City of Rockville

Housing Needs and Market Assessment

April 2026

DRAFT FOR DISCUSSION PURPOSES

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Introduction and Key Findings

Introduction

The City of Rockville engaged HR&A to develop a Housing Needs Assessment and policy recommendations to support attainable housing development.

Project Objectives

- Identify and analyze housing needs within the City using both quantitative data analysis and input from residents and stakeholders about what issues matter most to them.
- Conduct financial analyses of the Moderately Priced Dwelling Units (MPDU) program to increase program effectiveness within the changing context of the Rockville market.
- Propose policy solutions that promote affordable and attainable housing within the City for renters and homeowners alike.
- Identify high opportunity areas for redevelopment and rezoning.

Source: CNU

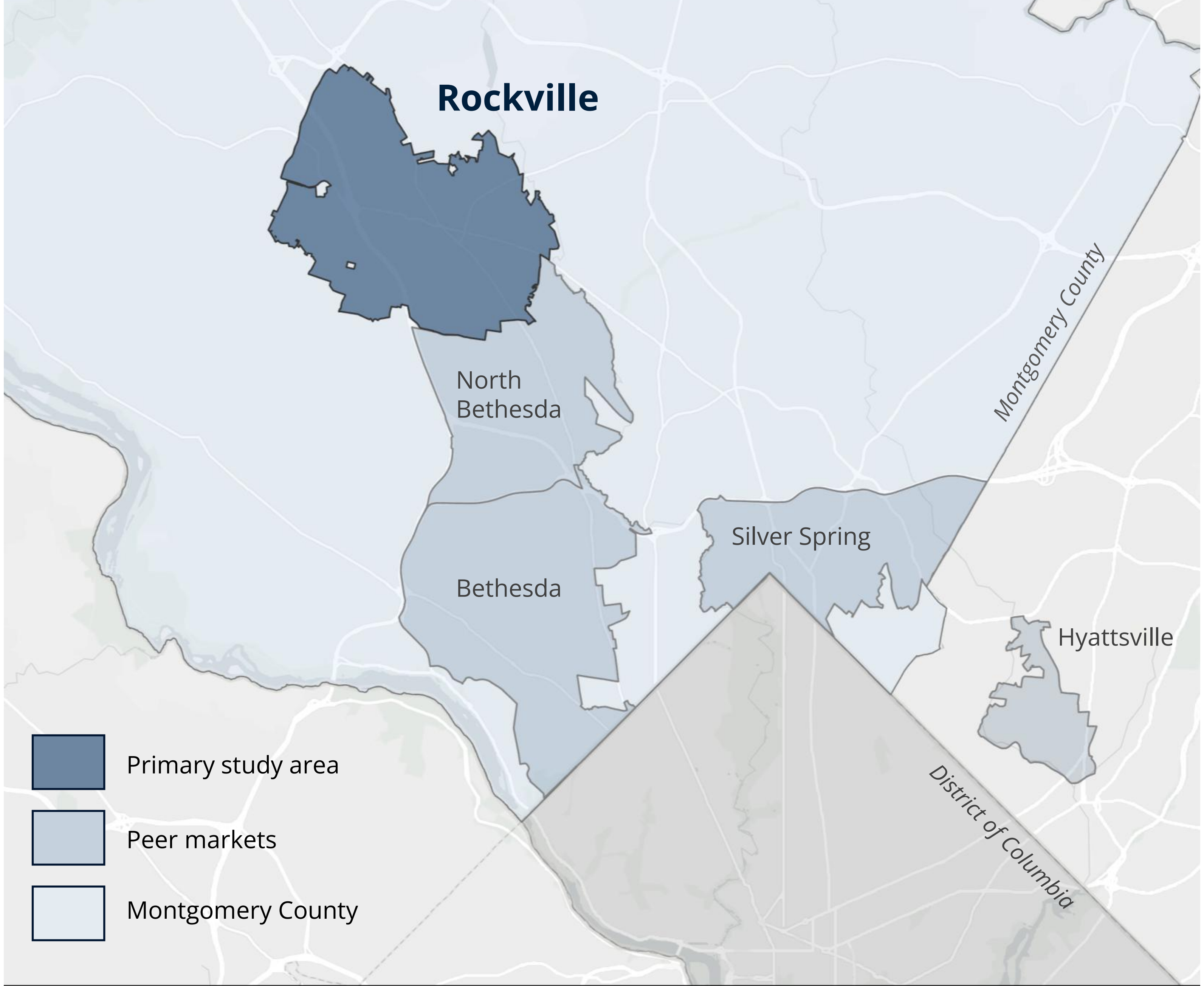
Introduction

Study Areas

This analysis examines the **residential market** within the municipal boundaries of **Rockville, Maryland**.

This analysis includes comparisons to **peer markets** including: North Bethesda, Bethesda, Hyattsville, and Silver Spring.

Study Areas



Key Findings – Market Drivers

Although Rockville continues to add high wage residents, sustaining strong demand for homeownership, economic challenges across the region are leading to a softening rental market.

Multifamily Rental Market Softening	Multifamily construction has slowed since 2019 due to **increasing construction costs, rising interest rates, and both real and perceived barriers to development.** Simultaneously, rents have plateaued in recent years, and vacancy has increased in Rockville to 7.7%.	**63%** Percentage of units with approved Site plans from 2022 that are not under construction or built.
Homeownership Market Remains Strong	**New single family homeownership product in Rockville has continued to attract higher wage buyers. This has resulted in pricing impacts from the demand of higher income buyers,** limiting the ability for cost burdened renters to enter the housing market.	**35%** Of homes were sold at over $750K in 2024, compared to 20% in 2019.
Sustained Demand from High Wage Residents	With disproportionate growth of households in the highest income band of $150K + and a loss of middle income households, demand for homeownership remains strong, contributing to rising home values. This has attracted national developers, but regulatory challenges to continued growth remain.	**61%** Increase in households earning $150K+ from 2014-2024

Key Findings - Impacts

Despite a softening rental market, cost burden remains an issue for Rockville renters and senior renters in particular.

Renters Remain Cost Burdened	Rockville's renter population has experienced sustained cost burden over time, but due to the stagnating rental market, there has not been a significant shift in cost burden rates over time.	**52%** Of renters pay more than 30% of their monthly income in rent.
Shortage of Affordable Rental Units	Rockville has a significant **shortage of affordable rental units for renter households making less than $100k.** This is driven both by the loss of lower cost units and a relatively low number of subsidized affordable homes.	**31:100** Ratio of affordable rental homes per renter households earning less than $50K in Rockville.
Increasing Senior Housing Need	Rockville's senior population is growing**, suggesting an increased need for senior housing – something further confirmed through roundtable feedback.**	**68%** Of senior renter households pay more than 30% of their monthly income on rent.

Key Findings - Engagement

HR&A engaged a variety of local stakeholders including residents, housing service providers and developers for feedback on the market and housing needs.

Local Need

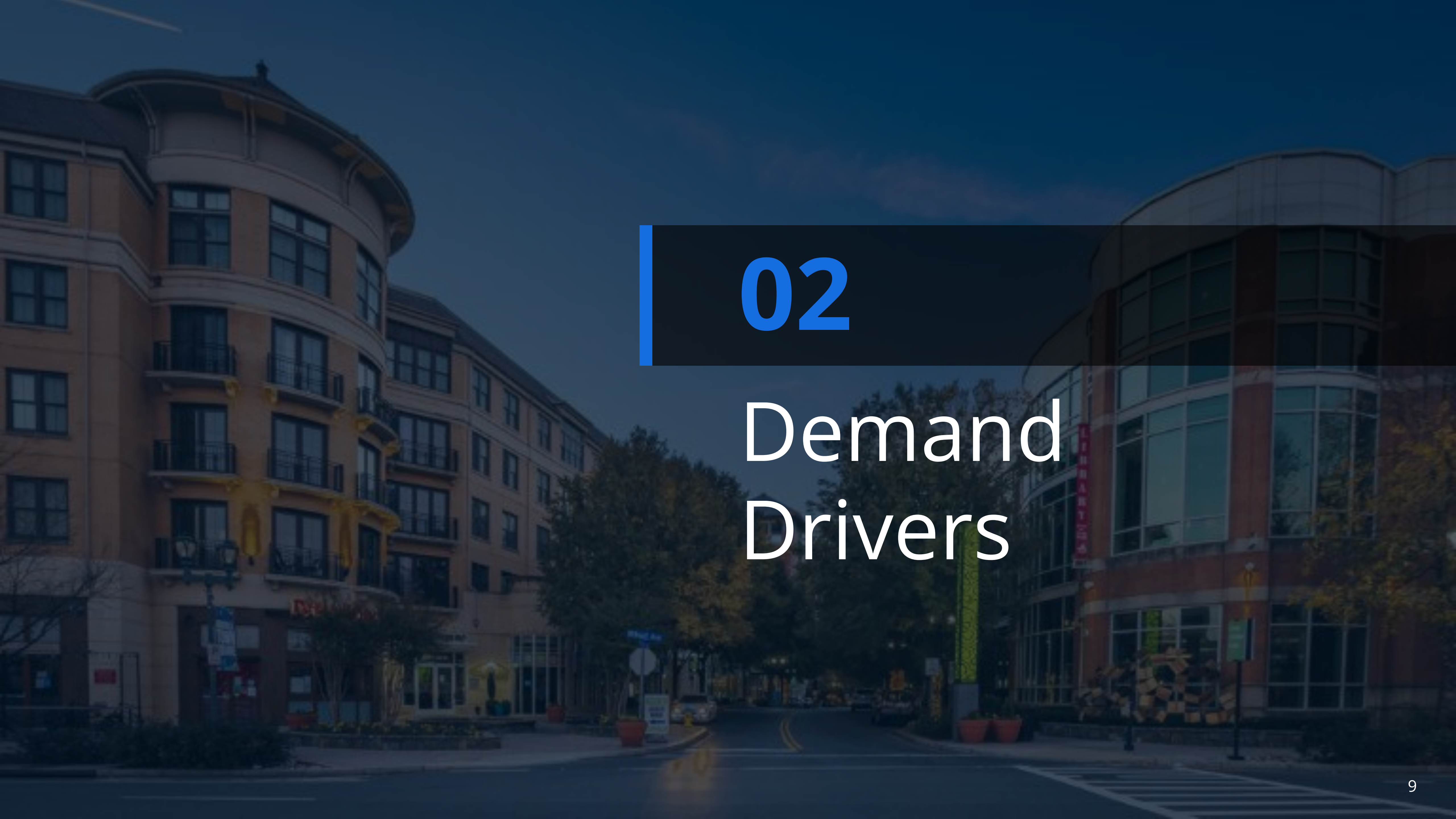
- Senior households face difficulties affording **home repairs.**
- Public sector workers, teachers, and civil servants are **unable to move from renting to homeownership within the City.**
- Renters struggle to access rental assistance before eviction filings, and increasingly struggle to pay rent.

Barriers to Development

- Rockville has a **complex approval process, especially regarding the MPDU program.**
- Developers are aware Rockville does not have rent control, but avoid developing due to a **fear that it will adopt rent control in the future and the realities of competition in surrounding markets.**
- **Expectations of land values in Rockville are higher than development can support**, making development challenging.

Shortfalls in Service

- There has been an i**ncreased demand for services** as housing costs rise and incomes remain stagnant.
- **PHAs expecting to need to cut operating costs going forward due to shifting federal priorities,** and some nonprofits and other community groups are reducing their service provisions.
- Legal aid providers noted **limited funding for outreach, eviction diversion programs, and early intervention services**.



02

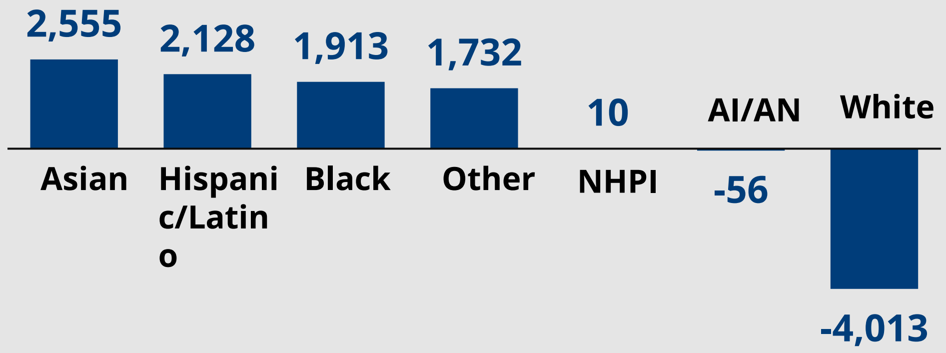
Demand Drivers

POPULATION CHANGE

Rockville's growth exceeds both the county and the state's, driven by a racially and ethnically diverse population.

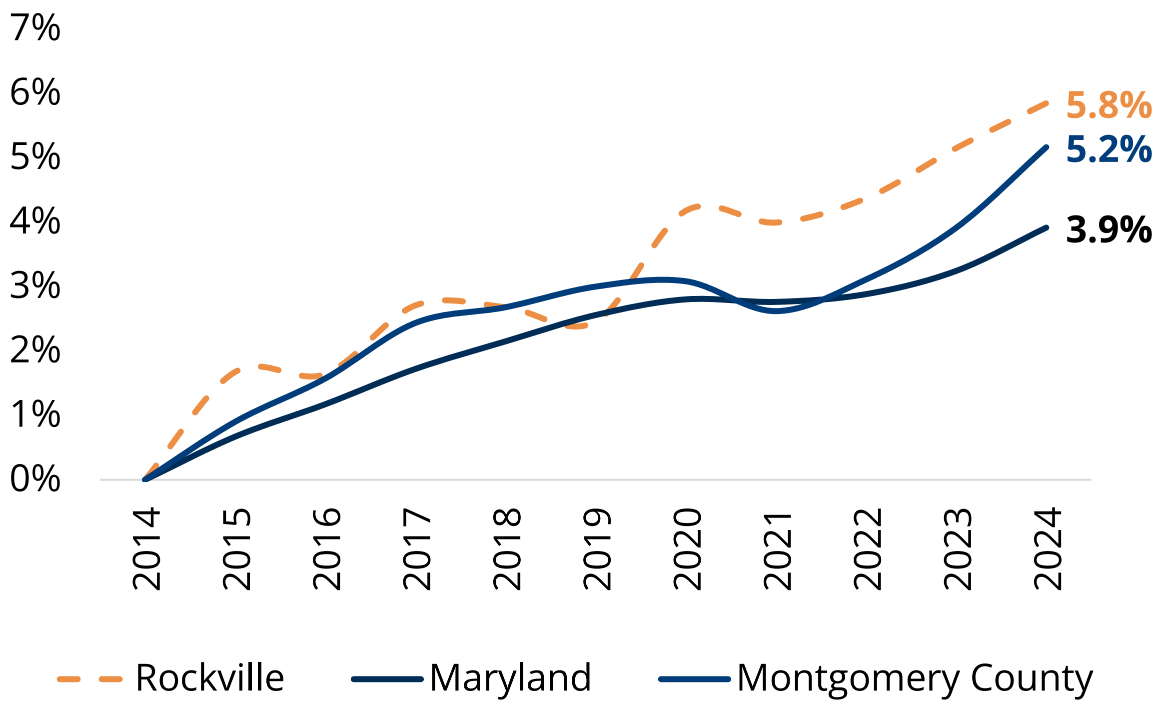
- **Rockville has become increasingly diverse since 2014.** As of 2024 there was no single racial or ethnic majority.
- **In total Rockville gained roughly 4,300 residents in a decade,** a 5.8% increase that slightly leads the county and the state.

Population Change by Race and Ethnicity
(2014-2024)



Source: Population Estimates Program (PEP), American Community Survey US Census Bureau

Percent Change in Total Population Since 2014
(2014-2024)



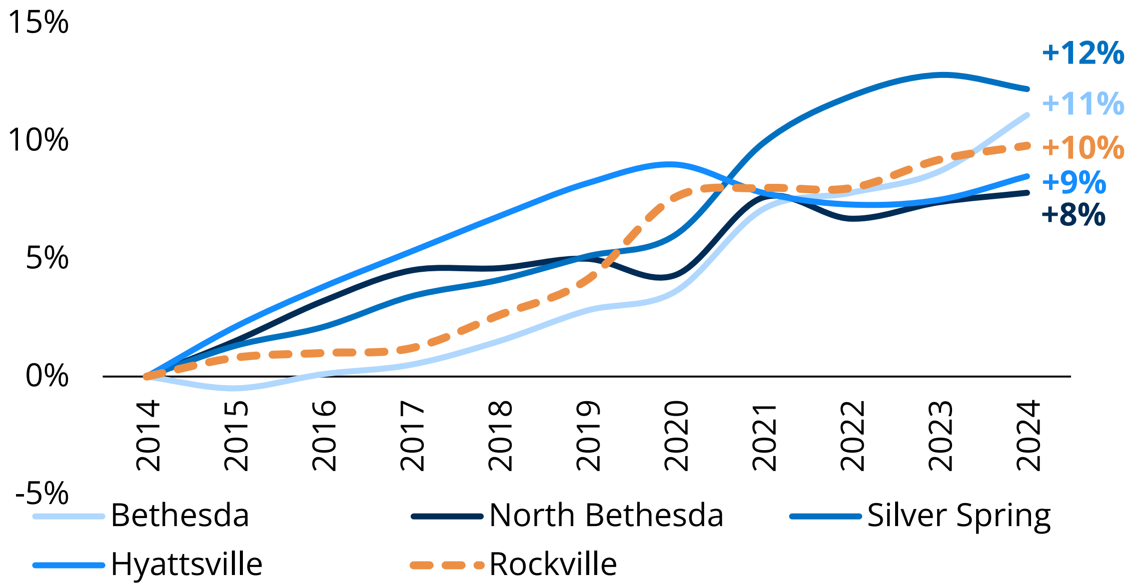
HOUSEHOLD GROWTH

Rockville's growth has primarily been driven by smaller, older households, with some growth of young families.

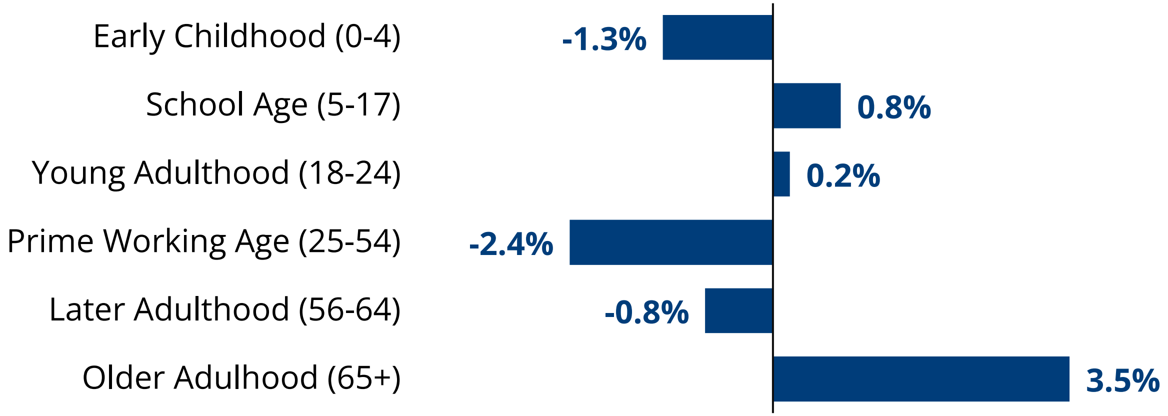
- The rate of household growth in Rockville—10%--is a faster pace than population growth of 5.8% over the same period, indicating smaller households.
- **This is relatively aligned with peer communities across the region, whose household growth ranges from 8 to 12%.**
- Rockville has seen a 3.5% increase in the share of seniors (65+) since 2014, a total of **12,379 seniors, or 19% of the total population in 2024** compared with 15% of the population in 2014.

Source: *American Community Survey (ACS)*

Percent Change in Households: Rockville vs. Peer Communities
(2014-2024)



Percentage Point Difference in Share of Population by Age
(2014-2024)

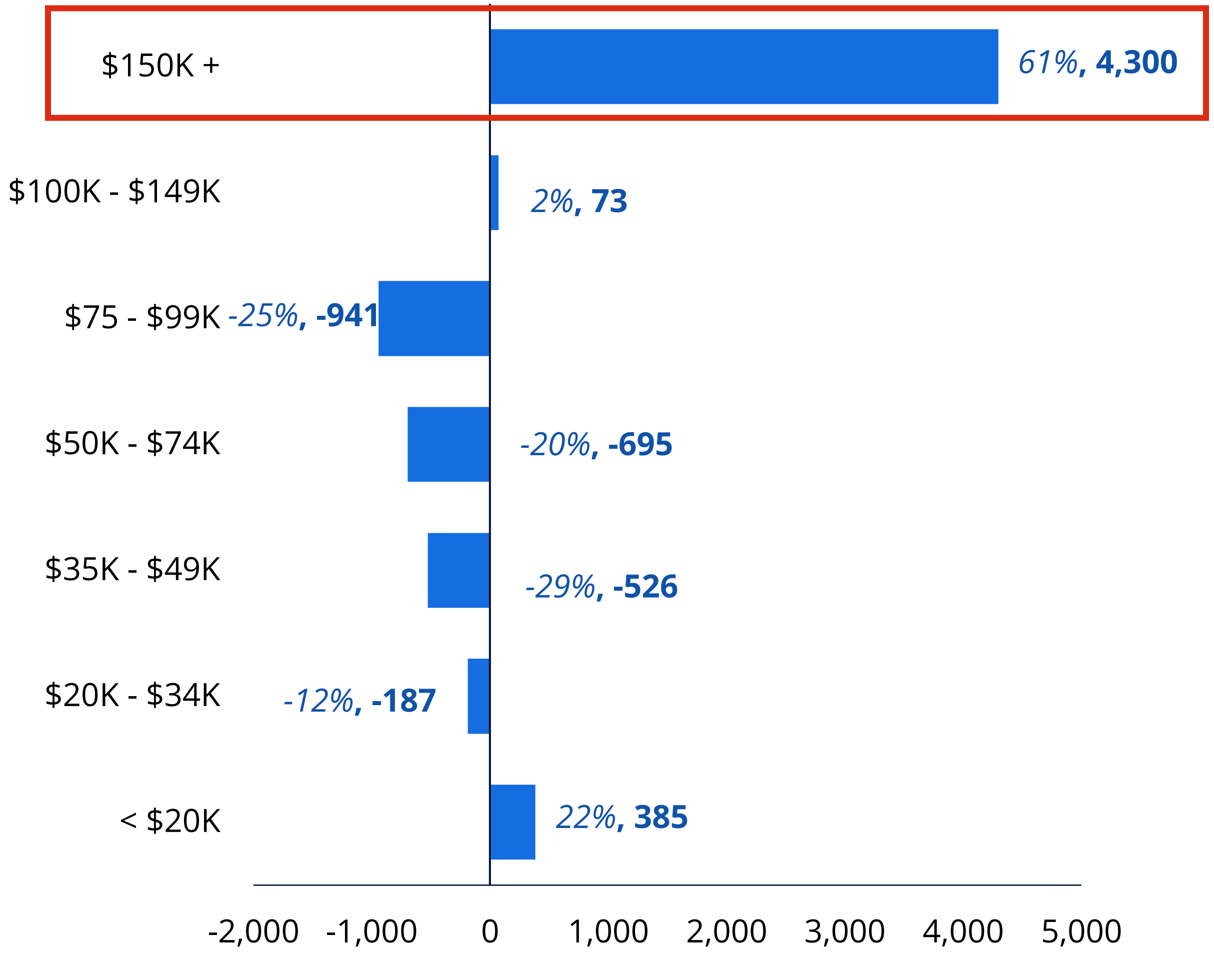


HOUSEHOLD INCOME

Household growth has been almost entirely by high wage households.

- From 2014-2024 there was a **decline of roughly 1,600 middle income households** earning between $50k-$100k. While some of this decline can be attributed to income growth, there have undeniable been households leaving Rockville for more affordable locales.
- While Rockville has also seen a rise in households with incomes below $20k, this may partially be attributed to the increased presence of older households on fixed income.

Change in Households by Income
(2014-2024)



Source: American Community Survey (ACS)

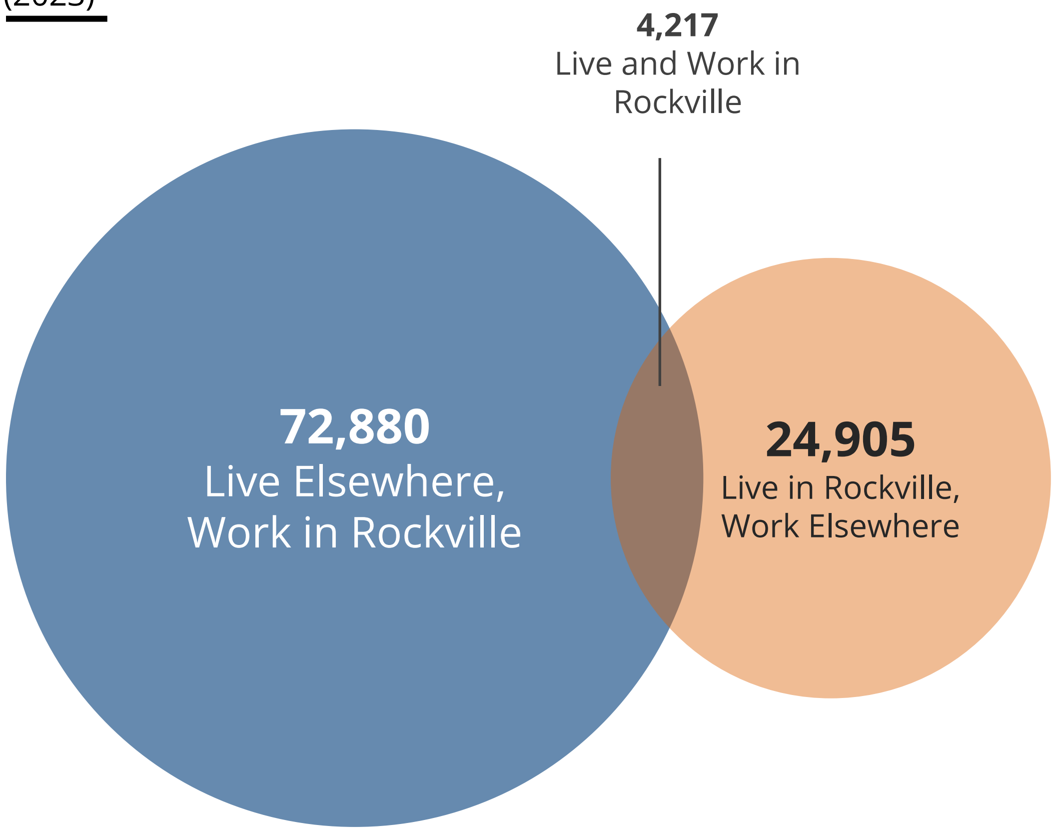
COMMUTER DYNAMICS

Despite office market difficulties, Rockville remains a key suburban workplace destination.

- Due to the small residential footprint of the city and its well-developed office market, Rockville draws in significantly more workers than it houses.
- Rockville attracts over 70,000 commuters from more affordable nearby markets like **Germantown, Gaithersburg, and Aspen Hill.**
- While more than 24,000 Rockville residents technically work outside of the city, r**oughly 33% of working Rockville residents work from home,** higher than the MSA and the county.
- Common employment destinations for Rockville residents include Washington DC, Bethesda, and North Bethesda.

Source: Longitudinal Employer-Household Dynamics (LEHD) Origin-Destination Employment Statistics (LODES), Origin-Destination Files, US Census Bureau

Commuting Dynamics in Rockville
(2023)



JOB GROWTH

In the past two decades Rockville has seen segmented growth among high and low income jobs.

- Industry sectors with the greatest net new jobs in the City of Rockville vary greatly in average annual wages, with two industry sectors with the greatest net job gains having average wages around $60K, in Montgomery County, and two industry sectors with wages over $120K.
- Many of the gains in employment originated from federal agencies like the Health Resources & Services Administration and the Health and Humans Services Department, as well as federal contractors like BAE systems, Westat, and Advanced Language Systems International.
- **Due to the lag in publicly available data, current numbers do not reflect the decline in federal employment following DOGE cuts in 2025, which has had a negative impact on the office and labor market in Rockville.**

Source: Bureau of Labor Statistics Quarterly Census of Employment and Wages Longitudinal Employer-Household Dynamics Origin-Destination Employment Statistics American Community Survey 5 Year Estimates
**County level wage data utilized due to data availability*

Rockville Employment Change by Industry Sector
(2019-2023)

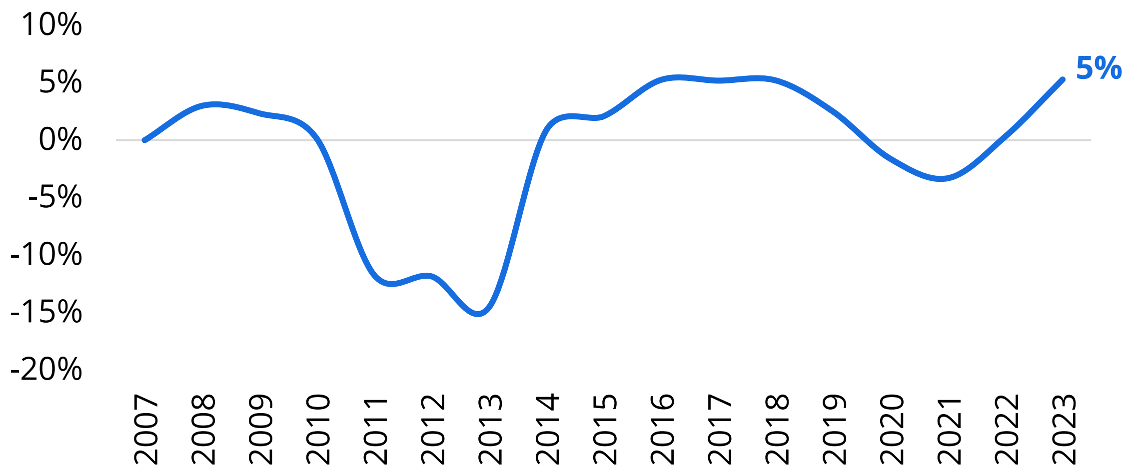
Industry Sector	Total Employment (2023)	Net New Jobs (2019-2023)	Average Annual Wage	Average Affordable Rent
61 - Educational Services	13,197	+1,648 / +14%	$62,271	$1,557
54 – Professional, scientific, and technical services	15,009	+1,116 / +8%	$127,835	$3,196
56 – Administrative and support and waste management and remediation services	3,870	+422 / +12%	$60,311	$1,508
55 – Management of companies and enterprises	753	+397 / +112%	$200,577	$5,014

JOBS HOMES RATIO

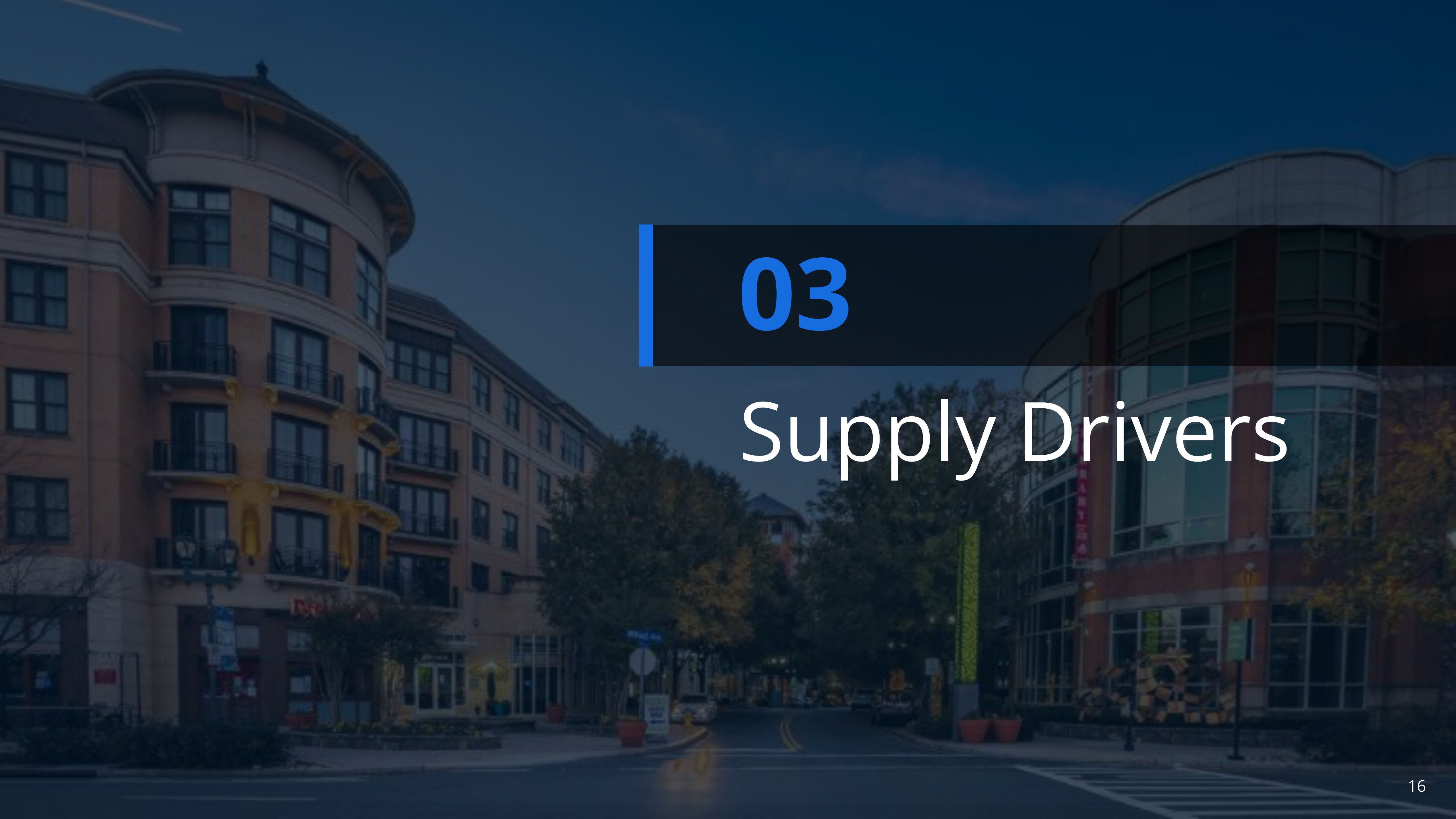
Rockville has maintained a healthy rate of housing production relative to job growth over time.

- Over the last two decades Rockville has some job growth, with momentum impacted by the national economic shocks of the Great Recession and the COVID-19 Pandemic.
- From 2015, after recovery from the Great Recession, to 2023, the City of Rockville added 2,345 jobs while permitting 1,648 housing units – a ratio of about 1.4 jobs to new homes over this period of time.

Rockville Percent Change of All Jobs
(2007-2023)



Source: Longitudinal Employer-Household Dynamics (LEHD), US Census Bureau



03

Supply Drivers

MARKET OVERVIEW

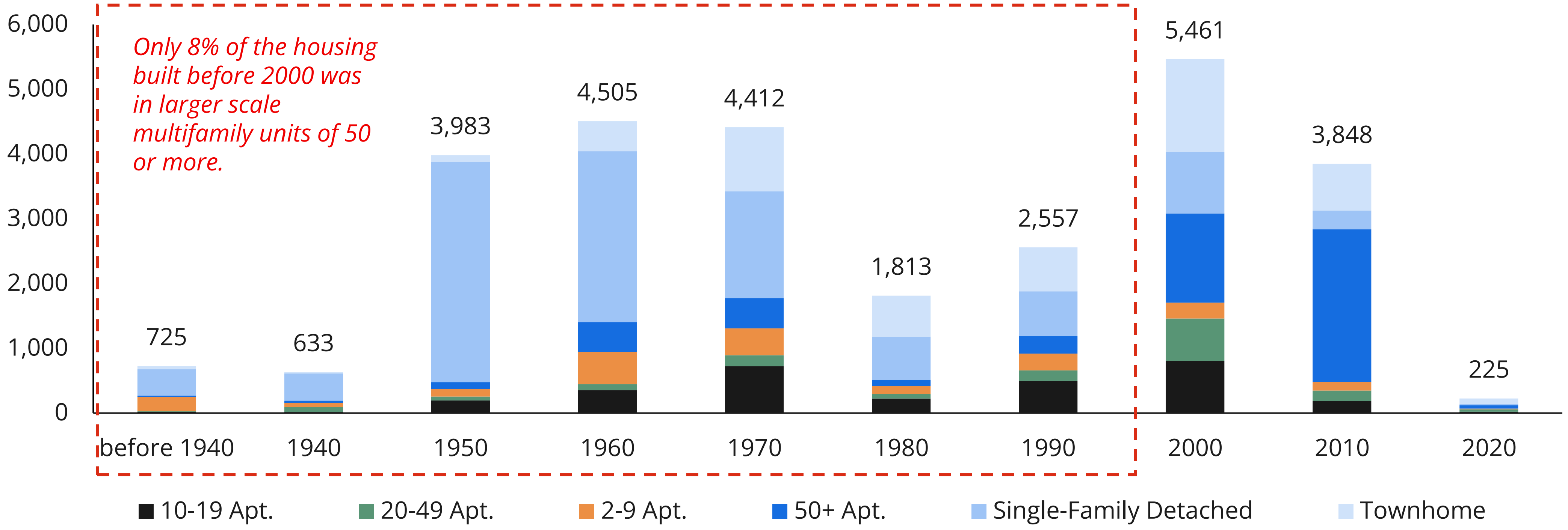
Rockville's multifamily development and rent growth has slowed in recent years due to both local and national market trends, while for sale prices continue to grow.

Rental Market is Softening	• The multifamily market at both the County and Rockville City level has seen rental rates plateau and an increase in vacancy rates in recent years. • On average, absorption has not kept pace with deliveries since 2020 in Rockville, driving the multifamily rental market vacancy rate to 7.7%.
Most Affordable Housing Delivered Through MPDU Program	• Affordable unit development in recent years has been driven by MPDUs provided as a portion of market rate developments, which is expected to decline as the multifamily development pipeline slows. • In addition to MPDU delivery, some population specific developments have come online recently, including affordable housing catering towards seniors and public service workers.
Homeownership Continues to Cater to High Income Buyers	• The for sale market in Rockville has seen consistent sales volume in recent years, with demand coming from high income earners outside of the City. • Developers continue to build on available land sites as they are identified, but note a challenging regulatory environment as a deterrent for future developments.

GROWTH IN MULTIFAMILY INVENTORY

From 2000-2019, Rockville significantly increased its inventory of multifamily homes, with 40% of all units built after 2000 in buildings of 50+ units.

Units Built by Building Typology by Decade
(2023)



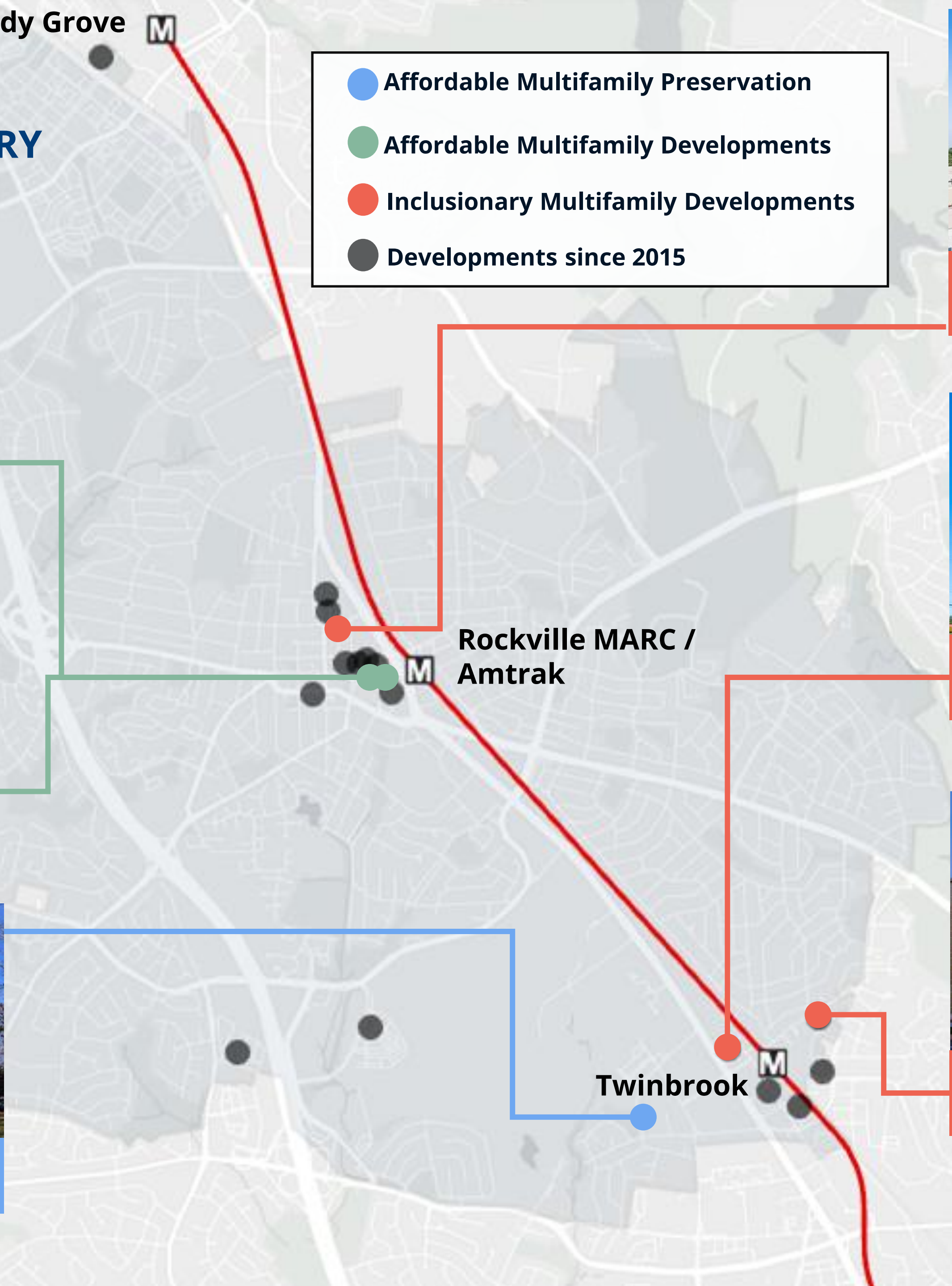
Source: Public Use Microdata Sample (PUMS)

GROWTH IN MULTIFAMILY INVENTORY

Main Street Apartments
70 units *(Built 2020)*

Residents on the Lane
150 units *(Built 2022)*

Bethany House
250 units *(Preserved 2025)*



Blvd Ansel
250 units *(Built 2022)*

The Milton
452 Units *(Built 2024)*

Kanso Twinbrook
238 Units *(Built 2020)*

Source: CoStar, Zillow

GROWTH IN MULTIFAMILY INVENTORY

Luxury high rise towers have been developed in Town Center, while wood frame podium buildings are being constructed in other parts of the City.

Twinbrook

Project: The Milton

Average Rent PSF	**$3.33**
Avg Unit Size:	835
Number of Stories	11
Number of Units	452
Share of MPDU Units	**15%**
Year Delivered	2024
Vacancy Rate	4.42%
Parking Spaces	
Retail SF	4.5k
Developer	B. F. Saul Company

Rockville Town Center

Project: Blvd Ansel

Average Rent PSF	**$3.01**
Avg Unit Size:	840
Number of Stories	18
Number of Units	250
Share of MPDU Units	**0%***
Year Delivered	2022
Vacancy Rate	16.8%
Parking Spaces	611
Retail SF	20K
Developer	Comstock/Duball

Twinbrook

Project: Kanso Twinbrook

Average Rent PSF	**$2.29**
Avg Unit Size:	1,048
Number of Stories	4
Number of Units	238
Share of MPDU Units	**12%**
Year Delivered	2020
Vacancy Rate	11.3%
Parking Spaces	
Retail SF	0
Developer	Avalon Bay

**Cross subsidy development agreement with Residences on the Lane*

Source: Costar, City of Rockville, HR&A Analysis Photo Credit: Costar

GROWTH IN MULTIFAMILY INVENTORY

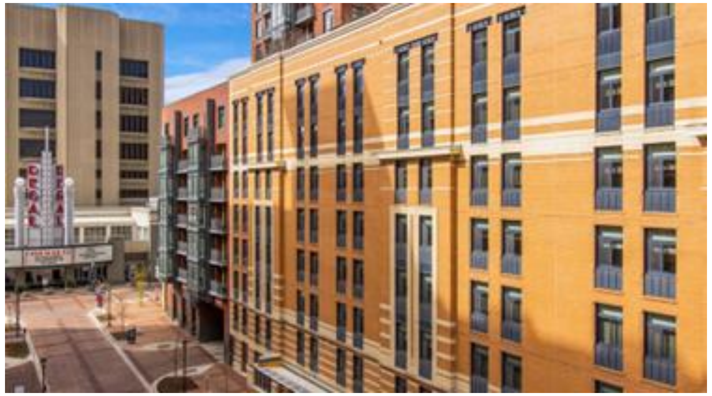
Deed restricted, majority affordable developments in Town Center have been made possible through municipal land use flexibility, state, and county financing, but include strict eligibility criteria.

Rockville Town Center

Project: Main Street Apartments

Average Rent PSF	**$2.11**
Avg Unit Size:	**827**
Number of Stories	7
Number of Units	70
Share Affordable	**75%**
Year Delivered	2020
Vacancy Rate	7.1%
Parking Spaces	
Target Population	Public Service Workers

Rockville Town Center



Project: Residents on the Lane

Average Rent PSF	**---**
Avg Unit Size:	706
Number of Stories	11
Number of Units	150
Share Affordable	**90%**
Year Delivered	2022
Vacancy Rate	7.3%
Parking Spaces	
Target Population	Senior

Twinbrook

Project: Bethany House *(Preservation)*

Average Rent PSF	**$2.56**
Avg Unit Size:	483
Number of Stories	8
Number of Units	250
Share Affordable	**100%**
Year Preserved	2025 (built 1970)
Vacancy Rate	16%
Parking Spaces	90
Target Population	Senior

Source: Costar, City of Rockville, HR&A Analysis Photo Credit: Costar

BACKLOG OF UNITS

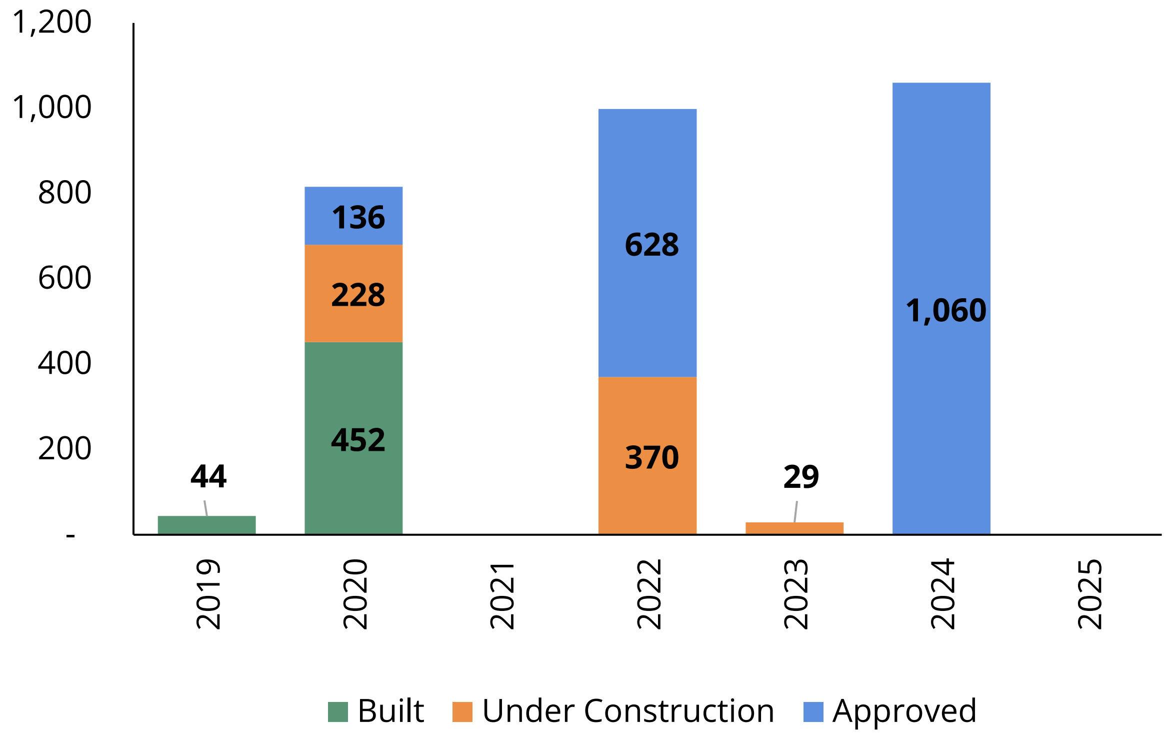
City Site Plan approval data suggests a slightly different story, indicating a backlog of units in the city's pipeline.

- Of the 2,947 units that have received site plan approval since 2019, 496 of them have been built and 627 of them are currently under construction. **This represents 38% of units that were approved as either under construction or completed.**
- The data suggests that there are **1,824 units remaining that have received site plan approval since 2019 but have not yet been built**, while even more units have received a project plan approval not all of which have moved forward to site plan approval.
- This data suggests that while **projects are getting approved by the City and developers are actively pursuing projects, not all recently approved projects have moved forward** despite receiving site plan approval.

What residents are saying:

*"We need to be able to have the flexibility to **build more types of housing**, in whatever quantities make sense, in as many places across the city as possible"*

Site Plan Approval by Project Status
(2019 - 2025)



Source: City of Rockville

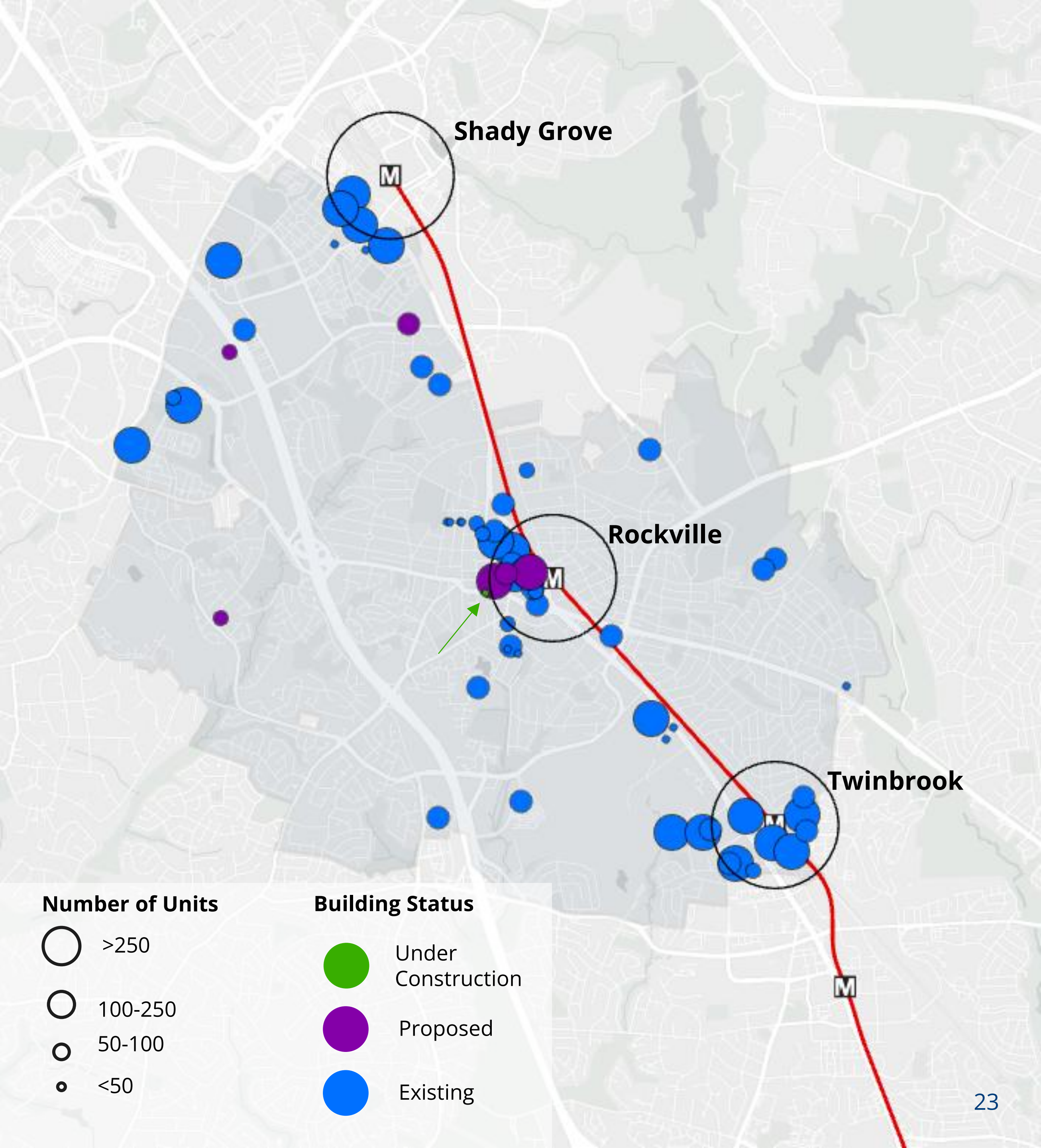
STALLED DELIVERY

Rockville currently has limited under construction or proposed Multifamily product.

Both proposed and under construction inventory is concentrated around Rockville and Twinbrook stations as the City has focused on encouraging transit-oriented development.

Total Units	*Proportion within ½ Mile from Transit*
11,870 Existing	**34%**
1,260 Proposed	**53%**
20 Under Construction	**100%**

Source: Costar, HR&A Analysis



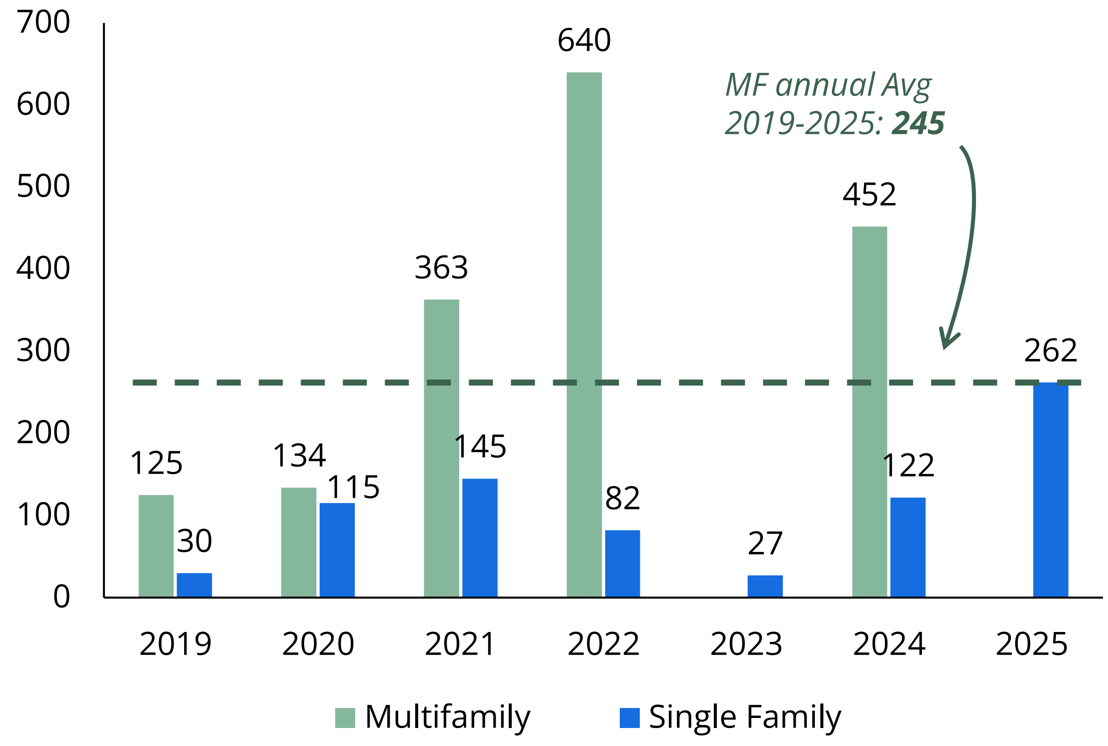
NEW DELIVERIES

Continued deliveries reflect the lag from permitting to development.

- Certificates of occupancy indicate continued multifamily deliveries from 2019 to 2024. An **average of 245 multifamily units were delivered per year from 2019 to 2025**, with an average of 112 single family units delivered. This average masks significant variation, with very limited multifamily deliveries in some years.
- **Lack of multifamily permitting is expected to eventually result in a shortfall of rental deliveries** in coming years, once previously permitted product and proposed projects have been delivered.

When asked what type of housing Rockville needs more of, people responded:
- single-family detached, townhome, duplex: (43%)
- condominium, cooperative: (31%)
- Studio, 1 and 2 bedroom units: (30%)
- Senior housing (independent living, age-restricted): (30%)
- 3+ bedroom units: (25%)

Certificates of Occupancy by Building Typology by Year
(2019-2025)



Source: City of Rockville (2025)

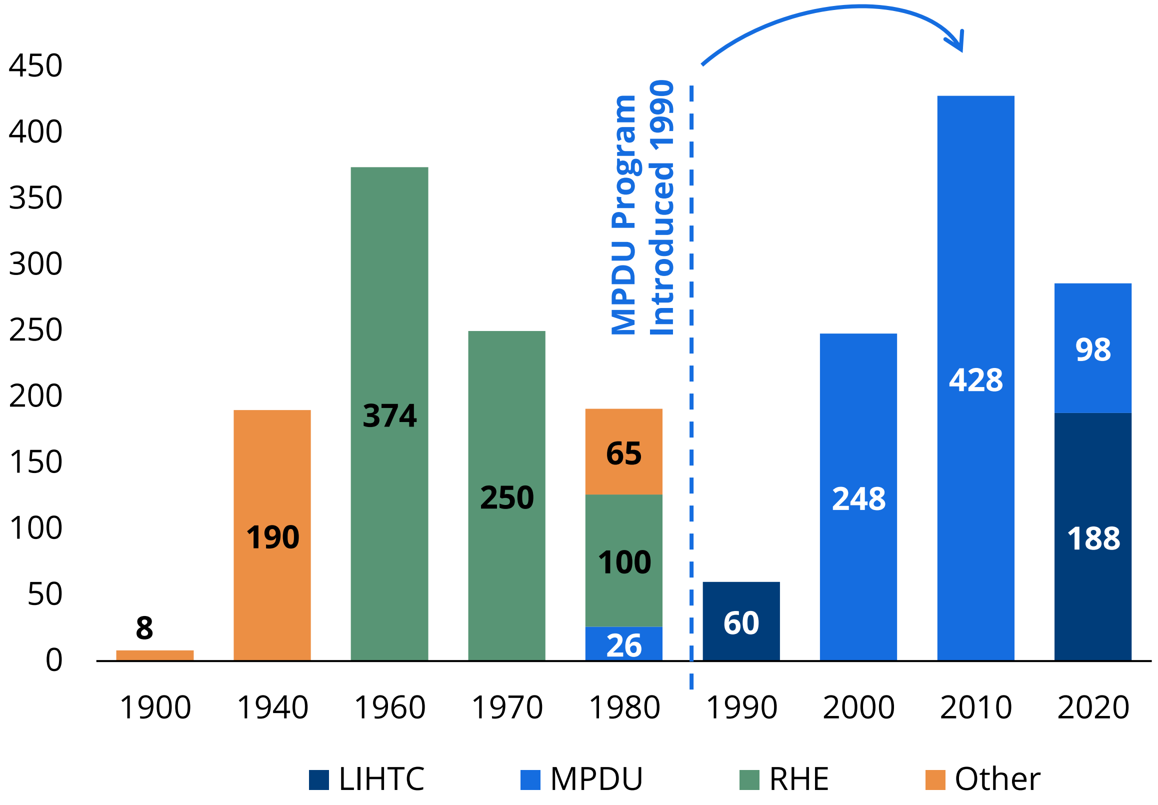
AFFORDABLE HOUSING DELIVERIES

Decline in multifamily development long term will also result in fewer affordable units.

- Throughout the 2000s, Rockville benefitted from the delivery of MPDU units through market rate projects.
- Of the presently active deed restricted affordable units in Rockville built from 1990 to 2020, **76% were produced through the MPDU program**.
- A **halt in market rate multifamily development will result in a significant decrease of affordable unit delivery overall**, reducing units to backfill existing affordable units as their deed restrictions expire.

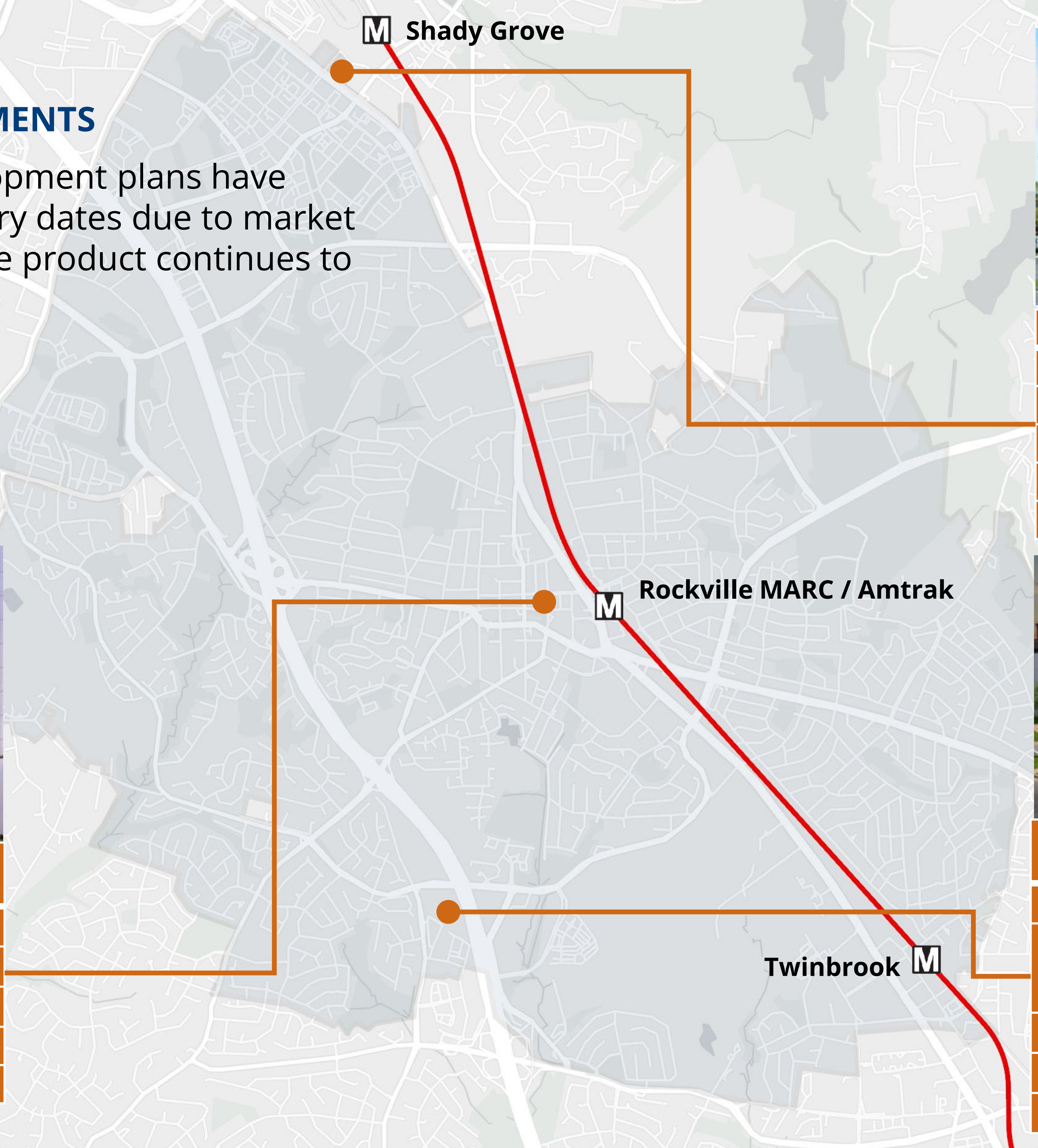
Source: City of Rockville (2025)

Total Active Affordable Units by Year Building Constructed (2025)



PROPOSED DEVELOPMENTS

Proposed rental development plans have uncertain future delivery dates due to market softening, while for-sale product continues to move forward.



Project: The Henson	
Number of Stories	8
Number of Units	191
Share of MPDU Units	**15%**
Year Est Delivered	Unknown
Developer	Foundation Housing

Project: Momentum @ Rockville Station *Affordable*	
Number of Stories	12
Number of Units	147
Share of MPDU Units	**15%**
Year Est Delivered	2028
Developer	SCG & Comstock

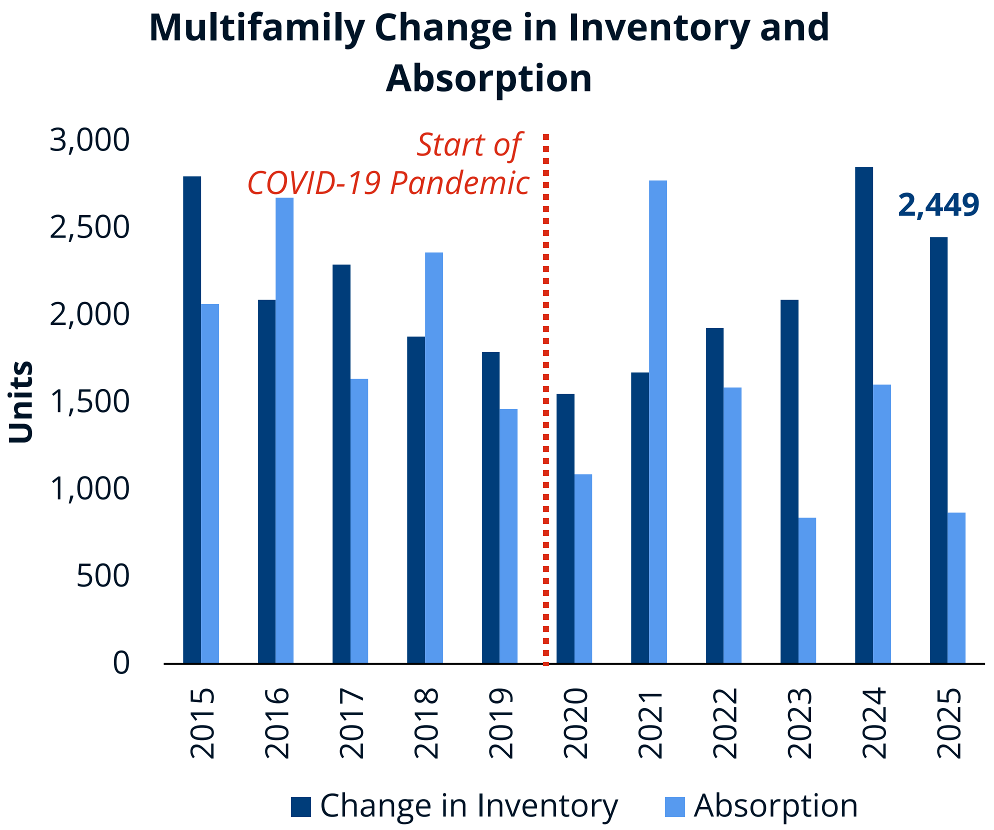
Source: CoStar, Zillow

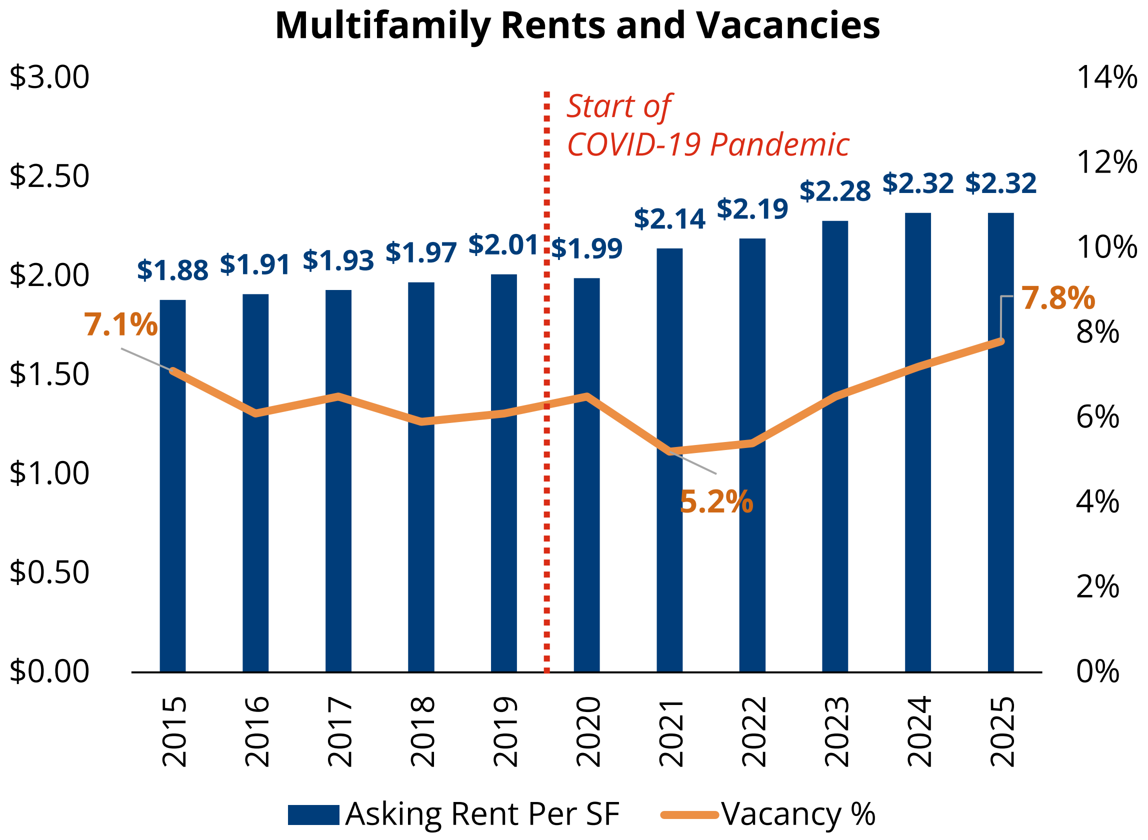
Project: Potomac Woods (Northside) *For Sale*	
Number of Stories	3-4 TH / 6 Condo
Number of Units	228 Units *85 Townhomes* *143 Condo*
Share of MPDU Units	**15%**
Year Est Delivered	Ongoing
Developer	EYA

SOFTENING RENTAL MARKET | MONTGOMERY COUNTY

In Montgomery county, deliveries have largely outpaced absorption since 2022. After years of rent growth, rents have plateaued and vacancy has increased to a 10 year high of 7.8%.

Multifamily Deliveries by Year
(2015-2025)



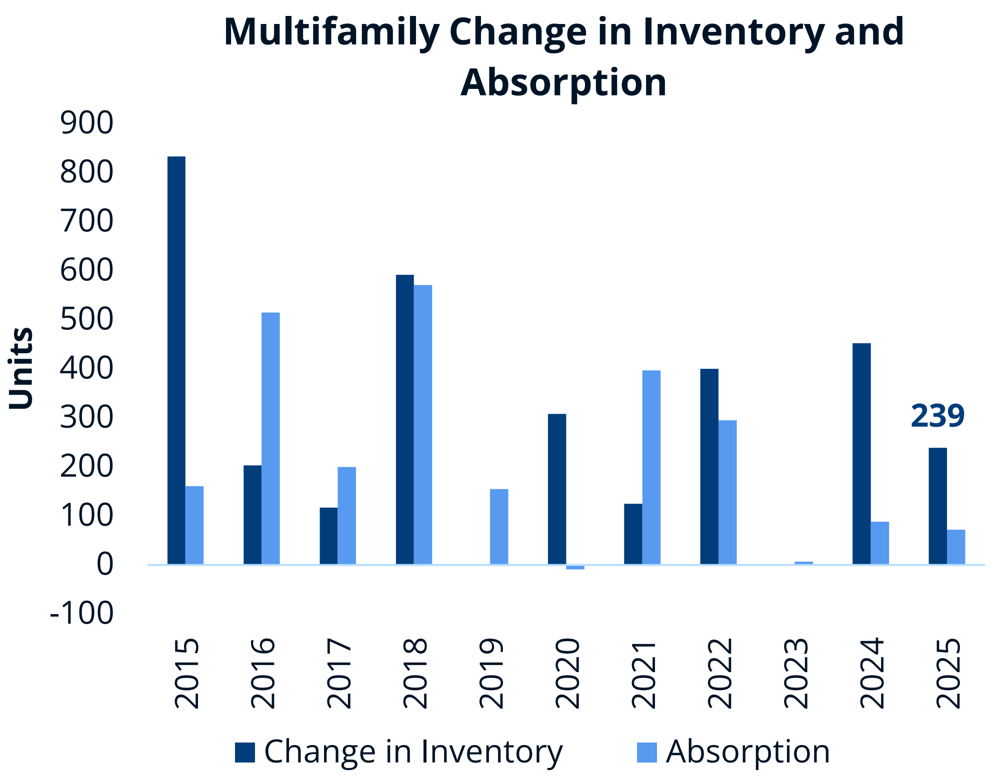


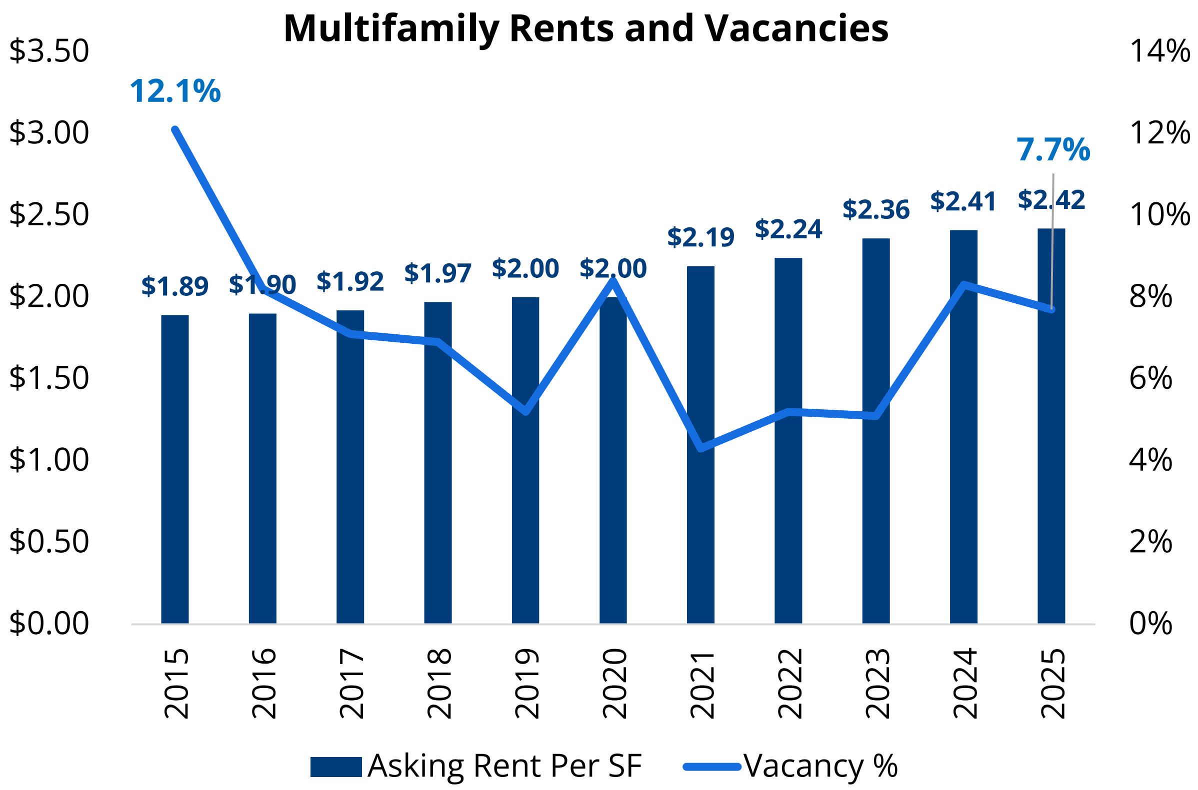
Source: Costar, HR&A Analysis

SOFTENING RENTAL MARKET

Rockville exists within this broader market context, and the vacancy rate of Rockville's market rate rental homes is increasingly elevated as units lease.

Multifamily Deliveries by Year in Rockville
(2015-2025)





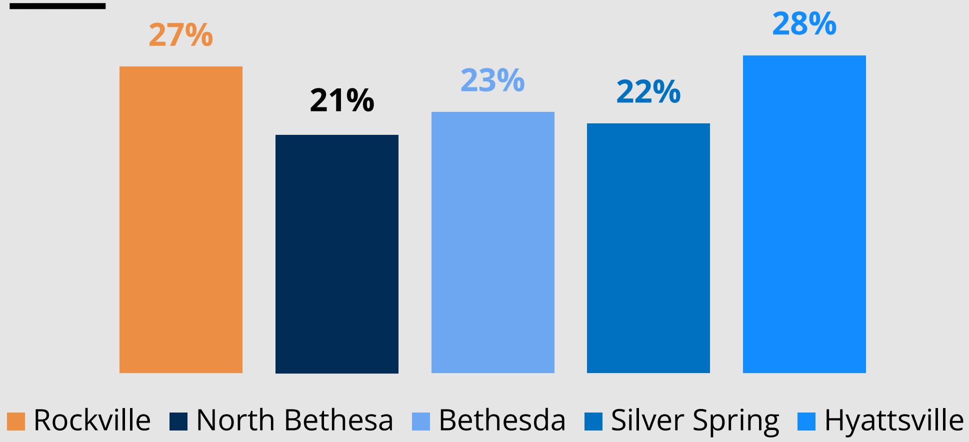
Source: Costar, HR&A Analysis

RISING RENTS

Influx of multifamily construction over the 15 years has brought Rockville's average rental rates up faster than neighboring communities, largely due to new higher-end supply.

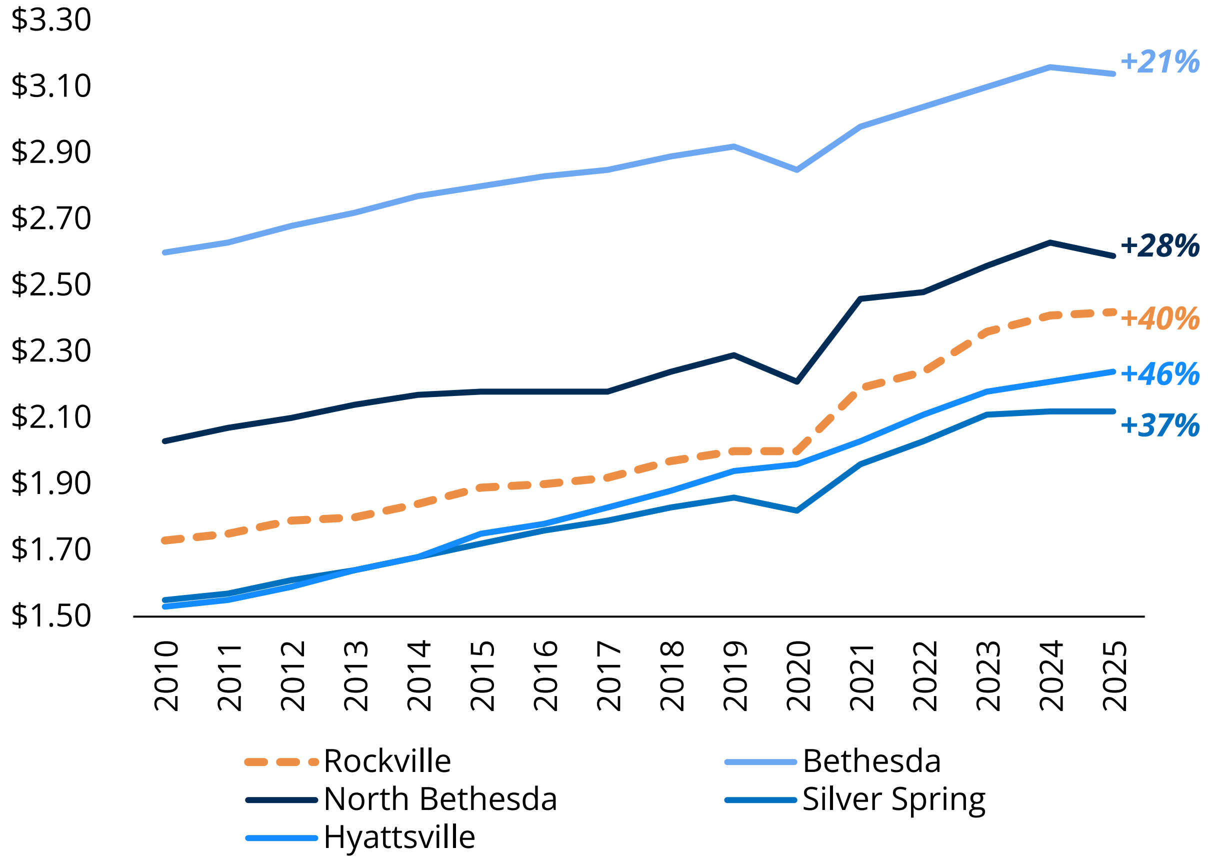
Current rents per square foot in Rockville are aligned with peer markets, however rental rates are growing considerably faster in Rockville and Hyattsville, which also have the greatest proportion of multifamily units built since 2010.

Share of Multifamily Units Built after 2010
(2024)



Source: Costar, HR&A Analysis, Public Use Microdata Sample (PUMS), US Census Bureau

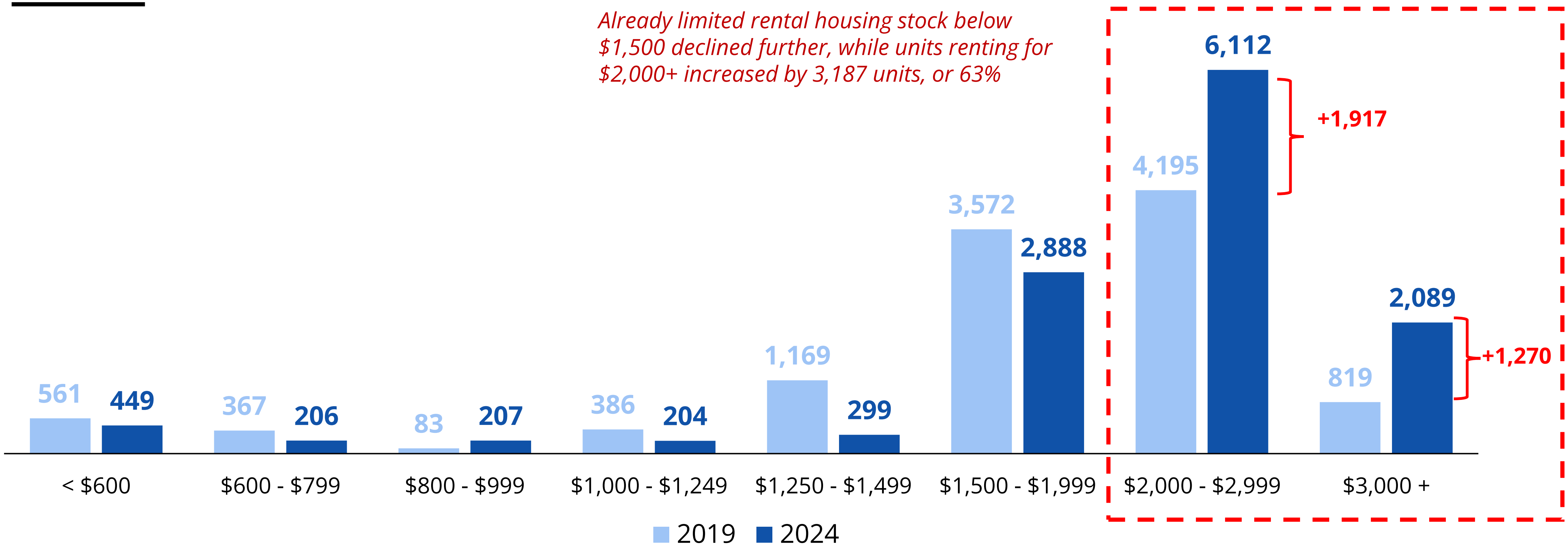
Multifamily Effective Rents Per Square Foot
(2010-2025 YTD)



RISING RENTS

More than 67% of units have rental rates greater than $2,000 per month, up from 45% in 2019.

Homes by Rent
(2019, 2024)



Source: American Community Survey, US Census Bureau

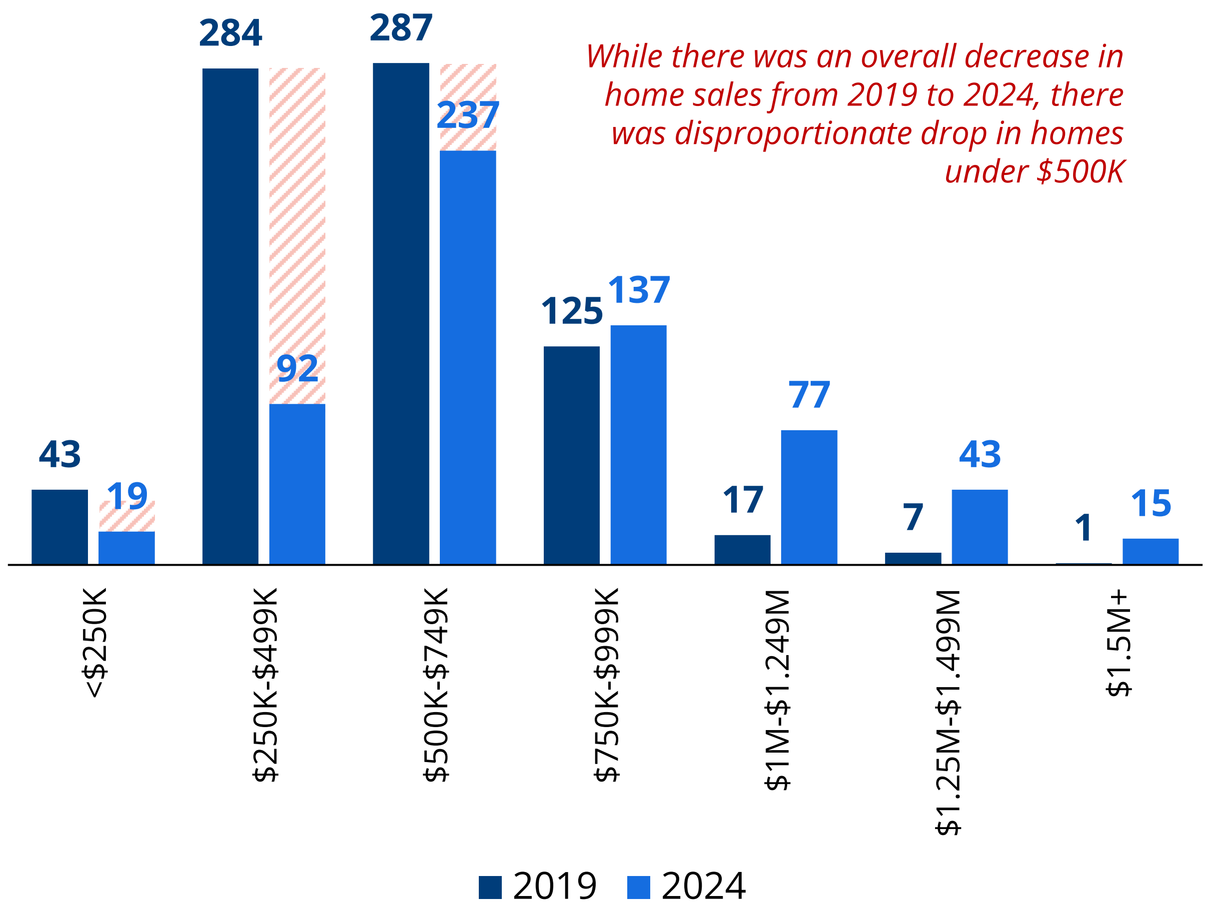
RISING HOME PRICES

In recent years, the availability of homes at lower price points has dropped significantly.

- Overall home sales dropped nearly 20% from 2019 to 2024, reducing supply and putting pressure on remaining inventory**.**
- Home sale prices have increased significantly in recent years. In 2019 20% of homes were sold for over $750k; in 2024 this proportion jumped to 35%,
- From 2019 to 2024 the **number of homes that sold for under $500k dropped by 66%.** During the same period, there was a **440% increase in homes selling above $1M.**
- **This shift in price distribution directly determines who is able to buy in this market.**

Source: Home Mortgage Disclosure Act (HMDA), Federal Financial Institutions Examination Council (FFIEC)

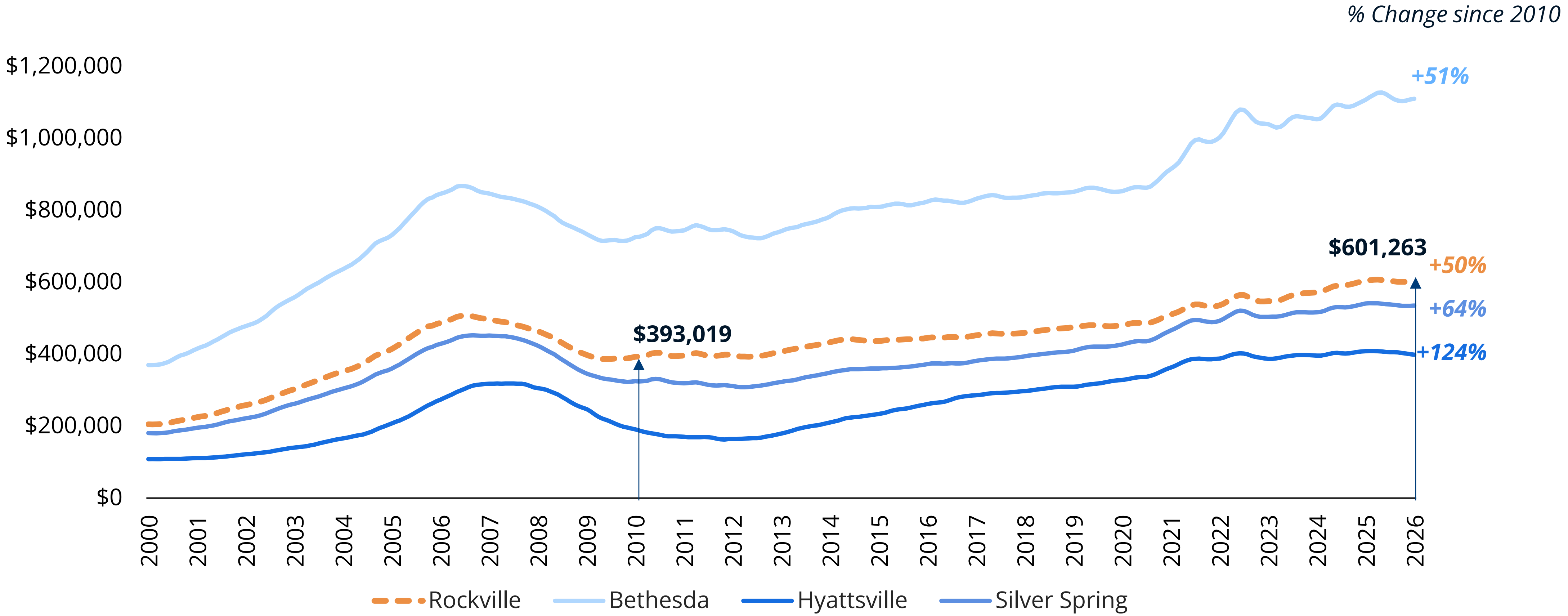
Home Sales by Price
(2019-2024)



FOR SALE HOUSING

Home values in Rockville have remained in line with CPU, increasing 53% since 2010 while CPU has increased 48%.

Sale Prices by Year
(2000-2026)



Source: Zillow Home Value Index (2026)
**Data not available for North Bethesda*

PLANNED SINGLE FAMILY DEVELOPMENTS

Recent and planned single family home development projects in Rockville have included commercial redevelopment and townhome development projects

Project: Farmstead District	
Site Size	3.1 Acres
Townhomes	252
Condos	118
Number of MPDU Units	**Unclear**
Year Delivered	2024-present
Low End of Price Range	$599k
High End of Price Range	$1M
Developer	Pulte & EYA

Project: Rockshire Village	
Site Size	4.2 Acres
Townhomes	29
Single Family Homes	31
Number of MPDU Units	**9**
Year Delivered	2026
Low End of Price Range	$900k
High End of Price Range	$2M
Developer	EYA

Project: Bartlett Square	
Site Size	2.3 Acres
Condos	42
Number of MPDU Units	**TBD**
Year Delivered	TBD
Low End of Price Range	$600k
High End of Price Range	TBD
Developer	Toll Brothers

Source: CoStar

PLANNED SINGLE FAMILY DEVELOPMENTS

Shady Grove

Rockville MARC / Amtrak

Twinbrook

Farmstead District	
Townhomes	252
Condos	118
Year Delivered	2024-present
Developer	EYA/Pulte

Rockshire Village	
Townhomes	29
Single Family Homes	31
MPDU Units	**9**
Year Delivered	2026
Developer	EYA

Project: Bartlett Square	
Condos	42
Number of MPDU Units	**TBD**
Year Delivered	TBD
Developer	Toll Brothers

Source: CoStar, Zillow

04

Housing Needs

KEY TAKEAWAYS

In Rockville renters have continued to experience cost burden over the last decade, with limited affordable units available to low income renters, while the homeownership market has catered to high income households.

Renters Remain Cost Burdened	Rockville's renter population has experienced **elevated cost burden rates to pre-pandemic levels in recent years,** single-parents, seniors, and Hispanic/Latino households While rates remain high, due to stagnating rental market as seen in the County as a whole, there has not been a significant shift in rates over time.
Shortage of Affordable Rental Units	Rockville's housing stock has a **shortage of affordable units for households below $100k.** Rockville also **lags the statewide ratios in providing affordable housing units**.
Homeownership Market Caters to High Income Households	Homeownership demand has continued to be strong in Rockville, **where new product has continued to attract higher wage buyers.**

HOUSING COST BURDEN

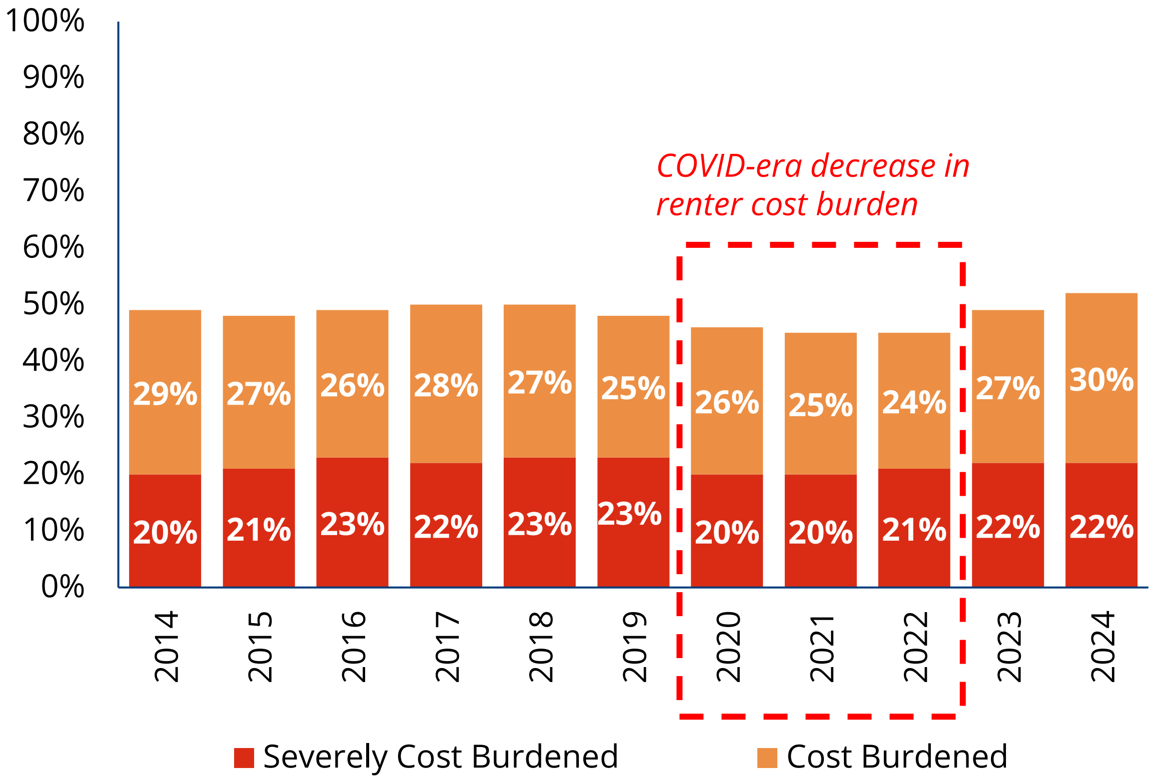
Cost burden for renters has remained consistently high since 2014.

- Cost burden for renters has been a persistent over the last decade in Rockville, with **roughly 50%** of Rockville renters experiencing cost burden since 2014.
- After a minor dip in renter cost burden during the pandemic, **renter cost burden has returned to levels consistently seen from 2014-2019.**
- **More than 43% of renters stated they delayed paying other expenses to pay for housing costs** (28% of all respondents said they have).

What residents are saying:

*"I really want to continue to live here for many years to come, but the **cost of living is so expensive** that I already spend most of my income on housing and can't afford to put almost any money into savings. I don't know if Rockville can be my permanent home. I sincerely **hope things will become more affordable so I can stay here for a long time**"*

Renter Cost Burden Rate by Year
(2014-2024)



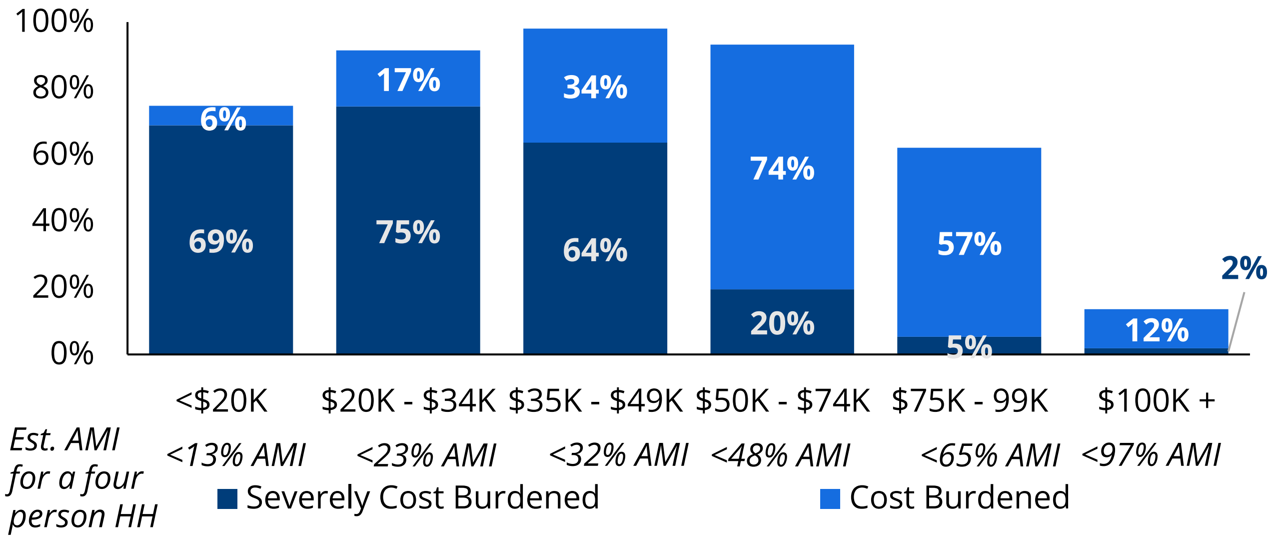
Source: American Community Survey, Rockville HNA Survey

HOUSING COST BURDEN

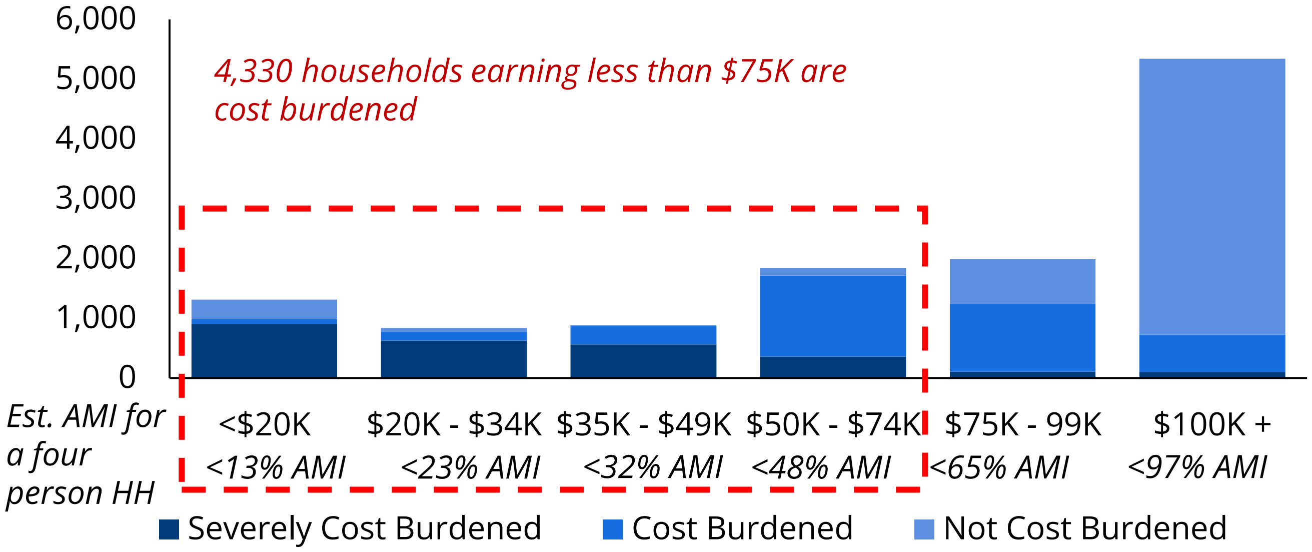
While there is a high share of high-income renter households, the cost burden rate of low and moderate-income households is extremely high.

- **Data suggests that 89% of households earning less than $75K are cost burdened spending at least 30% of their income on rent and utilities.**
- **Of households earning less than $75K, 50% are severely cost burdened,** spending 50% or more of their income on rent and utilities.
- Of the lower income bands, data suggests households from **$35K - $49K face the highest overall cost burden rates at 98%,** while households with incomes from **$20K - $34K have the highest rate of severe cost burden at 75%.**
- It should be noted that cost burden data by income group could be impacted by a small sample size, and while it provides context on cost burden, may not exactly reflect household cost burden conditions.

Renter Cost Burden Rate by HH Income
(2024)



Cost Burdened HH's by HH Income
(2024)



Source: American Community Survey

RENTAL HOUSING SHORTAGE

As rental rates in Rockville increase faster than incomes, homes move up the income spectrum, leaving a rental shortage across much of the income spectrum.

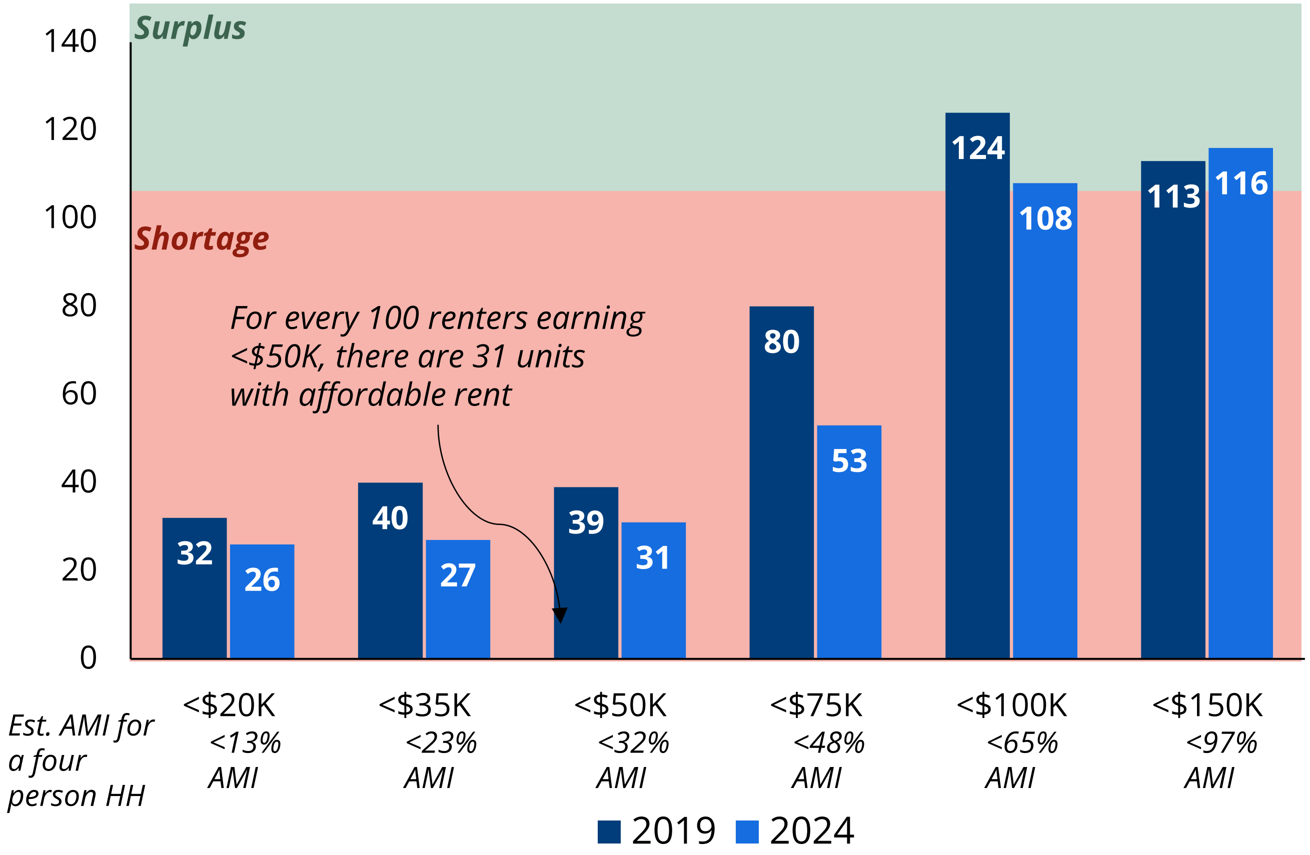
- There is currently a **shortage of homes for all household income groups below $100k**, a shortage that has increased since 2019, especially for households making less than $75k (roughly 50% AMI).

What residents are saying:

When asked what their biggest concern related to housing was, the top four answers were all related to the lack of affordable housing in Rockville. Residents responded:

1. High home prices (46%)
2. High rent (42%)
3. High cost of maintaining home (38%)
4. Difficulty finding preferred housing type in desired neighborhood at affordable prices (34%)

Affordable Rental Homes per Renter Households
(2019, 2024)

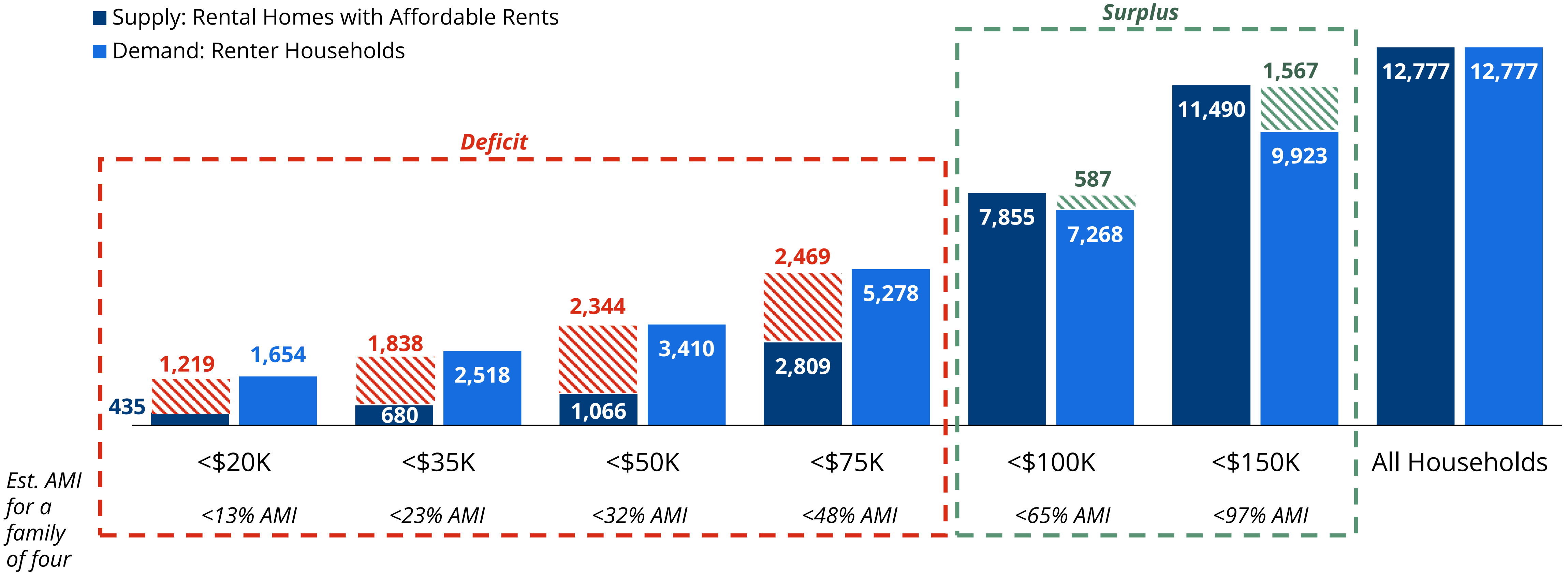


Source: American Community Survey, US Census Bureau, AMI levels assume a household size of four

RENTAL HOUSING SHORTAGE

While the rental MPDU program targets households at 60% AMI, the largest gap exists for households below 50% AMI.

Supply and Demand for Rental Homes by Household Income
(2019,2024)

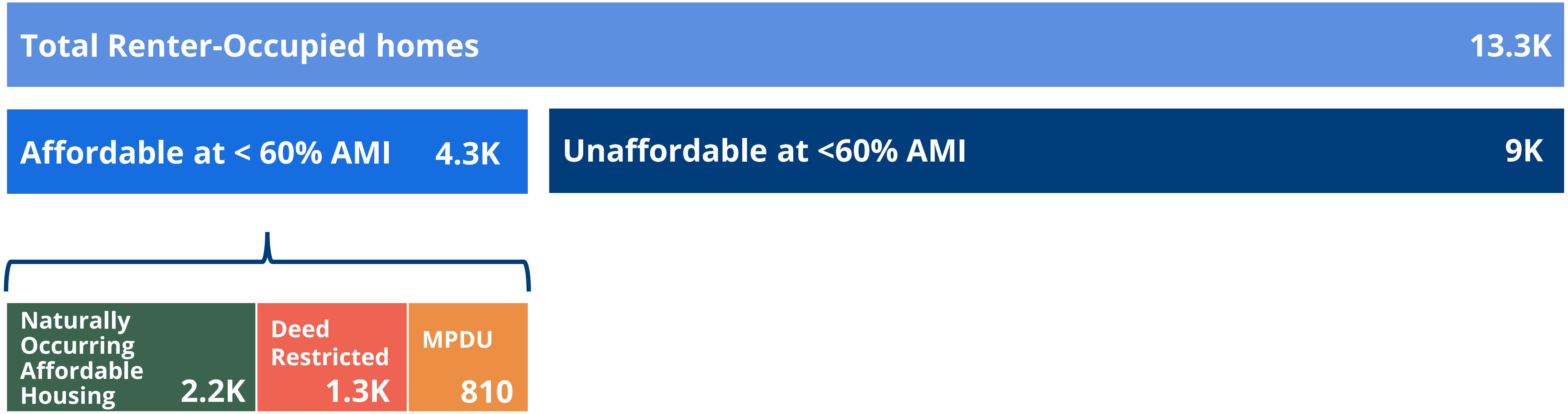


Note that the income levels shown in the supply and demand stacks are cumulative, meaning that each stack includes the affordable homes or households at all income levels below. This cumulative approach reflects the reality that higher-income households can afford a wider range of rental prices, intensifying competition for lower-priced homes.
Source: American Community Survey, HR&A Analysis

AFFORDABLE HOUSING STOCK

About 32% of Rockville's rental homes are affordable at 60% Area Median Income (AMI). In 2024, 60% AMI for a 4-person household was $92,820.

Renter-Occupied Homes by Affordability: 2024



Source: American Community Survey 5 Year Estimates,, Public Use Microdata Sample (PUMS), National Housing Preservation Database. Note: Area Median Income (AMI) represents the midpoint in the household income distribution for the Washington-Arlington-Alexandria, DC-VA-MD-WV Metro Area.
**Deed Restricted units include LIHTC, Project Based Section 8, and other Federally or State regulated forms of deed restricted affordable housing.*

DISPARATE IMPACTS

High cost burden disproportionately impacts single-parents, seniors, and Hispanic/Latino households.

- **Single-Parent** households experience the greatest burden, with **74% spending more than 30% of their income on rent** and a median of 53% of income devoted to housing, well above the citywide renter average of 30%.
- **Senior households also face elevated burdens, with nearly 70% cost-burdened.**

What we heard from residents:

"I work here as a kindergarten teacher, and ***I really want to continue to live here for many years to come****, but the cost of living is so expensive that I already spend most of my income on housing and can't afford to put almost any money into savings****. I don't know if Rockville can be my permanent home****"*

**Note: Senior renters also experience high cost burdens, with nearly three quarters cost-burdened. Due to households in retirement, senior renter household cost burden rates tend to be skewed higher. Additionally, some households may fall within multiple categories.*

Public Use Microdata Sample (PUMS) and American Community Survey (ACS), US Census Bureau

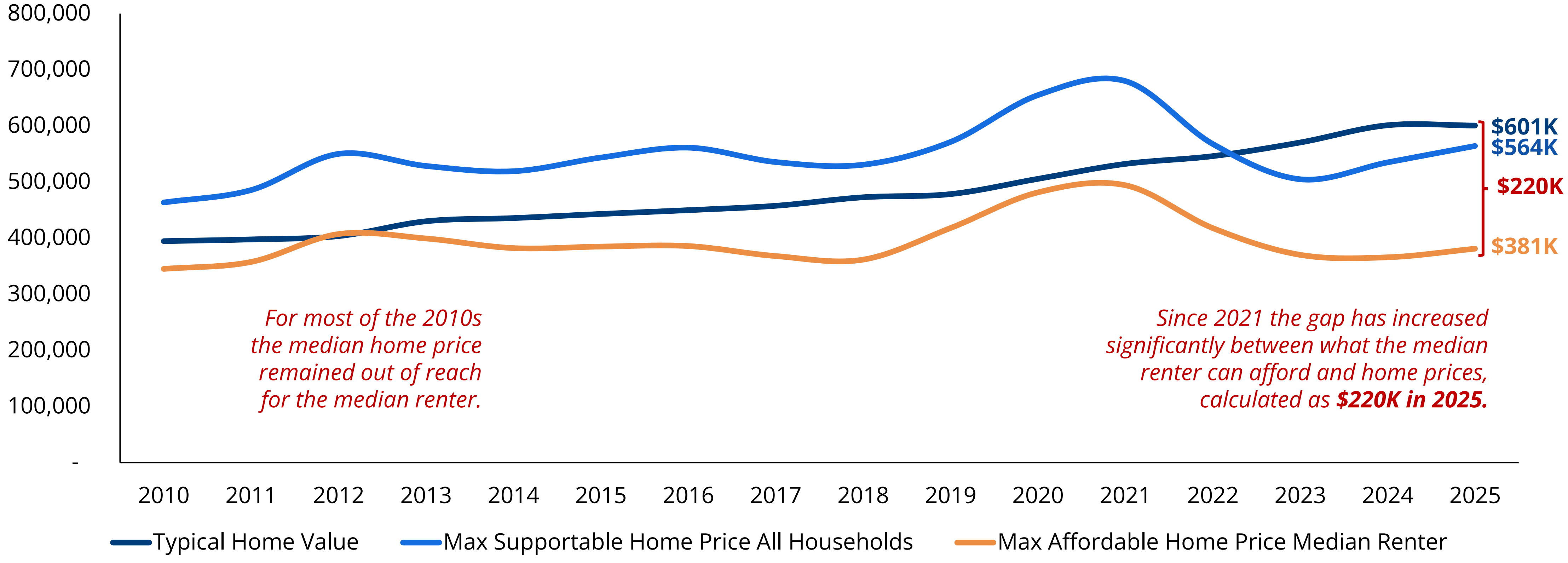
Renter Cost Burden Rates by Cohorts
(2024)

Cohorts	Cost Burden Rate	Number of Cost Burdened Households	Median Share of Income Towards Rent
Single-Parent Households	**74%**	**600**	**53%**
Senior Households	**67%**	**1,090**	**49%**
Hispanic/Latino Households	**61%**	**1,200**	**42%**
Households with Children	**58%**	**1,870**	**40%**
Black Households	**57%**	**1,450**	**42%**
All Renter Households	52%	6,300	31%

HOME AFFORDABILITY BY TENURE

Homeownership has also become increasingly unaffordable. In 2025 there was a gap of $220K between the median home value and what the median renter household could afford.

Home Values vs. Max Supportable Home Values
(2010-2025)

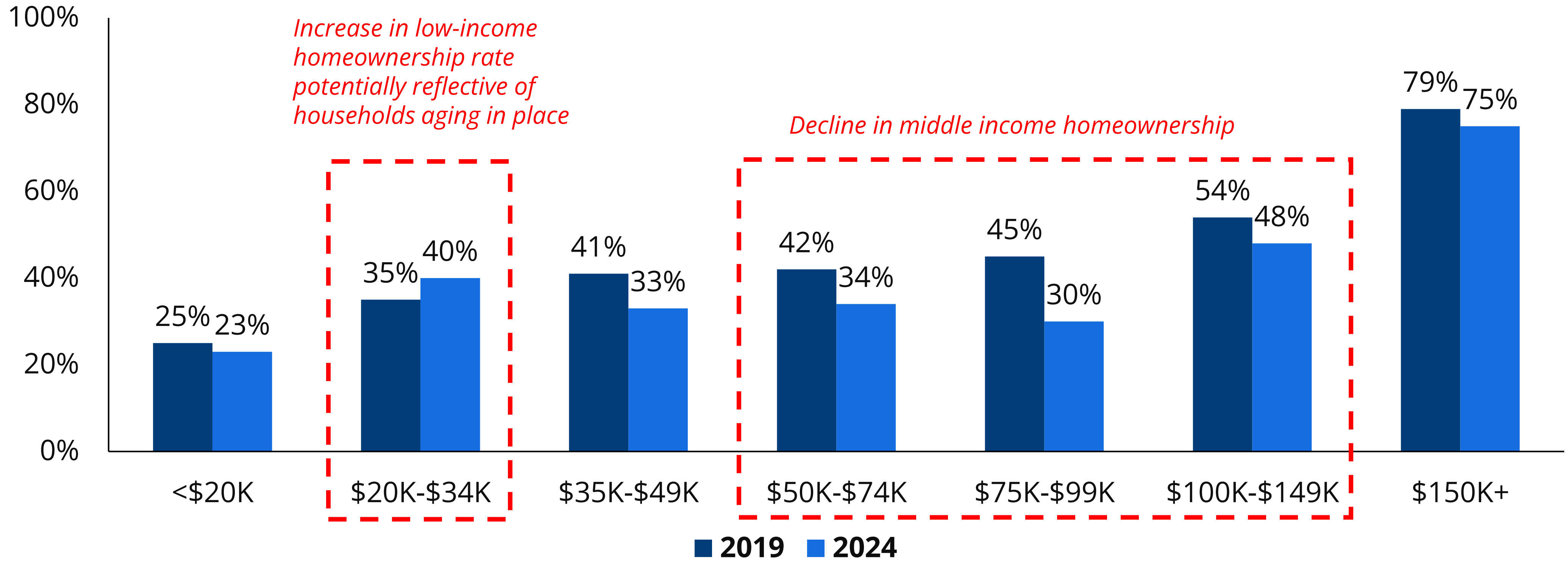


Source: Zillow ZHVI index, ACS, HR&A analysis

HOMEOWNERSHIP

Increasing costs have been accompanied by declining homeownership among middle income households. Households earning $75-99k saw a 15% decrease in homeownership from 2019-2024.

Homeownership Rate by Income Level
(2019, 2024)



Source: HMDA property value from home purchase mortgage information

06

Future Need

KEY TAKEAWAYS

Under current permitting rates, the City is on track to permit the necessary 3,300 to 5,100 homes needed to maintain a healthy housing market by 2035 – but it is unclear if the market will be able to deliver them.

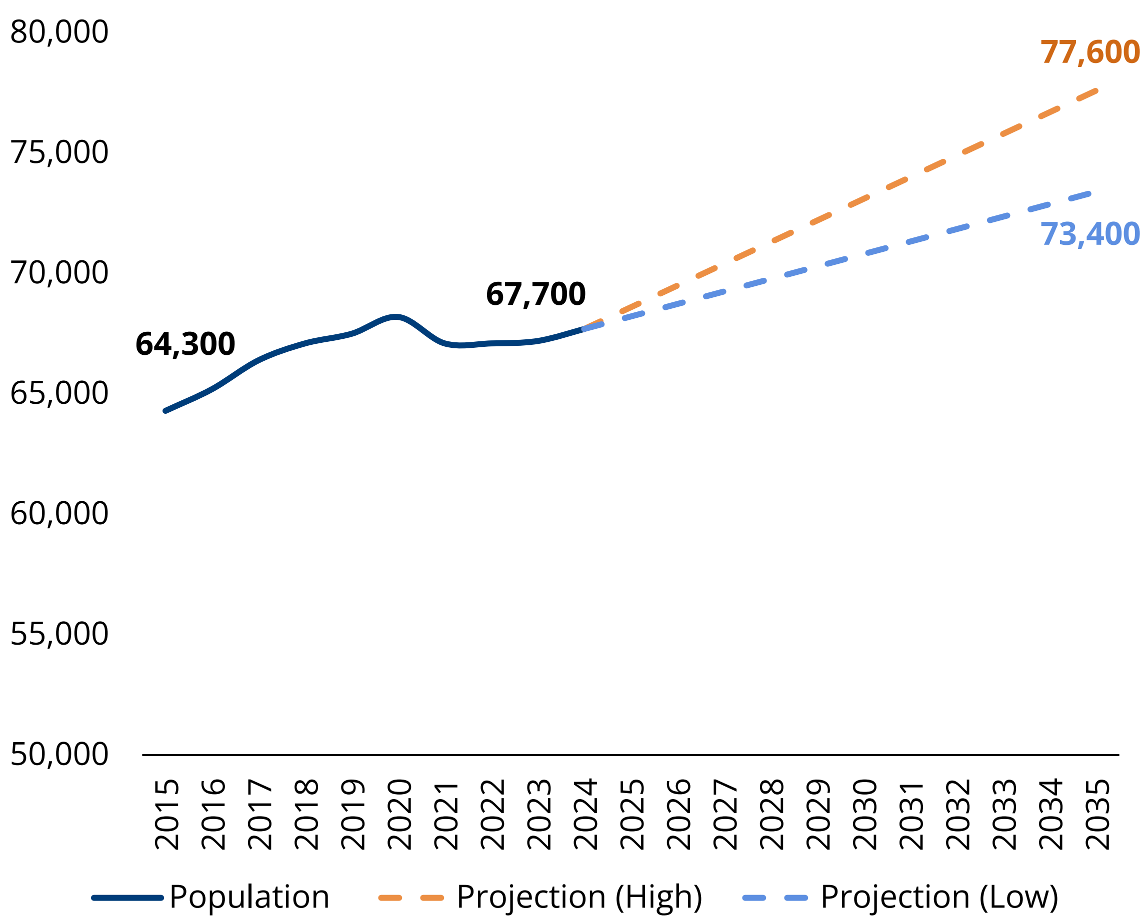
Healthy Population Growth	Rockville is projected to see a **15% population increase**, translating to roughly 9,900 new residents. Roughly 1.5k-2.3k renter households and 1.5k-2.4k owner households will be added to the Rockville housing market.
High and Low income Jobs Driving Growth	Rockville's economic profile will remain relatively the same**, with job growth driven by a combination of high wage and low wage jobs,** continuing the demand for high price point homeownership as well as subsidized housing.
High Demand from Lower AMI Categories	High **demand will continue to come from AMI categories less than 60% and less than 80% AMI for both renter and homeowner housing**. This demand is unlikely to be met by the market, and exceeds the 15% MPDU requirement.

ROCKVILLE POPULATION GROWTH

Rockville's population is projected to grow by 5,700 to 9,900 people between 2024 and 2035.

- Rockville is projected to add **roughly 9,900 new residents by 2035 according to regional population growth estimates**, an increase of about 15% relative to 2024.
- Under a low growth scenario, which is used to match the historic trend of household growth from 2015 to 2024, **Rockville is projected to add 5,700 new residents by 2035, an increase of 8%.**

Historic and Projected Population Through 2035
(2015-2035)



Source: Metropolitan Washington Council of Governments: COG Home, HR&A Analysis

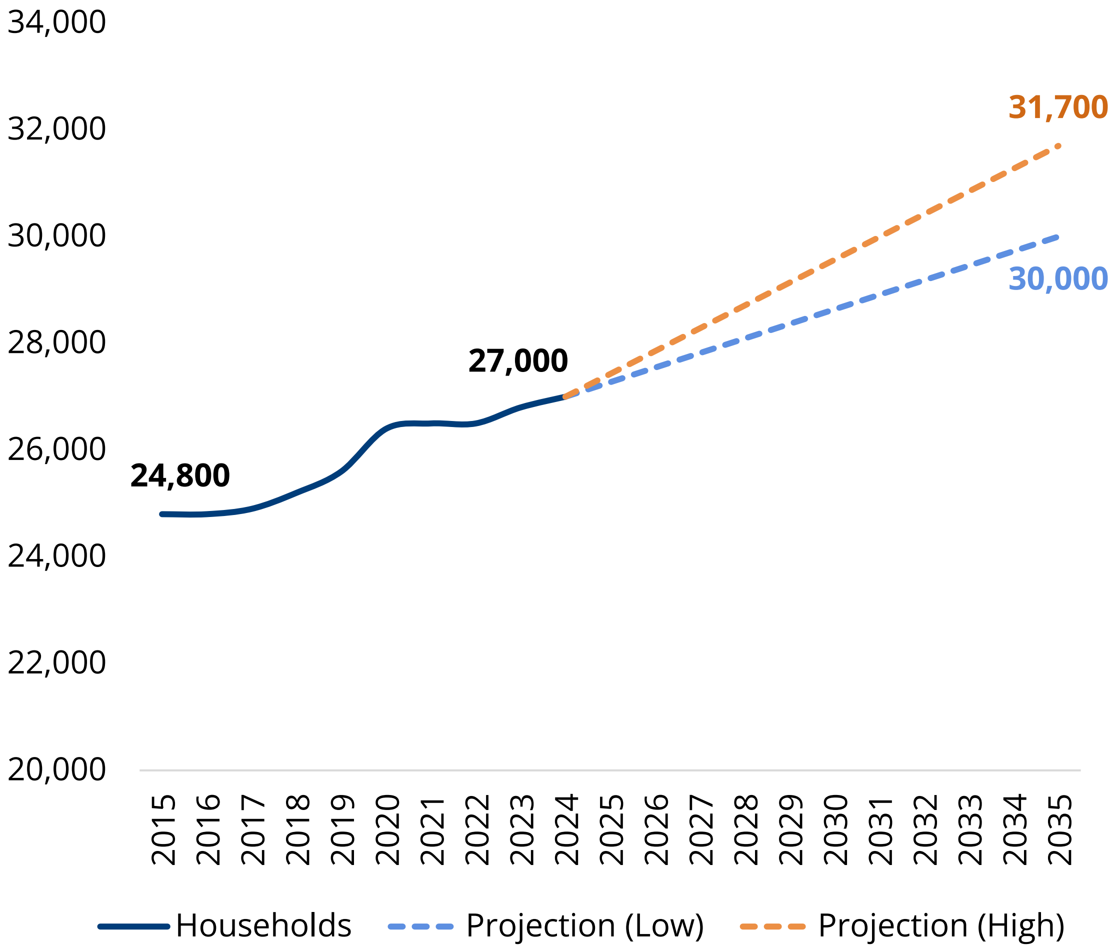
ROCKVILLE HOUSEHOLD GROWTH

This population growth translates to approximately 3,000 to 4,700 new households by 2035.

- Population growth projections demonstrate there are both demographic and economic factors driving demand in Rockville. However, **new home production is a prerequisite for any household growth**.
- The City's households grew by 9% from 2015-2024. **The total number of households could increase by roughly 11-17% by 2035**.
- This translates to an additional **3.0-4.7k Rockville households that will need homes to live in.**

Source: Metropolitan Washington Council of Governments: COG, HR&A Analysis

Historic and Projected Households Through 2035
(2020-2035)



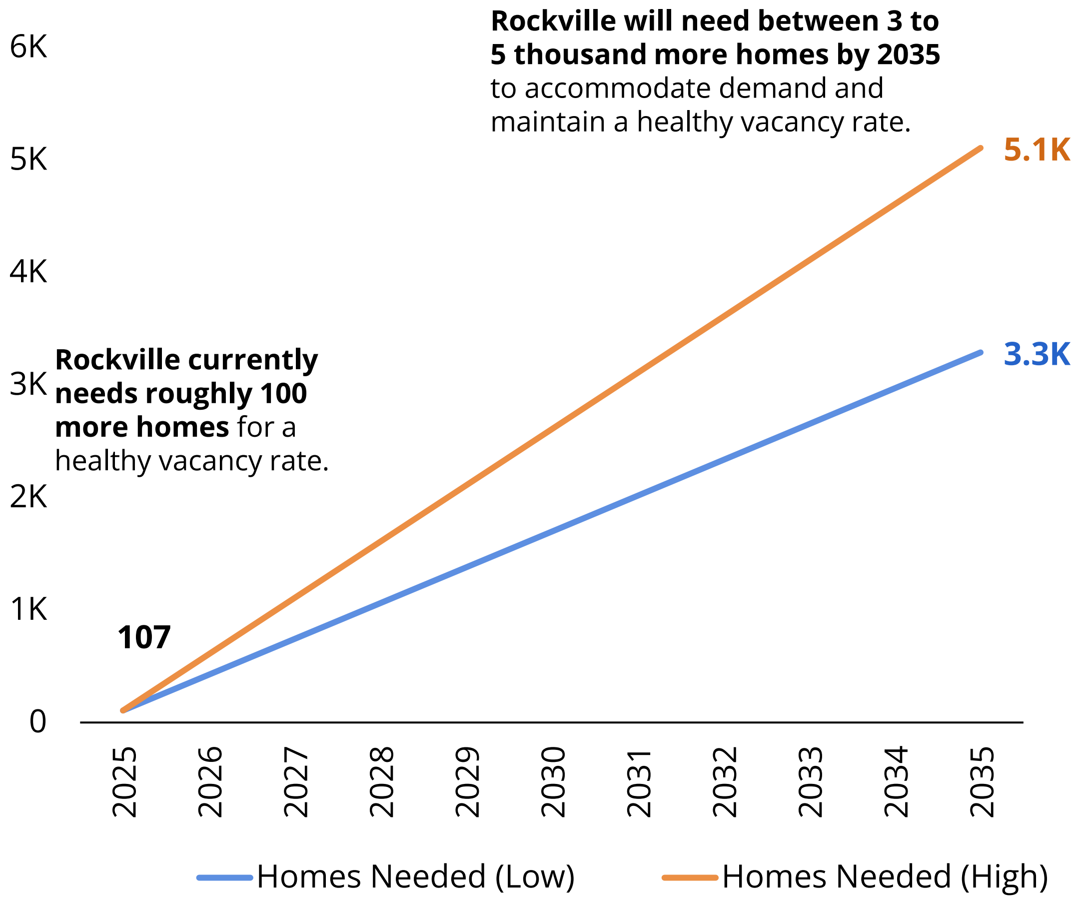
ROCKVILLE POPULATION GROWTH

Rockville will need to increase housing supply by 3,300 to 5,100 units to accommodate growing demand.

- A healthy housing market needs **about 5% of all homes to be vacant and available.** These available homes allow households to move for jobs, start families, or otherwise relocate.
- At present, Rockville has a **rental vacancy rate of 3% and an owner vacancy rate of 0.5%,** well below a healthy vacancy rate of 5%**. Existing housing shortages** will be exacerbated by growing demand if the supply of homes does not increase.
- To account for projected demand from new households, **Rockville will require between 3,300 to 5,100 total new homes by 2035**, including current need and accounting for a 5% target vacancy rate for projected future households.

Source: PUMS, American Community Survey (ACS) 5-year estimates, MWCOG, HR&A analysis

New Homes Needed by 2035
(2025-2035)



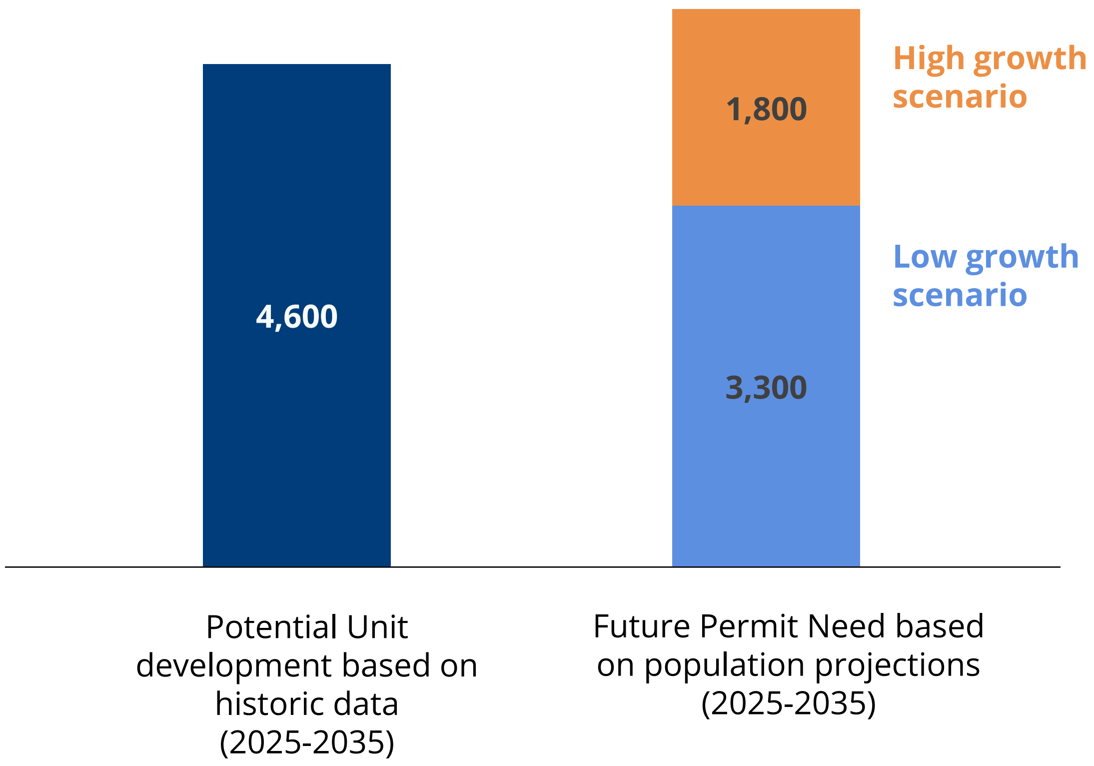
Note: Assumes a target vacant availability rate of 5%. The new homes needed are additional homes needed so that vacant and available (i.e. for rent and for sale) homes equal 5% of the sum of occupied homes (i.e. total households or projected total households) plus vacant and available homes.

ROCKVILLE PERMITTING NEEDS

If historic permitting trends persist then Rockville is on track to meet overall future housing demand.

- Rockville will need to permit between 3,300 and 5,100 units to meet demand by 2035, **an average of 330 to 510 units per year**.
- Between 2019 and 2025 Rockville approved site plans for 2,947 units, **averaging 420 units per year, suggesting the city could permit** 4,600 units by 2035.
- **Since 2019 the City has issued certificates of occupancy for projects that consist of 69% multifamily units - significant amount of rental housing.** However, owner and renter demand is projected to increase at similar rates, suggesting more owner options will be needed to address homeownership demand.
- Findings in this analysis suggest there may be factors slowing down developer momentum outside of the City's control, such as high interest rates high construction costs, that may impact its ability to meet this need in the near term.

Current Permits and Future Permitting Needs
(2025-2035)



**City permit data only available back till 2019*

Source: HUD SCODS, City of Rockville

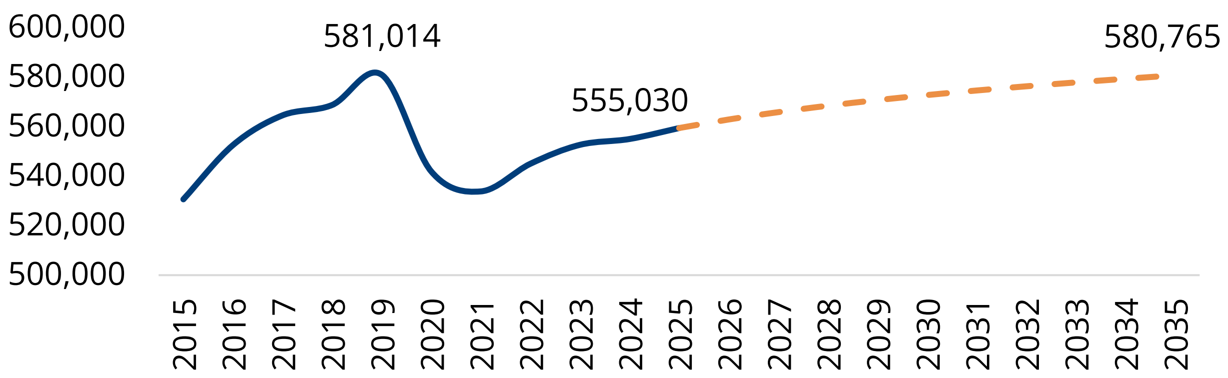
MONTGOMERY COUNTY JOBS

New employed Montgomery County resident growth will come from both high wage and low wage occupations.

- The county is expected to add **25.7K employed residents between 2024 and 2035.**
- The greatest growth will come from **occupations of Healthcare support and Transportation and Material moving,** with the addition of 7K combined employed residents in Montgomery County by 2035. These occupations will drive low wage housing demand, both with median incomes under $50k.
- High wage occupations including **Healthcare Practitioners and Technical as well as Management will also see significant growth, driving demand in higher price point housing categories** as both have median wages of $100K or higher.

Source: HR&A Analysis

Montgomery County Employed Residents
(2024-2035)



Occupation Change from 2024 to 2035, Montgomery County
(2024-2035)

Top 5 Occupations	Change in Employed Residents, 2024-2035	Share of New Employed Residents, 2023-2035	Occupational Median Wage (2024$)
Healthcare Support Occupations	+3.7K	14%	$41K
Transportation and Material Moving Occupations	+3.3K	13%	$46K
Healthcare Practitioners and Technical Occupations	+3.3K	13%	$100K
Management Occupations	+3.0K	12%	$162K
Educational Instruction and Library Occupations	+2.9K	11%	$63K

FUTURE HOUSEHOLDS BY TENURE AND AMI

Demand from lower AMI HH will remain strong, and is unlikely to be met by the market.

- Growth among renter and owner households is projected to be similar, with renter household demand increasing 18% and owner household demand increasing 17%..
- Future rental housing demand growth is projected to be **highest among renter households earning less than 50% of AMI**, in line with existing renter household trends in Rockville.
- The highest **demand from homeowner households will continue to come from 100%+ AMI category,** totaling 62% of household demand also in line with current trends.
- A large portion (28%-29% for homeowner, 59% for renter), of **homeowner and renter demand will come from less than 80% AMI,** far exceeding the MPUD 15% requirement – suggesting the **market is unlikely to build to address the demand for this demand segment.**

Source: HR&A Analysis

Historic and Projected Renter Households by Household Income

Renters	2024		2035		
Income Range (2024$)	**Households**	***Distribution***	**Households (low)**	**Households (high)**	***Distribution***
0-30% AMI	2.7K	*21%*	2.9K	3.1K	*20%*
31-50% AMI	1.9K	*15%*	2.3K	2.4K	*16%*
51-60% AMI	1.0K	*8%*	1.0K	1.0K	*7%*
61-80% AMI	1.9K	*15%*	2.3K	2.4K	*16%*
81-100% AMI	1.5K	*12%*	1.6K	1.7K	*11%*
Over 100% AMI	3.7K	*29%*	4.2K	4.5K	*30%*
Total	**12.8K**	**100%**	**14.3K**	**15.1K**	**100%**

Historic and Projected Homeowner Households by Household Income

Homeowners	2024		2035		
Income Range (2024$)	**Households**	***Distribution***	**Households (low)**	**Households (high)**	***Distribution***
0-30% AMI	1.1K	*8%*	1.2K	1.2K	*7%*
31-50% AMI	1.0K	*7%*	1.1K	1.2K	*7%*
51-60% AMI	0.6K	*4%*	0.6K	0.6K	*4%*
61-80% AMI	1.4K	*10%*	1.7K	1.7K	*10%*
81-100% AMI	1.3K	*9%*	1.4K	1.5K	*9%*
Over 100% AMI	8.9K	*62%*	9.8K	10.3K	*62%*
Total	**14.2K**	**100%**	**15.7K**	**16.6K**	**100%**

07

Appendix

COMMUNITY ENGAGEMENT PROCESS

The Rockville Housing Needs Assessment community engagement process consisted of stakeholder engagement, a resident survey and in person community events.

The Community Engagement Scope of work was designed to solicit feedback from residents, organizers, and various housing and real estate professionals on current barriers to housing affordability and housing development in the City and their envisioned goals for the future

STAKEHOLDER ENGAGEMENT
(JANUARY-MARCH)

Roundtable Discussions – Jan 30th

Community Representative & Residents
Housing Service Providers
Real Estate Professionals

One on One Developer Discussions (5)

RESIDENT SURVEY AND COMMUNITY EVENTS
(FEBRUARY-MARCH)

Survey Information collected In person and Virtually

Three pop-up events

Senior Center Event - Feb 12th
Twinbrook Mural Unveiling – Feb 18th
Lunar New Year Celebration - Feb 21st

1 Open House

- 29 attendees, including the Mayor

HR&A held roundtable discussions and one on one conversations to discuss housing market trends, gaps in the housing program and policy landscape, and priority housing needs.

STAKEHOLDER ROUNDTABLE ATTENDEES

RESIDENTS AND COMMUNITY ADVOCATES	HOUSING SERVICE PROVIDERS	REAL ESTATE PROFESSIONALS
• Reed Tenants Association • Rockville Renters United • Nonprofit Montgomery • Chinese Culture and Community Service Center Health Center • Montgomery County Education Association • Montgomery County Renters Alliance • CASA • Rockville Villages Coordinator	• RHE • Main Street Connect • Maryland Legal Aid • Housing Initiative Partnership • Habitat for Humanity • Housing Opportunities Commission • Community Reach of MoCo • Housing Unlimited Director	• Lincoln Ave Communities* • Perry Jacobsen • SCG Development • Pulte Group • Shulman Rogers • BF Saul* • EYA*

*One-on-one discussions with these stakeholders conducted for MPDU Analysis

COMMUNITY ENGAGEMENT PROCESS | RESIDENT SURVEY

The survey was distributed to 30+ community groups and shared on the City's website to solicit input from a broad range of people on their experiences with housing .

RESIDENT SURVEY RESPONDENTS

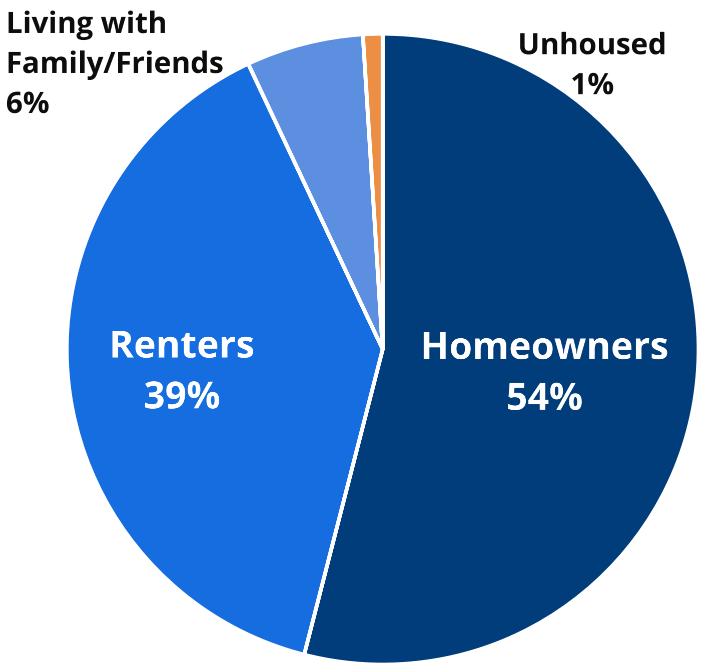
340 Responses → **86%** Rockville Residents

31% *live in households with children*

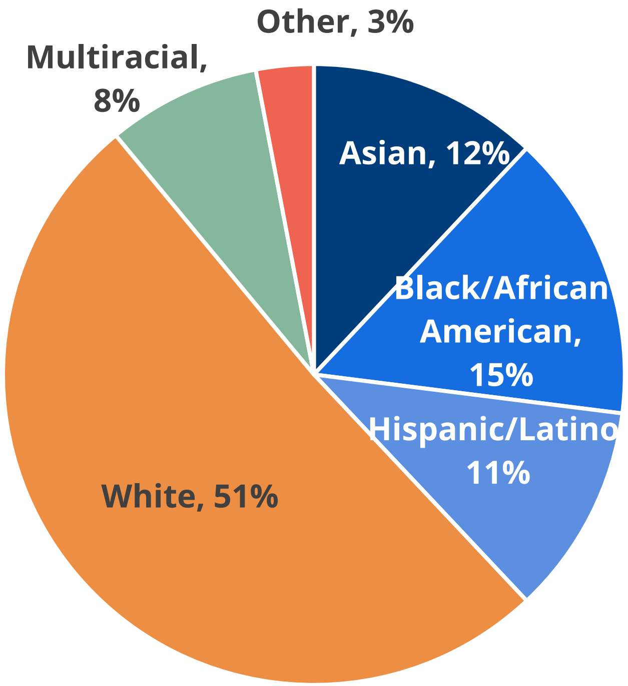
34% *live in households with seniors*

10% *live in households with individuals with disabilities*

Respondent Tenure



Respondent Race/Ethnicity



COMMUNITY ENGAGEMENT PROCESS | POP-UPS

Brick and Story conducted three separate pop-ups to meet people at community events and get their input on the housing needs survey.

SENIOR CENTER POP-UP

February 12th, 2026

Rockville Senior Center

Brick and Story spoke to roughly **50 seniors**, both English and Spanish speakers, many of whom were long term Rockville residents.

MURAL POP-UP

February 18th, 2026

Twinbrook Recreation Center

Brick and Story engaged with **18 people** at the Twinbrook mural unveiling.

LUNAR NEW YEAR POP-UP

February 21st, 2026

Richard Montgomery High School

Brick & Story attended the Chinese Lunar New Year celebration to distribute the HNA survey and flyer for the open house event. Overall, they received **58 survey responses**.

COMMUNITY ENGAGEMENT PROCESS | OPEN HOUSE

During the March open house, residents learned about the housing needs assessment and provided input on their existing housing needs and hopes for future housing interventions.

OPEN HOUSE

HIGHEST PRIORITIES:

- **Affordability**
- **Safety**
- **Homeownership**

KEY THEMES:

- **Affordable and Attainable Options:** Residents want a greater variety of affordable homes for low-income homeowners, seniors, disabled residents, and non-English speakers.
- **Middle Density:** Interest in middle density, ADU's, and multi-unit lots
- **Housing Quality:** Residents called for the city to hold landlords accountable for unit conditions to improve unit quality and safety
- **Rent Stabilization:** Protect and enhance resident stability through rent control and tenant protection measures.