

Chapter 2

The Planning Environment

Facility plans are developed in a dynamic planning environment, driven by steady school enrollment growth. Since the mid-1980s, when birth rates began to rise and reverse a so-called “baby-bust,” this growth has been accompanied by increased diversity, as seen in the wide range of cultures, languages, and racial and ethnic populations in our cosmopolitan county.

Enrollment growth since 2008 has been particularly strong. Enrollment this school year totaled 162,680 students, an increase of 1,134 students from the 2017–2018 school year. Enrollment grew by 23,404 students from the 2008–2009 to the 2018–2019 school year, an average of 2,340 students each year. Total school system enrollment is projected to increase to 174,322 or by another 11,642 students by the 2024–2025 school year, which averages approximately 2,328 students per year.

This growth continues to create challenges for our school facilities and capital program. Funding for capital projects has not been sufficient to keep up with enrollment increases. The backlog of school capacity projects is compounded during each capital planning cycle as resident live births and migration to the county spur further enrollment growth.

Community Trends

Population

Montgomery County’s overall population is growing and diversifying. According to U.S. Census Bureau estimates, the County’s total population has increased by 185,469 people, or 21.2%, since 2000, from 873,341 to 1,058,810 people. A significant share of the County’s population increase has resulted from resident live births outnumbering deaths by more than 2 to 1. Since 2000, there have been 239,289 births

compared to 101,157 deaths in the county, for a net natural population increase of 138,132 residents, accounting for 74.5% of the County’s overall population increase.

Migration patterns also are contributing to population growth. Between 2010 and 2018, international migration is estimated to have contributed 76,972 residents while domestic migration resulted in a loss of 47,953 residents, netting 29,019 new residents (Maryland Department of Planning). The 2017 estimate of County residents born outside of the United States is approximately 339,000 (U.S. Census Bureau) or approximately one-third of the County’s population.

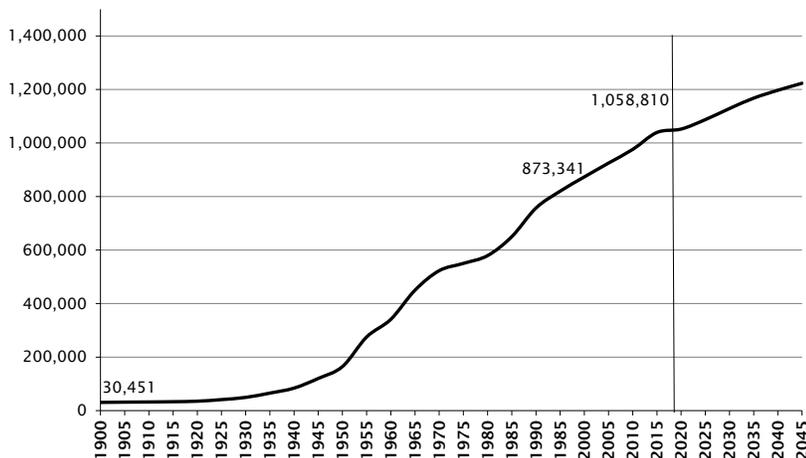
Montgomery County’s trend toward racial and ethnic diversification mirrors national demographic trends. According to U.S. Census Bureau data, since 1990 to 2016, the county’s White, non-Hispanic population has decreased by 14 percent while the African American population increased by 93 percent, the Asian population increased by 141 percent, and the Hispanic population (of any race) increased by 242 percent. 2010 was the first year that racial and ethnic groups other than non-Hispanic Whites accounted for the majority of the county’s population.

Economy

It has been ten years since the end of the “Great Recession” which officially lasted nearly two years, beginning in December 2007 and ending in June 2009. Even after the official end of the recession, the economy remained weak and job growth was slow for several more years. Compared to other parts of the nation, data from the U.S. Bureau of Labor Statistics show that Montgomery County fared reasonably well during and after the recession. Whereas national unemployment peaked at approximately 10 percent in 2009, the County’s peak unemployment was 5.6 percent in 2010. By 2015, the national unemployment rate dropped to 5.3 percent and Montgomery County’s rate to 3.9 percent. The unemployment rate has continued to decline in the county and for fiscal year (FY) 2018 was 3.8 percent, which was lower than the national unemployment rate of 4.1 percent (Economic Indicators, Montgomery County Department of Finance, July 2018).

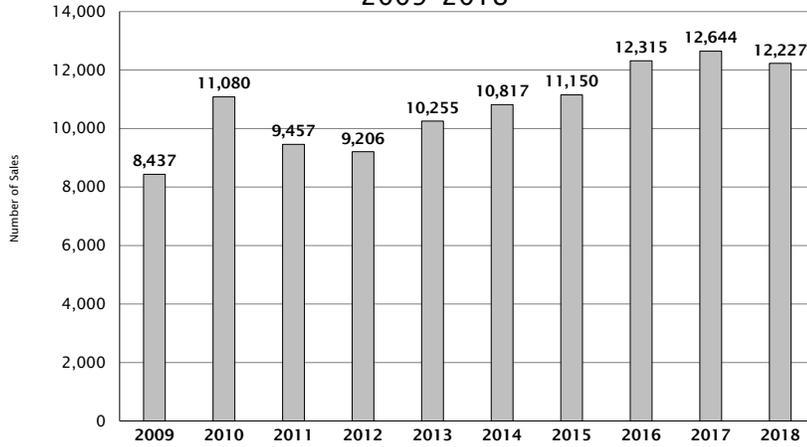
The recession’s impact and recovery also is evident in the county housing market. In FY 2009 there were 1,159 new residential starts. By FY 2016, residential starts peaked at 5,230 units, and in FY 2018 there were 3,881 units. The recent decline in units is mostly due to fewer multi-family units being constructed. During the past ten fiscal

Montgomery County Total Population
1900–2018 and Projected to 2045



Source: Montgomery County Public Schools, Division of Capital Planning, May 2019.

Montgomery County Sales of Existing Homes by Fiscal Year 2009–2018



Source: Economic Indicators Reports to County Council, Montgomery County Department of Finance, July 2018.

years, the weakest year was FY 2009 in the resale market when 8,437 existing homes were sold. In FY 2018, 12,227 existing homes were sold. Prior to the recession, the median sales price of housing experienced a bubble that reached \$444,000 in 2007. That figure dropped to \$340,000 in 2009, but sales prices have gradually risen since, and was \$439,000 in 2018, according to the Greater Capital Area Association of Realtors.

The recession's long-lasting impacts on school system enrollment include the following:

- First, households that experienced job losses in other parts of the country moved to Montgomery County for better job prospects or to share housing with those who live here, putting pressure on MCPS enrollment.
- Second, because of reduced opportunities for employment outside the county, there was less out-migration than is typical. Out-migration has moderated enrollment increases in the past by offsetting in-migration. During the recession, net migration to the county increased, raising MCPS enrollment levels.
- Third, decreases in the value of county housing placed many homeowners "under water" in mortgage debt. Consequently, households who might have moved were forced to stay put. This, too, resulted in less out-migration than in-migration.
- Fourth, many families that previously enrolled their children in private schools were forced to rethink this financial expense. There was a marked increase in students enrolling in MCPS from area private schools.

Master Plans & Housing

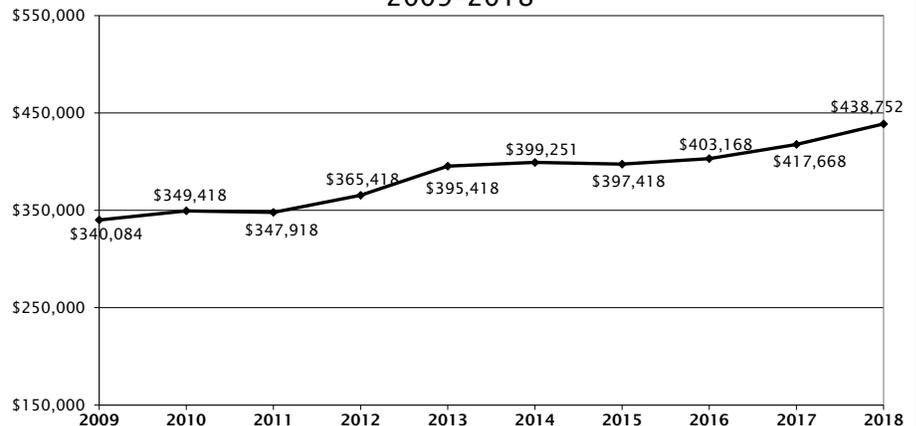
Traditional suburban residential development is becoming the exception in the county. Subdivisions in Clarksburg are among the last that will be built in the county. A new school cluster was formed there in 2006, when Clarksburg High School opened to accommodate these new communities.

In the past, county development was characterized by a separation of residential and commercial uses. Today, a desire to mix land uses and concentrate denser development in transit accessible hubs is guiding new master and sector plans. In addition, reduced availability of land for residential development has spurred infill and redevelopment of older housing and/or other structures. Higher housing densities than seen in the past will characterize

the future housing stock and accommodate our growing population. Overall, today's land use planning promotes the urbanization of transportation corridors.

Recently adopted master and sector plans include those for the Grosvenor-Strathmore Metro station area and Bethesda Downtown. In 2017, the Forest Glen/Montgomery Hills (FG/MH) Sector Plan and the Greater Lyttonsville Sector Plan were adopted. The FG/MH plan provides for increased residential density near existing transit stations through rezoning, with the intent to prioritize affordable (MPDU) units. The Lyttonsville plan provides for increased residential density near the Lyttonsville Purple Line Station as well as potential redevelopment of Paddington Square. The net effect of students on the school system will be evaluated when development plans are approved. MCPS participates in county and city land use planning to ensure impacts on enrollment are considered and future school sites are identified. (See Appendix C-1 for

Montgomery County Median Home Sale Prices 2009–2018



Source: Montgomery County Market Trends Reports, Greater Capital Area Association of Realtors.

further information on the role of MCPS in land use planning.) Moreover, MCPS monitors housing activity in all school service areas through close coordination with the Montgomery County Planning Department, and comparable plan review departments in the cities of Gaithersburg and Rockville. In addition, MCPS collaborates with county agencies to measure the student yield of different types of housing once it is built.

Subdivision Staging Policy

The Montgomery County Subdivision Staging Policy is the tool the county uses to regulate subdivision approvals, ensuring they are commensurate with the availability of adequate transportation and school facilities. The policy includes an annual test of school adequacy that compares projected school enrollment to school capacity at the elementary, middle, and high school level in the 25 MCPS school clusters, as well as at each individual school. The school test takes into account capital projects scheduled within the Capital Improvements Program (CIP) timeframe.

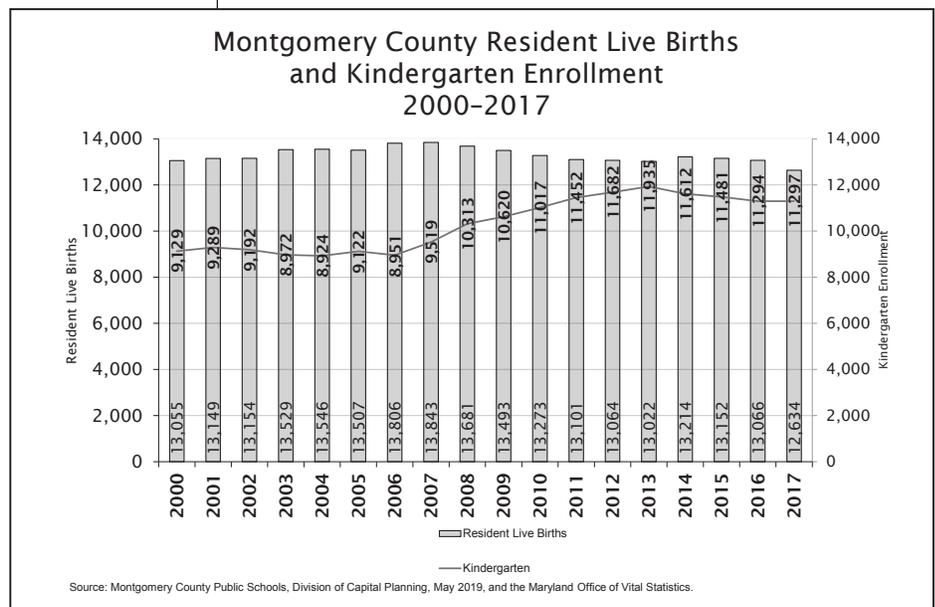
Results of the FY 2020 school test are available in the detailed tables in Appendix D. Additional information on the role of MCPS with respect to the Subdivision Staging Policy can be found in Appendix C-1. The FY 2020 school test will go into effect July 1, 2019 and is based on the enrollment projections in this document and capital projects approved by the County Council in May 2019.

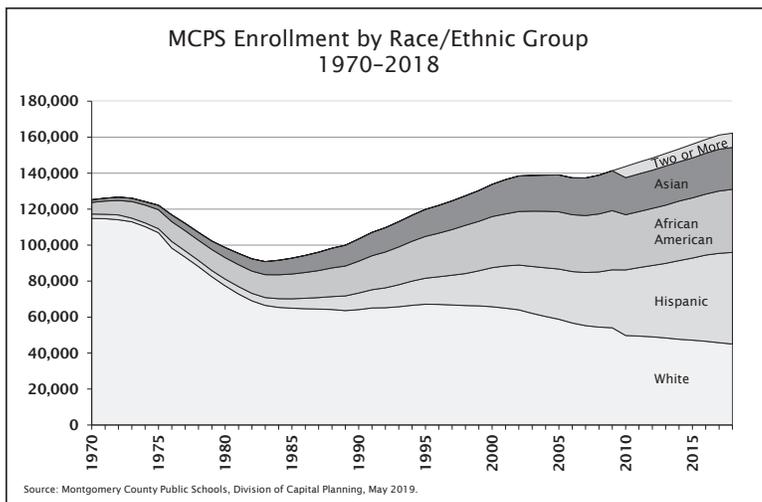
Student Population Trends

The main contributing factors influencing student population include: resident live births, the aging of the student population, and migration patterns. A percentage of the babies born to Montgomery County residents in one year, show up in MCPS's incoming kindergarten class five years later. This is commonly referred to as a kindergarten capture rate. In the 2000 school year, the kindergarten capture rate was 75 percent. By the 2006 school year, the rate decreased to 68 percent, and has since increased to 87 percent for the 2018–2019 school year. The increases were likely due to economic factors as well as changes to all-day kindergarten programs. In both 2000 and 2016, the figures were just over 13,000, growing and then declining in between, peaking in 2007 at 13,843. In 2017, the last year for which resident live birth data are available, it was the first time since 2000 that the total was less than 13,000 at 12,634, for Montgomery County. While birth rates have held relatively steady over time, they declined by one to two percent each year during the onset of the 2008 recession. Meanwhile, kindergarten enrollments as a share of births (kindergarten capture rate) grew during the recession years, and have yet to show a declining trend despite economic recovery.

The movement up through the grades by students, termed the “aging of the student population,” is the second driver of enrollment change. When the size of the kindergarten class is larger than that of Grade 12, then there is a natural increase in total enrollment from one year to the next. The Grade 12 total for the 2017–2018 school year was 11,066 and the kindergarten class for the 2018–2019 school year was 11,391 or a difference between the 2 grades of 325 students. Therefore, in the 2018–2019 school year, 29 percent of the one-year increase in enrollment of 1,124 students was caused by existing students aging up, as Grade 12 students exiting the system were replaced by a larger group of kindergarten students entering it. During the next six years, kindergarten cohorts are projected to decrease relative to Grade 12 cohorts, which will eliminate this source of enrollment growth.

Migration, the third driver of enrollment change, can significantly fluctuate with economic conditions and international events, each of which can be volatile and difficult to predict. Records of MCPS student entries and withdrawals show that in there has been a decline in the in-migration from approximately 12,850 new students from other public school districts in Maryland and throughout the United States, private schools, homeschooling, and from out of the country in 2009 to just over 12,200 in the 2018–2019 school year. Withdrawals over the same time totaled about 10,650 in 2009 to over 11,150 in the 2018–2019 school year. In the past decade, migration-related entries into MCPS have continued to exceed withdrawals, resulting in annual net increases in enrollment. Between the 2017–2018 and 2018–2019 school years, in-migration added 1,047 students from outside the system.



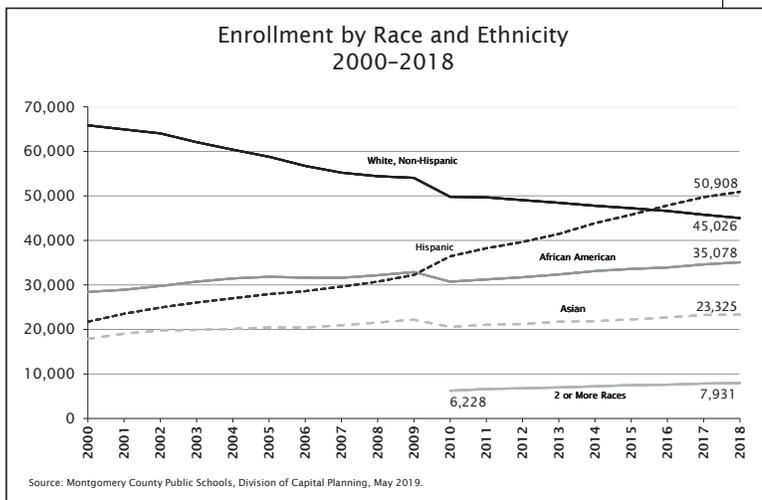


Student Diversity

Records of county resident live births show a levelling off in the numbers of births in each racial/ethnic group. This is in contrast to large declines, from 1990 to 2010, in the number of White, non-Hispanic births and large increases in live births of other race/ethnic groups. In 2017, White, non-Hispanic births were 4,229, African American births were 2,864, Asian births were 1,983 and Hispanic births were 3,620 (Vital Statistics, Maryland Department of Health). The birth rate for Hispanic women between the ages 15 to 49 is 83 (per 1,000) versus 64 for African-American women, and 56 for non-Hispanic White women in the same age range (Montgomery County Trends, January 2019).

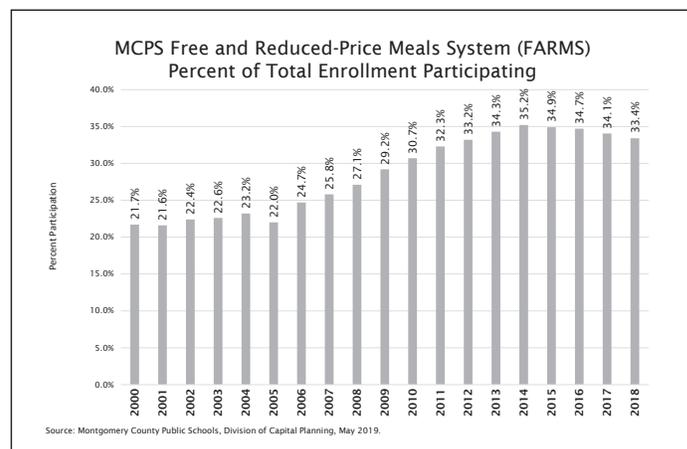
Official total enrollment for September 30, 2018, is 162,680 students. Of the total enrollment, 21.6 percent of students are African American, 14.3 percent are Asian, 31.3 percent are Hispanic, and 27.7 percent are White, non-Hispanic. The categories of Two or More Races, Native Hawaiian/Pacific Islander, and American Indian/Alaskan Native are each less than five percent of the total enrollment.

The accompanying chart illustrates the trend of increasing student diversity since 1970, when the student population was 92 percent White, non-Hispanic. Today, there is no longer a majority racial/ethnic group.



Also shown are enrollments broken down by racial and ethnic groups since 2000. It can be seen that the addition of the “two or more races” category resulted in a dip in enrollment in 2010 in White, non-Hispanic, African American, and Asian students, as some identified with the “two or more races” category. (See Appendices A-3 and A-4 for trends in enrollment by race and ethnic group.)

Student participation in the federal Free and Reduced-price Meals System (FARMS) Program is the school system’s primary measure of student socioeconomic levels. In the 2018–2019 school year, 33.4 percent of students participated in the FARMS Program. Participation as a percentage of total enrollment peaked in the 2014-2015 school year at 35.2 percent, and has declined moderately since then. There has been an increase of 12,946 students participating in FARMS during the past ten school years (2009–2010 to 2018–2019). However, after years of annual increased participation, there was a decline in the FARMS total from last year from 55,142 students to 54,410 students.



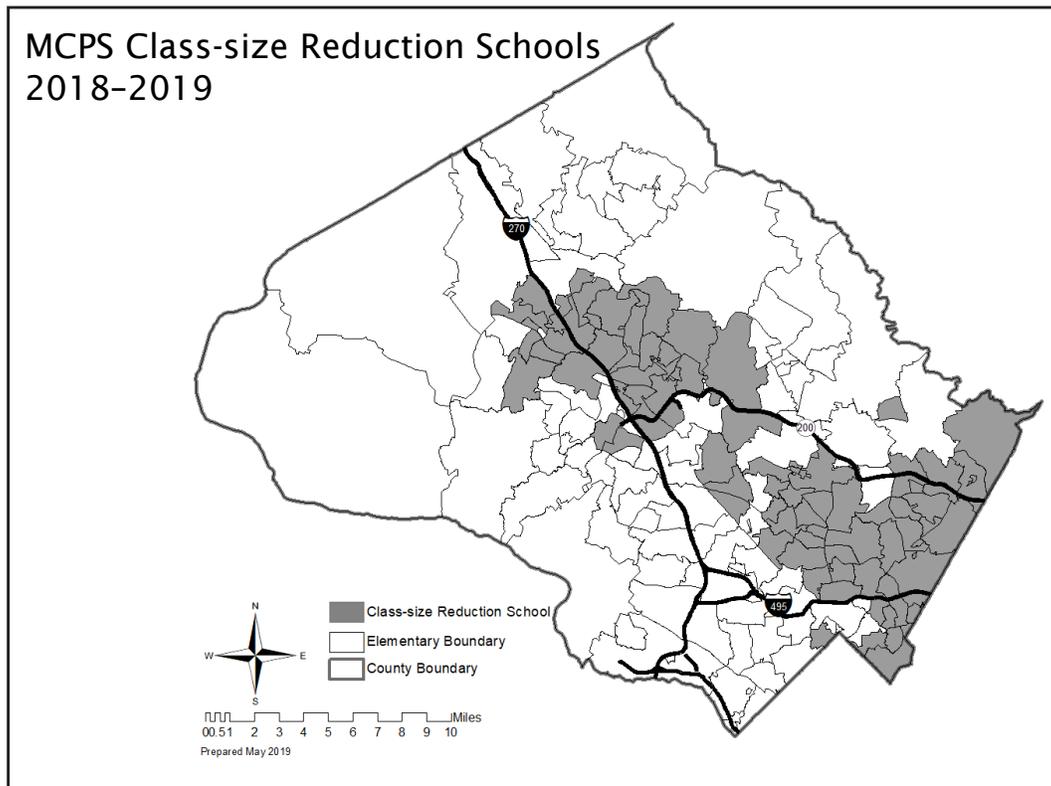
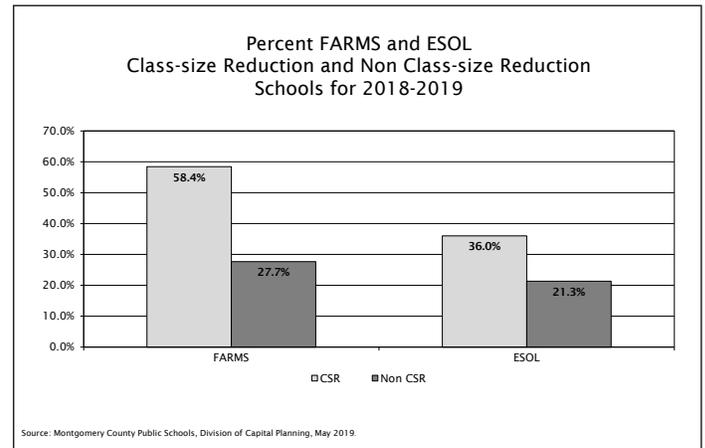
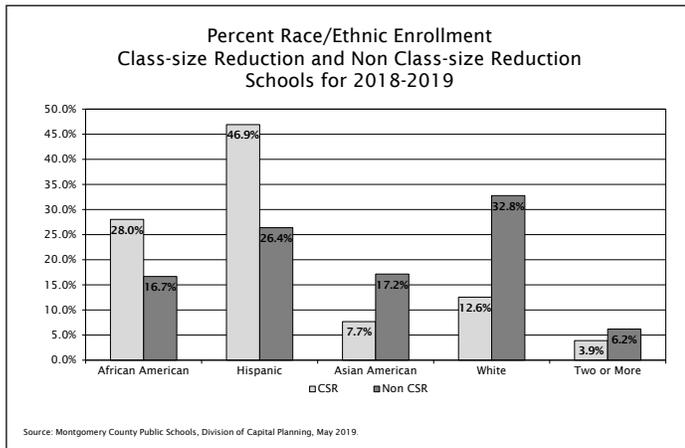
Student enrollment in the English for Speakers of Other Languages (ESOL) Program is a measure of student language diversity. As the school system has diversified over time, this percentage has grown. Ten years ago, in the 2009–2010 school year, 12.6 percent of students were in the ESOL Program, that has grown to 16.3 percent for the 2018–2019 school year. ESOL students represent 156 countries of origin and speak an estimated 132 different languages. Although immigration to the United States has been steady for many years and does contribute program participants, the share of ESOL students born in the United States has been increasing. U.S.-born students make up approximately 65 percent of ESOL enrollment.

Class-size Reduction and Non-class-size Reduction Elementary Schools

For the 2018–2019 school year, there are 69 Class-size Reduction (CSR) elementary schools (including upper schools in the case of paired schools). Class-size Reduction schools include both Title 1 and Focus schools and have reduced class-sizes in order to address student needs and prepare the students for success in later grade levels. The 2018 demographic composition of CSR and Non CSR schools is compared in the accompanying chart.

At one time, CSR elementary school service areas had little racial and ethnic diversity. The wave of immigration over the past three decades has transformed these communities and the

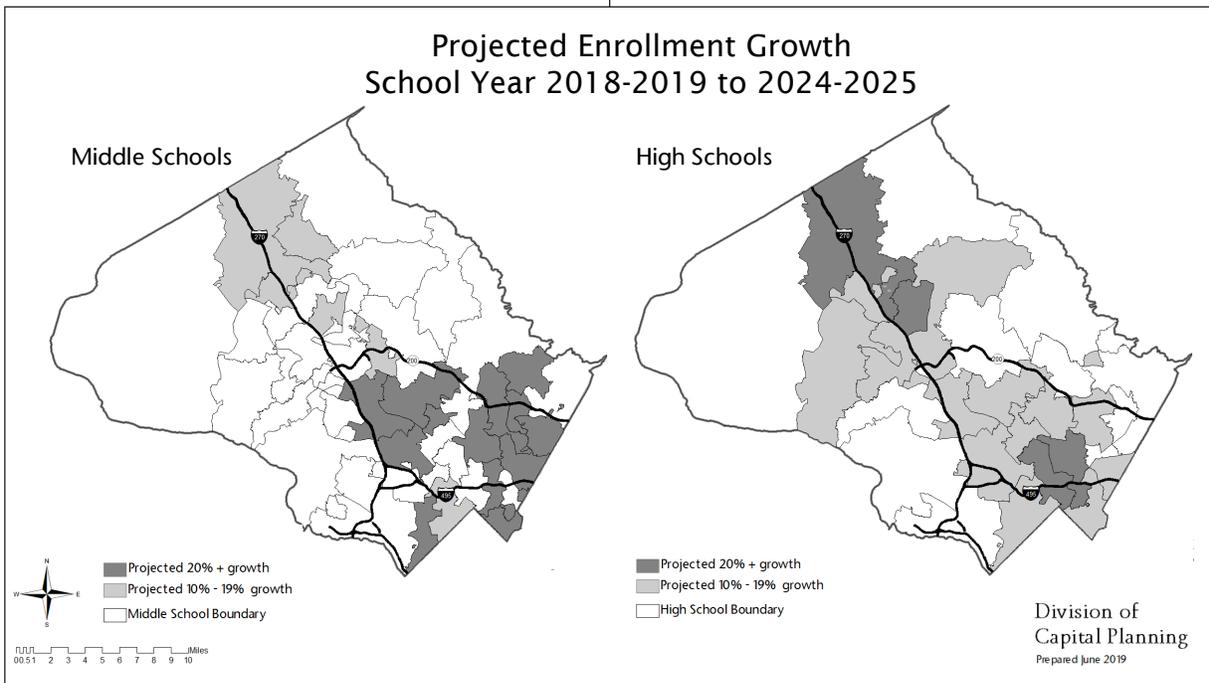
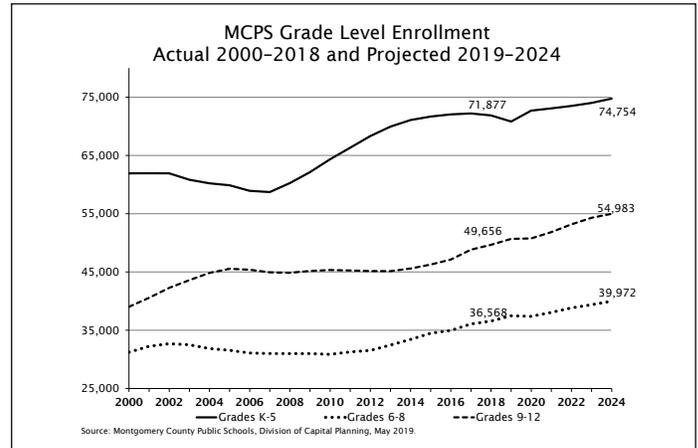
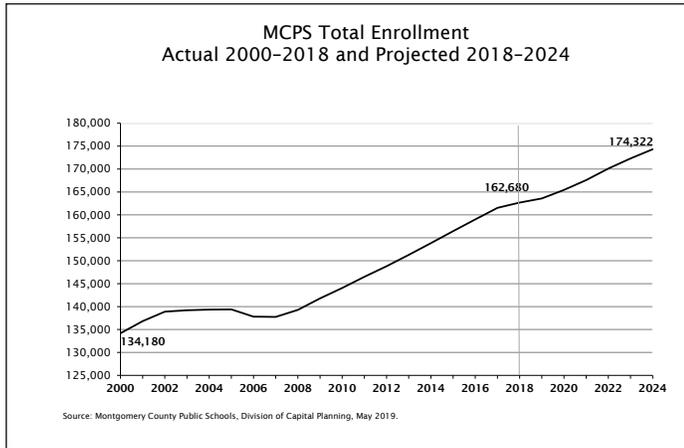
greatest concentration of student diversity and participation in the FARMS and ESOL programs is now found in areas of the county where two conditions exist—major transportation corridors are present and affordable housing is available. In Silver Spring and Wheaton these conditions are found in communities bordering New Hampshire Avenue, Georgia Avenue, and Columbia Pike. In Rockville, Gaithersburg, and Germantown, these conditions are found in communities bordering I-270 and Route 355. These relatively affordable areas are characterized by apartment communities dating from the 1980s and earlier, as well as neighborhoods with older townhouses and single-family detached homes. Some of these homes may be occupied by two or more families who share housing costs. In these communities, enrollment growth has been driven by turnover of existing housing units.



MCPS Enrollment Forecast

The school enrollment forecasts are based on county births, aging of the current student population, and migration patterns. As county births increased through 2007, more kindergarten students entered MCPS. The advent of full-day kindergarten, countywide since 2006 also has been a factor in kindergarten

enrollment increases. Due to a decade of large elementary enrollment increases, MCPS is now experiencing a period of growth at secondary schools. (See appendices A and B for enrollment projections by grade level and Appendix C-2 for a description of the MCPS enrollment forecasting methodology.)



Summary

The last major period of enrollment increases at MCPS occurred during the 1950s, 1960s, and early 1970s, when children from the Baby Boom era, born between 1946 and 1964, enrolled in schools. Enrollment from this wave of growth peaked in 1972, at 126,912 students. Thereafter, the so-called Baby Bust era saw births decline and MCPS enrollment decrease to a low of 91,030 students in 1983. Since 1983, a much greater “baby boom” has occurred in the county. During the official Baby Boom years, the highest birth year in Montgomery County was 1963 when there were 8,461 resident births. The current baby boom in the county significantly surpasses this figure with births averaging above 13,000 in recent years. The

factors most contributing to enrollment increases are higher kindergarten capture rates, and migration patterns.

Keeping pace with enrollment growth, and accommodating class-size reductions through Title 1 and Focus elementary schools have required a major investment in school facilities. In the 2018–2019 school year, MCPS operates 134 elementary schools, 40 middle schools, 25 high schools, one career and technology high school, one alternative program with two satellite locations, and five special program centers. Since 1983, MCPS has opened 34 elementary schools, 19 middle schools, and 6 high schools. During the next six years, additional school capacity will be added through new school openings, major capital projects, and classroom additions.