Table B17021

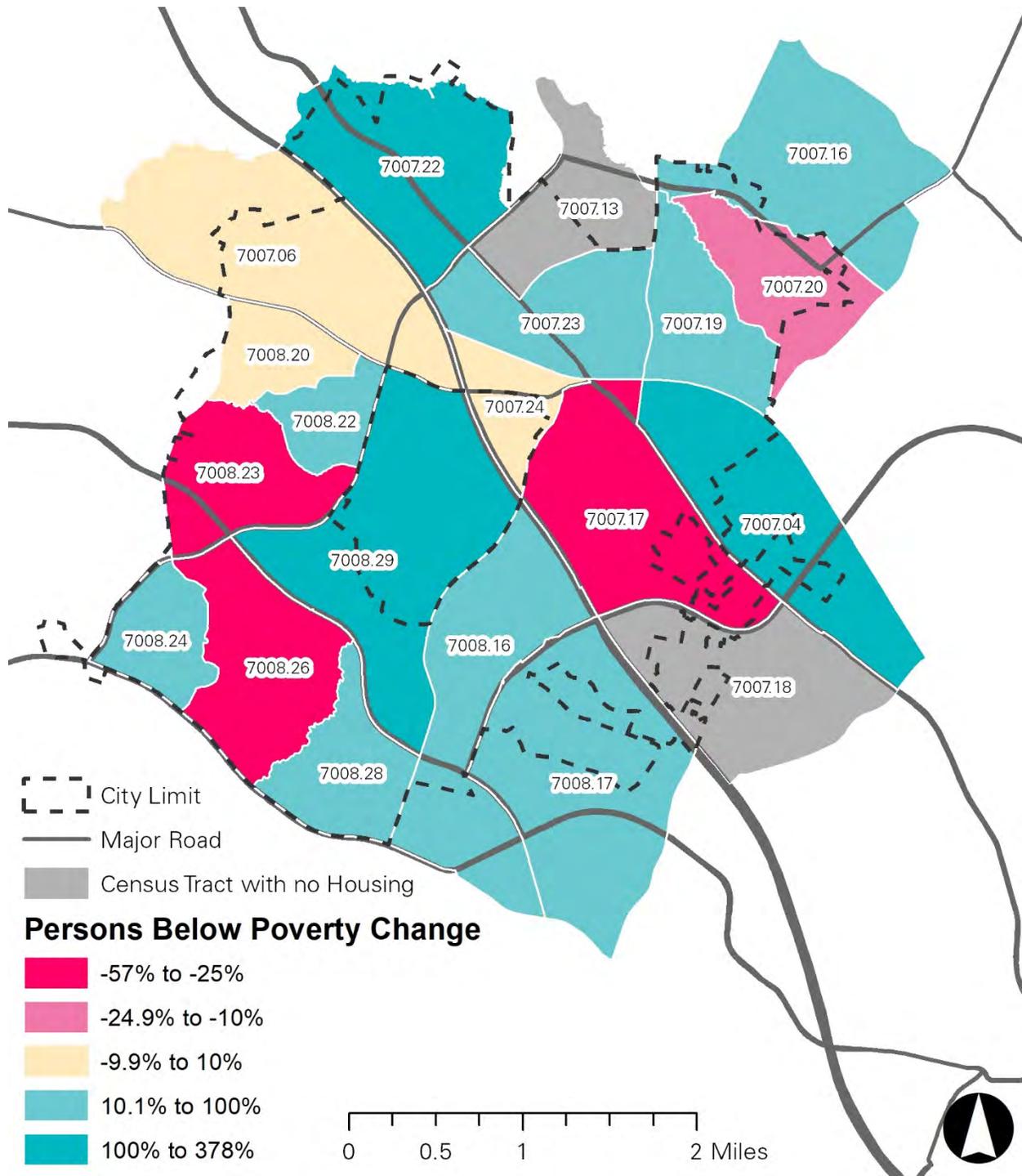
Table 2.7 shows the percentage below the poverty line ranked by both persons and families for all census tracts. This same information is displayed in Maps 2.7 A and C, which respectively show persons in poverty and families in poverty by percentage. Maps 2.7 B and D display the trend between 2010 and 2016 for changes in persons and families in poverty, respectively.

Map 2.7 A: Persons in Poverty Percentage (2016)



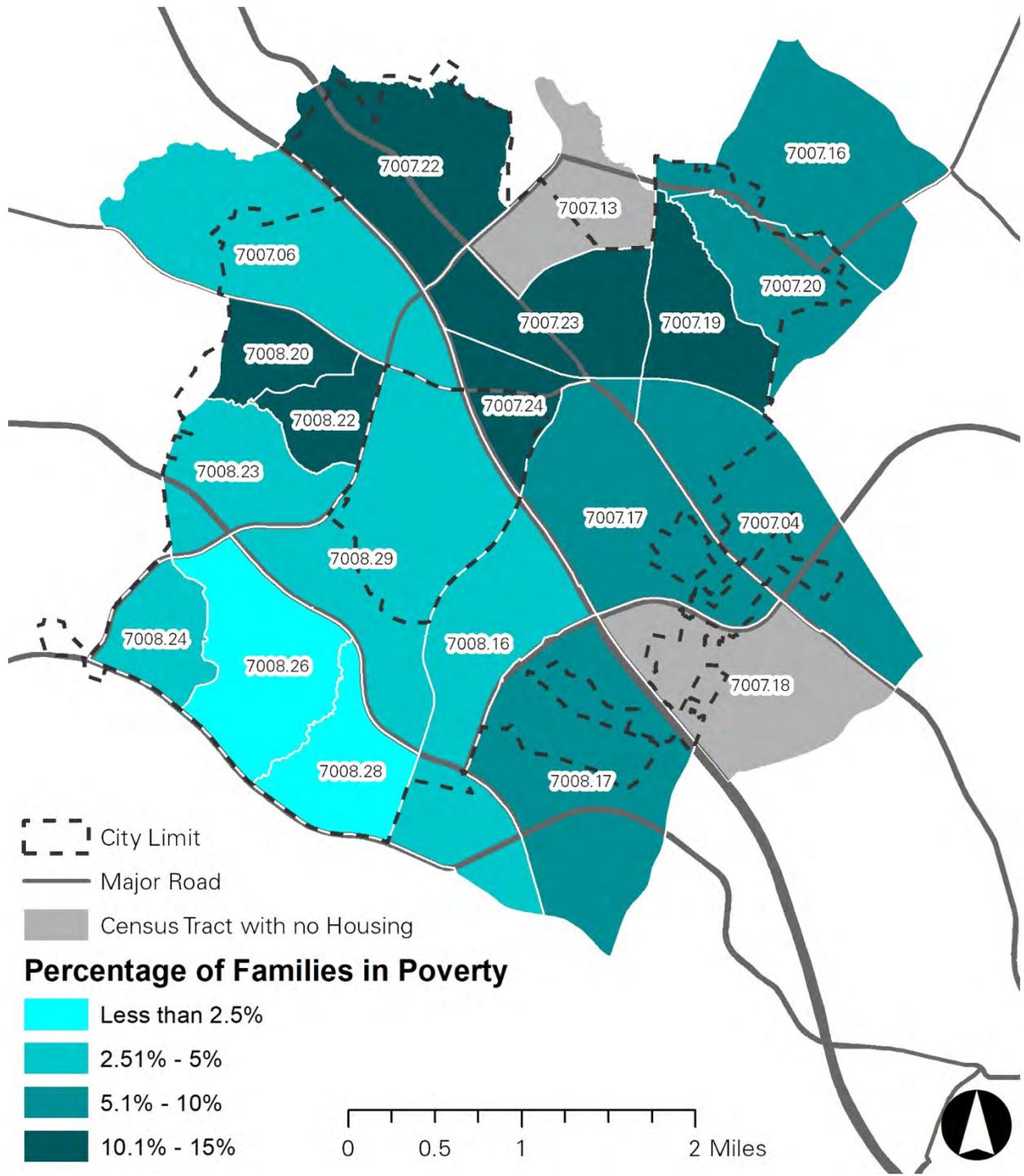
Source: American Community Survey 2016 (5-Year) – Table B17021

Map 2.7 B: Persons in Poverty Change (2010-2016)



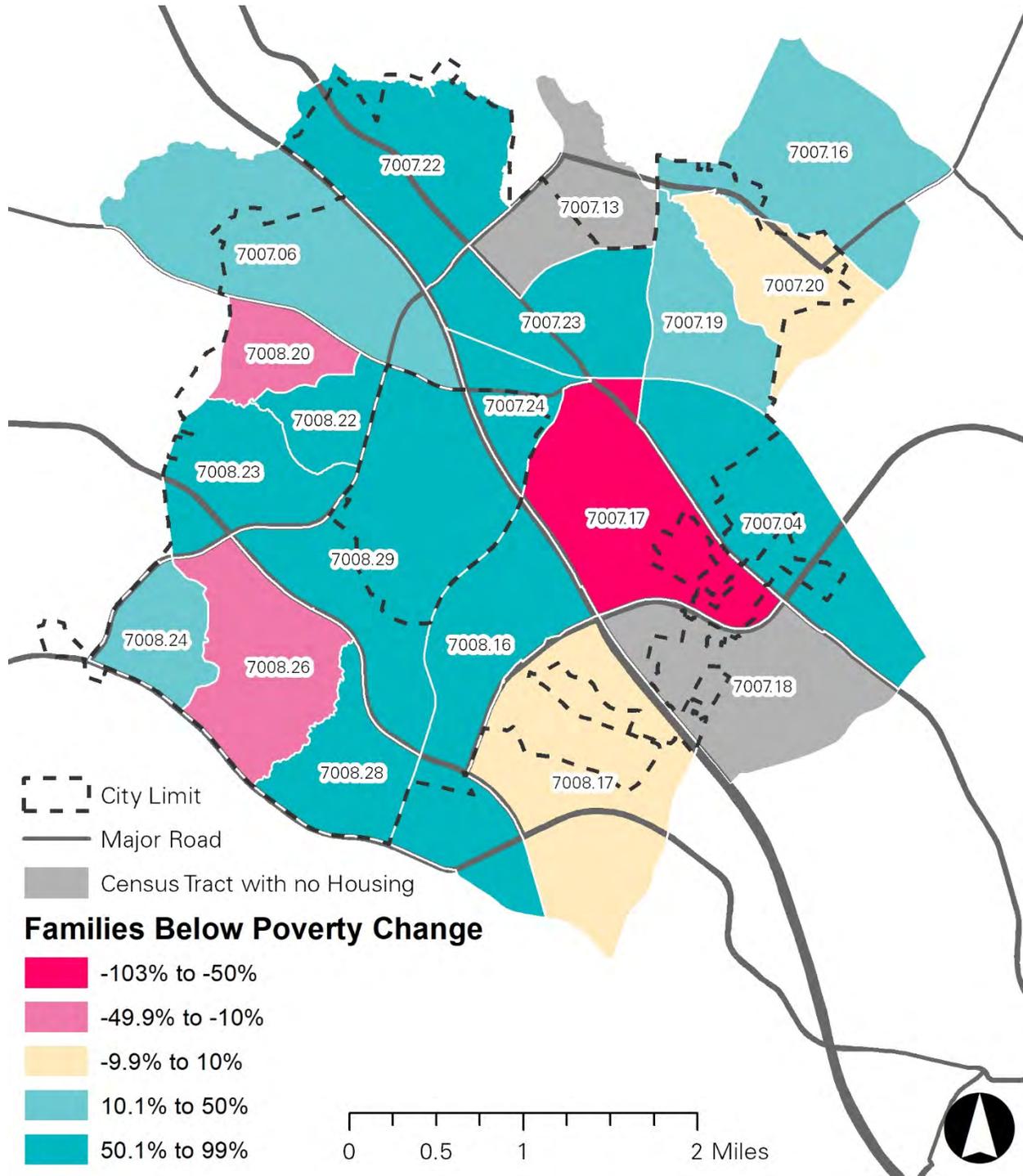
Source: American Community Survey 2010/2016 (5-Year) – Table B17021

Map 2.7 C: Families in Poverty Percentage (2016)



Source: American Community Survey 2016 (5-Year) – Table B17021

Map 2.7 D: Families in Poverty Change (2010-2016)



Source: American Community Survey 2010/2016 (5-Year) – Table B17021

Section 2-B: Housing

Housing Tenure – Owned and Rental (Current Baseline)

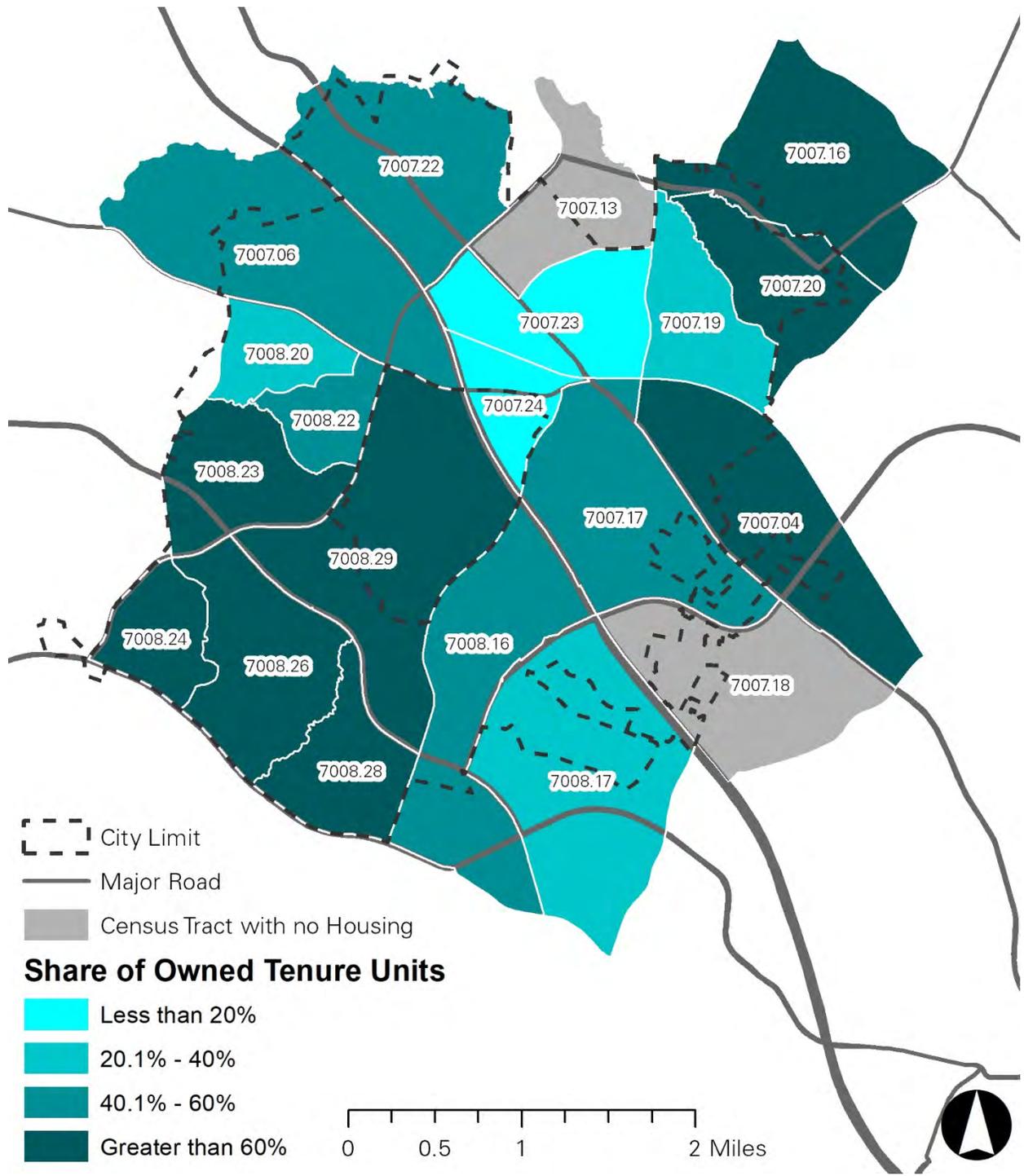
Ownership tenure is the highest in the southwest of the City. These high shares of owned units are highest in census tracts 7008.28(W), 7008.23(W), and 7008.24(W) which all have values above 85 percent. Rental tenure unit rates are high in the center of the City to the east of I-270 where census tracts 7007.24(E), 7007.23(E), and 7008.17(W) all have renter occupied shares above 74 percent.

Table 2.8 displays the total units by tenure type as well as their shares with census tracks sorted by each tenure share. Maps 2.8 A and B display the same information of tenure type by share.

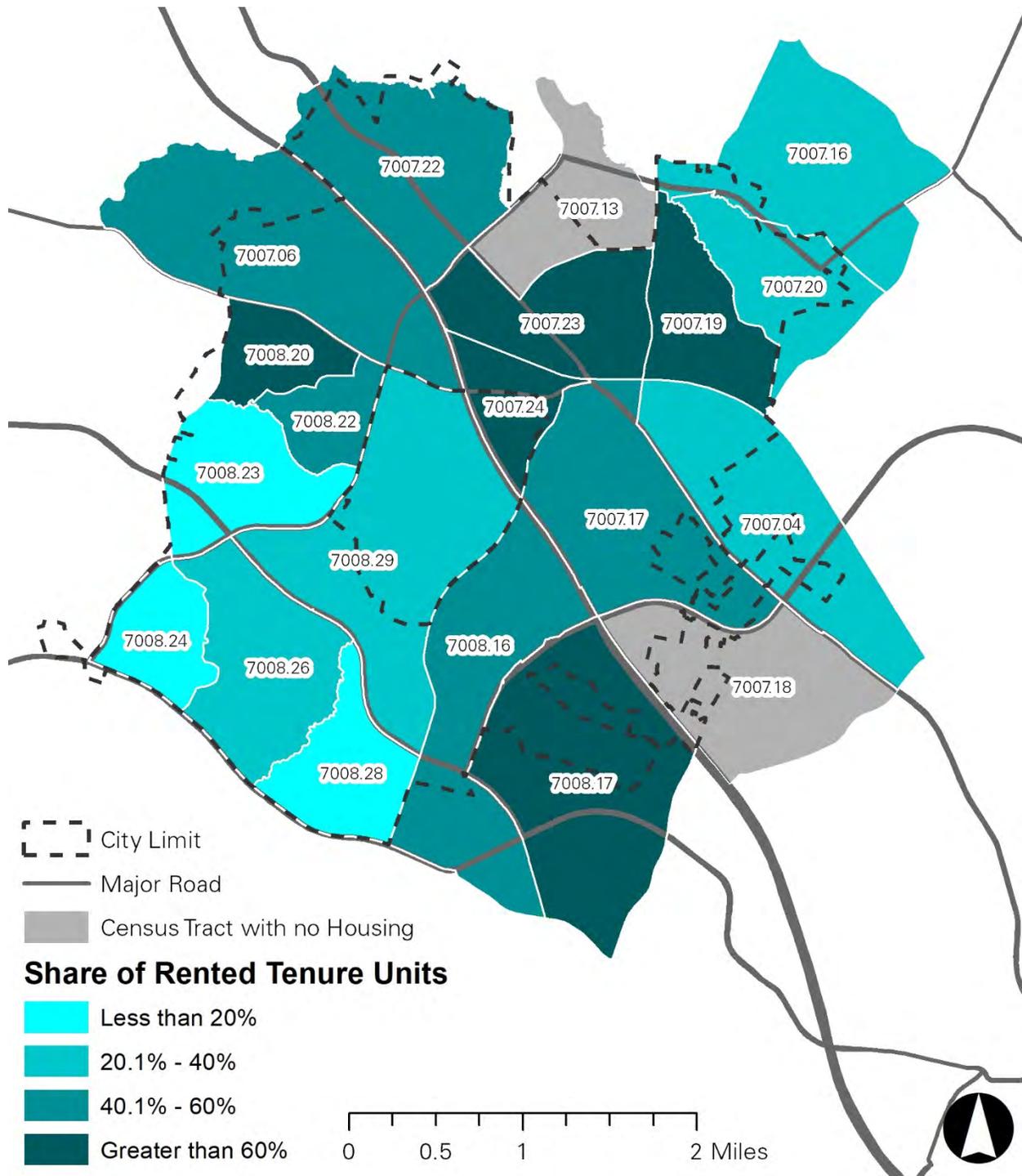
Table 2.8: Owner and Renter Tenure

Tenure Sorted by Ownership Share			Tenure Sorted by Renter Share		
Census Tract	Owner Occupied Units	Owner Occupied %	Census Tract	Renter Occupied Units	Renter Occupied %
7008.28(W)	815	92.4%	7007.24(E)	1,206	94.1%
7008.23(W)	1,047	88.2%	7007.23(E)	1,614	88.0%
7008.24(W)	889	85.2%	7008.17(W)	2,065	74.8%
7008.29(W)	1,031	79.7%	7008.20(W)	724	72.5%
7007.16(E)	2,023	72.8%	7007.19(E)	1,848	63.4%
7007.04(E)	676	72.5%	7007.06(W)	942	58.9%
7007.20(E)	728	64.5%	7007.22(E)	902	52.4%
7008.26(W)	1,632	63.7%	7008.16(W)	1,484	51.3%
7008.22(W)	345	56.0%	7007.17(E)	1,138	49.2%
7007.17(E)	1,174	50.8%	7008.22(W)	271	44.0%
7008.16(W)	1,409	48.7%	7008.26(W)	929	36.3%
7007.22(E)	818	47.6%	7007.20(E)	401	35.5%
7007.06(W)	656	41.1%	7007.04(E)	257	27.5%
7007.19(E)	1,069	36.6%	7007.16(E)	754	27.2%
7008.20(W)	274	27.5%	7008.29(W)	262	20.3%
7008.17(W)	697	25.2%	7008.24(W)	154	14.8%
7007.23(E)	221	12.0%	7008.23(W)	140	11.8%
7007.24(E)	75	5.9%	7008.28(W)	67	7.6%

Map 2.8 A: Ownership Tenure Share (2016)



Map 2.8 B: Renter Tenure Share (2016)



### Housing Share by Typology (Current Baseline)

The census tracts of Gaithersburg have a wide variety of housing typology shares. High shares of detached units, typically associated with lower density are evident in census tracts 7007.20(E), 7007.04(E), and are the highest in 7008.28(W) (Washingtonian Woods), at 72.6 percent. Attached units, like townhomes, do not have as high of a share as their detached counterparts. However, the highest three shares of attached units are in 7007.22(E), 7008.16(W), and 7008.29(W) – all these census tracts have values of attached housing over 50 percent. Multifamily units typically associated with high density development have some of the highest shares, which is to be expected as more can be fit into the same area. The highest multifamily unit shares are in 7008.17(W), 7007.24(E), and 7007.23 – these census tracts are all above a 79 percent share of multifamily housing by units.

Duplex units do not have a strong share of housing typology in any census tract. Only half the census tracts contain duplex units and among those, none have a share above 4.5 percent. Table 2.9 displays the total units, units by type, and unit share for each typology. Maps 2.9 A-D display percentage shares for each typology.

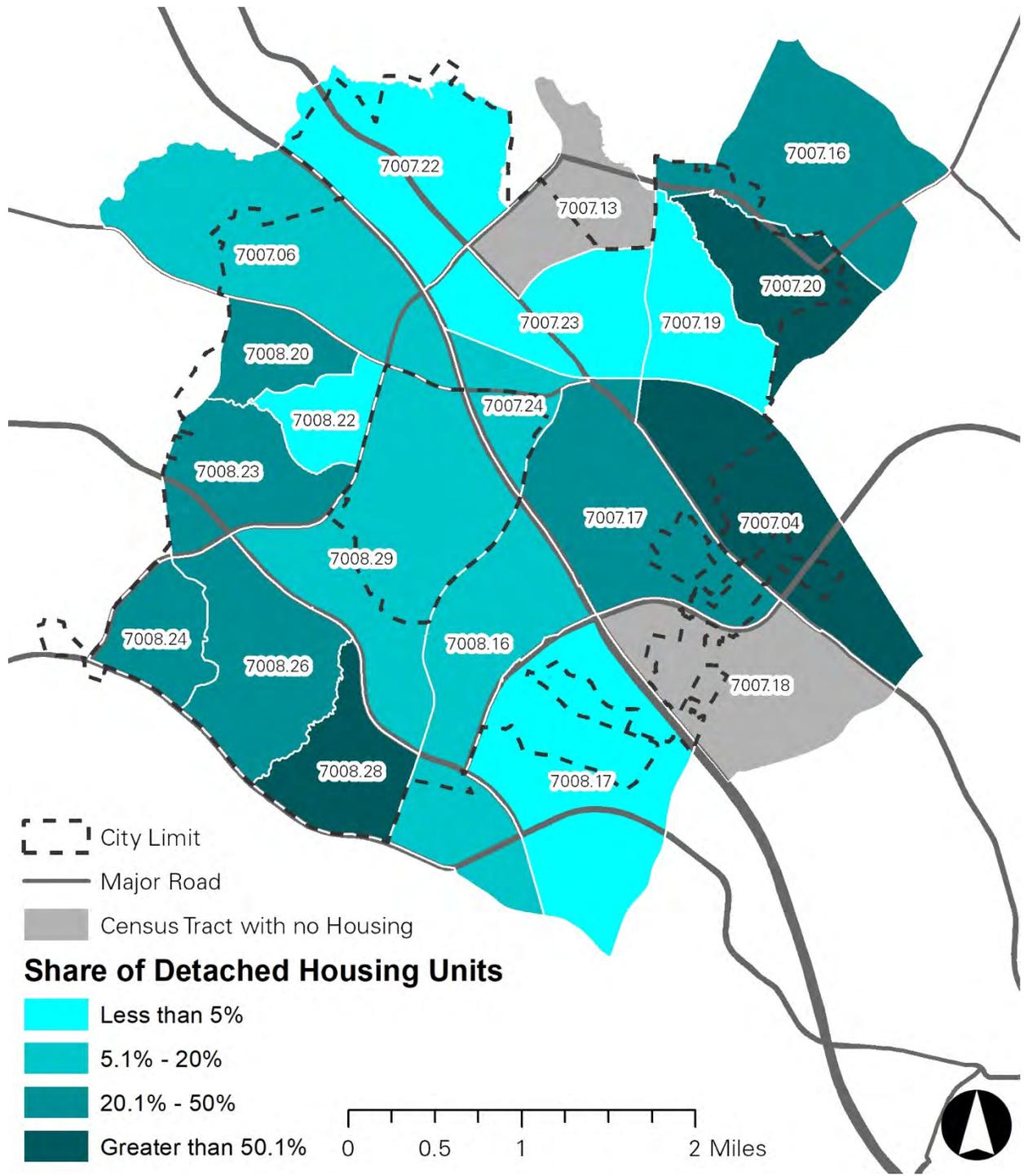
Table 2.9: Housing Share by Typology

Census Tract	Total Units	Detached Unit		Attached Unit		Duplex Unit		Multifamily Unit	
7007.04(E)	1,044	716	68.6%	84	8.0%	-	0.0%	244	23.4%
7007.06(W)	1,671	135	8.1%	598	35.8%	-	0.0%	938	56.1%
7007.16(E)	2,803	982	35.0%	1,032	36.8%	-	0.0%	789	28.1%
7007.17(E)	2,485	697	28.0%	569	22.9%	17	0.7%	1,197	48.2%
7007.19(E)	3,025	142	4.7%	1,092	36.1%	67	2.2%	1,682	55.6%
7007.20(E)	1,159	708	61.1%	160	13.8%	-	0.0%	291	25.1%
7007.22(E)	1,786	36	2.0%	915	51.2%	-	0.0%	835	46.8%
7007.23(E)	2,011	91	4.5%	160	8.0%	40	2.0%	1,696	84.3%
7007.24(E)	1,335	141	10.6%	70	5.2%	13	1.0%	1,111	83.2%
7008.16(W)	2,944	238	8.1%	1,573	53.4%	-	0.0%	1,133	38.5%
7008.17(W)	2,875	57	2.0%	546	19.0%	-	0.0%	2,272	79.0%
7008.20(W)	1,048	282	26.9%	83	7.9%	12	1.1%	671	64.0%
7008.22(W)	711	5	0.7%	184	25.9%	2	0.3%	520	73.1%
7008.23(W)	1,236	614	49.7%	622	50.3%	-	0.0%	-	0.0%
7008.24(W)	1,077	471	43.7%	375	34.8%	12	1.1%	219	20.3%
7008.26(W)	2,734	636	23.3%	769	28.1%	124	4.5%	1,185	43.3%
7008.28(W)	905	657	72.6%	40	4.4%	-	0.0%	208	23.0%
7008.29(W)	1,354	183	13.5%	750	55.4%	31	2.3%	390	28.8%

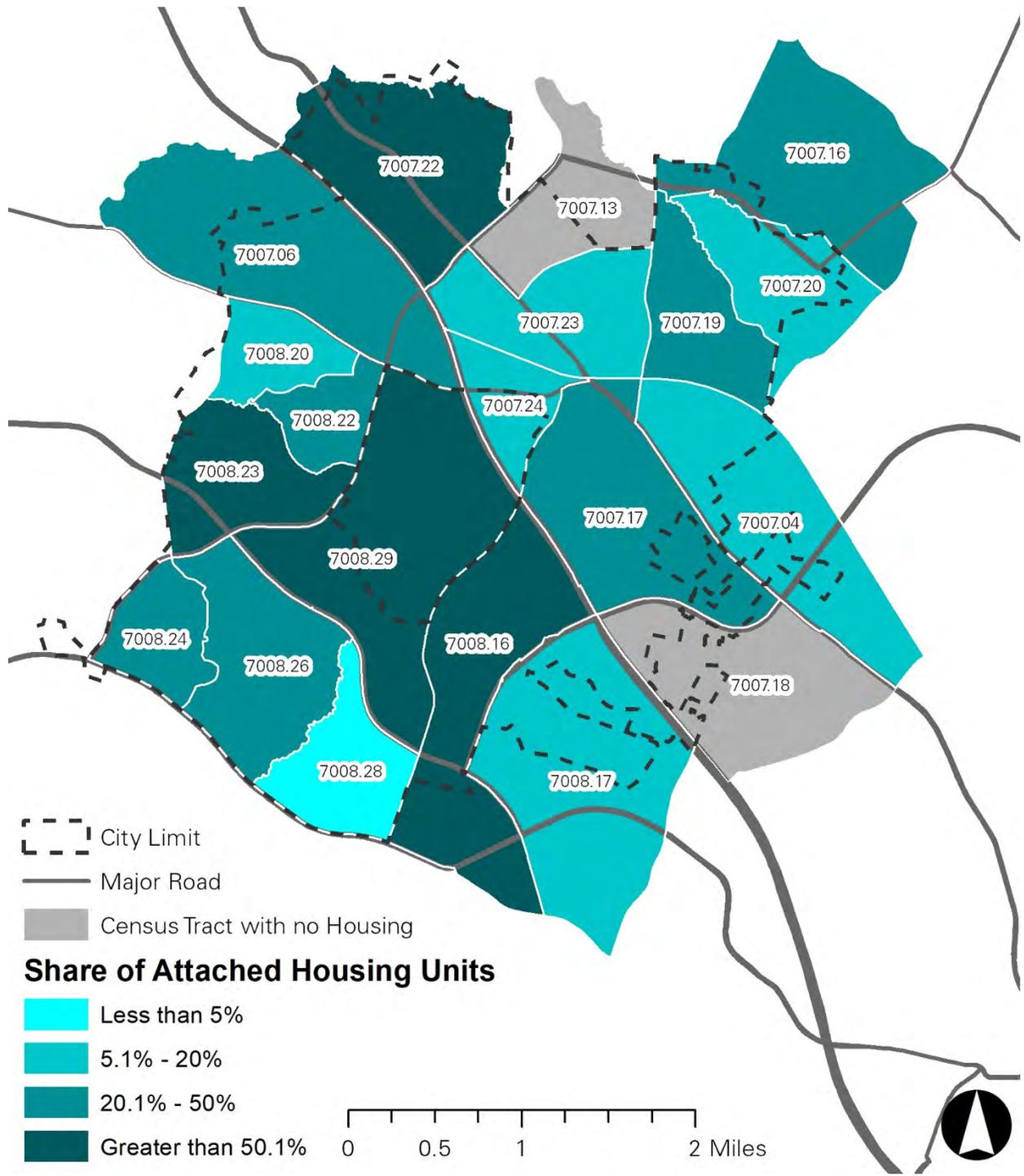
Source: American Community Survey 2016 (5-Year) – Table B25002/25024

Note: Red denotes lowest 3 shares of individual cohort for all census tracts while blue indicates highest 3

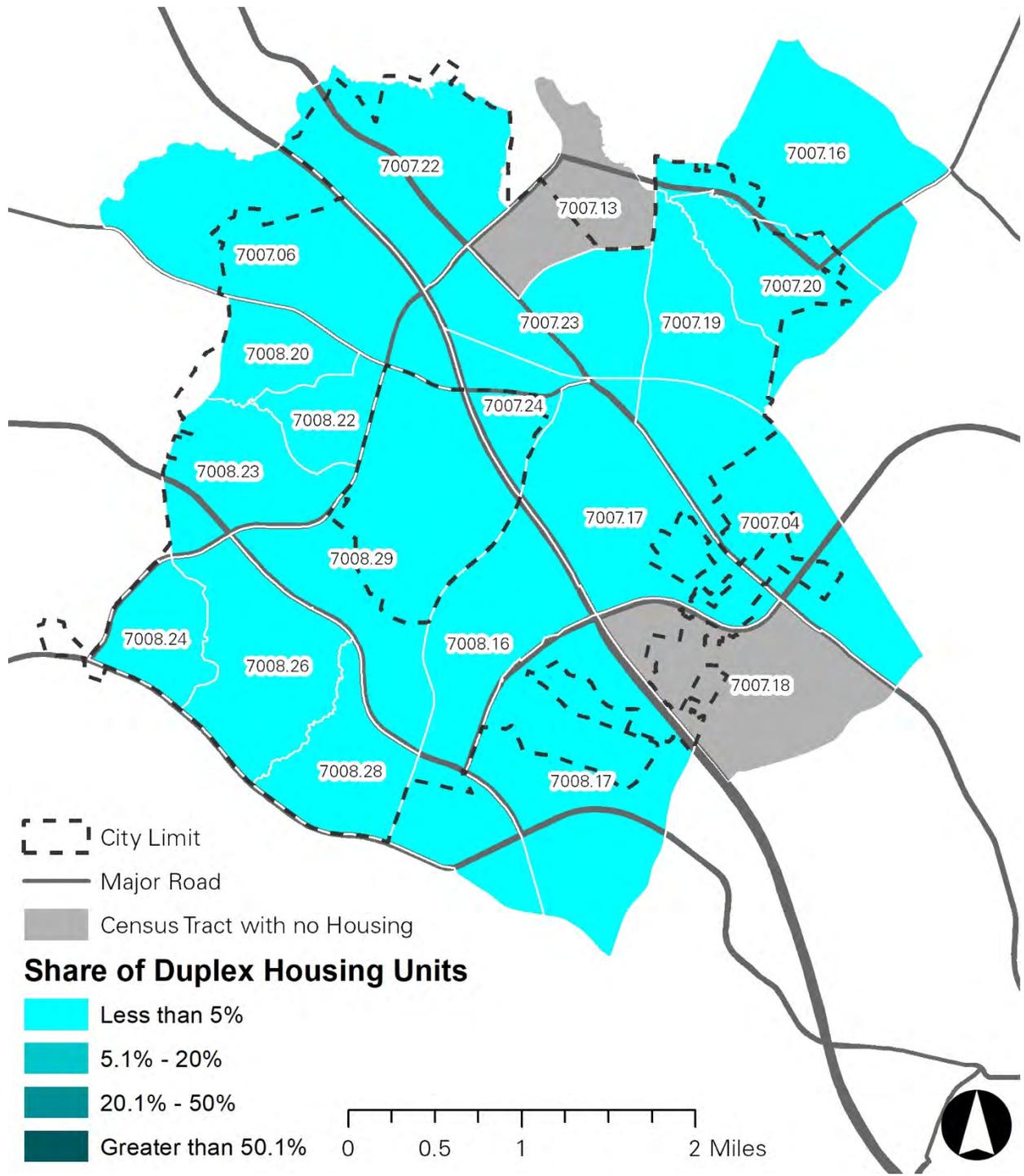
Map 2.9 A: Detached Housing Unit Share (2016)



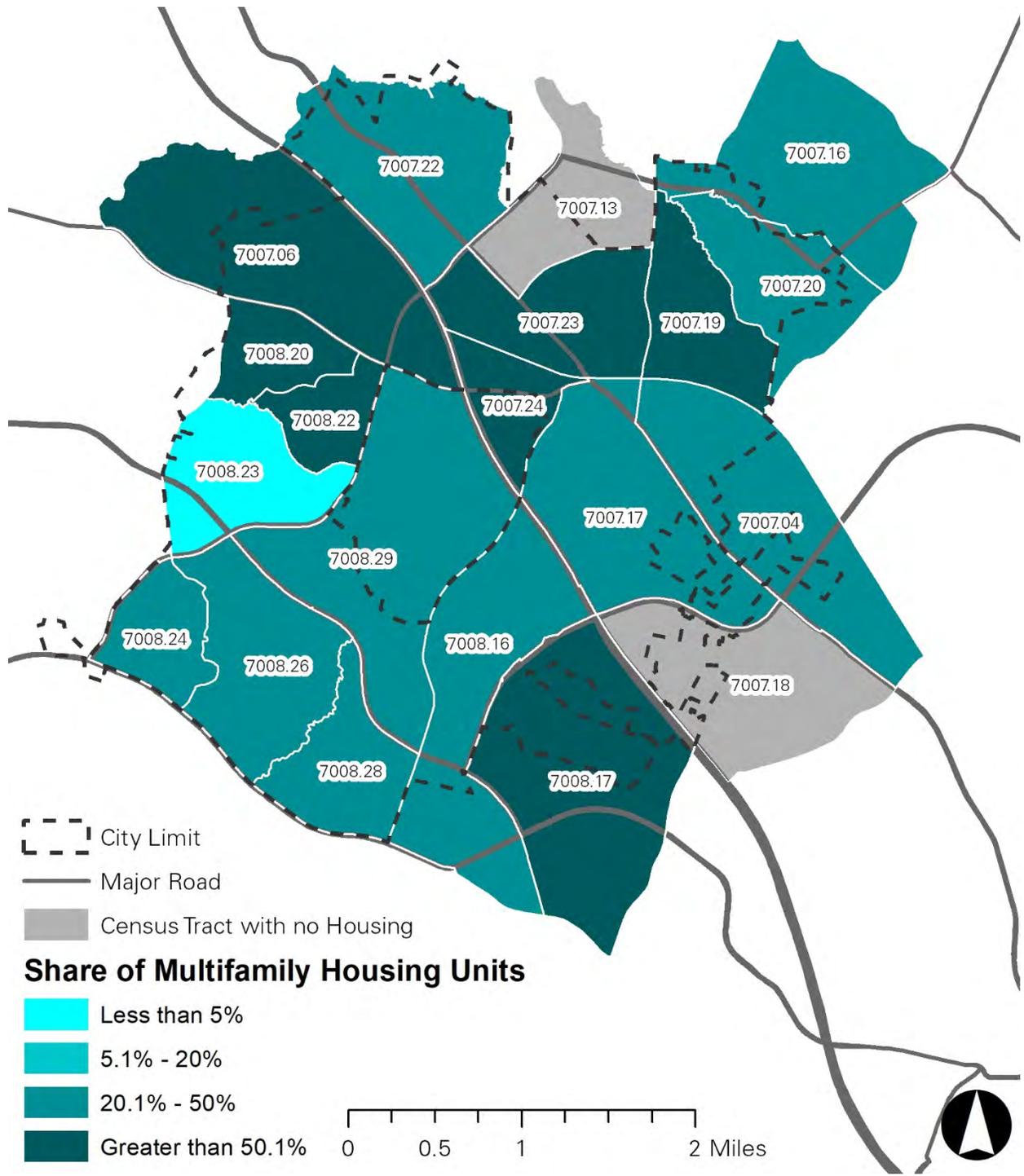
Map 2.9 B: Attached Housing Unit Share (2016)



Map 2.9 C: Duplex Housing Unit Share (2016)



Map 2.9 D: Multifamily Housing Unit Share



Housing vacancy (current baseline)

Housing unit vacancy is below 14 percent in every census tract in the City. Only two census tracts have vacancy rates above 10 percent – census tracts 7008.22(W) and 7007.04(E). The lowest vacancy rates, below 2.5 percent, occur in census tracts 7008.16(W) and 7007.16(E). High and low rates of housing unit vacancy in the City do not immediately show an identifiable spatial trend.

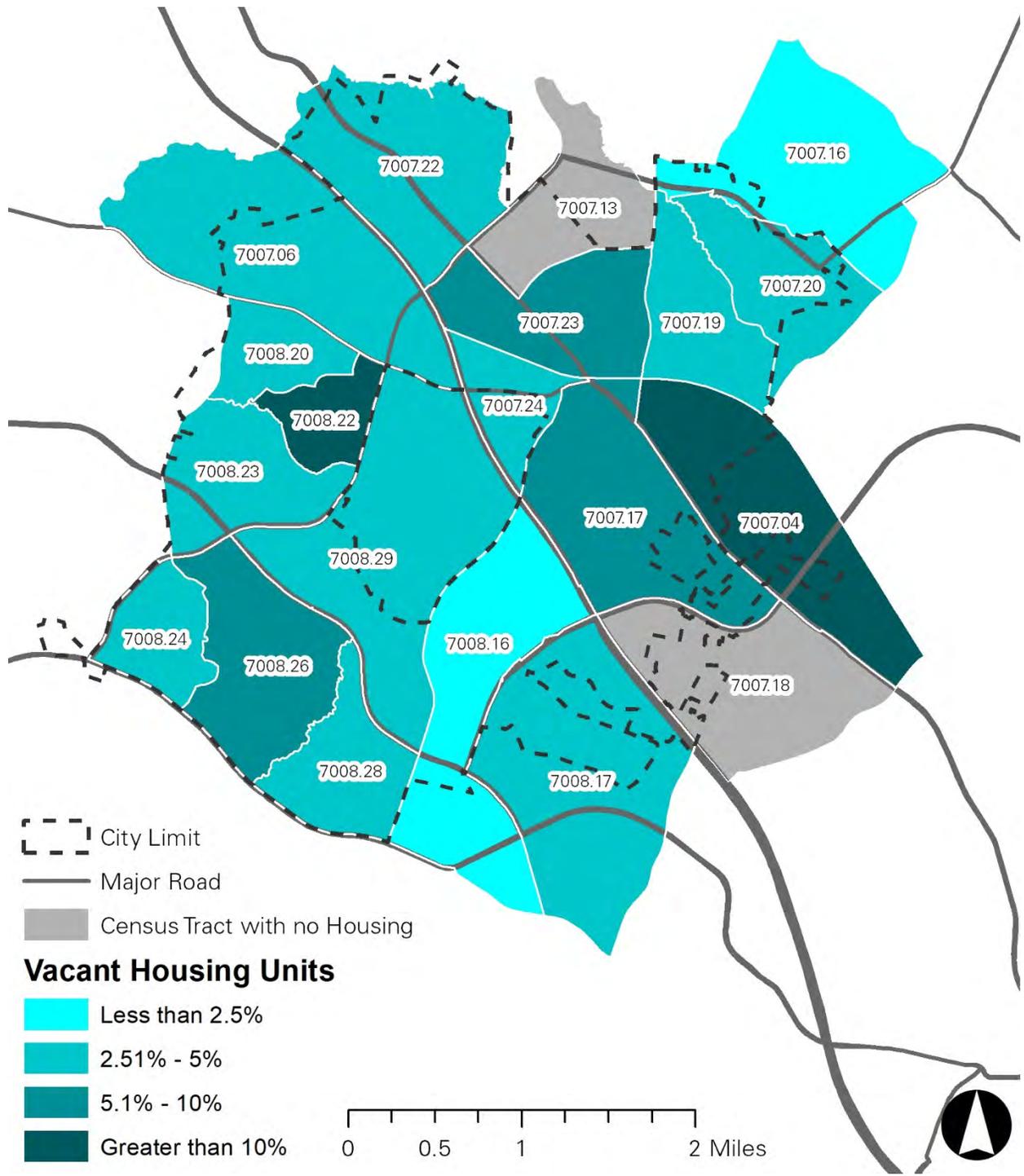
Details for housing unit vacancy are displayed in Table 2.10 and Map 2.10.

*Table 2.10: Housing Unit Vacancy (Sorted by Vacancy Rate)*

<b>Census Tract</b>	<b>Total Units</b>	<b>Occupied Units</b>	<b>Occupied %</b>	<b>Vacant Units</b>	<b>Vacant %</b>
7008.22(W)	711	616	86.6%	95	13.4%
7007.04(E)	1,044	933	89.4%	111	10.6%
7007.23(E)	2,011	1,835	91.2%	176	8.8%
7007.17(E)	2,485	2,312	93.0%	173	7.0%
7008.26(W)	2,734	2,561	93.7%	173	6.3%
7008.20(W)	1,048	998	95.2%	50	4.8%
7008.29(W)	1,354	1,293	95.5%	61	4.5%
7007.06(W)	1,671	1,598	95.6%	73	4.4%
7007.24(E)	1,335	1,281	96.0%	54	4.0%
7008.23(W)	1,236	1,187	96.0%	49	4.0%
7008.17(W)	2,875	2,762	96.1%	113	3.9%
7007.22(E)	1,786	1,720	96.3%	66	3.7%
7007.19(E)	3,025	2,917	96.4%	108	3.6%
7008.24(W)	1,077	1,043	96.8%	34	3.2%
7007.20(E)	1,159	1,129	97.4%	30	2.6%
7008.28(W)	905	882	97.5%	23	2.5%
7008.16(W)	2,944	2,893	98.3%	51	1.7%
7007.16(E)	2,803	2,777	99.1%	26	0.9%

*Source: American Community Survey 2016 (5-Year) – Table B25002/25024*

Map 2.10: Vacancy Rate Percentage (2016)



Housing Cost Burden for Renters and Owners (Current Baseline)

Household cost burden seems to be an issue in the City, this is true more for renter cost burden than owner cost burden however. The highest owner cost burden percentage (i.e., share of owner households paying more than 30 percent of income) occurs in census tracts 7007.22(E), 7007.17(E), and 7008.22(W) which all have more than 41 percent of their owners paying more than 30 percent of their income towards housing. Only one census tract for owners has less than 5 percent paying over 30 percent for housing, census tract 7007.23(E).

Of even greater concern is housing cost burden among renters. The lowest percentage share of renters paying more than 30 percent of their income for rent occurs in census tract 7008.23(W). More than half of census tracts in the City have a value of over 50 percent of renters above the housing burden threshold.

Tables 2.11 A and B display the cost burden totals for owners and renters of those in the 30-50 percent category, those who are paying above 50 percent, as well as the total owner burden percentage. Maps 2.11 A and B both display the total share of owner and renter cost burden above 30 percent.

Table 2.11 A: Owner Cost Burden

Census Tract	Owner Households	Owner Burden 30-50%	Owner Burden >50%	Owner Burden Total	Owner Burden %
7007.22(E)	818	112	270	382	46.7%
7007.17(E)	1,174	234	288	522	44.5%
7008.22(W)	345	121	23	144	41.7%
7007.19(E)	1,069	243	186	429	40.1%
7007.16(E)	2,023	341	299	640	31.6%
7007.21	532	130	38	168	31.6%
7008.20(W)	274	45	38	83	30.3%
7008.17(W)	697	115	96	211	30.3%
7008.16(W)	1,409	275	144	419	29.7%
7007.06(W)	656	109	68	177	27.0%
7008.26(W)	1,632	290	127	417	25.6%
7008.29(W)	1,031	154	103	257	24.9%
7007.04(E)	676	77	82	159	23.5%
7007.24(E)	75	8	8	16	21.3%
7008.23(W)	1,047	59	160	219	20.9%
7008.24(W)	889	102	71	173	19.5%
7007.20(E)	728	58	78	136	18.7%
7008.28(W)	815	85	67	152	18.7%
7007.23(E)	221	-	6	6	2.7%

Source: American Community Survey 2016 (5-Year) – Table B25002/25024

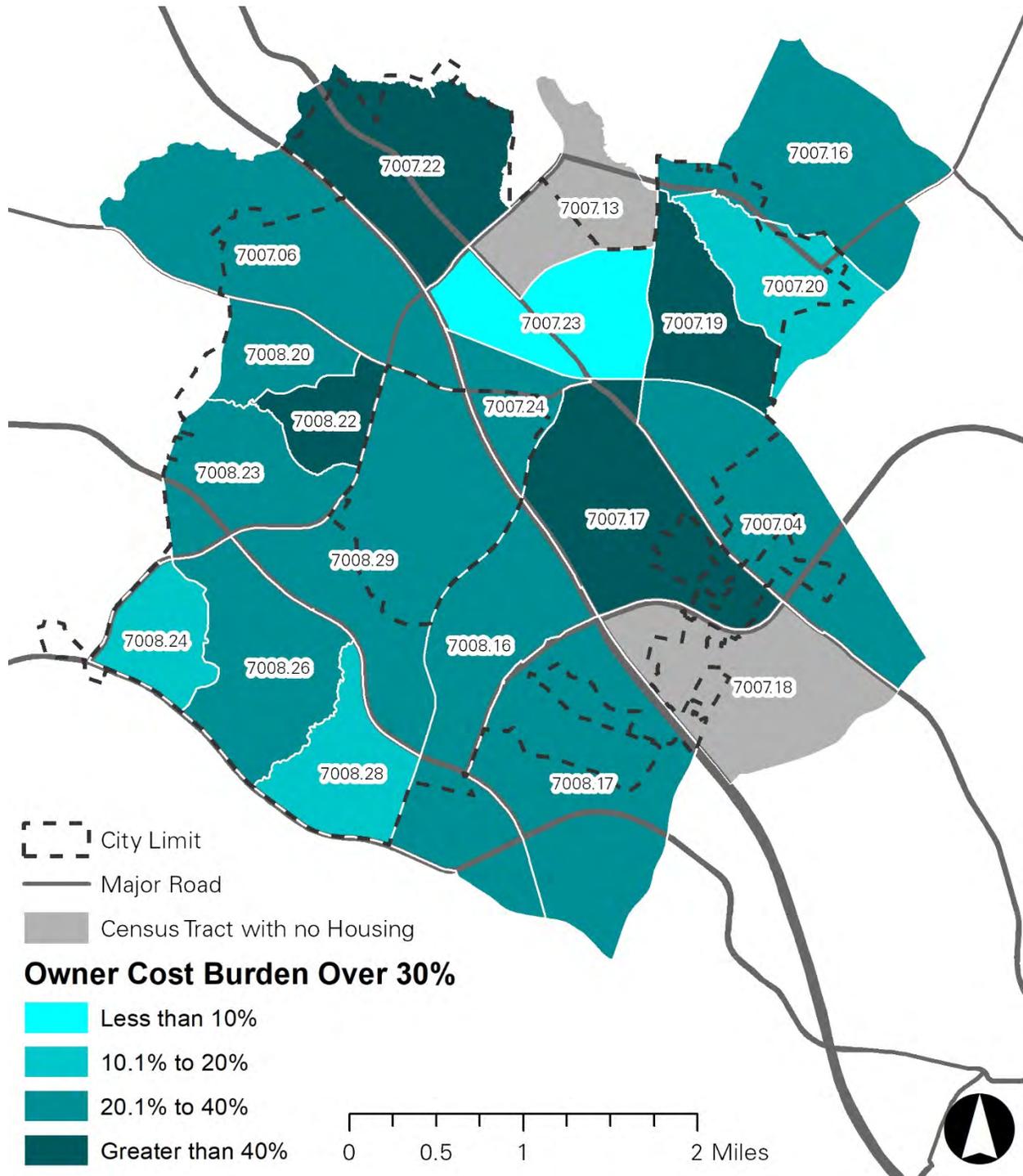
City of Gaithersburg Visioning Exercise Data Analysis

Table 2.11 A: Renter Cost Burden

<i>Census Tract</i>	<i>Renter Household Total</i>	<i>Rent Burden 30-50%</i>	<i>Rent Burden &gt;50%</i>	<i>Total Rent Burden</i>	<i>Rent Burden %</i>
7007.04(E)	257	82	97	179	69.6%
7008.22(W)	271	50	105	155	57.2%
7007.23(E)	1,614	321	600	921	57.1%
7007.20(E)	401	128	100	228	56.9%
7007.24(E)	1,206	397	273	670	55.6%
7008.29(W)	262	98	44	142	54.2%
7008.20(W)	724	114	265	379	52.3%
7007.16(E)	754	119	272	391	51.9%
7007.19(E)	1,848	536	413	949	51.4%
7007.06(W)	942	305	175	480	51.0%
7008.24(W)	154	32	44	76	49.4%
7008.26(W)	929	207	247	454	48.9%
7007.21	790	194	180	374	47.3%
7007.22(E)	902	172	219	391	43.3%
7007.17(E)	1,138	327	157	484	42.5%
7008.17(W)	2,065	516	333	849	41.1%
7008.16(W)	1,484	346	229	575	38.7%
7008.28(W)	67	6	17	23	34.3%
7008.23(W)	140	27	6	33	23.6%

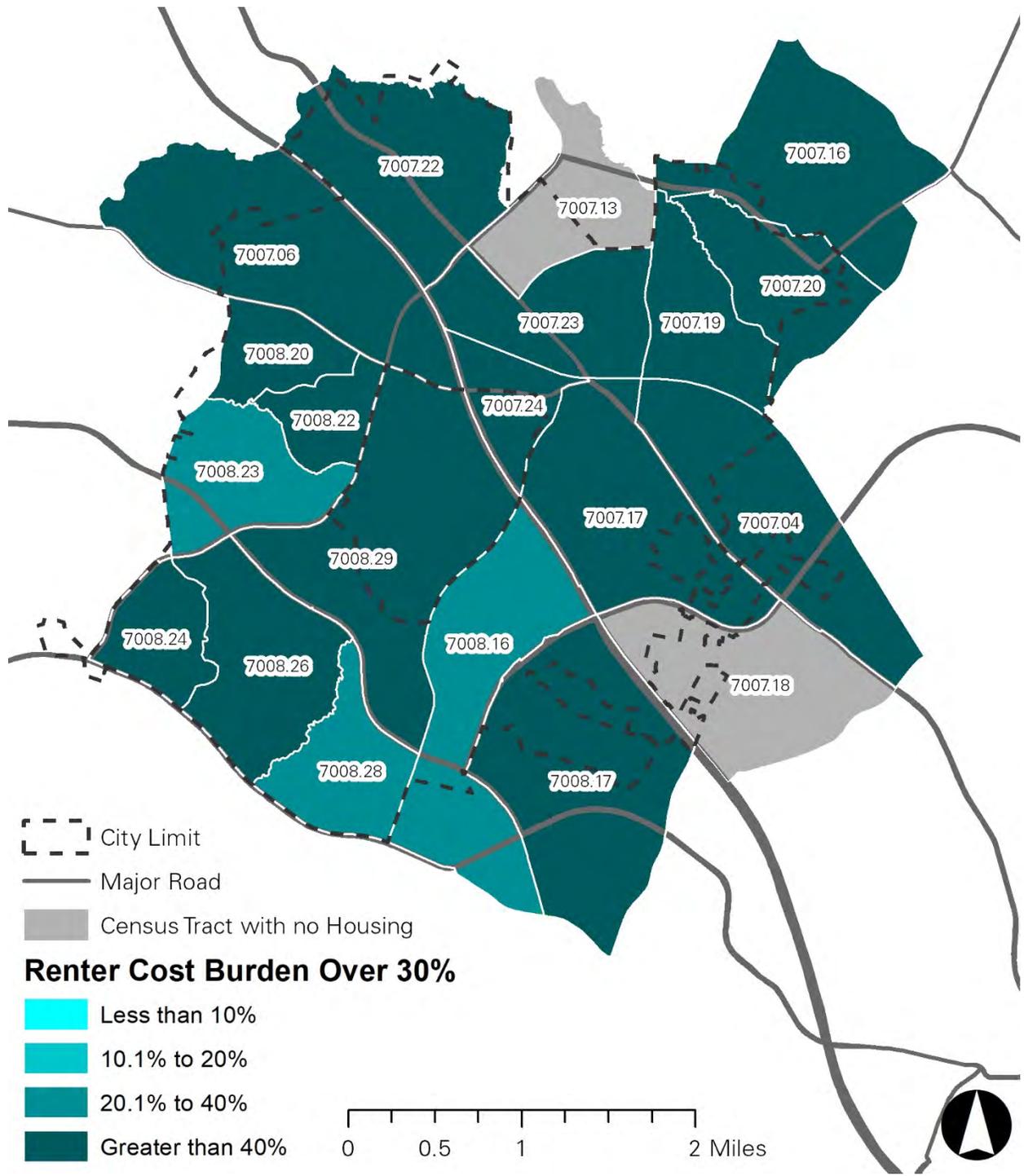
Source: American Community Survey 2016 (5-Year) – Table B25002/25024

Map 2.11 A: Owner Cost Burden Percentage (2016)



Source: American Community Survey 2016 (5-Year) – Table B25002/25024

Map 2.11 B: Renter Cost Burden Percentage (2016)



Bedrooms per Person (Current Baseline)

An analysis was completed to better understand the relationship between household size and bedroom count. Measures of persons-per-bedroom (PPB) can provide insight to which Census tracts may require an increase in residential construction to avoid overcrowding. Overcrowding measured in PPB as defined by the Department of Housing and Urban Development as more than 2-people per bedroom on average (i.e., less than .5 bedrooms per person). Nowhere in Gaithersburg are average values for bedrooms per person so low that they are on average overcrowded. However, certain Census tracts do show low values which should be noted.

Table 2.12 and Maps 2.12 A-C display this data. Census tracts 7008.22(W), 7007.19(E), and 7007.24(E) display comparatively low values of bedrooms per person to other Census tracts ranging respectively from 0.8 to 0.6 bedrooms per person. Alternatively, Census tracts 7008.26(W), 7008.29(W), 7008.24(W), and 7008.28(W) in the southwest portion of the city show high average relationships of bedrooms per person, respectively ranging from 1.2 to 1.4.

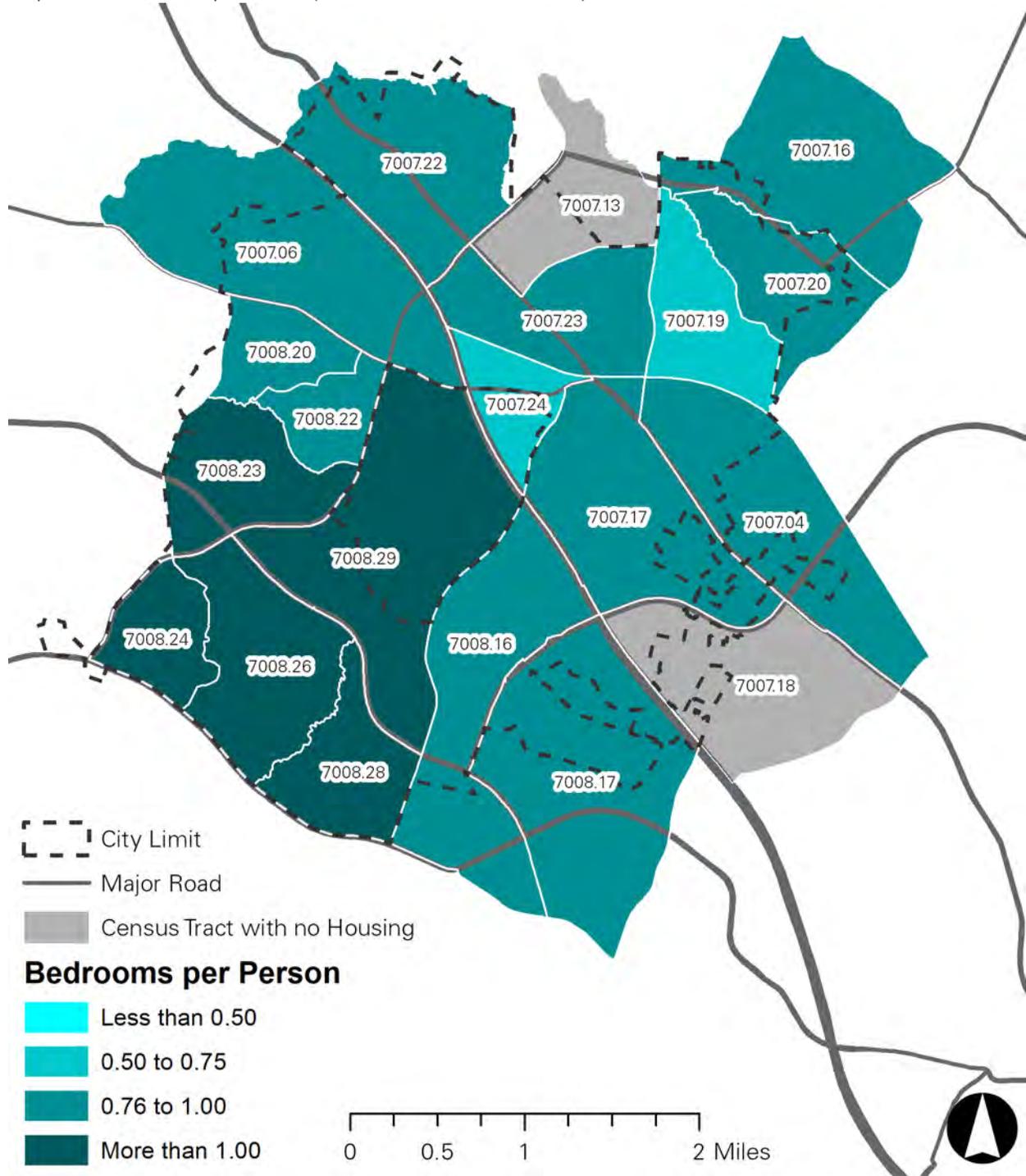
Comparing Maps 2.12 B and C, it is evident that overall owned households display a higher ratio of bedrooms to person than rented households.

Table 2.12: Bedrooms per Person Sorted by Average Bedrooms per Person

Census Tract	Housing Units	Average Bedroom Count	Average Bedrooms per Person	Average Bedrooms per Person (Owned)	Average Bedrooms per Person (Rented)
7008.28(W)	905	3.6	1.4	1.4	1.1
7008.24(W)	1,077	3.3	1.2	1.2	1.1
7008.29(W)	1,354	2.9	1.2	1.2	1.0
7008.26(W)	2,734	2.5	1.2	1.1	1.5
7008.23(W)	1,236	3.4	1.1	1.1	1.2
7008.17(W)	2,875	2.1	1.0	1.0	1.0
7007.20(E)	1,159	3.3	1.0	1.0	1.0
7007.04(E)	1,044	3.1	1.0	0.9	1.1
7007.16(E)	2,803	3.0	1.0	1.0	0.9
7007.22(E)	1,786	2.5	1.0	0.9	1.0
7007.23(E)	2,011	1.7	0.9	1.2	0.9
7007.06(W)	1,671	2.4	0.9	0.9	0.9
7008.20(W)	1,048	2.5	0.9	0.9	0.9
7007.17(E)	2,485	2.6	0.9	0.9	0.9
7008.16(W)	2,944	2.6	0.9	0.9	0.9
7008.22(W)	711	2.3	0.8	0.9	0.7
7007.19(E)	3,025	2.5	0.7	0.8	0.7
7007.24(E)	1,335	1.9	0.6	1.1	0.6

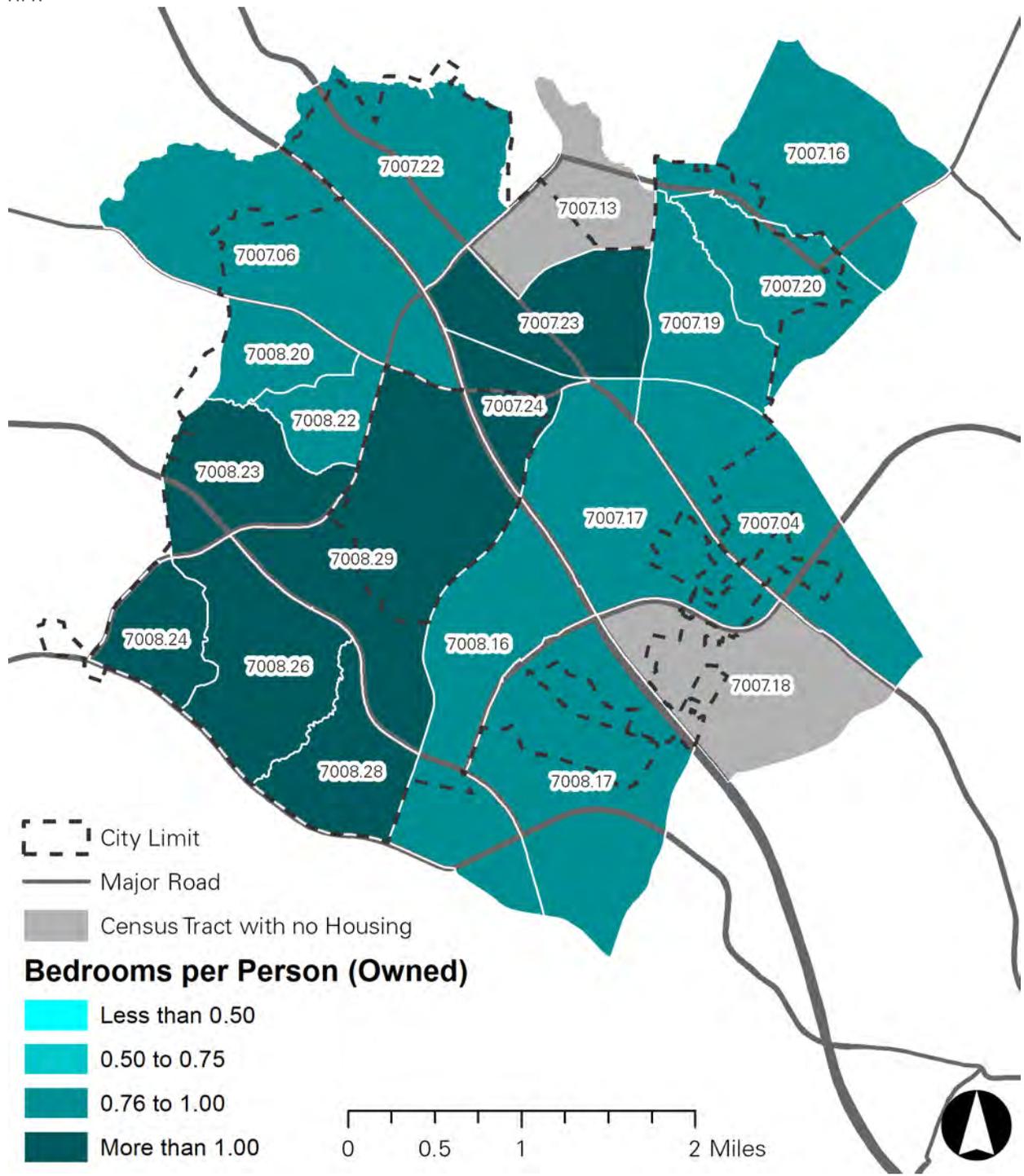
Source: American Community Survey 2016 (5-Year) – Table B25041

Map 2.12 A: Bedrooms per Person (Owned and Rented Combined)

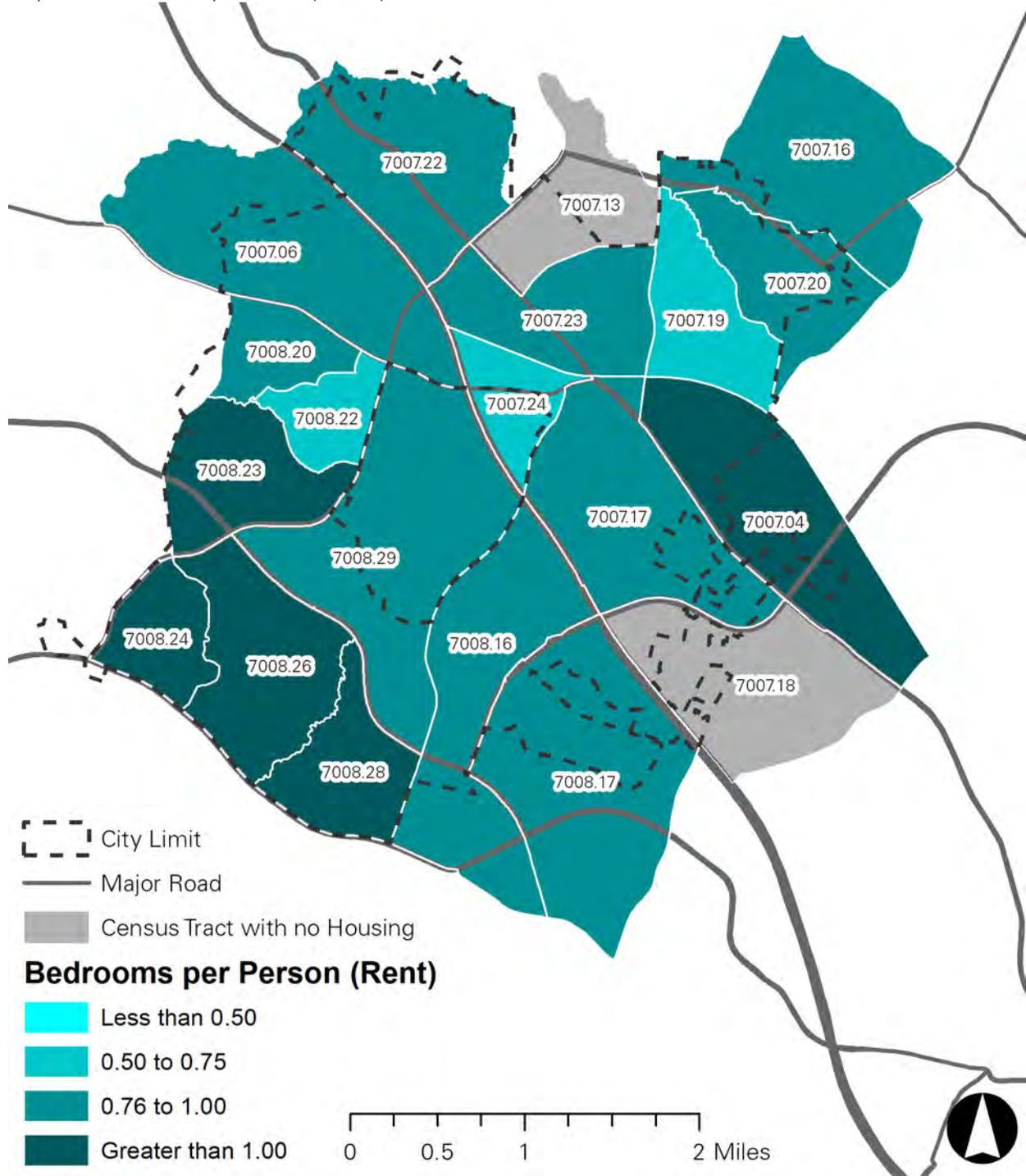


Source: American Community Survey 2016 (5-Year) – Table B25041

Map 2.12 B: Bedrooms per Person (Owned)  
Hi R



Map 2.12 C: Bedrooms per Person (Rented)



Source: American Community Survey 2016 (5-Year) – Table B25041

Section 2-C: Transportation  
Work Commute Destination

Table 2.13 (with the highest values highlighted in blue and the lowest in red) and Maps 2.13 A through C display commuter shares by destination in 2015. District 9 includes the City of Gaithersburg, Montgomery Village, the Life Sciences Center, and the NIST facility and is the top share of commute destinations for 8 of the 18 observed Census tracts.

District 4 includes the County Seat located in Rockville, Twinbrook, and White Flint. Most employment locations within District 4 are within 10 miles of Gaithersburg. District 4 has a higher count of plurality for commute destination shares by Census tract with 10 out of 18 Census tracts having the largest share of commuters’ destinations.

Washington, D.C., in all Census tracts but one (7007.23(E)) displays the third highest share of commuter destinations by Census tract.

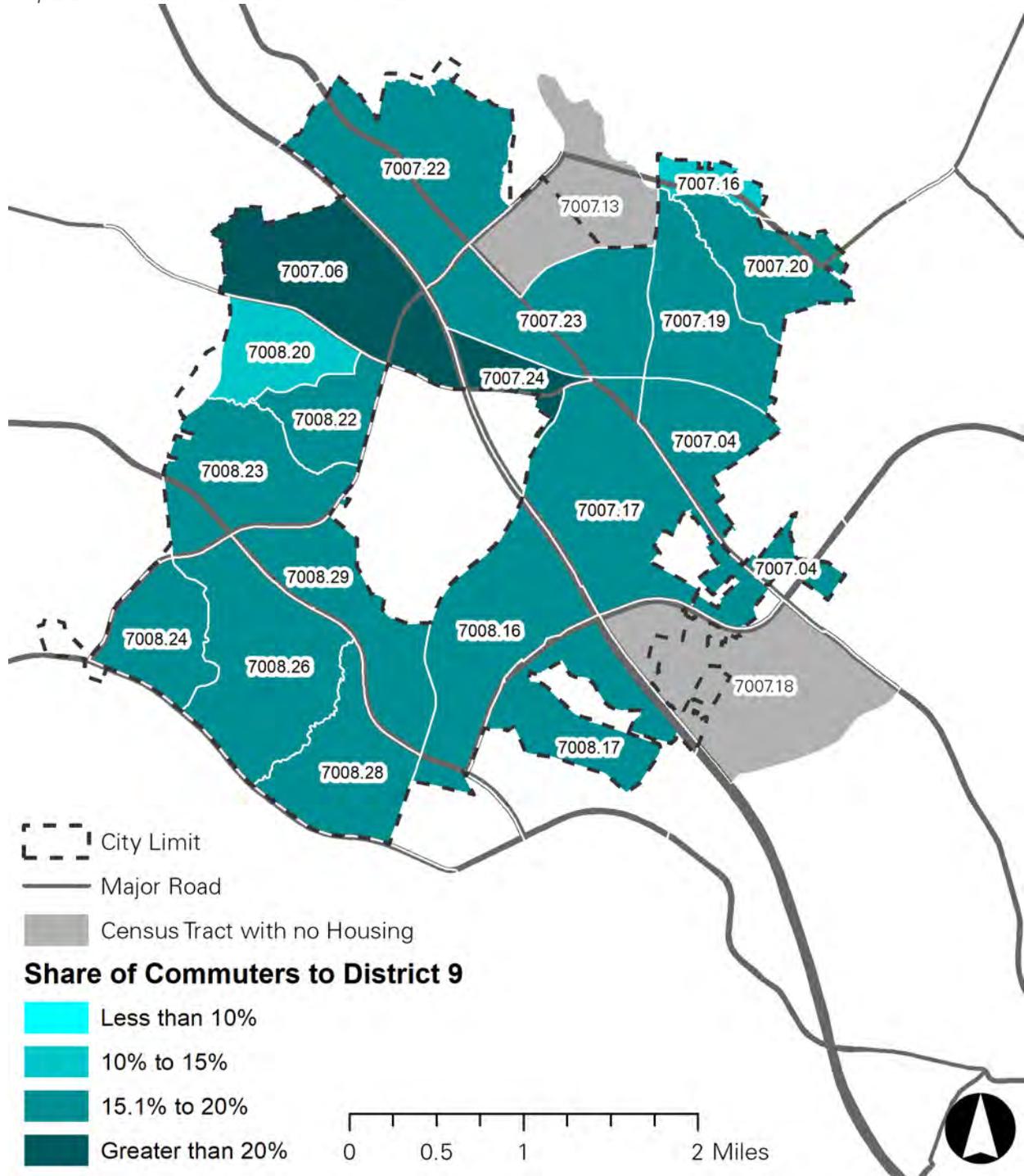
Table 2.13: Commuter Destination Share

Census Tract	District 9	District 4	Washington, D.C.
7007.04(E)	18.1%	17.0%	14.1%
7007.06(W)	21.8%	21.0%	8.7%
7007.16(E)	15.0%	20.0%	13.2%
7007.17(E)	19.6%	20.6%	9.0%
7007.19(E)	16.5%	19.6%	11.3%
7007.20(E)	17.3%	17.9%	11.0%
7007.22(E)	20.4%	20.2%	9.6%
7007.23(E)	17.6%	16.2%	16.6%
7007.24(E)	21.1%	27.6%	11.4%
7008.16(W)	17.6%	22.9%	11.4%
7008.17(W)	16.0%	11.0%	9.2%
7008.20(W)	15.4%	20.7%	11.7%
7008.22(W)	18.1%	23.4%	9.2%
7008.23(W)	19.8%	19.4%	10.8%
7008.24(W)	20.1%	19.8%	13.0%
7008.26(W)	19.8%	18.7%	13.5%
7008.28(W)	17.7%	18.9%	10.7%
7008.29(W)	19.6%	20.5%	11.1%

Source: City of Gaithersburg  
'Commuter Trends Data – 2015.xlsx'<sup>11</sup>

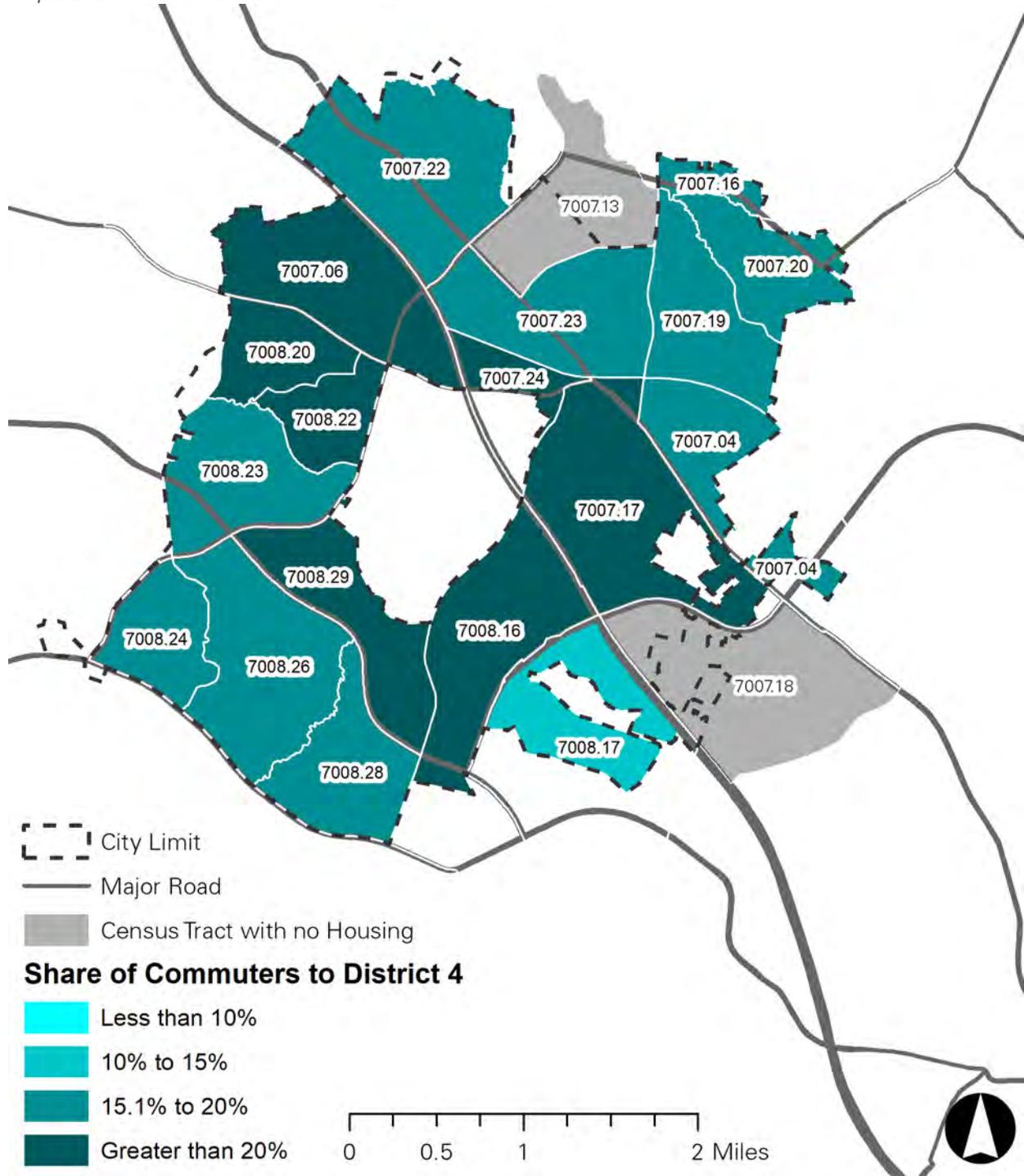
<sup>11</sup> Commuter trends data sourced from the Census Bureau’s Longitudinal Employer-Household Dynamics is not subject to skewing, as detailed on p. 31, due to the mismatch of tract boundaries and City boundaries. As such, these results reflect only commuting data originating from within Gaithersburg.

Map 2.13 A: Commuter Destination Share – District 9



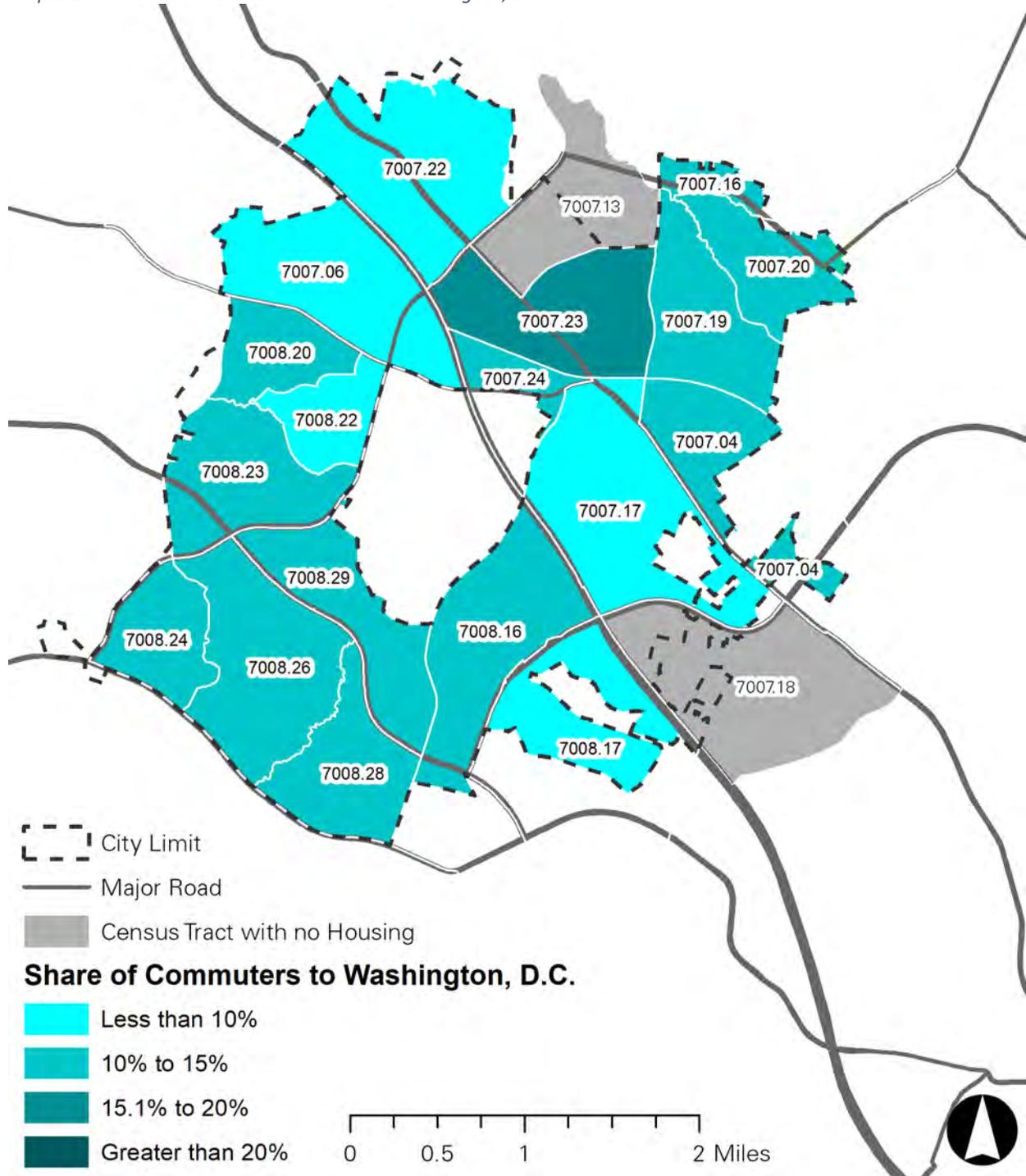
Source: City of Gaithersburg, 'Commuter Trends Data – 2015.xlsx'

Map 2.13 B: Commuter Destination Share – District 4



Source: City of Gaithersburg, 'Commuter Trends Data – 2015.xlsx'

Map 2.13 C: Commuter Destination Share – Washington, D.C.



Source: City of Gaithersburg, 'Commuter Trends Data – 2015.xlsx'

### Mode of Transportation to Work (Current Baseline)

The City main mode of transportation to work is undoubtedly driving alone. Every census tract shows a share of workers over the age of 16 who commute to work alone in a car. This share of single occupancy automobile traffic is particularly high in census tracts 7008.23(W), 7008.28(W), 7008.29(W), which all have shares over 80 percent. The lowest census tracts for driving alone include 7007.19(E), 7007.17(E), and 7007.24(E) which have values that range from 52 percent to 60 percent respectively.

Showing additional dependence on the automobile for transit in the region are carpool trends. These values provide the second largest shares of commuting mode. Census tracts 7007.19(E), 7007.24(E) (which notably have some of the lowest rates of driving alone), and 7007.04(E) all have high rates of carpooling ranging from 17 to 24 percent. The lowest areas for carpooling include census tracts 7008.24(W), 7008.28(W), and 7008.23(E) which all have carpooling rates below 5 percent.

Public transit use has a very limited share in the City for commuting. Higher in the use of bus or trolley system category are census tracts 7007.17(E) and the adjoining tracts of 7007.19(E) and 7007.20(E) in the east of the City – these tracts have share values ranging from 14 to 17 percent. The lowest value for bus or trolley commuting occur in southwestern census tracts including 7008.29(W), 7008.24(W), 7008.26(W), and 7008.28(W) which all have values below 2 percent.

Public transit by streetcar or subway train is highest in two census tracts closer to Washington, DC – 7008.17(W) and 7008.20(W) as well as 7008.26(W). These tracts have streetcar or subway commuting shares between 10 and 14 percent. The lowest values are evident in 7007.24(E), 7008.23(W), and 7007.17(E) which all have values below 5 percent.

Those who commute by bicycle are extremely minimal. In no census tract do more than 0.6 percent of commuters bike to work. Walking share is higher than bicycle share however. High walking shares seem to correlate with lower drove alone scores in census tracts 7007.17(E) and 7007.24(E) which range from 3 to 5 percent.

Working from home, a recent trend, is most commonly found to the southwest of I-270. Higher values in this region include census tracts 7008.29(W), 7008.28(W), and 7008.24(W) which all range from 7 to 15 percent. The lowest rates of working from home include census tracts 7007.17(E), 7007.19(E), and 7008.20(W) which range from 1 to 2 percent.

A full accounting of commute to work modes are in Table 2.14. Maps 2.14 A through E display the share by aggregate transportation types including driving alone, carpooling, public transit (bus/trolley, streetcar/subway rail), biking and walking, and working from home. It should be noted that due to the wide variety of values for these transit modes the symbology scales have been individually manipulated unlike previous map categories presented.

City of Gaithersburg Visioning Exercise Data Analysis

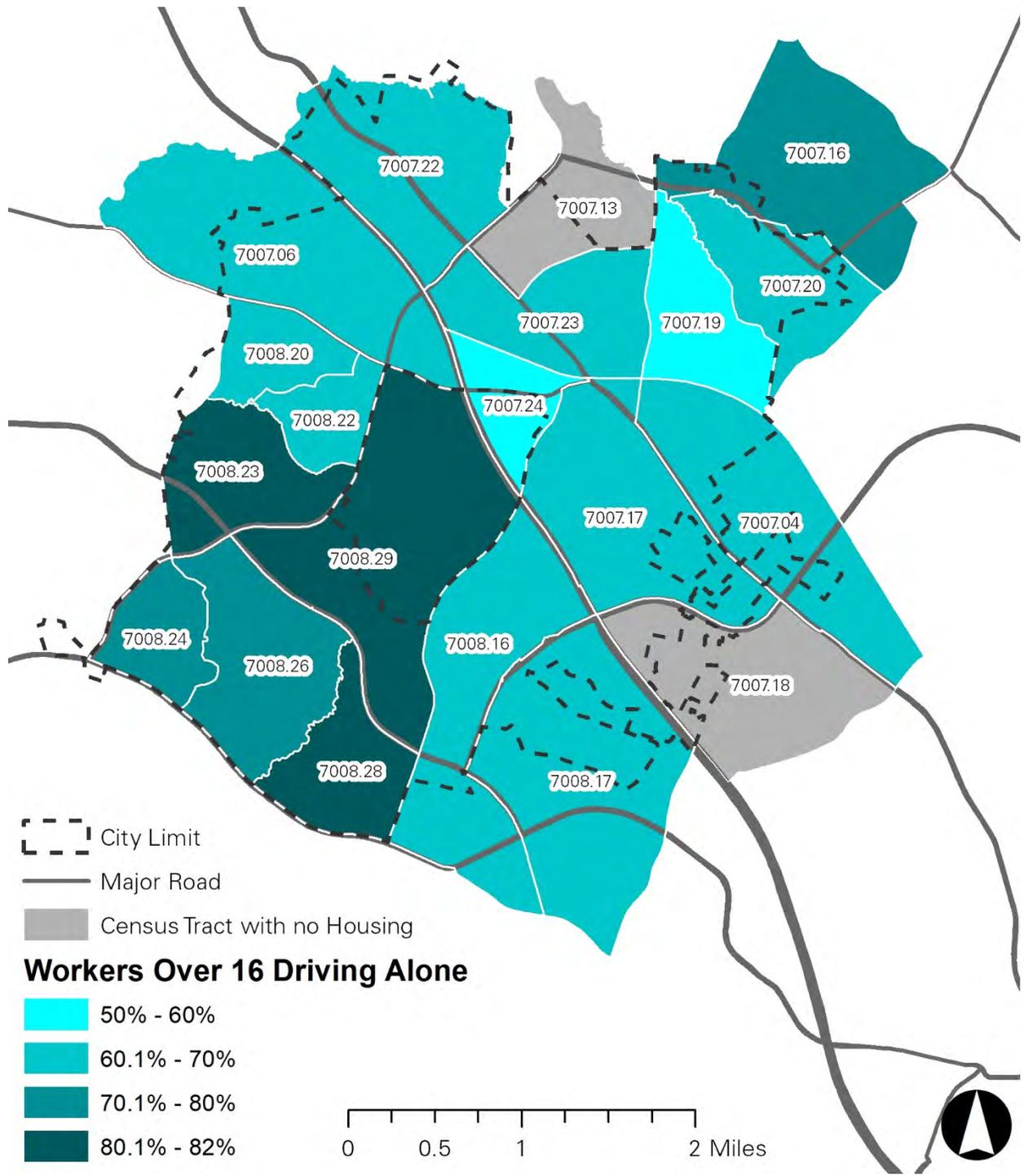
Table 2.14: Mode of Transportation to Work

Census Tract	Workers 16 and Over	Drove Alone	Car-pooled	Bus or Trolley	Streetcar or Subway Train	Motor-cycle	Bicycle	Walked	Worked at Home
7007.04(E)	1,454	61.3%	18.6%	6.1%	6.7%	0.0%	0.3%	1.4%	5.0%
7007.06(W)	2,276	68.6%	11.7%	3.5%	7.6%	0.0%	0.0%	2.5%	4.9%
7007.16(E)	4,305	71.5%	9.0%	5.2%	8.1%	0.2%	0.0%	1.8%	3.3%
7007.17(E)	3,564	60.0%	12.4%	14.8%	4.6%	0.0%	0.5%	5.7%	1.2%
7007.19(E)	5,227	52.3%	17.9%	17.1%	6.8%	0.0%	0.0%	0.7%	2.1%
7007.20(E)	1,968	63.1%	12.0%	14.4%	6.4%	0.7%	0.0%	0.0%	2.2%
7007.22(E)	2,376	67.5%	15.3%	5.3%	6.5%	0.0%	0.5%	1.6%	3.2%
7007.23(E)	1,102	67.9%	12.6%	8.7%	5.4%	0.0%	0.0%	0.3%	4.4%
7007.24(E)	1,877	56.9%	24.3%	9.2%	1.1%	0.0%	0.0%	3.7%	2.6%
7008.16(W)	4,940	68.2%	13.6%	6.8%	5.6%	0.0%	0.2%	0.2%	5.3%
7008.17(W)	3,466	66.6%	9.7%	2.1%	11.9%	0.3%	0.4%	3.2%	5.5%
7008.20(W)	1,484	62.9%	10.2%	6.4%	14.0%	2.5%	0.0%	2.7%	1.2%
7008.22(W)	916	68.8%	5.2%	9.7%	5.2%	0.0%	0.0%	2.0%	7.1%
7008.23(W)	1,866	82.5%	4.3%	3.4%	4.5%	0.0%	0.6%	0.6%	4.0%
7008.24(W)	1,504	70.6%	4.2%	0.1%	6.8%	0.0%	0.0%	3.4%	15.0%
7008.26(W)	3,227	72.2%	5.1%	1.7%	10.3%	0.0%	0.0%	3.3%	6.9%
7008.28(W)	1,276	81.0%	3.1%	0.0%	6.4%	0.0%	0.0%	0.0%	9.5%
7008.29(W)	1,735	80.7%	4.6%	0.9%	6.0%	0.0%	0.0%	0.0%	7.4%

Source: American Community Survey 2016 (5-Year) – Table B08301

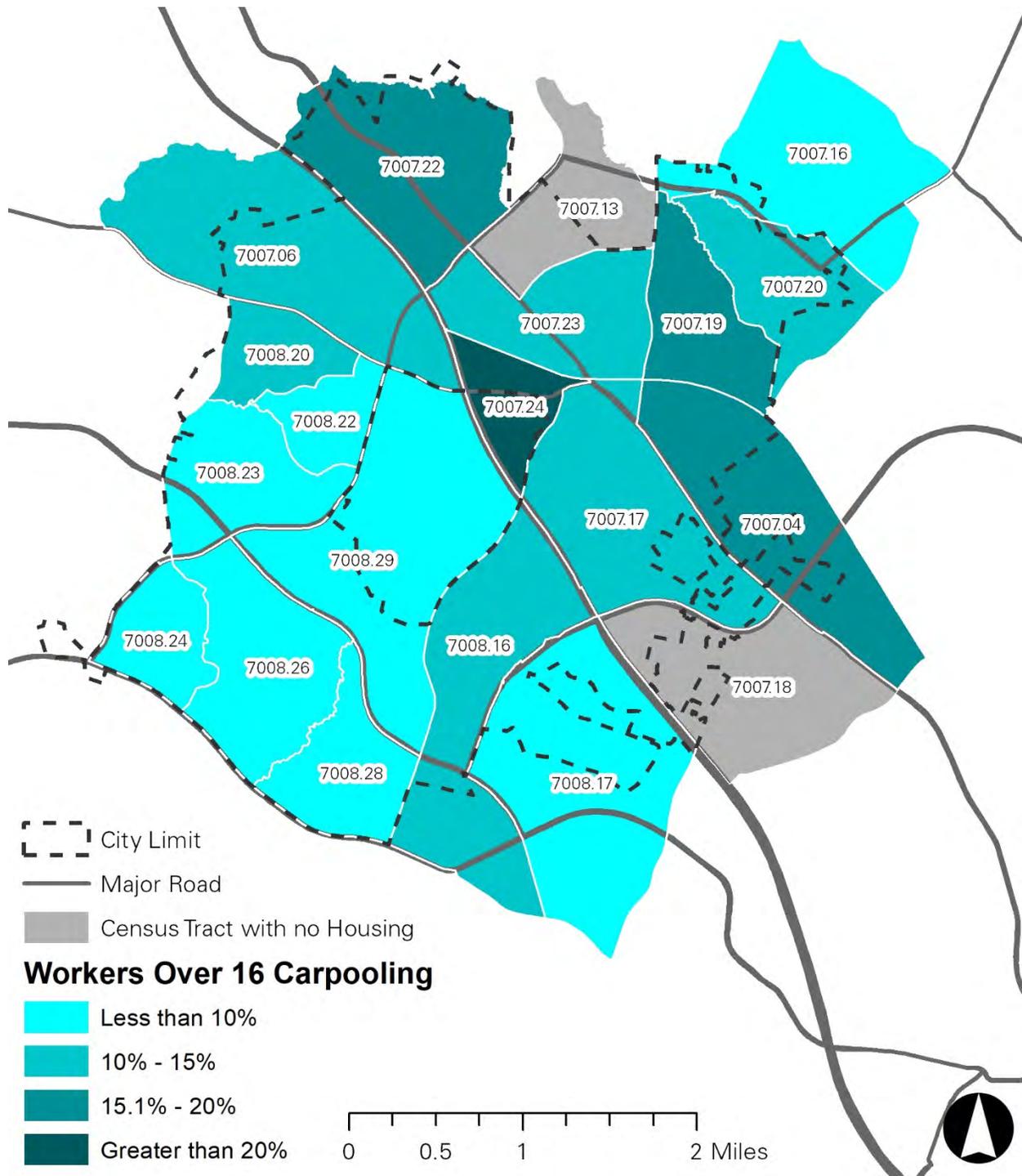
Note: Red denotes lowest 3 shares of individual cohort for all census tracts while blue indicates highest 3

Map 2.14 A: Commuting to Work – Drove Alone (2016)

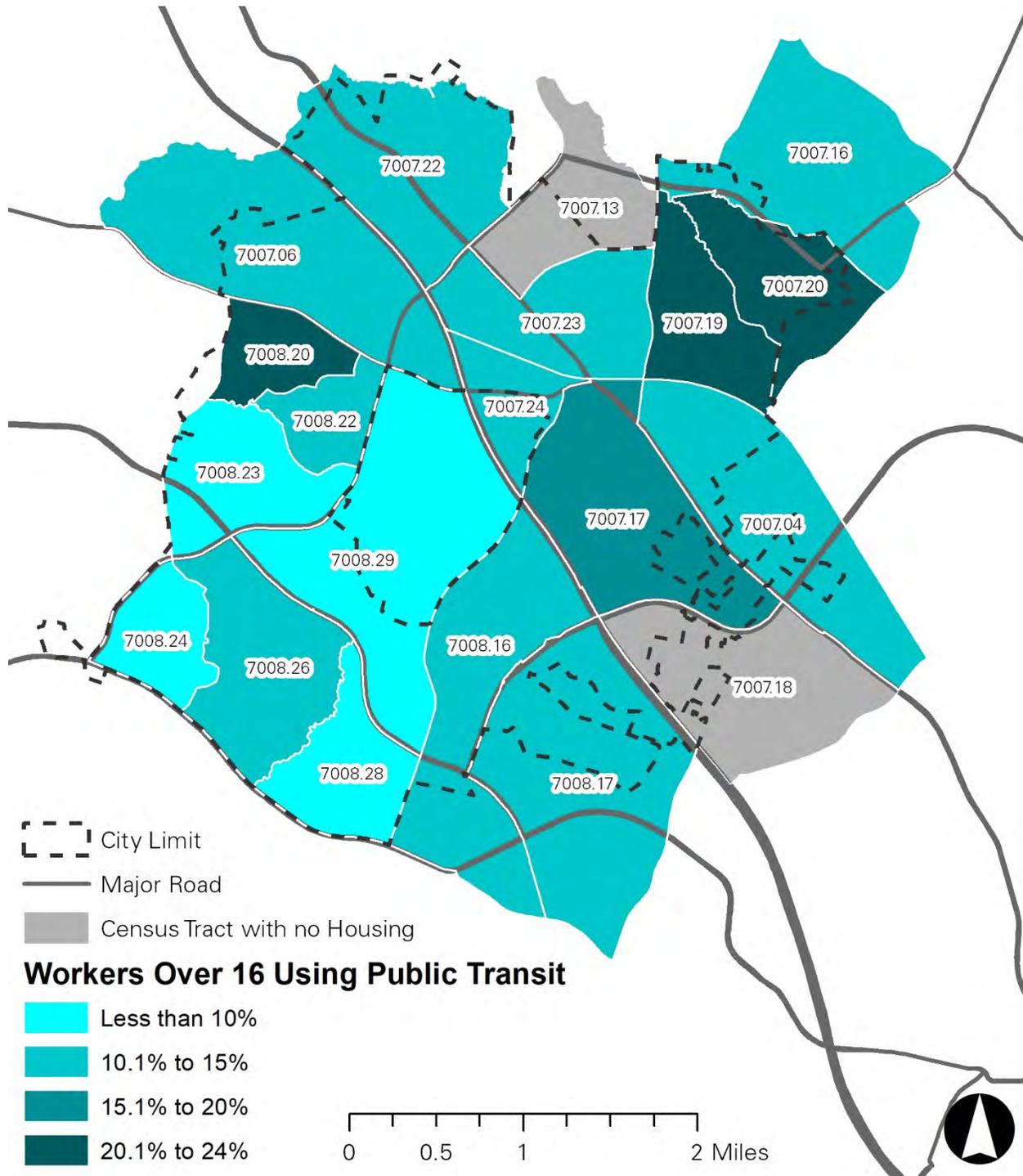


Source: American Community Survey 2016 (5-Year) – Table B08301

Map 2.14 B: Commuting to Work – Carpooled (2016)

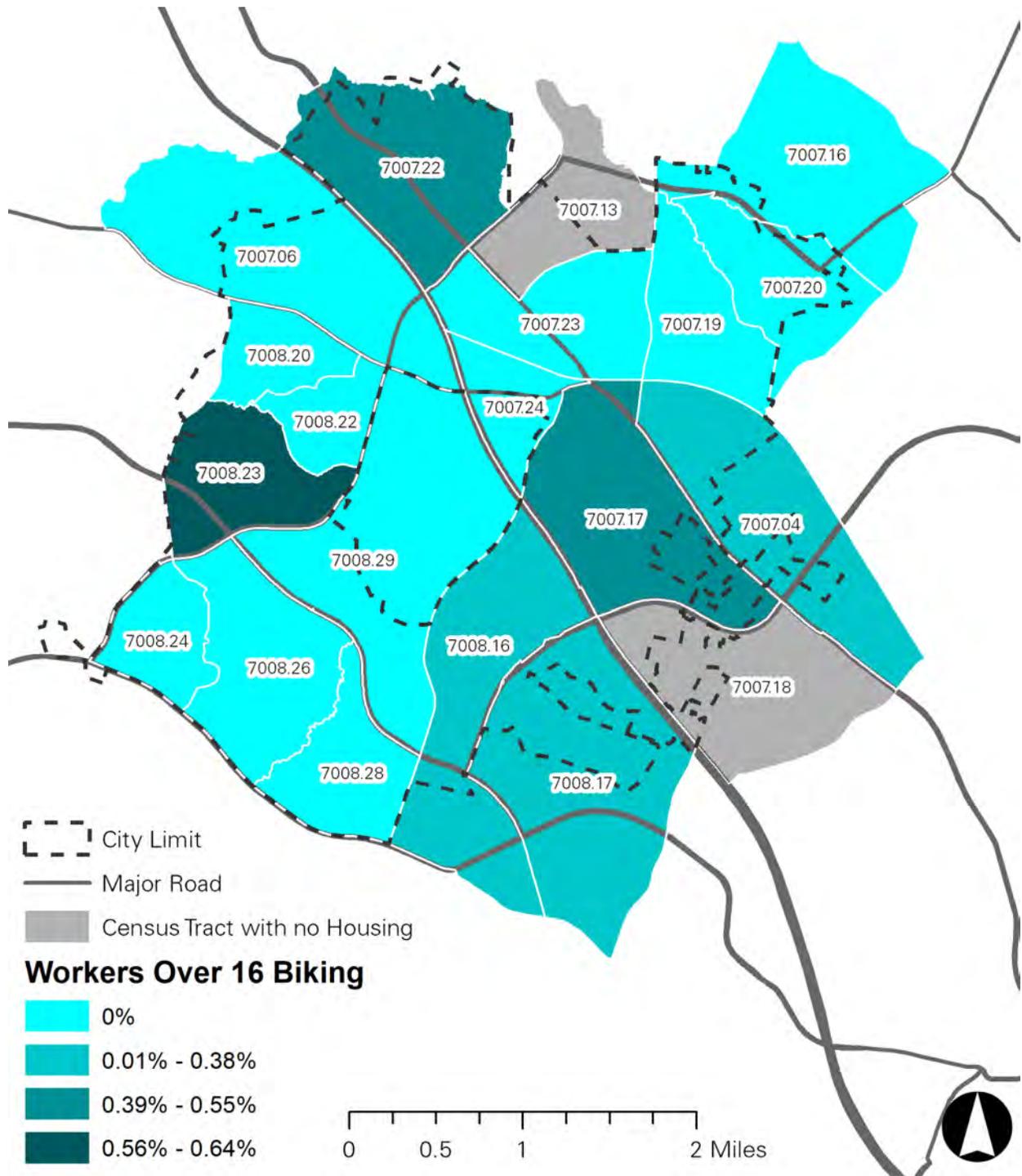


Map 2.14 C: Commuting to Work – Public Transit (2016)

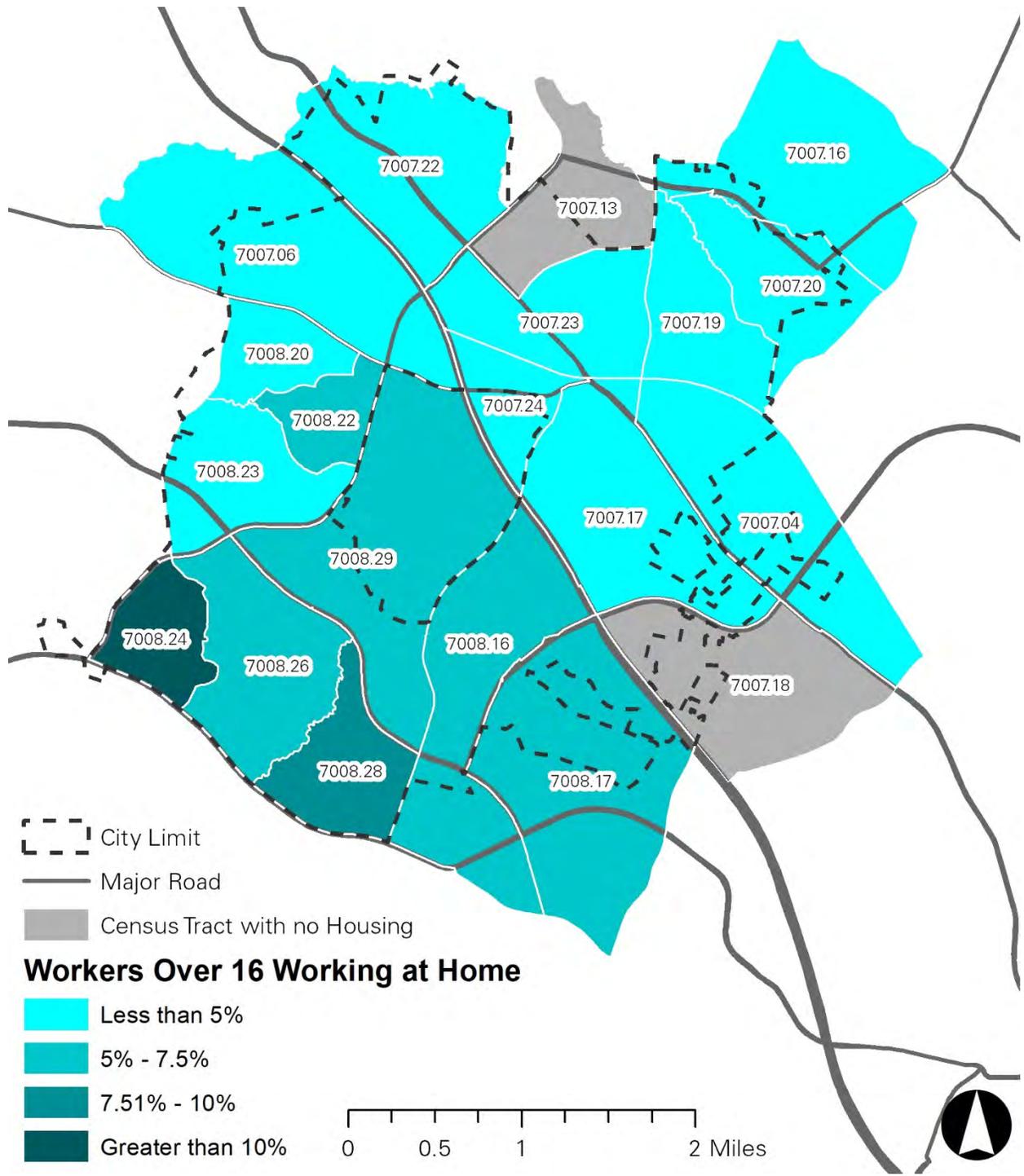


Source: American Community Survey 2016 (5-Year) – Table B08301

Map 2.14 D: Commuting to Work – Walked or Biked (2016)



Map 2.14 E: Commuting to Work – Worked at Home (2016)



Section 2-D: Economic

Commercial Property (Current Baseline)

Commercial property snapshots were provided for all categories. Table 2.15 includes a summary of the commercial space through November 2018. Figures 15.3 A through F break down and visualize the data from Table 2.15 and are accompanied by a brief description.

Table 2.15: Commercial Property Summary

	<i>Flex</i>	<i>Hospitality</i>	<i>Industrial</i>	<i>Multifamily</i>	<i>Office</i>	<i>Retail</i>	<i>Specialty</i>	<i>Sports and Entertainment</i>
Building Total	46	14	27	60	180	313	22	2
Rentable Building Area (sq. ft.)	2,120,736	1,217,034	1,685,268	11,842,117	7,476,128	6,779,564	992,413	9,909
Average Structure Age	32	34	40	42	51	39	44	1
Structures Renovated	6	4	2	3	16	6	-	-
Average Renovation Age (If Renovated)	11	7	11	16	19	20	-	-
Available Percentage (by sq. ft.)	10.4%	-	7.5%	0.1%	7.7%	4.0%	-	-
Total Available Space (sq. ft.)	219,865	-	126,183	9,109	576,709	268,160	-	-
Vacancy Percentage (by sq. ft.)	9.3%	-	6.8%	0.1%	5.3%	1.7%	-	-
Total Vacant Available (sq. ft.)	197,341	-	115,383	9,109	398,667	112,082	-	-
Median Vacant Building Size (sq. ft.)	9,824	-	115,383	9,109	6,283	3,060	-	-

Source: City of Gaithersburg – ‘Commercial Inventory as of 10 4 2018.xlsx’

Figure 2.15 A displays the total number of buildings by commercial category in Gaithersburg. By total commercial building count across the city, retail structures maintain the largest share with 313. Office structures have the second most buildings at 177 while industrial commercial structures only account for 26 buildings and flex structures account for 46. Multifamily buildings hold the third spot with 60 buildings. The remaining categories, including flex, hospitality, industrial, specialty, and sports and entertainment account for the remaining 111 buildings.

Figure 2.15 A: 2018 Commercial Building Count Share by Type

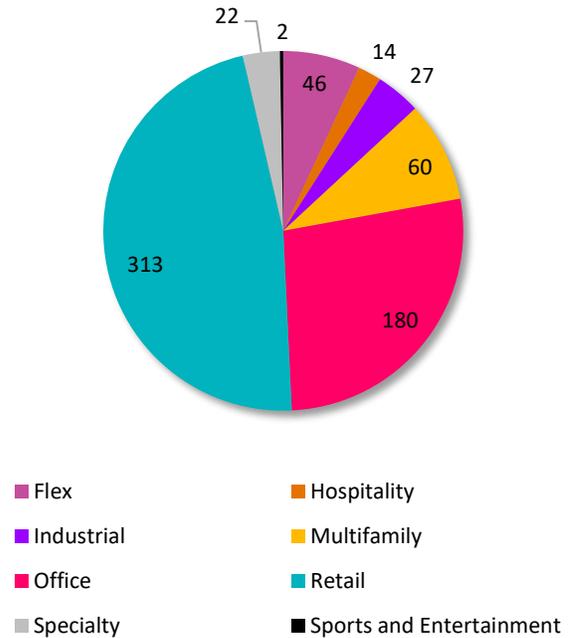


Figure 2.15 B displays the total square footage share of commercial buildings by category. Multifamily square footage possesses the largest share of the total with 36.9 percent of total commercial square footage. When considering the total area share for each commercial building type by square footage, an inversion of office space and retail space is observed. While there are nearly double the amount of retail buildings, the office buildings are higher in square footage with 23.3 percent of the total share. Retail buildings comprise 21.1 percent of the total commercial square footage. The remaining commercial types (flex, hospitality, industrial, specialty, and sports and entertainment) account for just 18.8 percent of the total commercial area.

Figure 2.15 B: 2018 Commercial Building Square Foot Share by Type

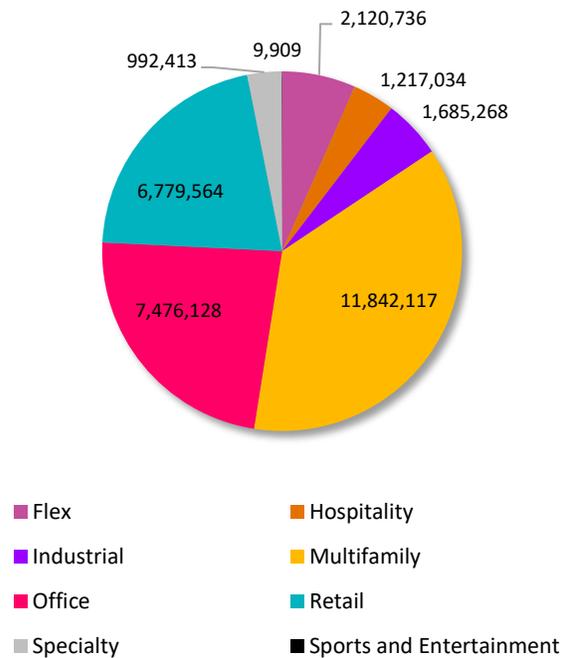


Figure 2.15 C displays the average building age for each commercial building type in the city. Notable is how much older the average office building is in the city with an average age of 51 years. Retail, industrial, and multifamily structures, on average, are approximately a decade younger. Flex space, a recent commercial building strategy compared to the others, is the youngest average of all types at 32 years, with one exception. That exception, sports and entertainment buildings, has an average age value that is based only on information from a single structure, and only two structures fall into the category.

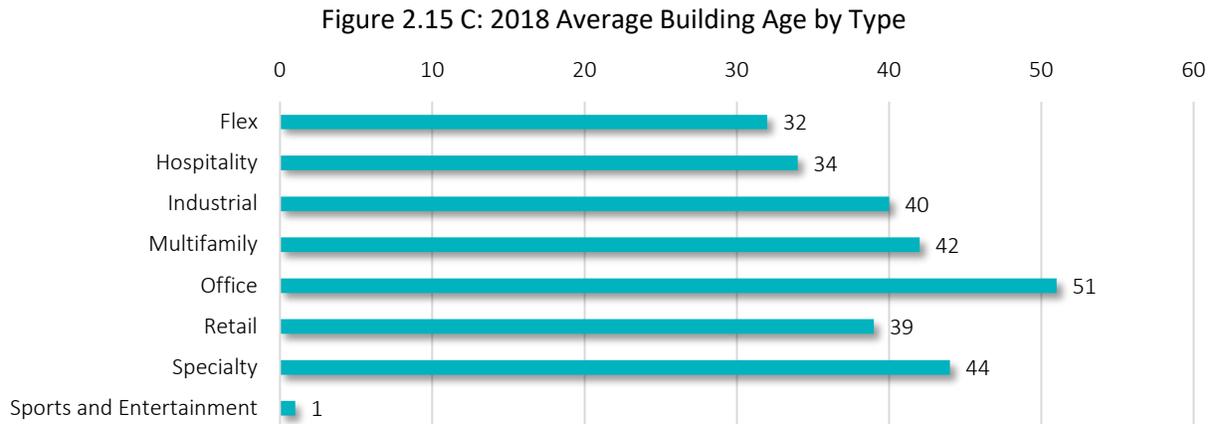


Figure 2.15 D displays the vacancy rates by square footage for commercial building categories. Multifamily displays the lowest share of vacancy with a value of 0.1 percent, however, this does not necessarily reflect the inherent vacancy of tenants moving in and out with regularity and is based on a single vacant property. Retail displays the second lowest rate of vacancy of less than two percent. However, it is possible that this rate is somewhat under representative as it does not reflect retail vacancy from Lakeforest Mall which is estimated to have approximately 120,000 square feet of vacant space. Office and industrial spaces have a higher rate of vacancy at 5.3 and 6.8 percent respectively. Flex commercial space displays the highest rate of vacancy with 9.3 percent of all flex commercial spaces being vacant. For commercial building types not displayed in the figure, no vacancy was reported.

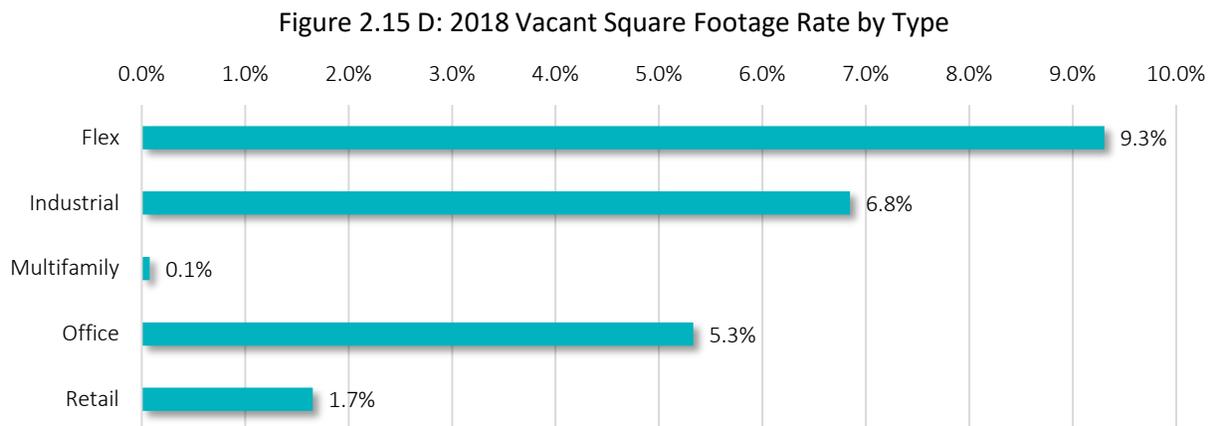


Figure 2.15 E displays a deeper level of vacancy detail than Figure 2.15 D. Instead of displaying the total percent of square footage vacant Figure 2.15 E displays the vacancy and availability (not to be confused

with total square footage) by commercial building type by square feet. While the total number of commercial office buildings are lower than industrial and flex spaces, it is evident that due to the larger share of office buildings, the square footage in office spaces available is higher than all other commercial building square footage types. There are nearly 600,000 square feet of office space available in the city. As in Figure 2.15 D, for commercial building types not displayed in the figure, no vacancy was reported.

Figure 2.15 E: 2018 Commercial Vacancy and Availability by Type (sq. ft.)

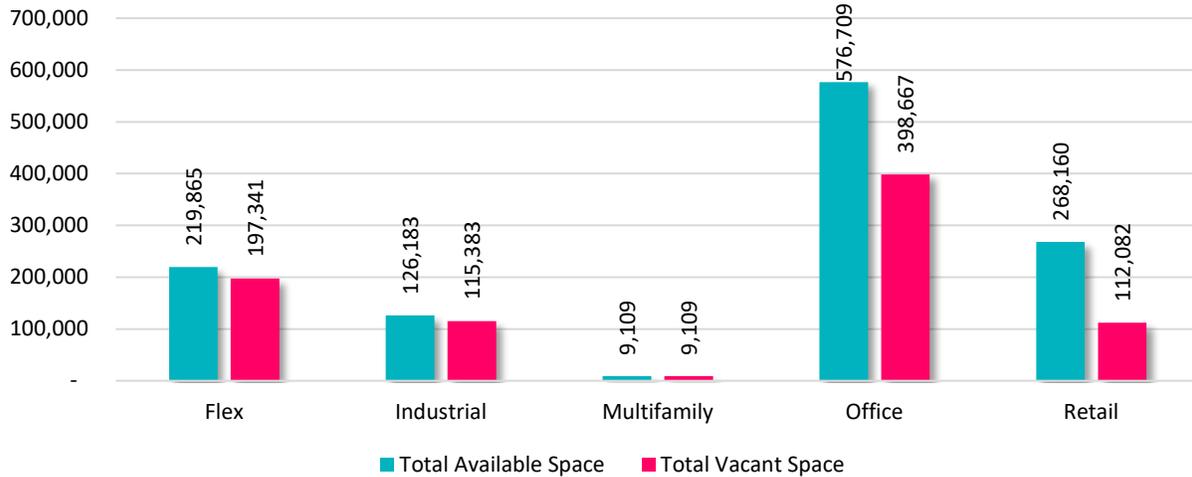
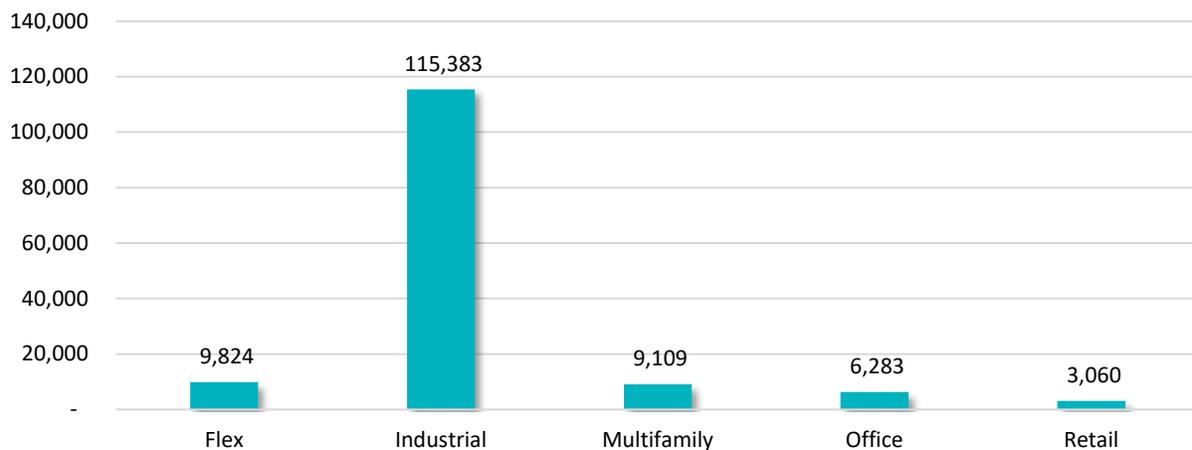


Figure 2.15 delves yet further into vacancy statistics by commercial building category by displaying the median vacant available square footage of structures with available vacancy. Industrial is evidently the largest share, however, it and multifamily are based on data from a single available vacant building. In commercial building types with multiple data points reflecting available vacancies flex is the highest with a median vacant availability of 9,824 square feet, followed by office at 6,283, and retail at 3,060.

Figure 2.15 F: 2018 Median Square Footage of Vacant Available Buildings by Commercial Type



## Unemployment

Unemployment in the labor force ranges between 1.4 and 14.8 percent. The highest values are witnessed in the center of the city to the northeast of I-270 in census tracts 7007.23(E) and 7007.17(E). In addition, census tract 7008.16(W) in the southern center of the city exhibits a higher unemployment rate of 10.6 percent. It should be noted that while census tract 7007.23(E) exhibits the highest unemployment in the labor force value, it also has the lowest share of population over 16 in the labor force. The other two highest unemployment shares represent some of the highest participation in the labor force.

Low unemployment is evident in census tracts 7008.29(W), 7007.06(W), and 7008.26(W) with values of 3.3, 2.8, and 1.4 percent respectively. These census tracts are all located in the southwest portion of the city south of I-270. It should be noted that census tract 7008.29(W) has a very low unemployment value as well as one of the lowest participation values.

Table 2.16 and Map 2.16 on the following page detail labor force and unemployment data by census tract in the city.

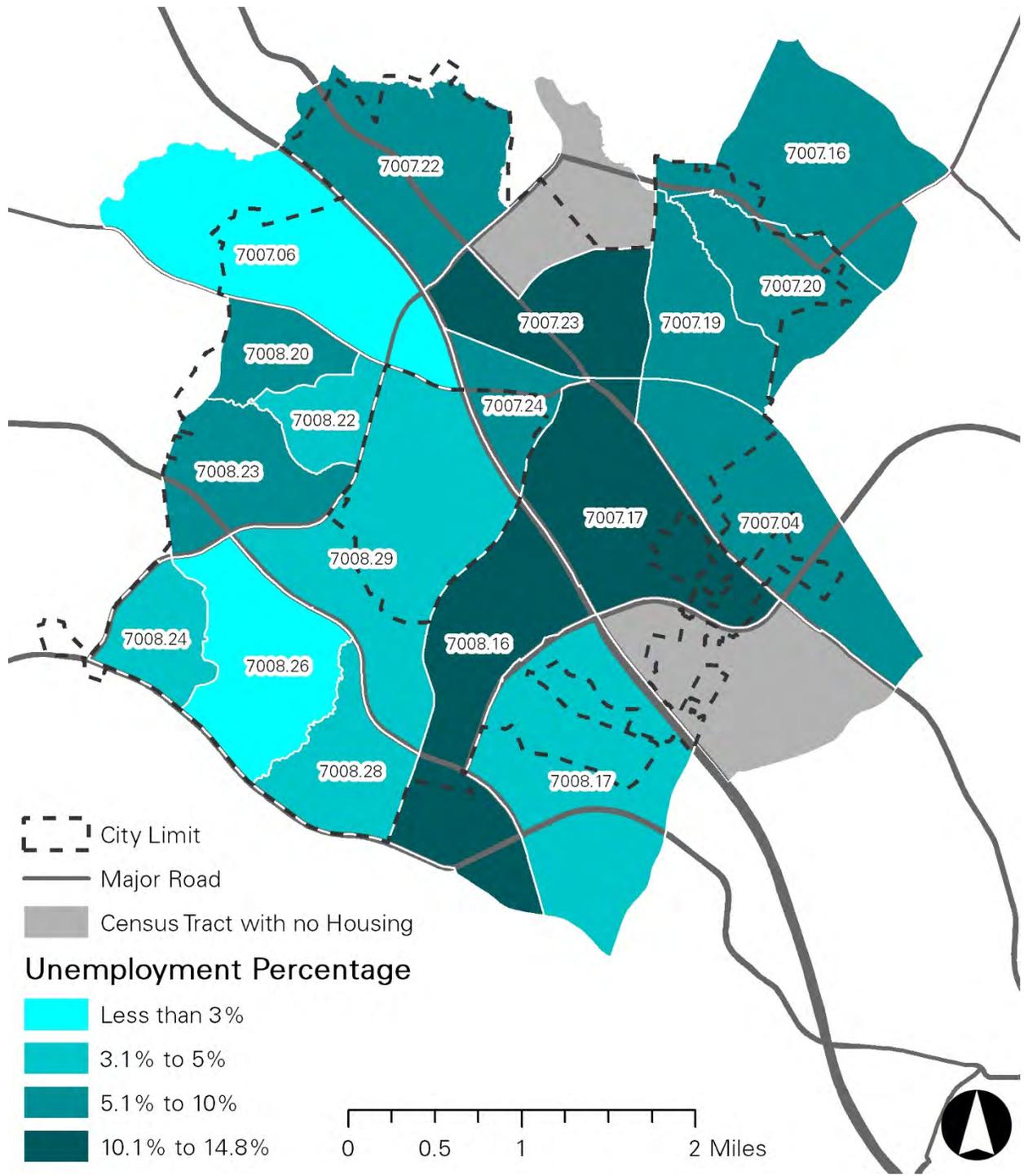
*Table 2.16: Unemployment in Population 16 Years and Over*

<i>Census Tract</i>	<i>Population 16 Years and Over</i>	<i>Population in Labor Force</i>	<i>Population in Labor Force %</i>	<i>Unemployment in Labor Force</i>	<i>Unemployment in Labor Force %</i>
7007.23(E)	3,257	1,330	40.8%	197	14.8%
7007.17(E)	5,384	4,157	77.2%	445	10.7%
7008.16(W)	6,967	5,709	81.9%	607	10.6%
7008.23(W)	2,751	2,073	75.4%	184	8.9%
7007.19(E)	7,537	5,722	75.9%	459	8.0%
7008.20(W)	2,079	1,630	78.4%	119	7.3%
7007.22(E)	3,618	2,566	70.9%	182	7.1%
7007.24(E)	2,690	2,017	75.0%	140	6.9%
7007.16(E)	6,269	4,585	73.1%	269	5.9%
7007.04(E)	2,343	1,561	66.6%	87	5.6%
7007.20(E)	2,916	2,111	72.4%	117	5.5%
7008.22(W)	1,297	999	77.0%	44	4.4%
7008.24(W)	2,189	1,586	72.5%	64	4.0%
7008.28(W)	1,844	1,340	72.7%	54	4.0%
7008.17(W)	5,043	3,666	72.7%	128	3.5%
7008.29(W)	2,601	1,835	70.5%	60	3.3%
7007.06(W)	3,193	2,385	74.7%	66	2.8%
7008.26(W)	4,311	3,312	76.8%	45	1.4%

*Source: American Community Survey 2016 (5-Year) – Table DP0*

*Note: Red denotes lowest 3 shares of individual cohort for all census tracts while blue indicates highest 33*

Map 2.16: Unemployment in Population 16 Years and Over

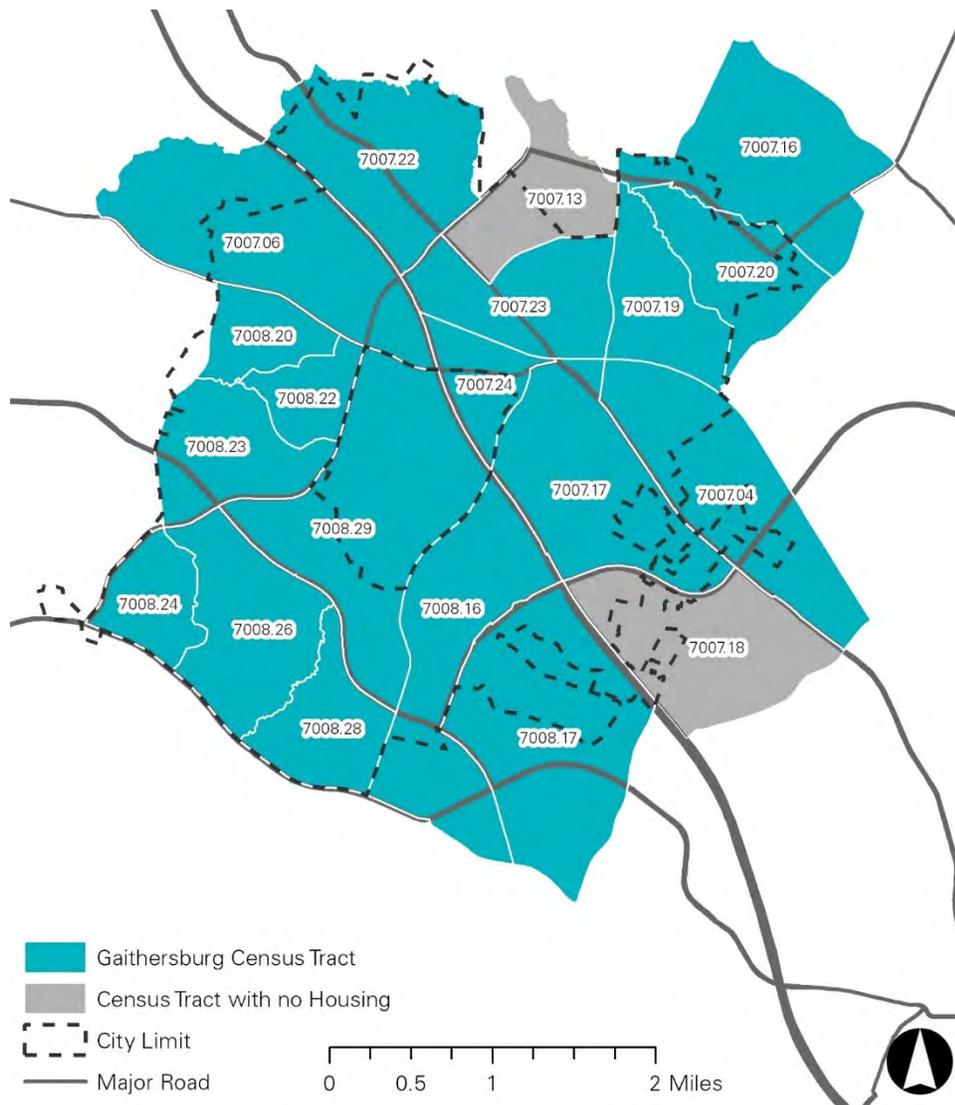


## Section 2-E: Key Points

### Tract-level observations

Gaithersburg is bisected by Interstate 270, often dividing Gaithersburg into eastern and western halves with different demographic, housing, and economic characteristics. Differences in the built environment--housing types and commercial space--are relatively static, and changes happen slowly. But shifts in sociodemographic patterns aren't strictly tied to bricks and mortar. Although these changes are influenced by the built environment, some neighborhood shifts break down the I-270 barrier.

Gaithersburg's east/west divisions are evident in spatial patterns of the population by race. The City's neighborhoods west of I-270 have higher shares of the population who identify as White. In particular, neighborhoods west of Great Seneca Highway have populations that are more than 60 percent White, compared to 37 percent citywide.



The group of Census tracts located west of Great Seneca Highway (7008.24, 7008.26, and 7008.28) also stand out for other factors:

- High median household incomes: these tracts have the highest median incomes in the region, ranging between \$122,000 and \$139,000 in 2016.
- Educational attainment: the three tracts have among the highest percentage of residents with bachelor's degrees (over 30 percent).
- Age: all three tracts rank at the bottom of City tracts in the percentage of residents who are 22 to 34 years old. Less than 14 percent of the population in these tracts is in the early-career age group. However, they rank near the top of City tracts in age groups 35 to 54, 55 to 64, over 65, and some of the under 18 age groups.
- Low shares of Black or African-American and Hispanic or Latino residents: all three tracts have the lowest percentage of Hispanic or Latino residents in the City, ranging from 3 to 6 percent. They also have among the lowest shares of Black or African-American residents in the City, ranging from 2 to 8 percent.
- Nativity: Following patterns of race, the percentages of foreign-born residents in these tracts are the City's lowest, from 16 to 27 percent.
- Low poverty rates: Poverty rates in these tracts range between 1.6 and 4.5 percent, making them the lowest rates in the City.
- Tenure: the three tracts have mostly owner-occupied housing units, and two of the tracts (7008.24 and 7008.28) have the lowest percentage of multifamily housing in the City. Tract 7008.28 has the highest share of single-family detached housing in Gaithersburg (73 percent).
- Low public transit usage: Few residents of these tracts use the bus to get to work (less than 2 percent).

Conversely, several Census tracts east of I-270 reflect a different Gaithersburg. Tracts 7007.24 and 7007.19 have large Hispanic or Latino populations, lower educational attainment, and shifting age dynamics. Each has a median household income below \$63,000, bachelor's attainment below 16 percent, large under 18 and small over 65 populations, larger households (average size 3 or over), small native-born populations (under 50 percent), and the City's highest poverty rates (17 to 18 percent).

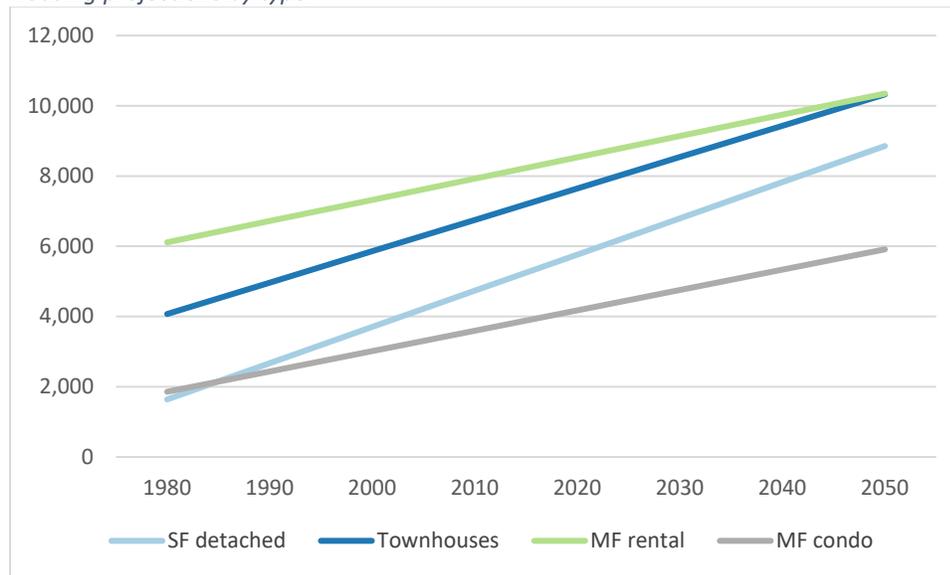
The two tracts also have housing units that are primarily occupied by renters, with 63 to 94 percent of households renter-occupied. Each has few single-family detached units (10 percent of all units or less). The tracts have the lowest rates of workers driving to work alone, and among the highest rates of carpooling and bus use.

However, two of the most dynamic tracts in the region straddle I-270 in the north of the City. Tract 7007.06 west of I-270 and tract 7007.22 east of I-270 reflect a shifting Gaithersburg. Tract 7007.06 experienced the largest median household income increase between 2010 and 2016. Just east across I-270, tract 7007.22 experienced the largest income contraction. Tract 7007.06 saw an increase in the number of its residents identifying as white between 2010 and 2016, while tract 7007.22 saw a large decline. Both tracts have populations between 38 and 45 percent foreign-born---neither the highest nor the lowest in the City---but tract 7007.06 experienced a large increase between 2010 and 2016. Tract 7007.22, on the other hand, saw a significant increase in the number of people living at or below the poverty line. That tract also has a low share of single-family detached units and a high share of single-family attached units.

## Housing

CURA projections based on City trends suggest that both single-family detached housing and townhouses should increase as shares of total units through 2050 while multifamily rental units and condos will grow more slowly. However, these projections are based on historic trends and do not take into account the space available for development. CURA's total projected increase of 12,497 units over 30 years would add significantly to the City's housing density, and it is likely that there is insufficient land on which to develop the volume of single-family detached units projected. Even developing multifamily of sufficient density to meet this growth would be difficult without high-rise apartment buildings.

*Housing projections by type*



Source: City of Gaithersburg

Single-family detached (?) units constitute 20 percent or less of housing units in most Census tracts located in targeted growth areas. If those areas are to house the bulk of residential and commercial development in the short to medium term future, building single-family detached housing at historic rates will limit commercial growth. Preservation and redevelopment of multifamily units could better serve the needs of the City.

However, as noted in Section 1, Gaithersburg has seen a recent decline in nonfamily households and growth in family households. Only two Census tracts have an average household size of 2.0 or less. Almost 45 percent of tracts have an average household size of 3.0 or greater. Most Census tracts experienced increases in average household size between 2010 and 2016, particularly those along the I-270 corridor. Future residential development—townhomes, multifamily rental, and multifamily condos—will need to include 2- and 3-bedroom units to accommodate families. Development of studio and 1-bedroom units will not meet new growth needs unless the households who live in them are creating vacancies in City housing units with at least 2 to 3 bedrooms.

Likewise, growth in the foreign-born population will place greater demand on rental housing units. Residents who are not naturalized citizens are less likely to take out a mortgage to purchase a home. The

demographic submarket most likely to purchase homes—native-born, higher income, highly educated households—is among the slower-growing (2010 to 2016) in Gaithersburg.

### Economic

CURA projects Gaithersburg's working-age population will increase by 46 percent over the next 30 years—slower than the projected total population growth of 56 percent. However, data suggests that most workers who live in Gaithersburg work outside of the City, and most jobs in Gaithersburg are held by people who live outside of the City. The connection between the skills of Gaithersburg residents and those of its workers is currently limited.

The City has experienced strong growth in populations with both very high and very low levels of educational attainment. These patterns, paired with a large foreign-born population, suggest Gaithersburg is attractive to highly skilled immigrant families as well as immigrants without strong formal educational backgrounds.

In employment, CURA projects the strongest growth in Professional, Scientific, and Technical jobs and Healthcare jobs. However, the City may ultimately compete for these businesses and jobs with the County's Life Sciences Center. Professional jobs require significant education, and healthcare jobs are often a mix of skills with training opportunities available. Retail and Accommodation/Food Services jobs—those most readily available to lower skill workers—are expected to grow slowly. Although the forecast indicates that Administrative jobs will severely contract, the severity is a function of the historic trends used to create a forecasting model. We do not foresee Administrative jobs falling to the low levels suggested.

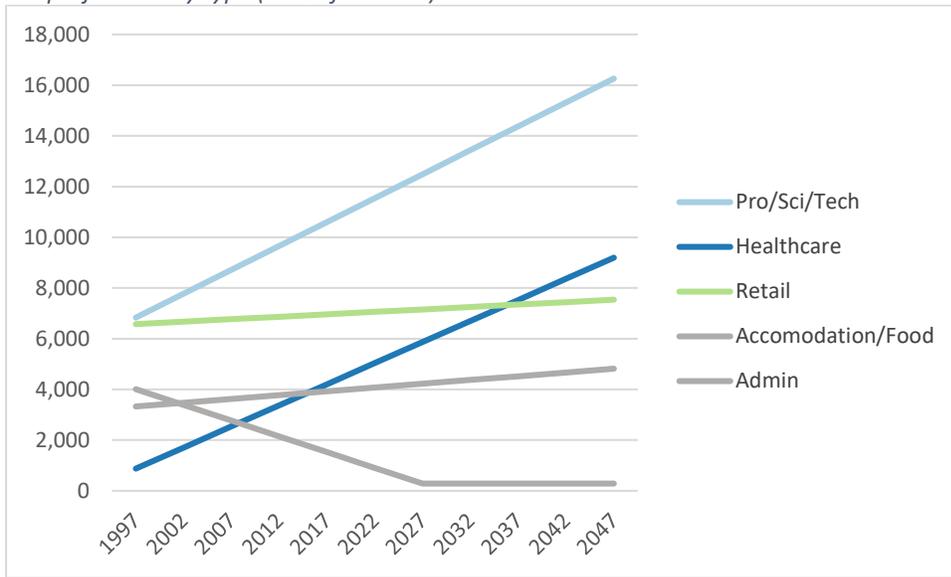
Forecast job growth aligns with the City's current development pipeline mix. The pipeline includes capacity to accommodate strong professional, scientific, and technical job growth. The slow projected growth of retail and accommodation and food jobs also matches the limited pipeline square footage for retail and restaurants.

Understanding how both residential and commercial/job growth will impact real property taxes remains difficult to predict without a more detailed fiscal impact analysis. As the City shifts towards redevelopment and greater density, land values in more dense areas are likely to increase more rapidly than land values with single-family detached dwellings. However, if buildings are redeveloped in a manner that attracts tenants from different aging commercial areas in the City, efforts to address commercial vacancies will be necessary. The retail sector is particularly at-risk as the growth of electronic retail (e.g., Amazon) increasingly reduces the need for brick and mortar retail space.

Technology changes are an important and unknown variable in understanding not just retail, but also employment in general. We cannot estimate the potential impacts of automation on the Gaithersburg's economy, but it is likely that the City's economy in 30 years will be most reliant upon high-skill industries, such as the biotech sector that serves as an economic base. The futures of retail employment, administrative employment, and food employment are difficult to predict.

# City of Gaithersburg Visioning Exercise Data Analysis

Job projections by type (CURA forecasts)



Source: City of Gaithersburg

## Section 3: Correlations

Gaithersburg has grown through the 20<sup>th</sup> century and into the 21<sup>st</sup> from a smaller market town to a postwar bedroom suburb and into the heterogenous mix of people and business visible today. Demographically, Gaithersburg can be characterized by the population's increasing mix of ethnicities and ages as well as a growing divide in incomes and formal education levels. Those changes and divergences often fall along the I-270 divide that splits the City into eastern and western halves.

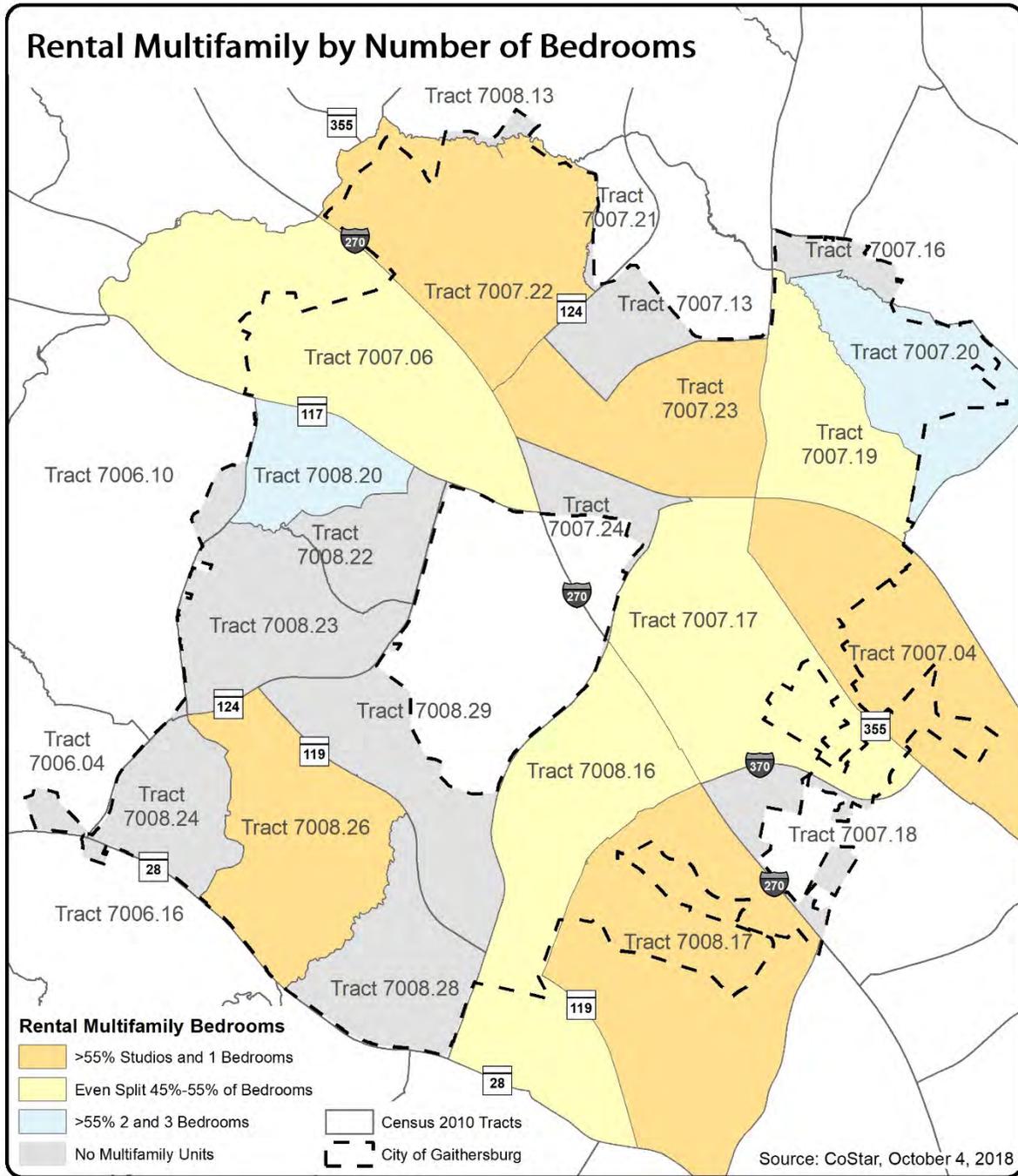
West of I-270, Gaithersburg is characterized by a majority-White population with greater household incomes and higher formal educational attainment. This population also has greater rates of homeownership and lower rates of housing cost burden. Workers west of I-270 use public transportation less as a means to commute to work, instead choosing to drive alone or work at home. The area also has a greater number of single-family detached housing units. These units are more often owner-occupied.

Population growth west of I-270 lags that of the City's eastern half. Although this may be attributable to higher housing prices, it is just as likely that housing availability plays a significant role. With more land dedicated to single-family housing, demand for housing units must be met elsewhere and population growth will follow.

East of I-270 and along portions of the I-270 corridor, Gaithersburg is characterized by a heterogenous mix of racial and ethnic groups, including many Black or African-American and Hispanic or Latino households. These households include a mix of working class and middle class families, including larger families with children. Many of the workers in this half of the city were born outside of the United States, and some of the population face language barriers as their English language skills are not fully developed. Workers east of I-270 are more likely to take public transportation to work or carpool.

Housing east of I-270 is less frequently single-family detached (see Figure 3.1 below). More of the housing takes the form of townhomes or multifamily units. With a greater availability of housing---particularly rental housing that meets the needs of foreign-born workers---this half of Gaithersburg has absorbed much of the City's recent population growth.

Figure 3.1



Residents of Gaithersburg appear to use the City as a bedroom community. A large majority of the City's working residents commute outside Gaithersburg for employment, many traveling to Rockville. These workers include IT professionals, managers, and government employees. The City's businesses employ more workers in retail and construction, but most of the City's workers live outside Gaithersburg.

Forecasts of population, household, and job growth in the City provide a broad picture of what Gaithersburg might expect over the next 30 years. MWCOG projections suggest population growth of more than 30 percent, and CURA forecasts project the population will increase by more than 50 percent. Such growth will likely occur in the areas where it has occurred recently---along the I-270 corridor and east of I-270. The predominantly single-family residential land use in neighborhoods west of I-270 precludes substantial growth in those areas, placing greater pressure on more dense residential development (i.e., multifamily) elsewhere.

The Gaithersburg Housing Policy encouraging single-family detached development will not address the area's future housing needs. The City's population growth is increasingly among groups who rent based on their ages, incomes, citizenship status, or work status: foreign-born families with high education levels, foreign-born families with lower education levels and lower incomes, and young non-White households of a variety of income levels. Multifamily housing, particularly rental, appears to meet the needs of growing populations, including some of the City's largest or fastest-growing groups---foreign-born residents and families.

As the City's average household size has grown, so has the need for multifamily units that can accommodate families. Gaithersburg's renter-occupied households have a much larger average size than the County or the DC metro, and the number of families in Gaithersburg increased by 11 percent between 2010 and 2016 while the number of householders living alone fell by 5 percent. More than half of the newest, Class A multifamily units are studio and 1-bedroom apartments. These newer units will not address the City's strongest growth areas. The City's Class B and C multifamily units, which have greater affordability, include a higher percentage of 2- and 3-bedroom units. The City's multifamily housing is less prevalent in the tracts west of I-270, and the units skew towards fewer bedrooms (studio and 1-bedroom units).

Additional analysis is necessary to fully understand the growth in the foreign-born population in Gaithersburg. Foreign-born households have a greater mix of incomes and skills than those in the predominantly White single-family neighborhoods in the City's western half. They are also less likely to purchase a home prior to securing citizenship. Expanding the tax base through business attraction and expansion may be necessary as the City's households move towards a more heterogenous mix of incomes and property ownership.

Job growth projections by MWCOG and CURA are in closer agreement, with MWCOG anticipating a 41.5 percent increase from 2015 to 2045 and CURA anticipating a 43 percent increase from 2012 to 2042. Given the City's current development pipeline, that growth is aligned with the I-270 corridor in targeted growth areas, assuming that commercial properties in the pipeline do not convert to residential reuses via rezoning, annexation agreement amendments, or other regulatory means. The development pipeline is overwhelmingly weighted towards office space, but that space may also allow for conversions to R&D or lab space. CURA projections suggest professional, science, and technology jobs as well as healthcare jobs are likely to experience strong growth. Retail jobs---a large source of Gaithersburg employment---are projected to grow slowly.

Given the overlap of recent population growth and the targeted growth areas where redevelopment might accommodate job growth, the two forecasts---population and jobs---are likely to come into conflict. As noted in the discussion of projections and the development pipeline in Section 1, the City could see between 8,800 and 11,500 new households by 2045. The City's active development pipeline includes just over 2,000 units of housing, and the inactive pipeline includes another 5,300. Without considering the inactive pipeline, the City will need between 6,700 and 9,700 additional units to meet that growth by 2045. That growth will need to occur in roughly the same space as commercial growth. In some cases, where mixed-use development can address both population and job growth, these conflicts can be productive. However, few of Gaithersburg's jobs are filled by Gaithersburg residents, and R&D space needed by biotech firms may be incompatible with residential uses due to chemical storage and space needs.

Redevelopment will be necessary to meet the City's growth in population and employment. However, redevelopment opportunities are finite and spatially constrained. Existing and approved pipeline development is concentrated in both targeted growth and revitalization areas and future growth areas that are already heavy with commercial space (see Figure 3.2). The City's stock of older commercial buildings---those prime for redevelopment---is concentrated along Frederick Avenue, which runs parallel to I-270 on the east side of the interstate (see Figure 3.3) as well as near Quince Orchard Road to the west of I-270. Most of those spaces are smaller than 20,000 square feet. Large commercial space suitable for redevelopment (20,000 square feet or more) is more dispersed (see Figure 3.4) but remains concentrated along those corridors.

Figure 3.2

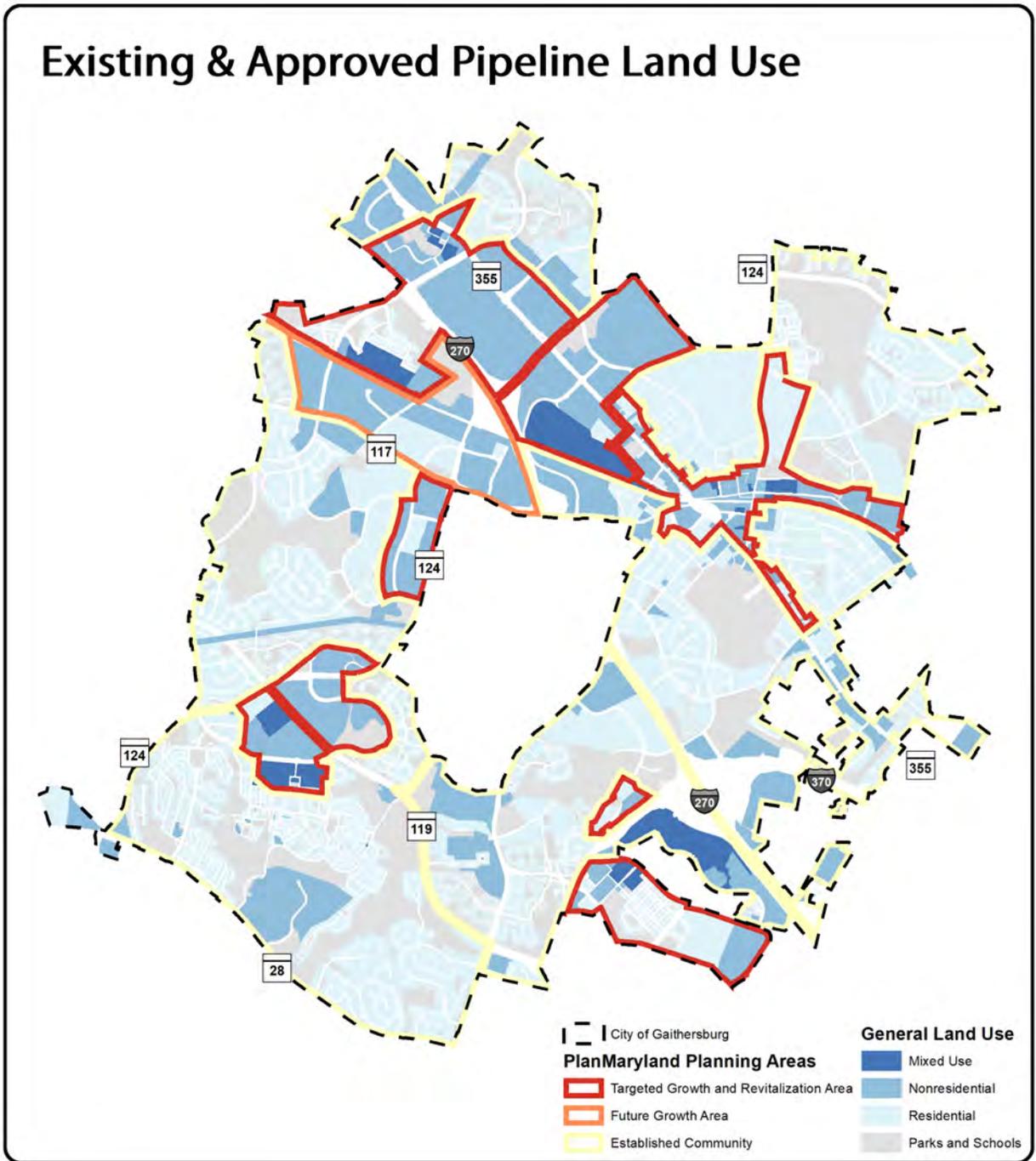


Figure 3.3

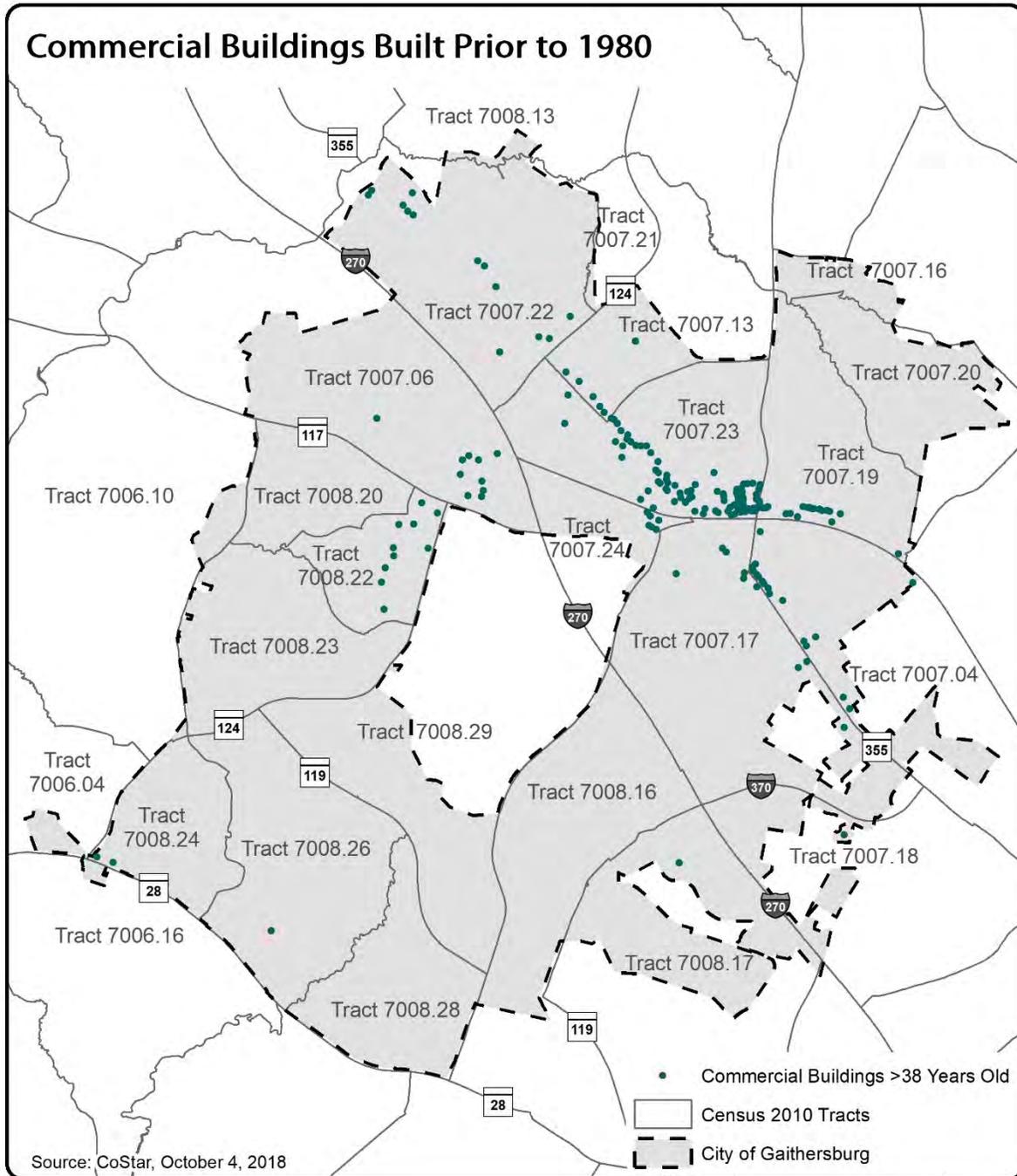
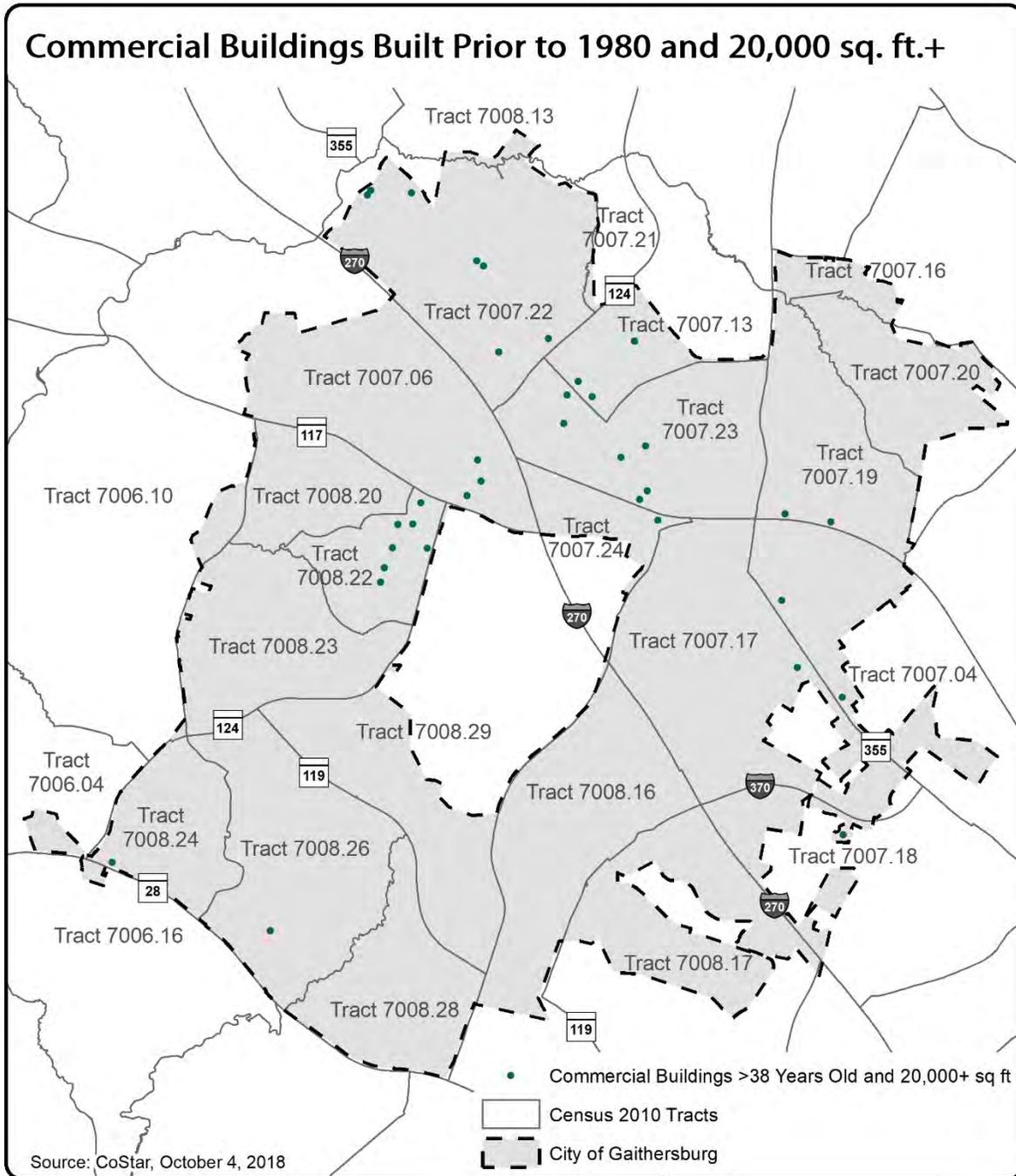
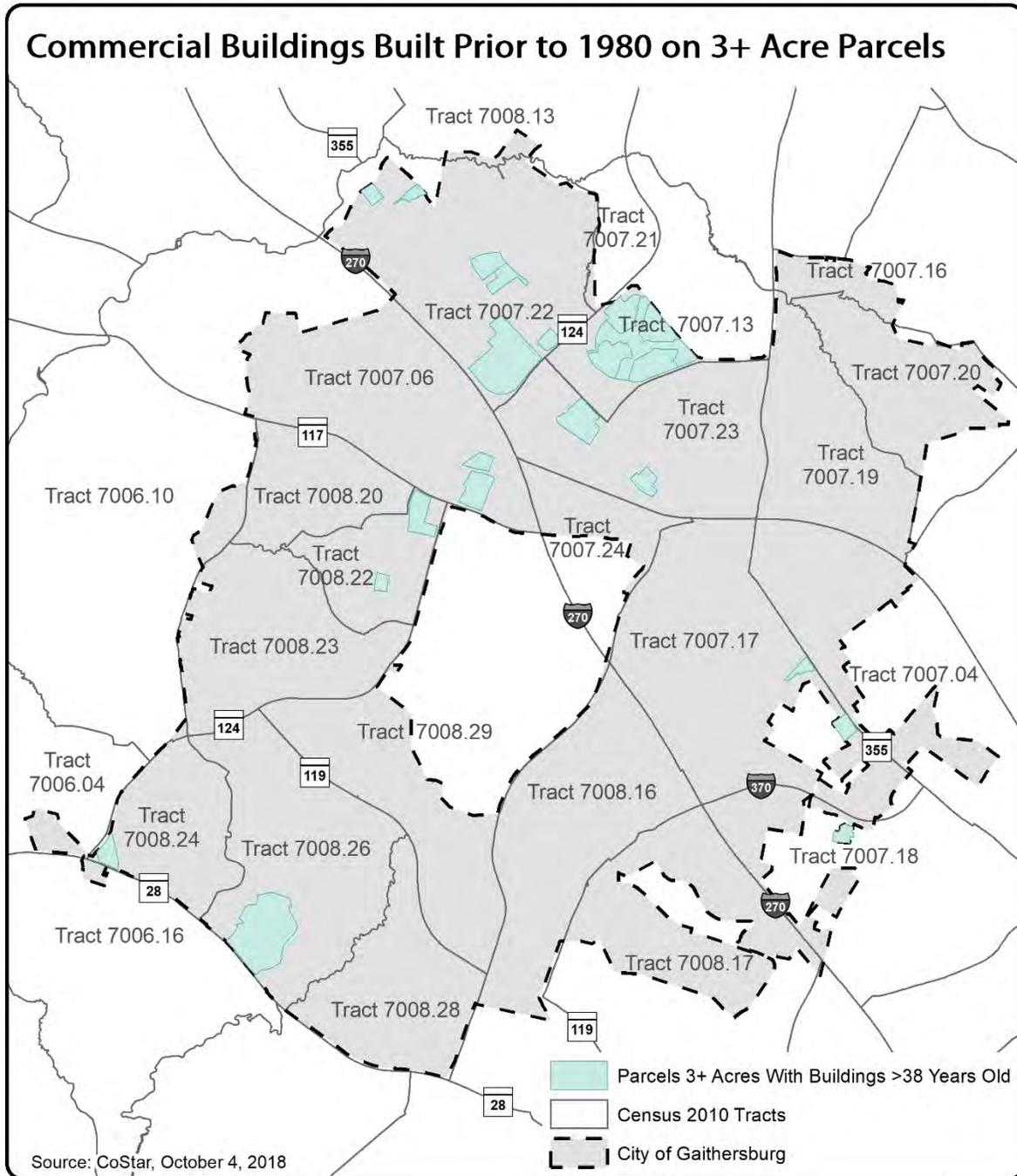


Figure 3.4



Constraints on land exist as well. The parcels ideal for redevelopment—3 acres or larger with commercial buildings built prior to 1980—are few (see Figure 3.5). These parcels will need to meet the bulk of commercial and residential growth in Gaithersburg beyond the current development pipeline. If Gaithersburg is to meet projected residential needs, very dense development—such as high-rise apartment buildings—will be required. That residential development will preclude some commercial development. Conversely, if the City is to maintain these parcels as commercial developments in order to grow its economy, less space will be available for residential needs. In short, as the City charts a path forward, decisions that address residential needs will likely come at the cost of commercial space. Decisions that preserve commercial space will limit housing growth, requiring increasingly dense developments.

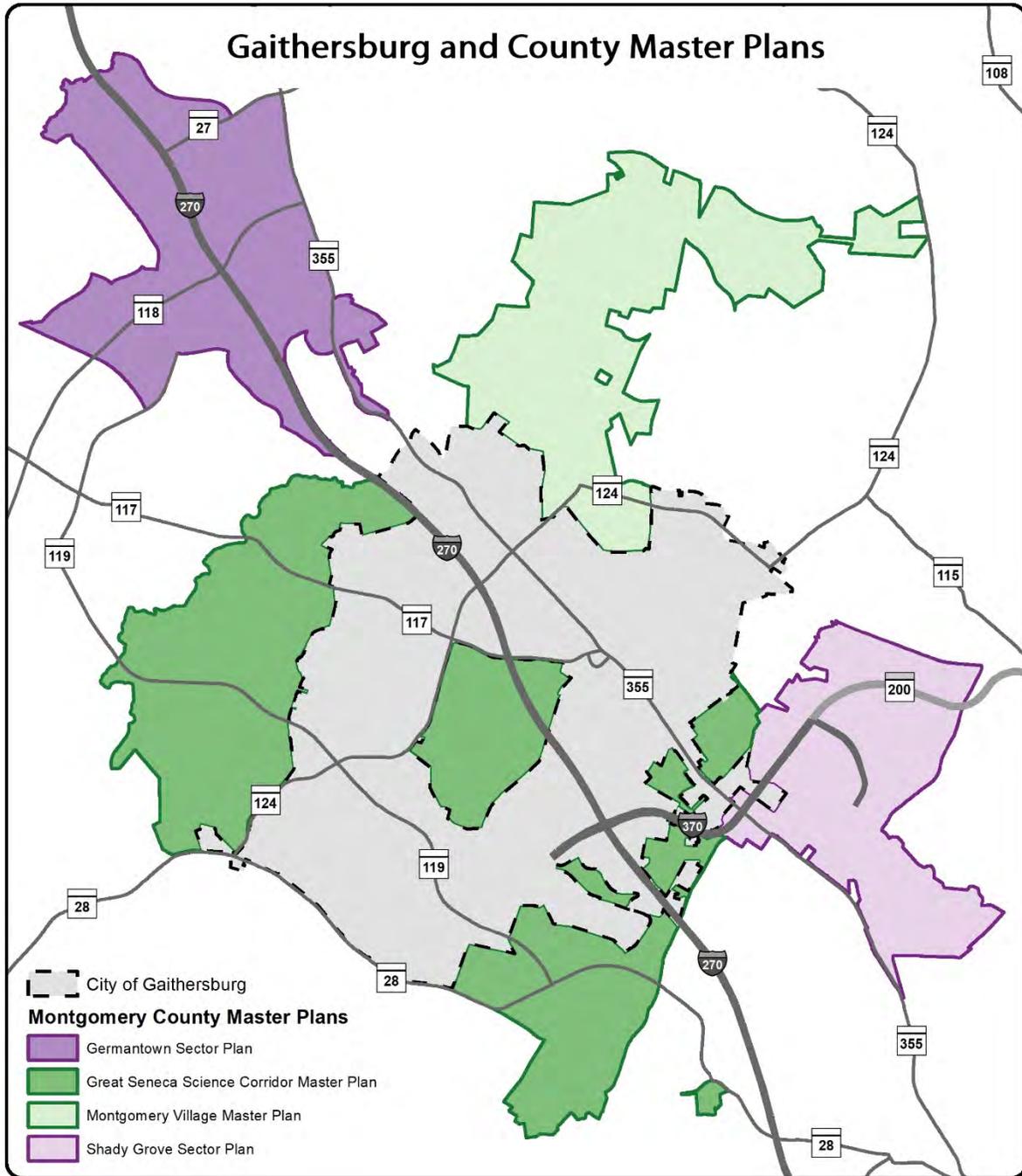
Figure 3.5



Gaithersburg is facing a number of opportunities through growth. However, those opportunities may conflict with each other, creating barriers and threats to the City's fiscal health and quality of life.

1. Residential growth: Population growth trends and forecasts indicate that the City is an attractive place to live, particularly for foreign-born families. To accommodate anticipated growth, the City will need to create more multifamily units with at least two bedrooms. Multifamily growth will place greater pressure on businesses to shoulder the City's tax burden. The City will need to provide the current level of services to an increasing number of residents in addition to ensuring transportation and public transit infrastructure allows more workers to commute outside the City.
2. Economic growth: The City is expected to see growth in high skill jobs. Although the City has also seen growth in populations with high levels of formal education, the professional and scientific jobs likely to grow are not necessarily compatible with nearby residential uses. Office jobs may function well within a residential area, but laboratories with hazardous chemicals may not.
3. Transportation: The City's jobs are often filled by residents from outside the area. Job growth would benefit from being located in high access areas, such as the I-270 corridor and near the existing MARC commuter train stations.
4. Housing: The I-270 corridor and neighborhoods east of I-270 are likely to see the most growth in population and demand for housing. Although neighborhoods west of I-270 include some multifamily, many do not. Those that do include multifamily do not necessarily include enough space to address the needs of families. Most Gaithersburg residents also work outside the area. High access areas (I-270 corridor, MARC stations, proposed high-capacity transit) will also be in demand for dense residential projects. Given limited redevelopment opportunities, housing that is built will need to be increasingly dense. The City will need to navigate the competing needs of residents (housing) and businesses.
5. Although live/work mixed-use communities are ideal, few of Gaithersburg's residents work in Gaithersburg. The City's businesses primarily employ people from outside of Gaithersburg. Therefore, it will be important to make sure that business growth---specifically, commercial space in important sectors---is not precluded by residential uses or is closely aligned with nearby residential uses. Certain commercial uses, such as retail and office space, will allow residents to shop or work without looking outside the City, which may reduce traffic and increase the City's tax base.
6. Given external residential growth just outside the City's boundaries (see Figure 3.6), and given the City's desire to increase its jobs-to-households ratio (which has been declining in recent years), it is desirable to address some of the City's residential demand externally.

Figure 3.6



This report raises several questions that could not be fully explored. Why Gaithersburg has experienced such an influx of foreign-born residents---with formal education levels both very high and very low---remains a question. Although it may be possible to speculate on the reasons---housing types and costs, schools, or transportation availability---clearer answers will require a more qualitative analysis beyond the scope of this study.

Similarly, the City may wish to better understand the regional labor force as it makes decisions on how best to manage commercial redevelopment opportunities. City residents are part of a regional labor market. Their knowledge and skills translate into businesses and jobs. Gaithersburg businesses compete for the same talent as NIST or the County Life Science Center. While we understand the likely demand for jobs through MWCOG and CURA forecasts, we don't have a firm understanding of the supply: the skills of the labor market locally and regionally. As the City continues to expand with increases in residents with both high and low levels of formal education, understanding how that expansion translates into skills could provide additional information to guide commercial development.