



# *Growing Forward* *What Are Our Assets and Threats?*

Regional Economic Development Forum

EDCC 2023

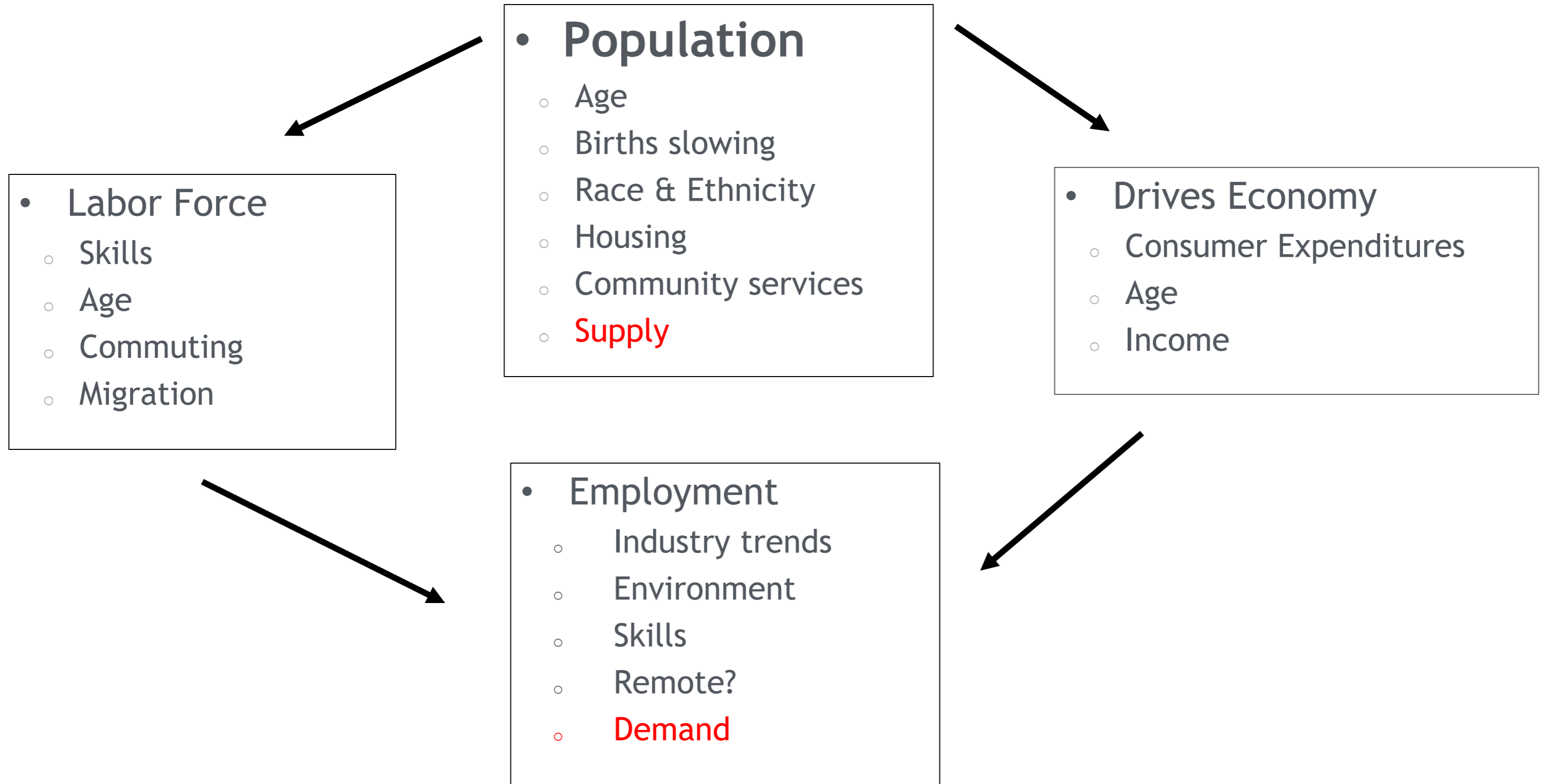
State Demography Office, Department of Local Affairs

[Demography.dola.colorado.gov](http://Demography.dola.colorado.gov)



**COLORADO**  
Department of Local Affairs

# Everything is Connected



# *Trends - after COVID*

- Population growing at a slowing rate - births down, deaths up
- Migration and mobility slowing
  - Harder to attract and retaining the best and brightest.
- Concentrated growth in Front Range - both jobs and people
- Aging - impacts everything
  - Largest share of future growth is the 65+
  - Prime working age 25-54 becoming smaller share of total pop.
- Growing racial and ethnic diversity.



# Big Picture

## Growth is Slowing

	2010-2020		2020-2021		2021-2022	
United States	22.3MM	7.4%	520k	0.1%	1.256MM	0.4%
Colorado	744.5k	14.8%	26.5k	0.5%	27.7k	0.5%
Colorado Rank	9th	6th	11th	20th	12th	19th

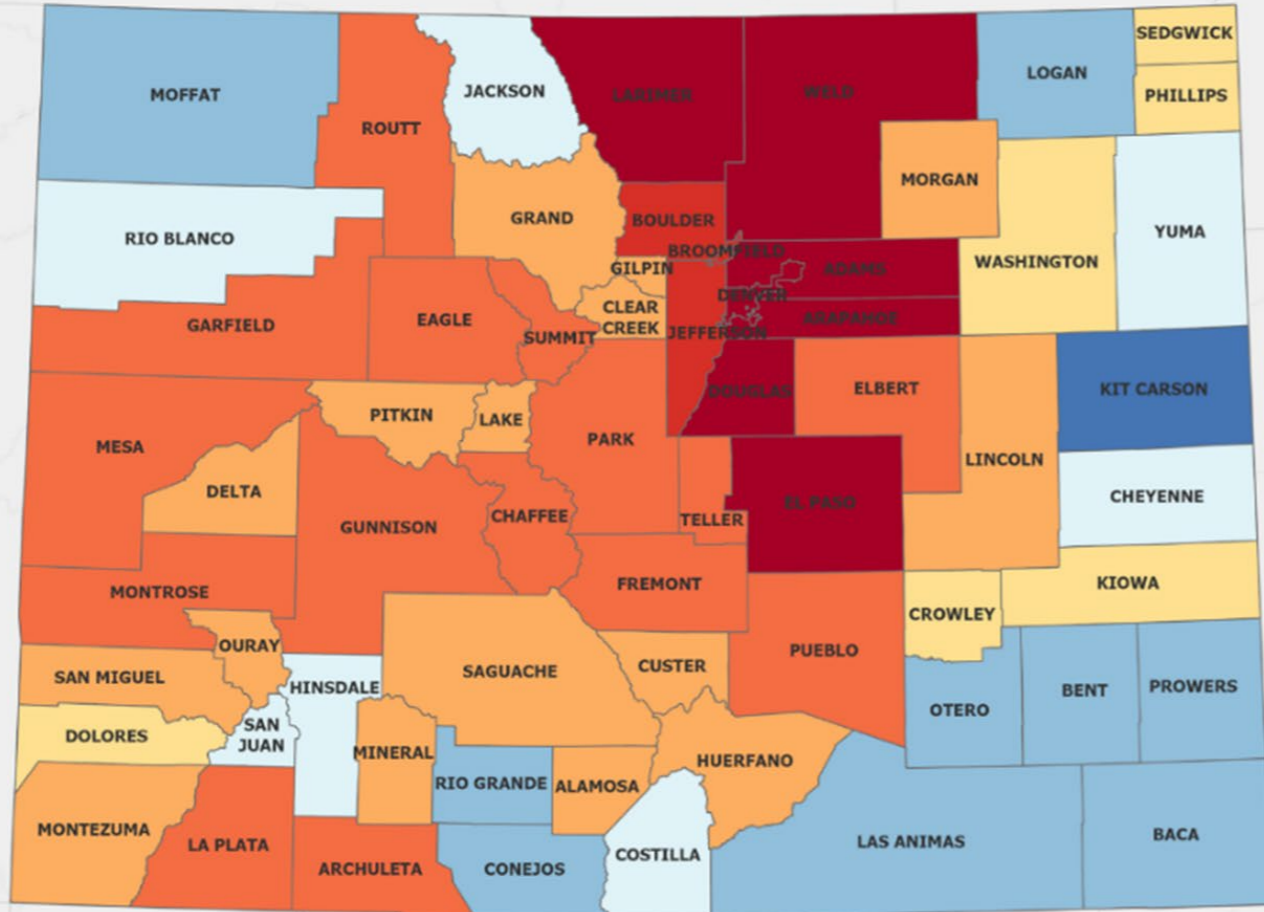
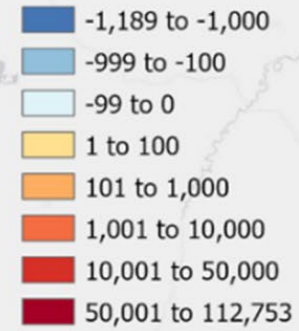
- 2010 - 2020
  - Second slowest decade for US in terms of growth
- 2020 - 2021
  - Slowest year for US growth rate;
  - 17 states lost population
- 2021 - 2022
  - 19 states lost population



## Total Population Change

2010 - 2020

### Population Change



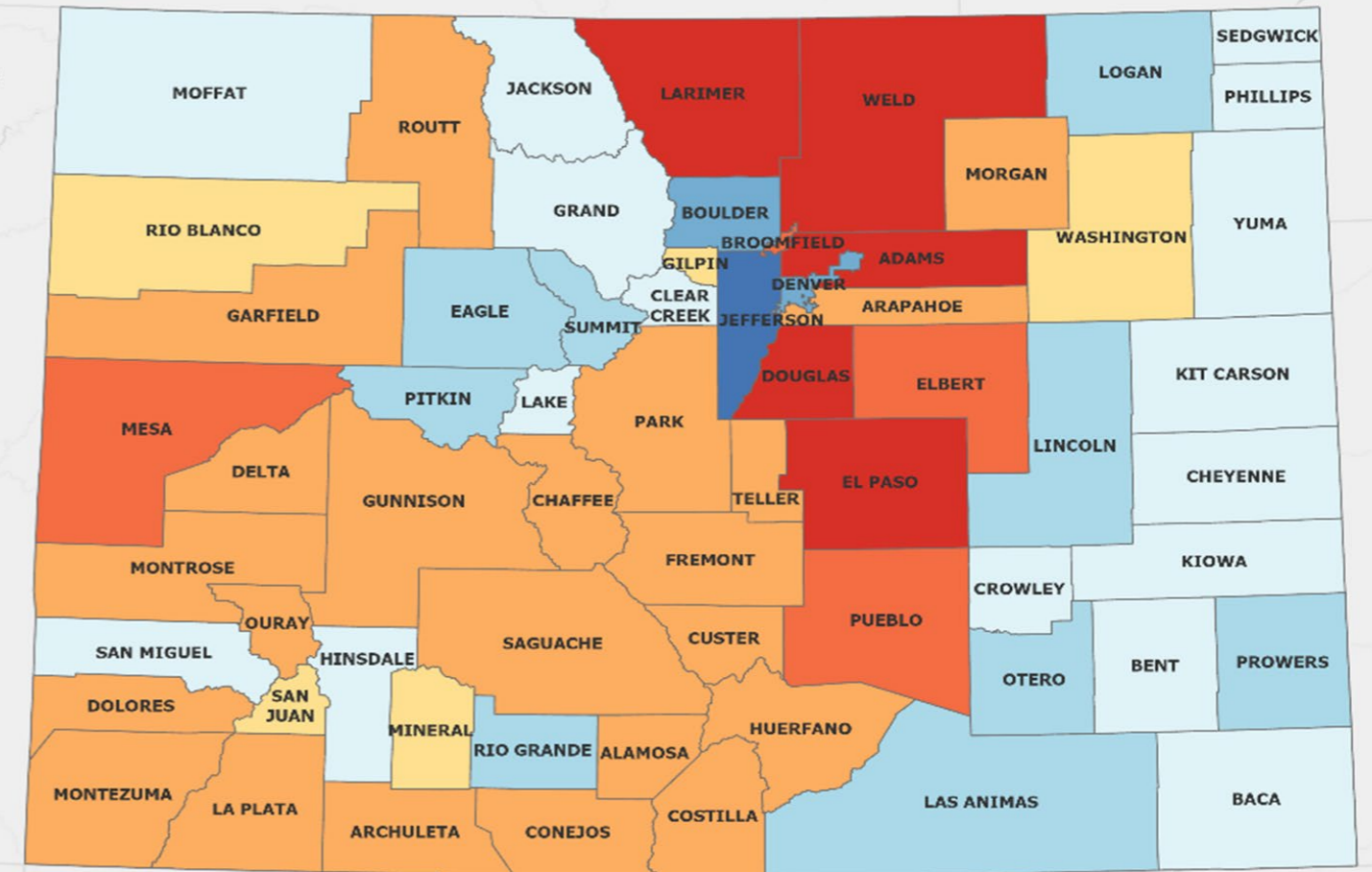
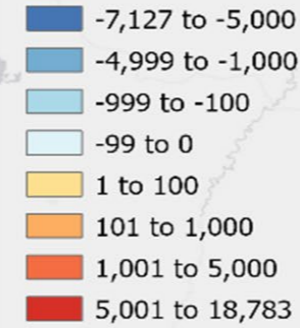
Source: Colorado State Demography Office

November 2021

## Total Population Change

2020 - 2022

### Population Change



Source: Colorado State Demography Office

April 2023

2010 to 2020 - 95% of population and job growth along Front Range

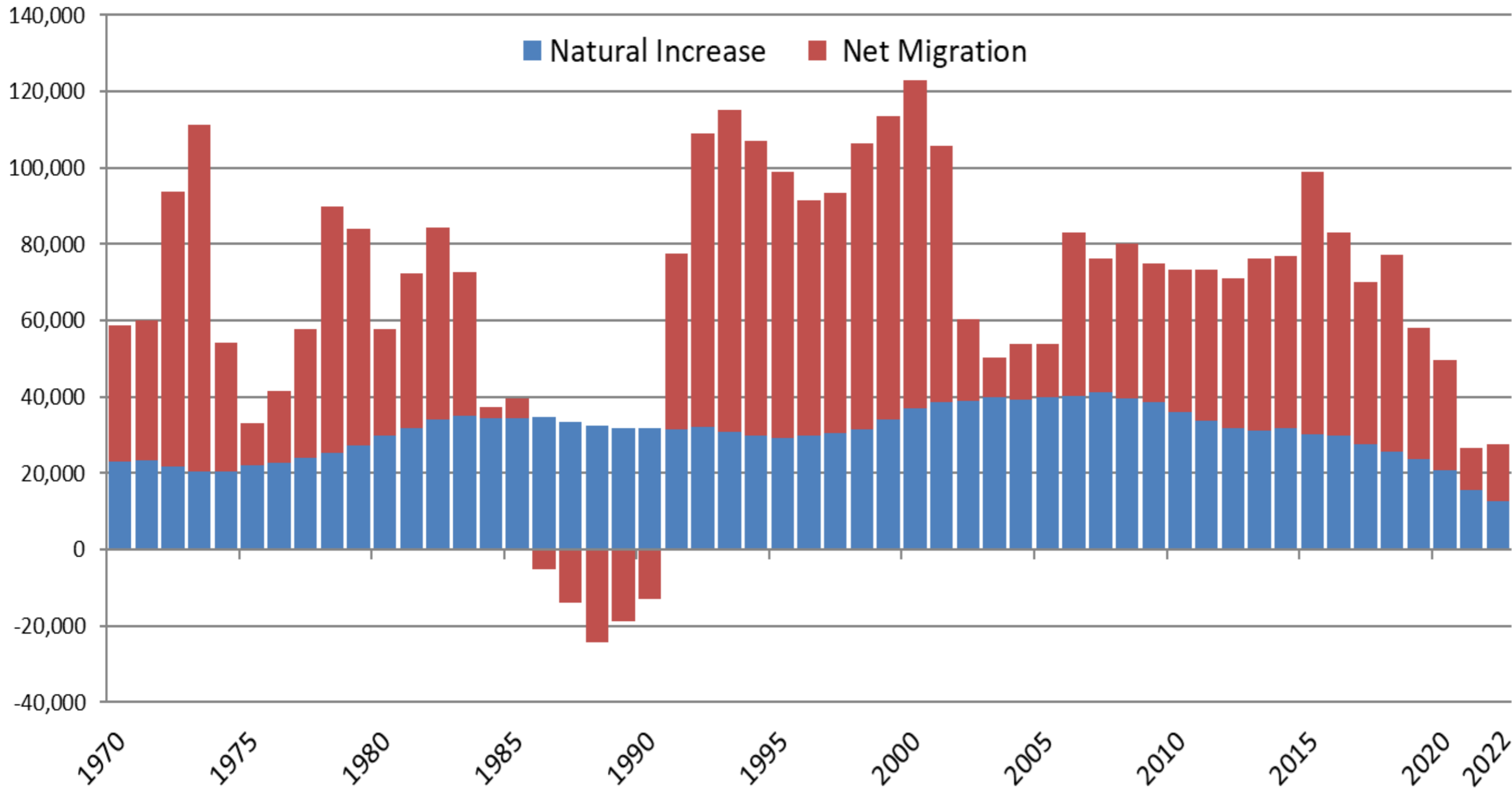
2020 to 2022 - Decreased to 75%, with a number of Denver Metro Counties losing population



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Source: 2010 and 2020 Colorado State Demography Office  
Population Estimates, Accessed March, 2023

# Components of Colorado Population Change 1970-2022



2010-2020	
Births -	648,000
Deaths -	362,000
Net Migration -	445,000

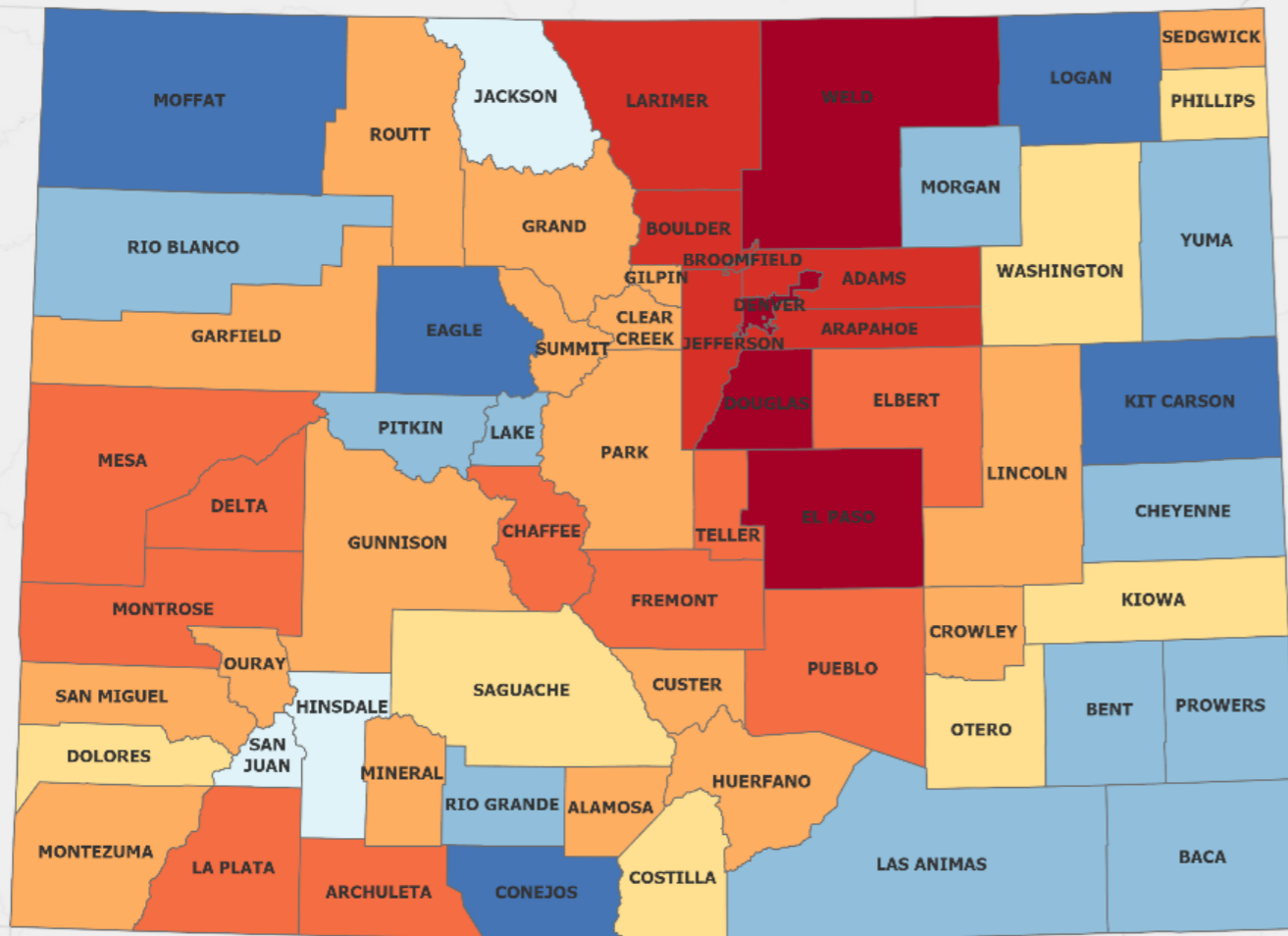
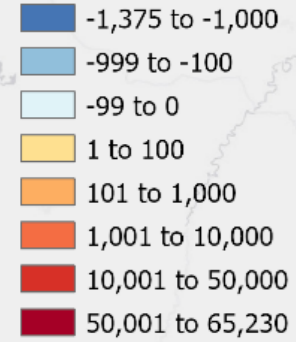
- CO population growth slows from an annual average of 74K to 26K



## Net Migration

2010 - 2020

### Net Migration



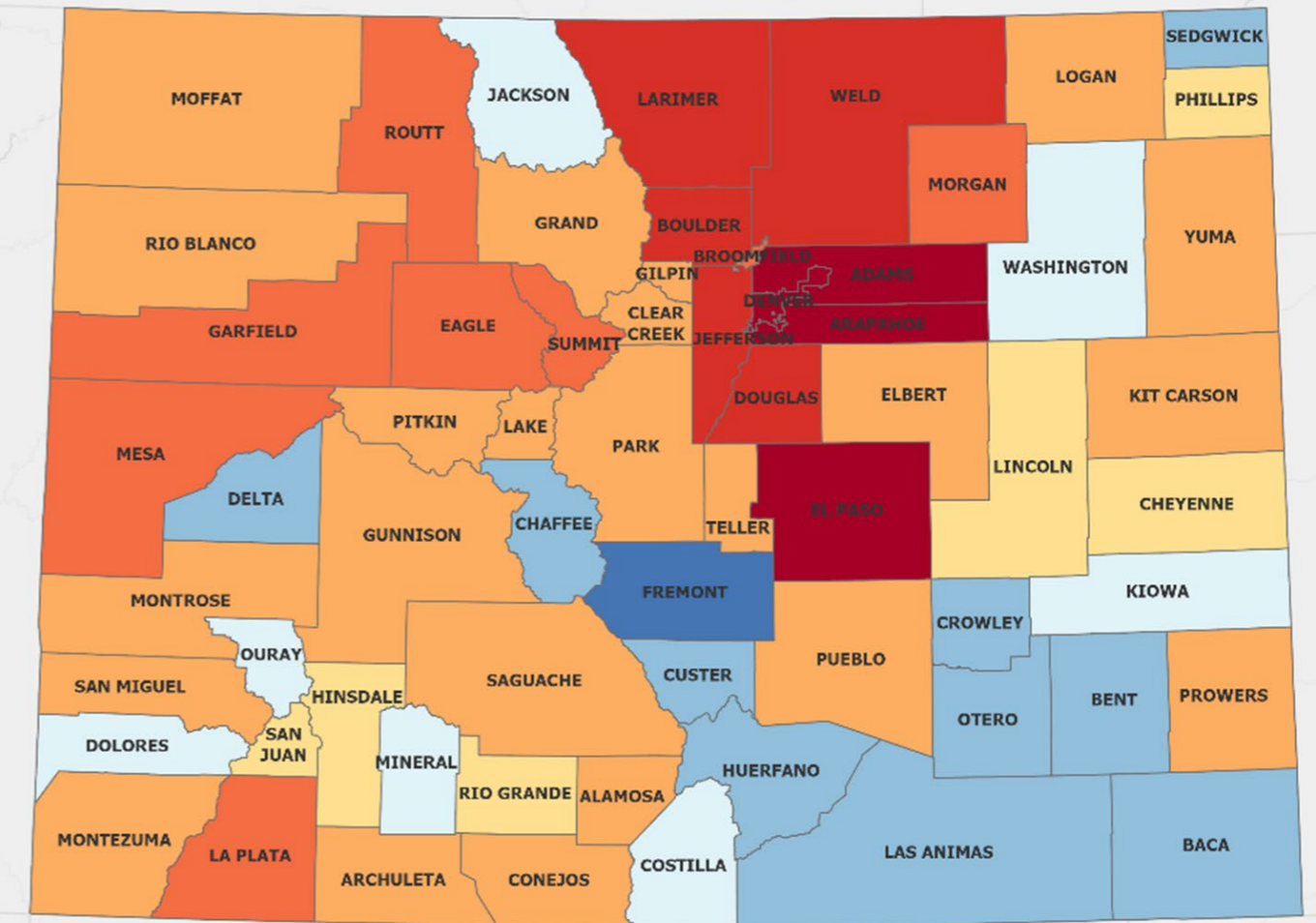
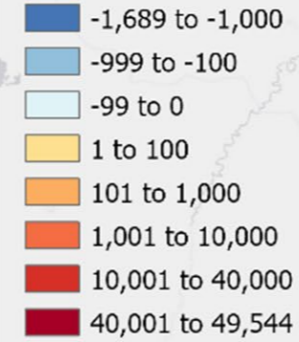
Source: Colorado State Demography Office

November 2021

## Natural Increase

2010 - 2020

### Natural Increase



Source: Colorado State Demography Office

November 2021

The net migration of 446,000 accounts for 61% of the population change between 2010 and 2020.

The natural increase of 286,000 accounts for 39% of the population change between 2010 and 2020.



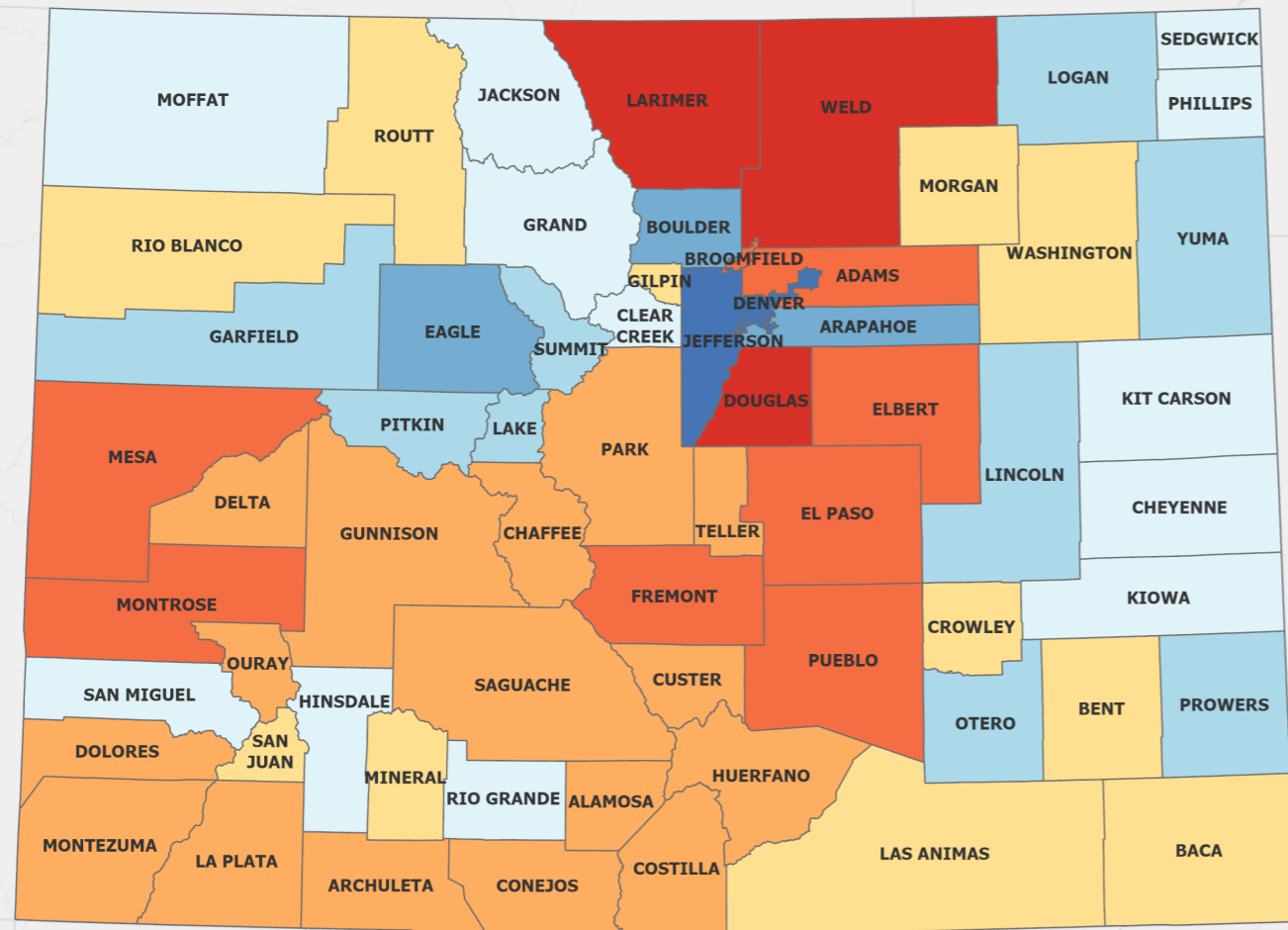
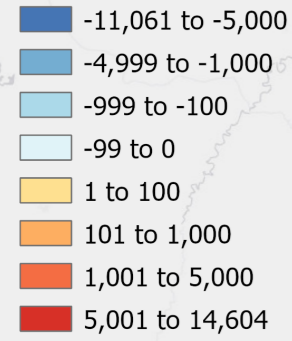
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Source: Colorado State Demography Office, Vintage 2021 Population Estimates

# Net Migration

2020 - 2022

## Net Migration



Source: Colorado State Demography Office

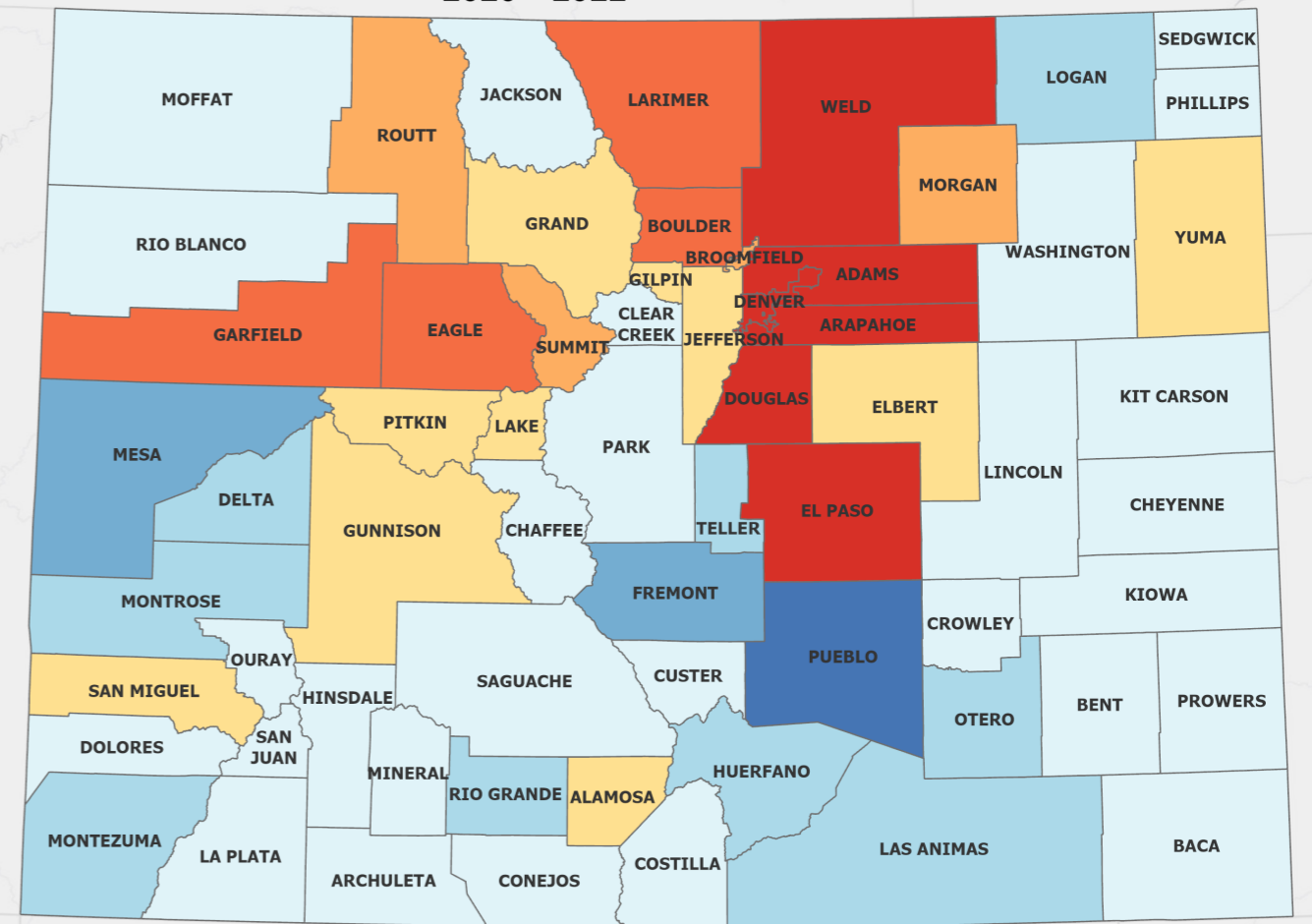
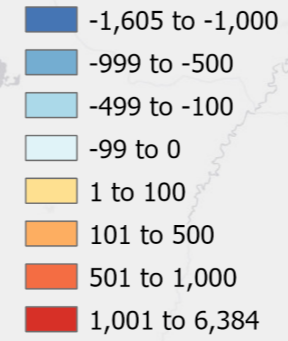
April 2023

# Natural Increase

(Births and Deaths)

2020 - 2022

## Natural Increase



Source: Colorado State Demography Office

April 2023



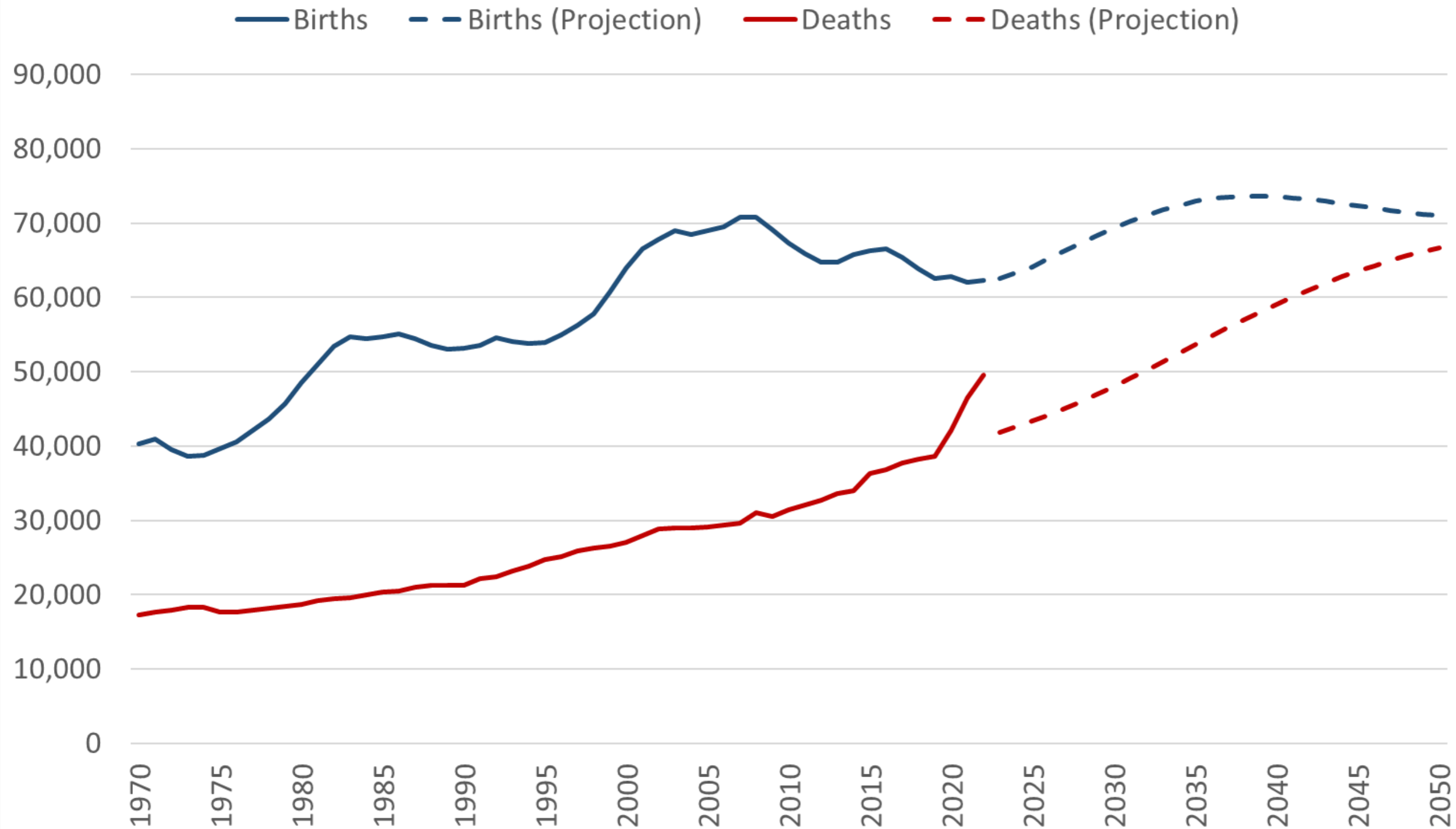
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Source: Colorado State Demography Office, Vintage 2020 Population Estimates

#COPopulation



Colorado Births and Deaths, 1970 to 2050

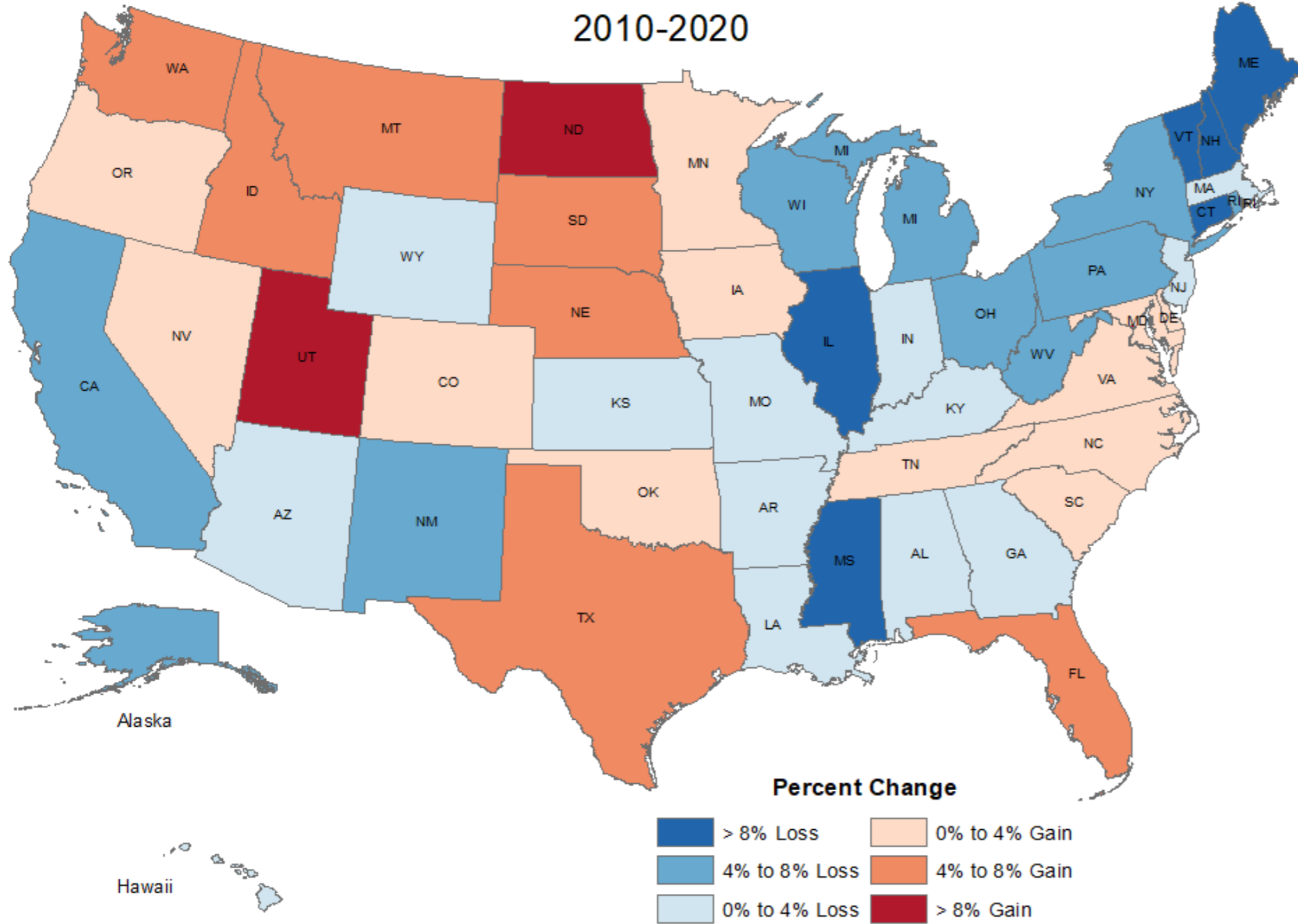


- Peak Births in 2007, currently 15-16 years old
- Declines in life expectancy during pandemic
- Expecting continued growth from natural increase moving forward (24 states currently in natural decline)



# Change in Under 18 Populations

2010-2020



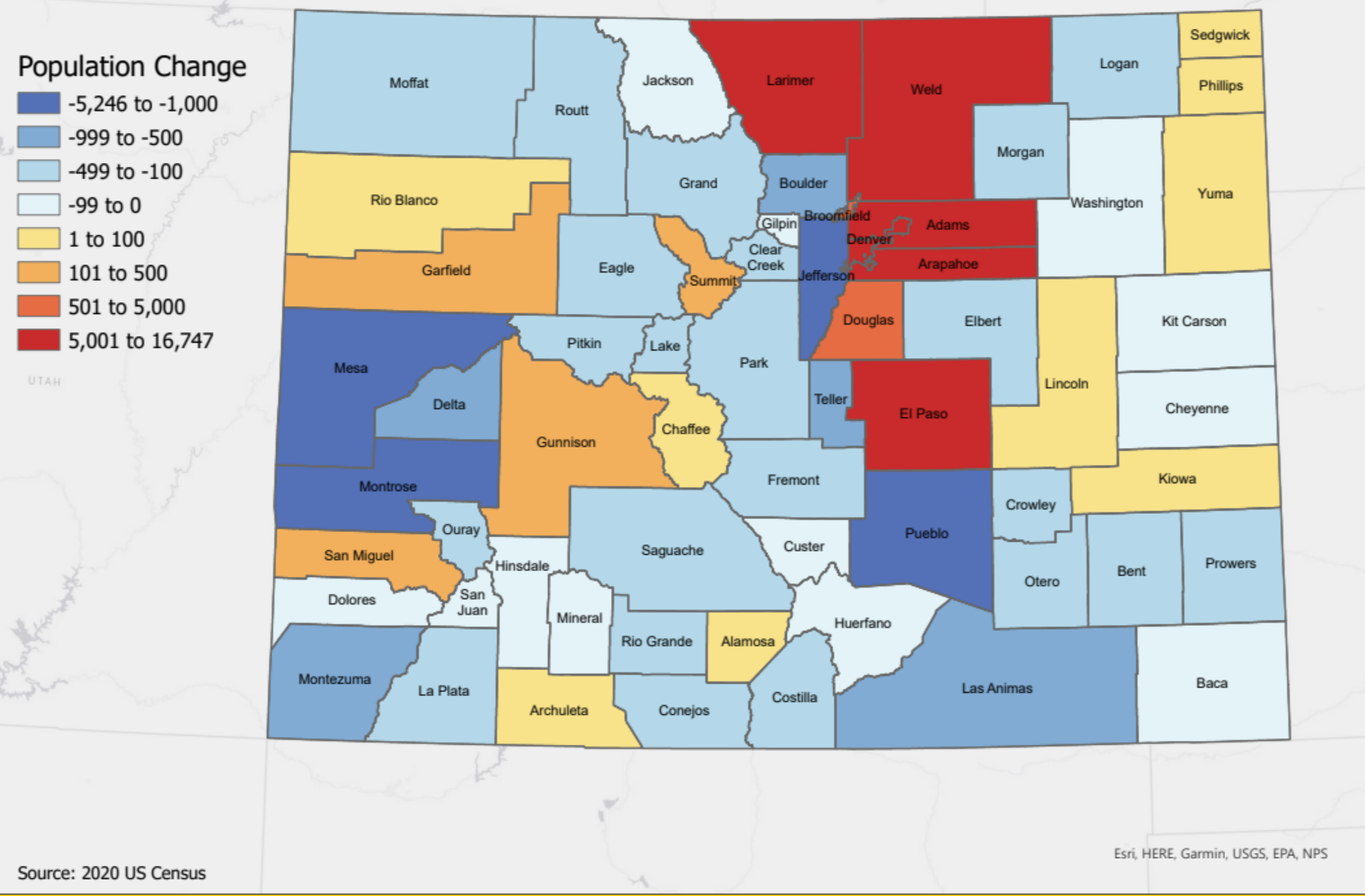
Source: US Census Bureau  
Map by Colorado State Demography Office

Created October 13, 2021

- Population Under 18 Declined by over 1,000,000 over the decade
- 27 states lost population under 18

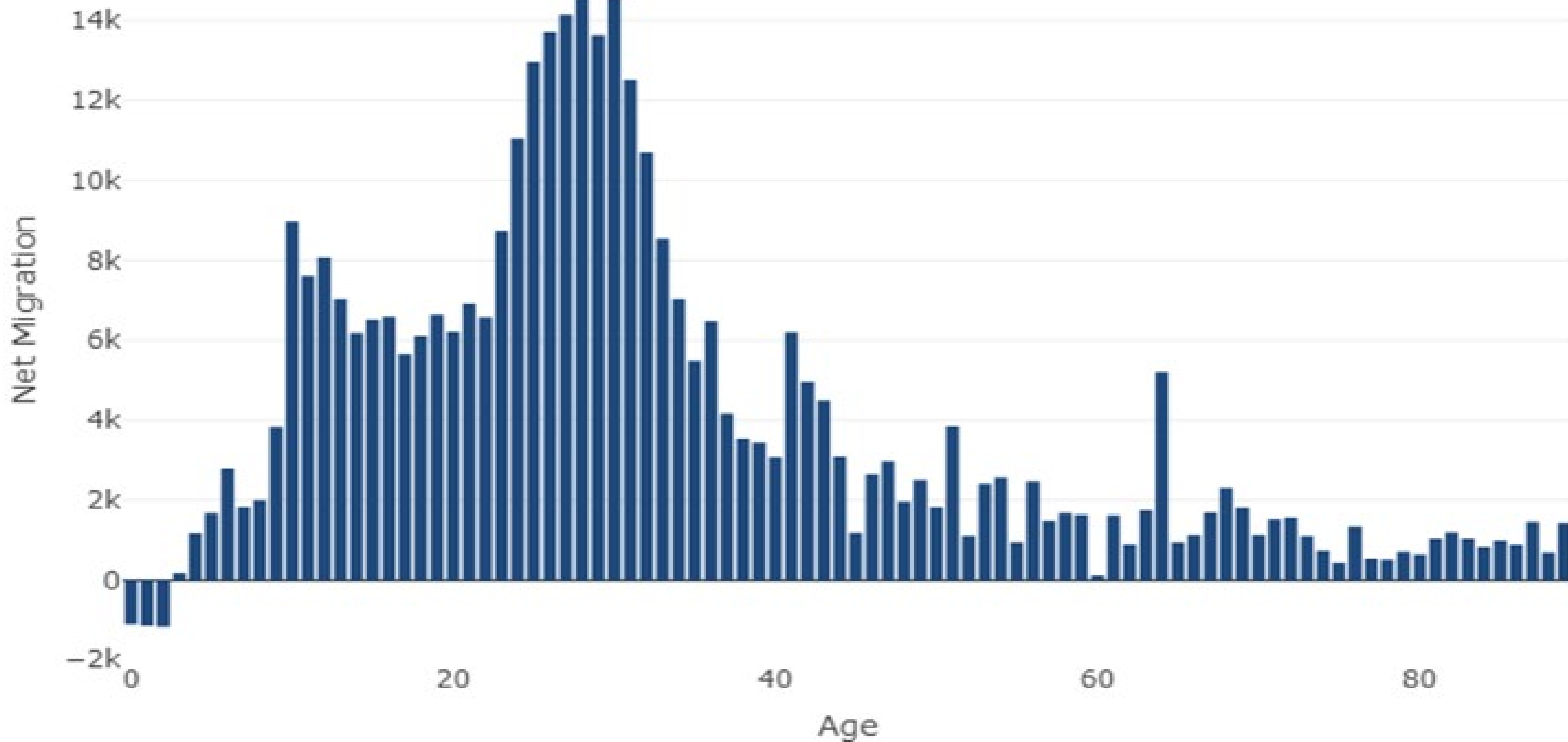


# Under 18 Population Change by County 2010 to 2020

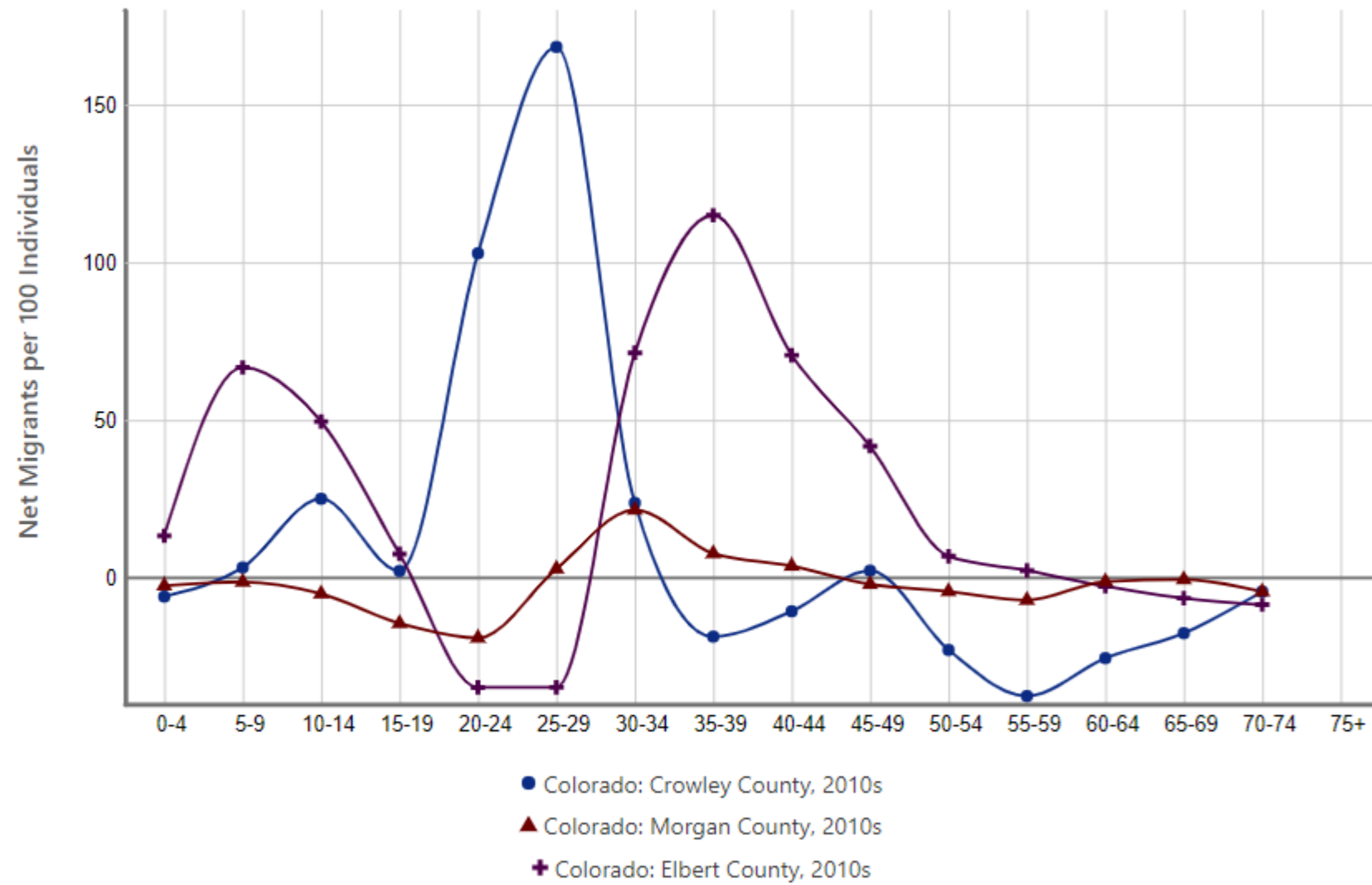


- Population Under 18 increased by 38K over the decade.
- Only 5% of the total 744,518 growth was from the under 18

# Net Migration by Age, 2000 to 2010

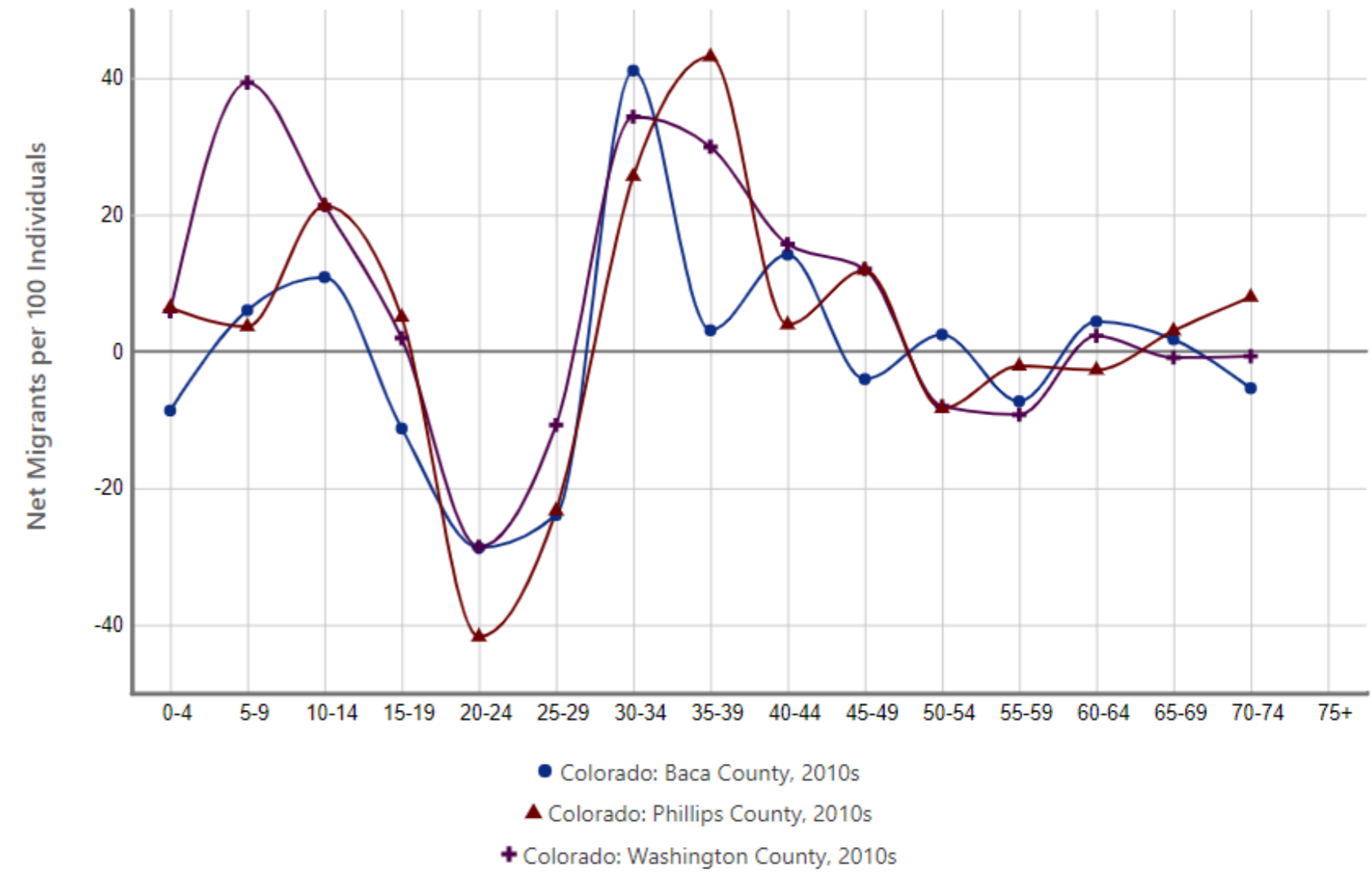


## Net Migration by Age



Egan-Robertson, David, Katherine J. Curtis, Richelle L. Winkler, Kenneth M. Johnson, and Caitlin Bourbeau, *Age-Specific Net Migration Estimates for US Counties, 1950-2020*. Applied Population Laboratory, University of Wisconsin - Madison, 2023 (Beta Release). Web.

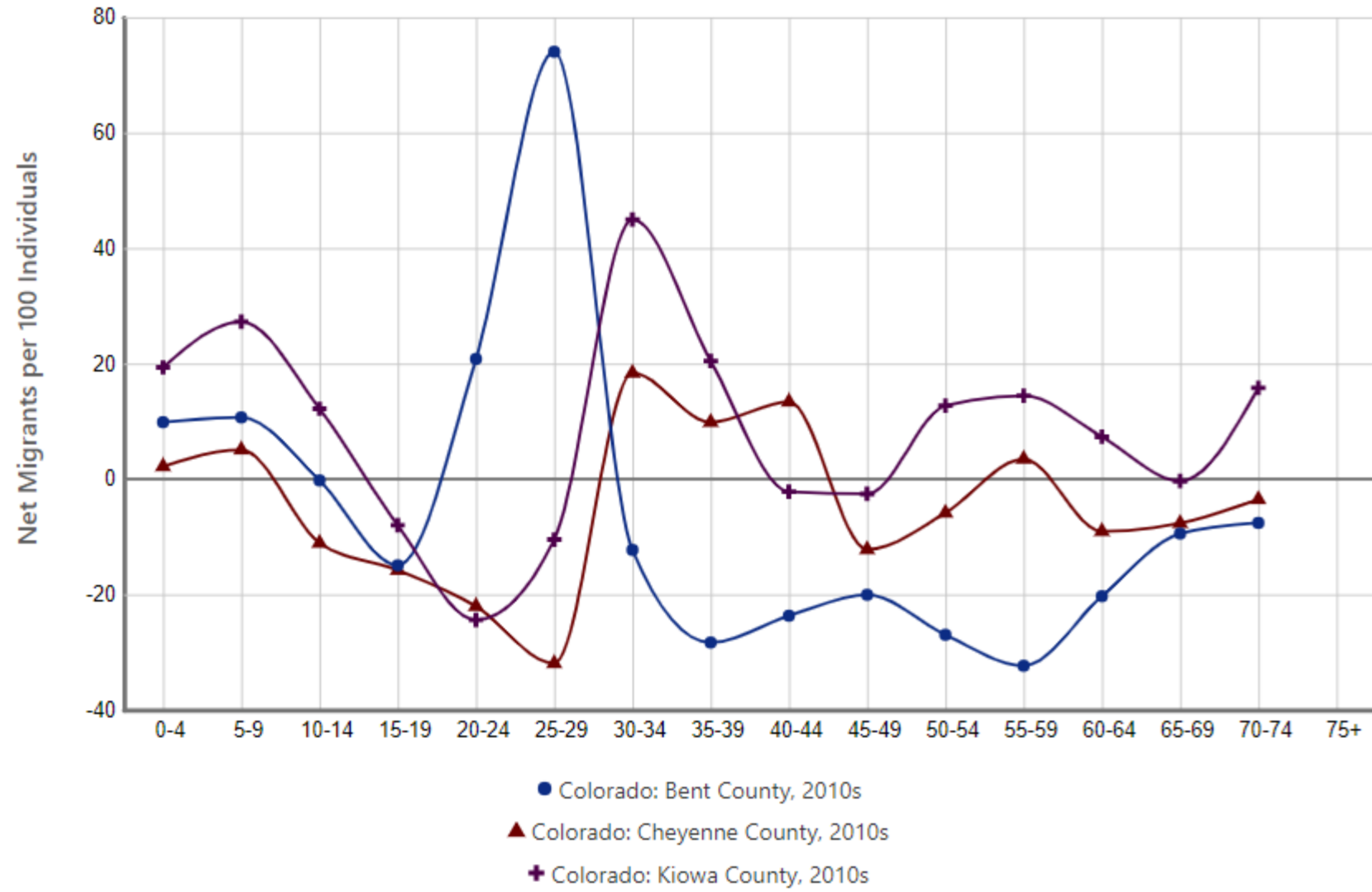
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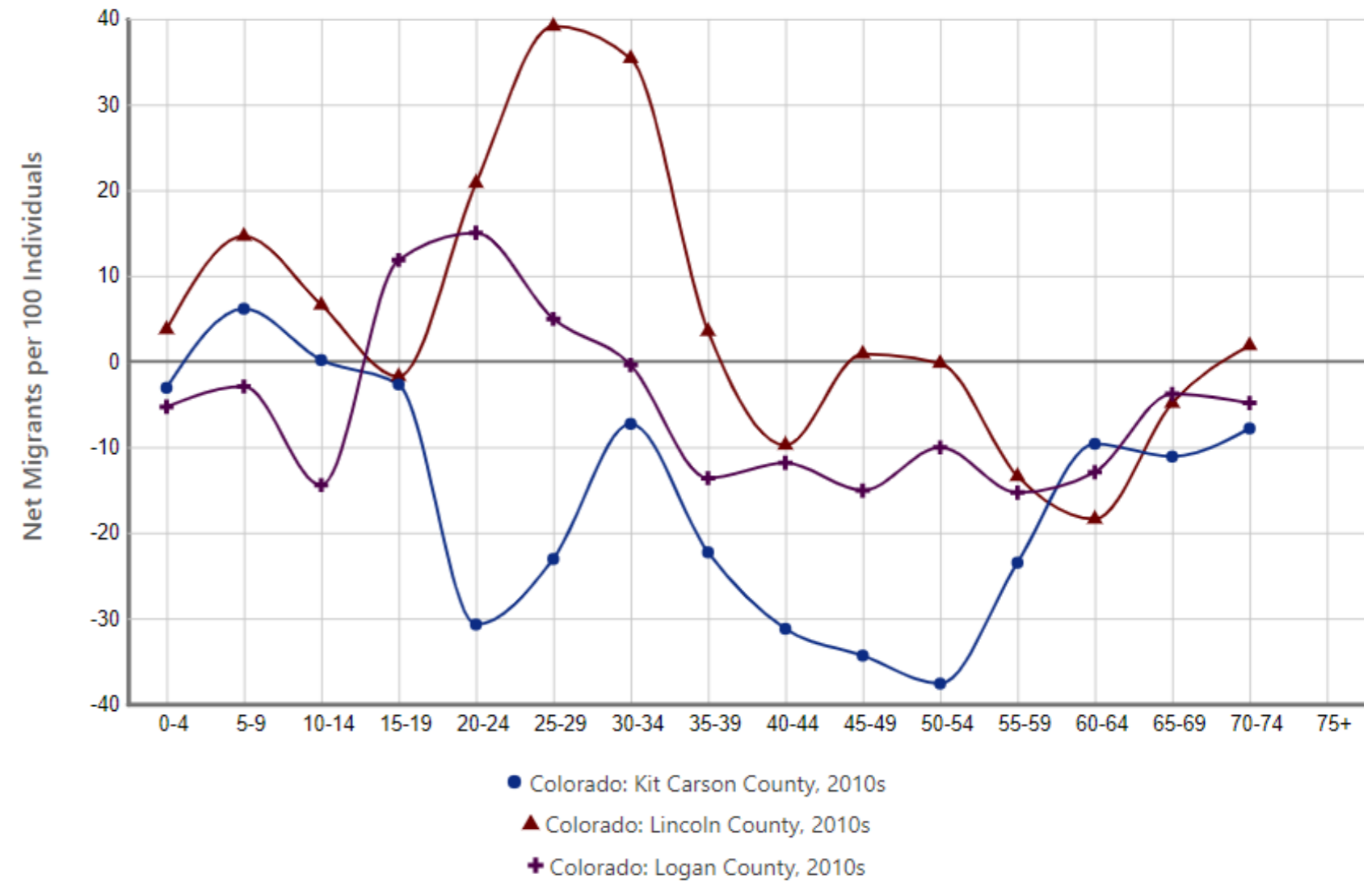


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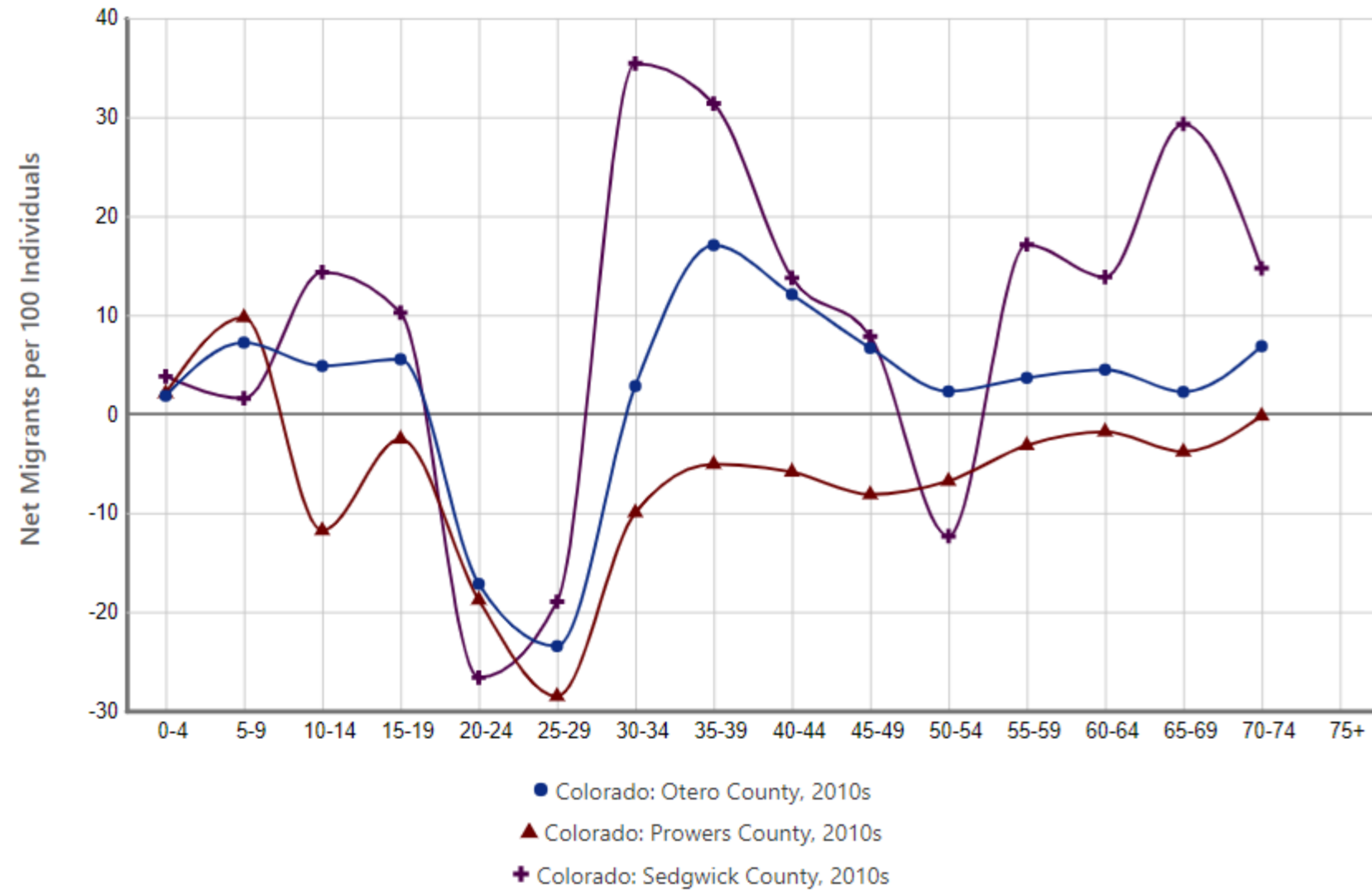
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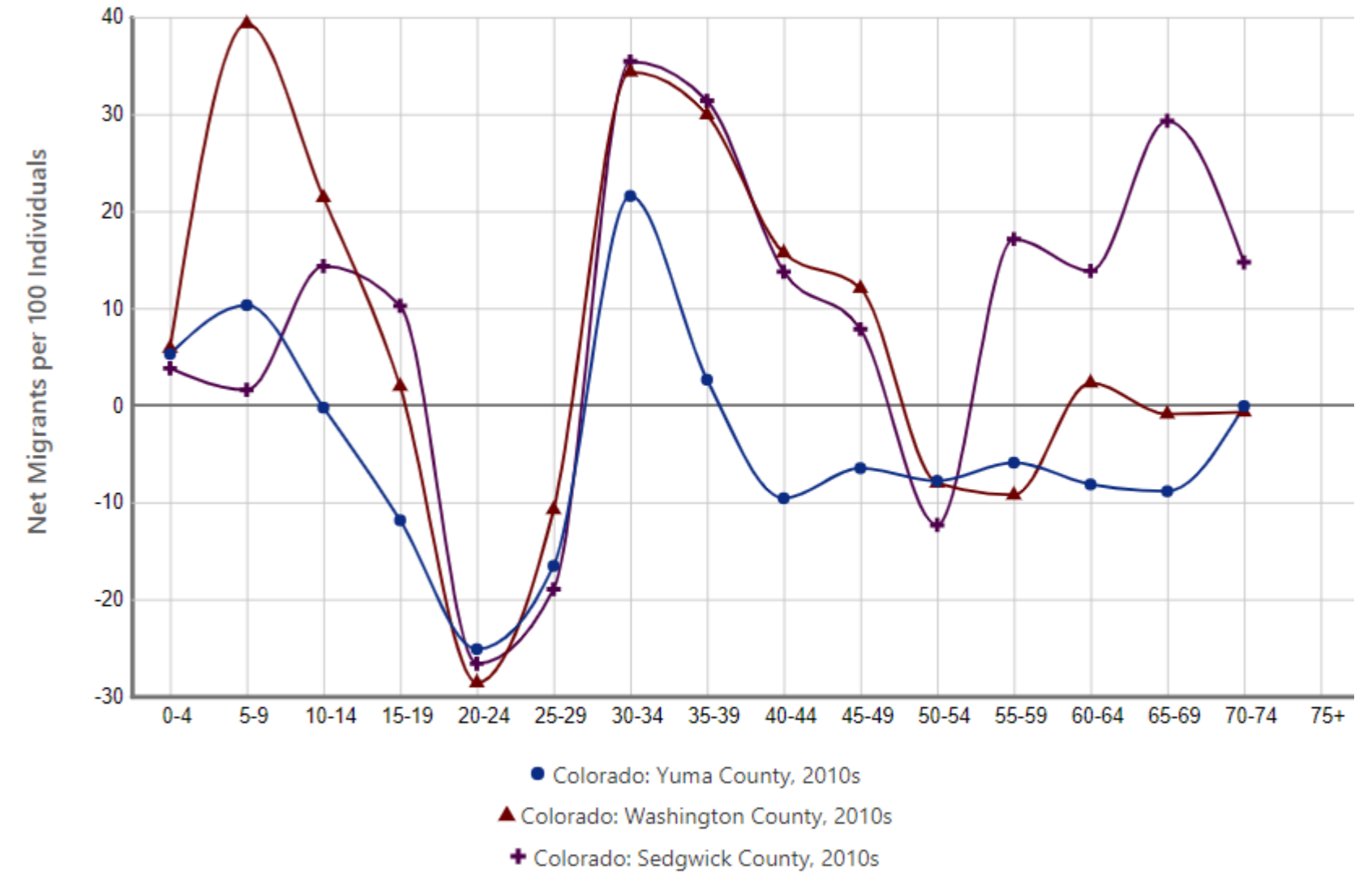


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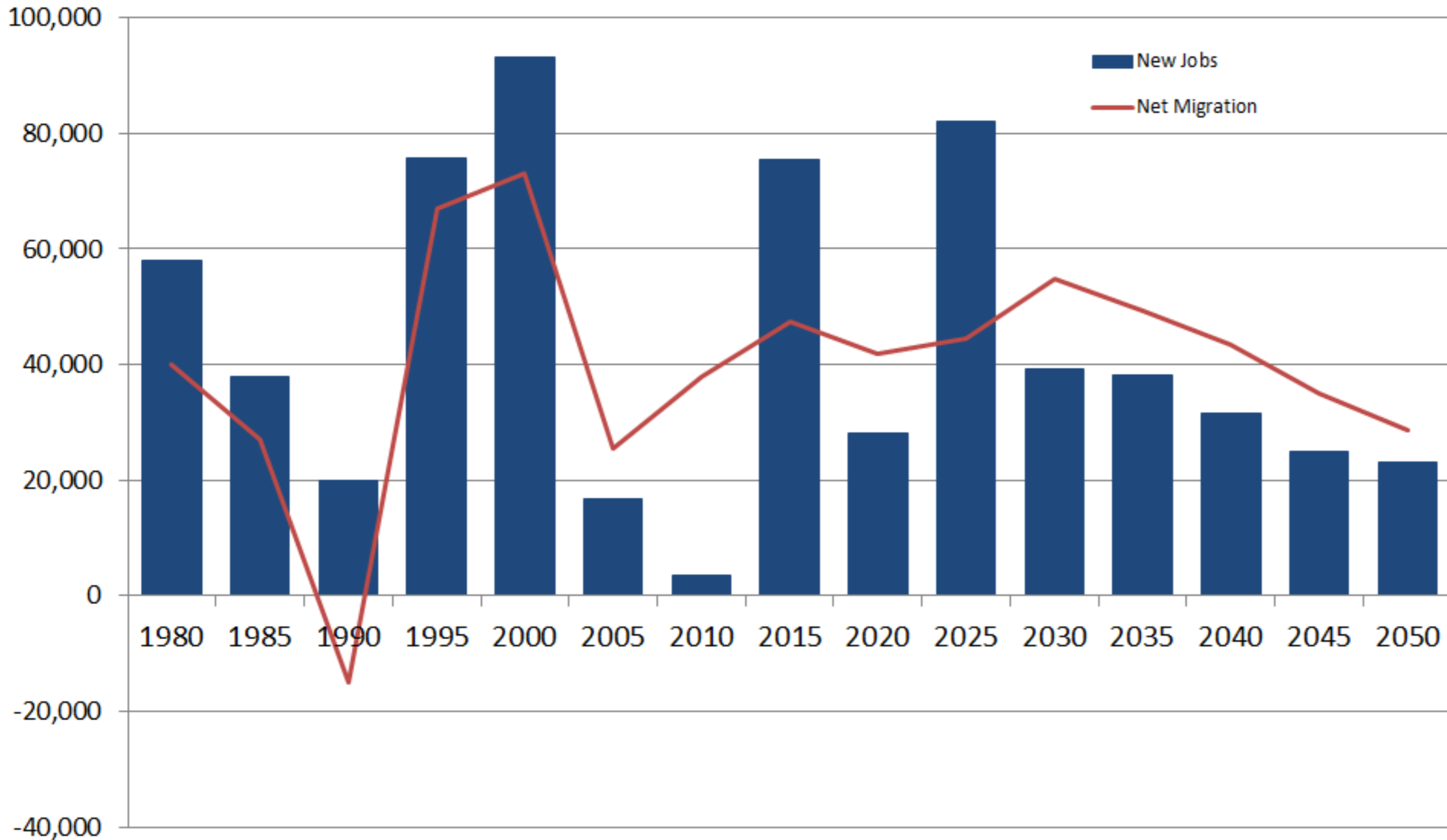
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# Colorado New Jobs and Net Migration



But:  
There is a little bit  
of chicken vs. egg

- Jobs are People
- People are Jobs

Also remember  
retirements create  
job opportunities.

# Jobs Are People





# *Economic Trends*

## People Follow Jobs

- Net Migration tends to follow jobs
- Colorado has been good at attracting skilled labor

## Pandemic Job Recovery

- Much of the state has recovered jobs and then some
- recovered faster than the U.S., although slower job growth recently

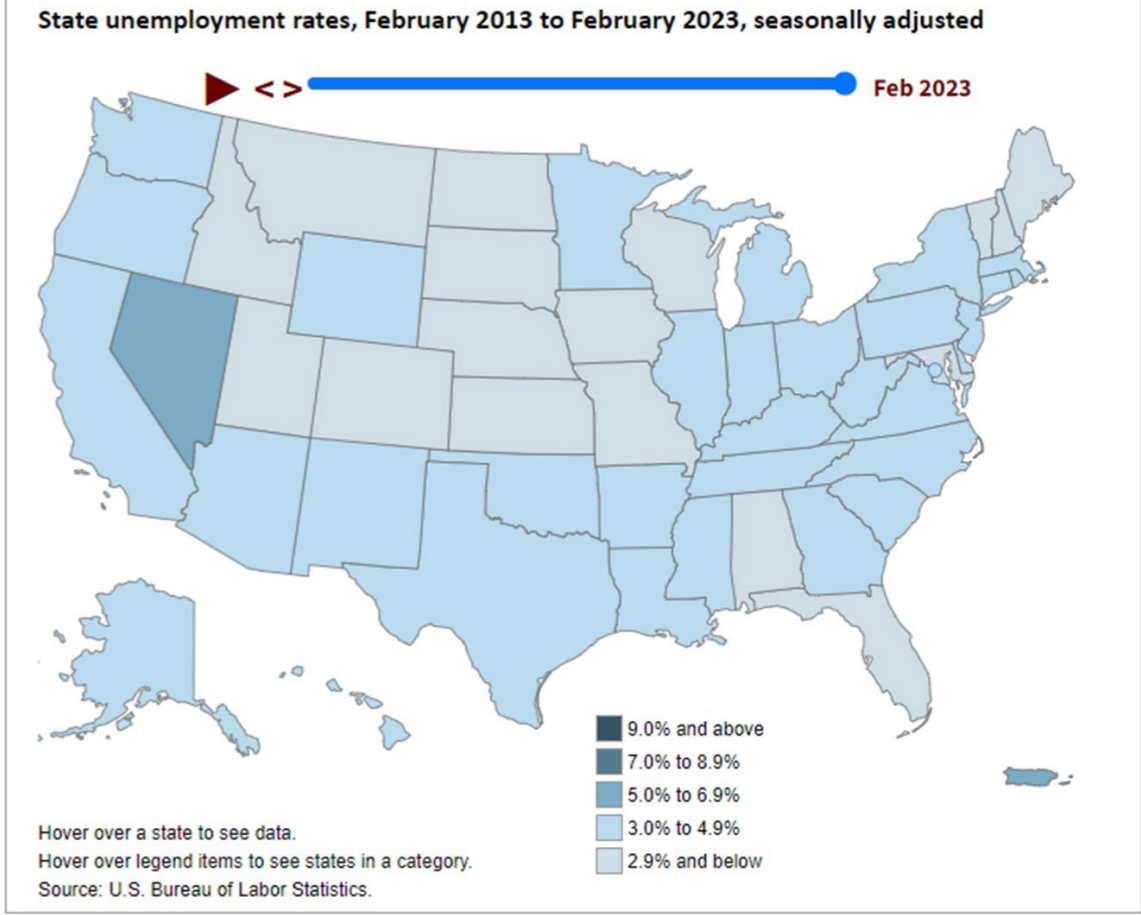
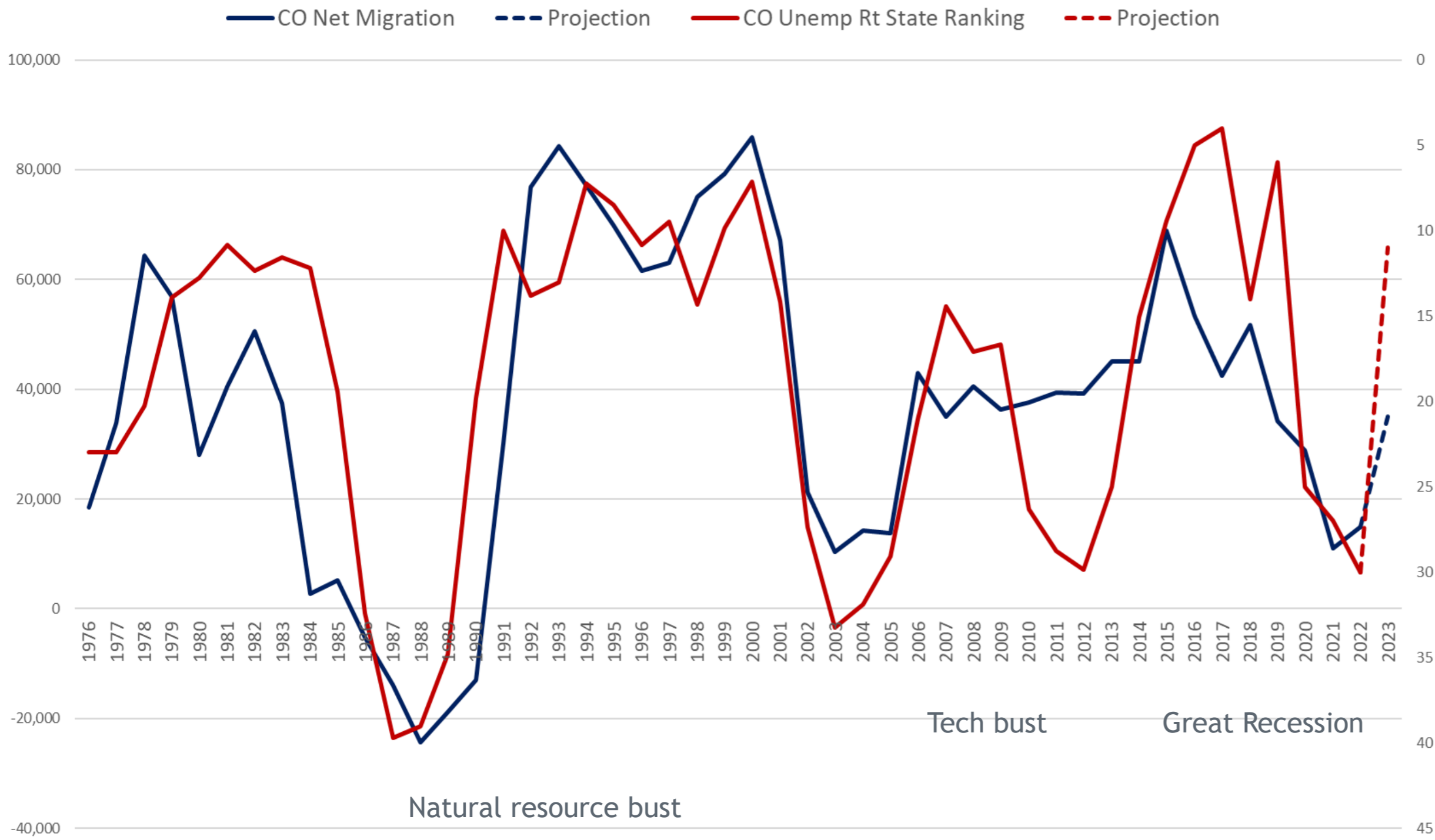
## Changes in Job Composition over last year (03/22-03/23)\*

- Gains in leisure and hospitality, professional and business services, education and health services
- Losses in financial activities, trade, transportation, and utilities, construction, and information payroll jobs



# Evaluation of net migration

Colorado Unemployment Rate State Rank vs. Net Migration V22



February 2023 Colorado #14

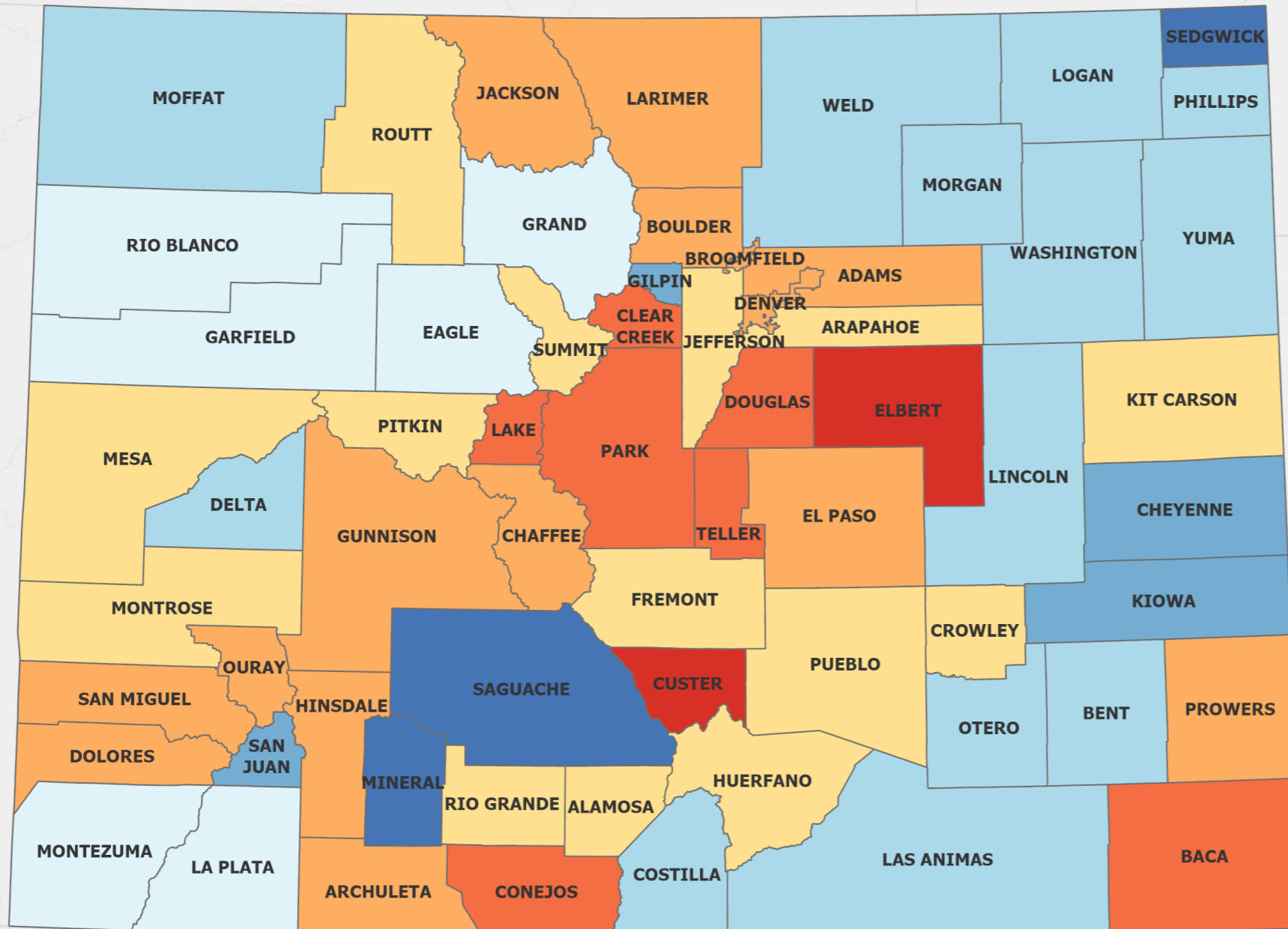


# Percent Change in Number of Jobs

3rd Quarter 2019 - 2022

## Percent Change

- > 10% Loss
- 5% to 10% Loss
- 2% to 5% Loss
- 0% to 2% Loss
- 0% to 2% Gain
- 2% to 5% Gain
- 5% to 10% Gain
- > 10% Gain



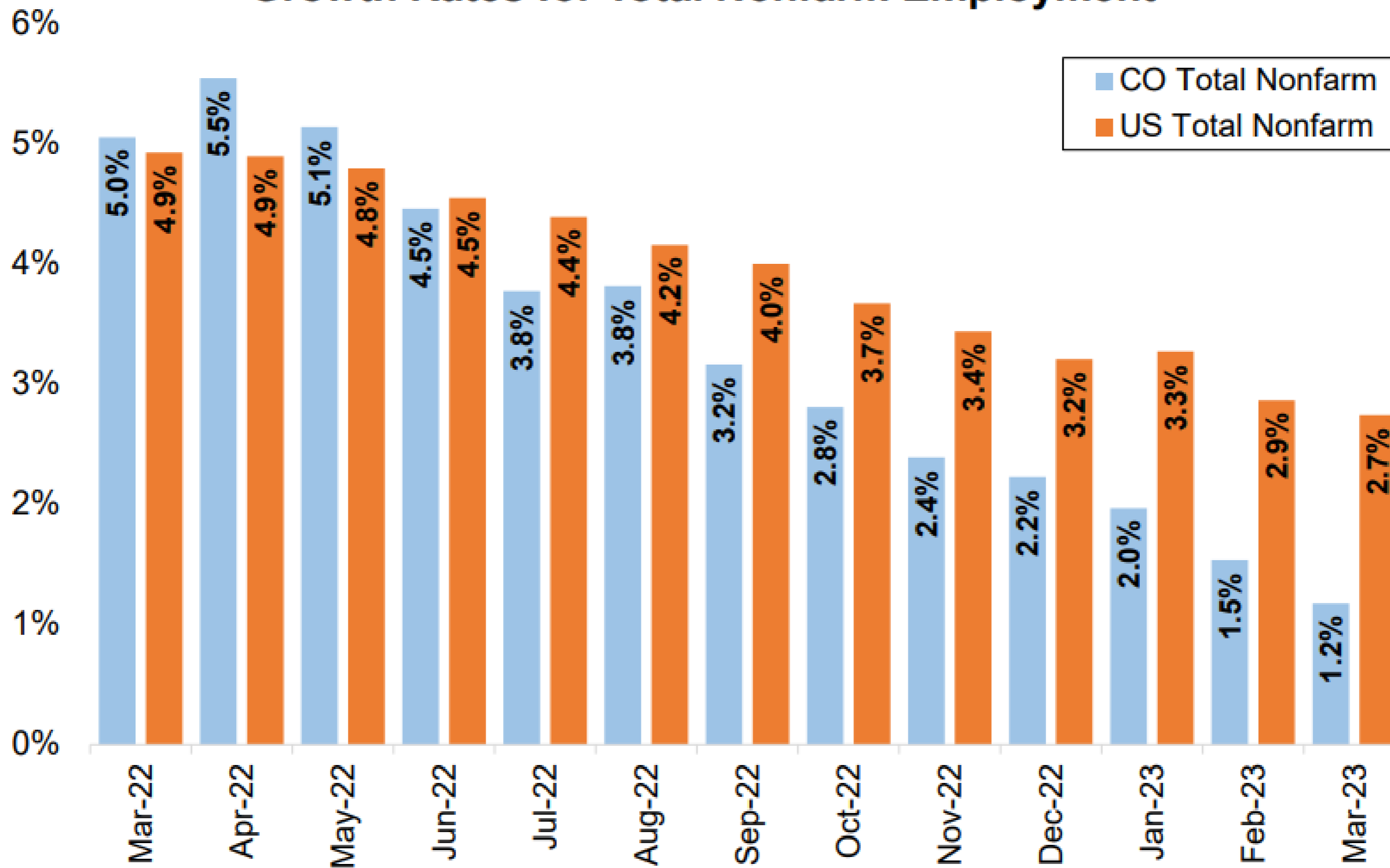
Top 10 Employment Industries - Eastern Region	
Agriculture	13,352
Local government	11,264
Retail Trade	7,388
Health Services	5,527
Manufacturing	4,683
Construction	4,539
Accommodation and food services	4,064
Other services, except public admin.	3,832
State government	3,261
Admin. and support and waste mgmt.	2,539

Source: Colorado Department of Labor, Quarterly Census of Employment and Wages

May 2023



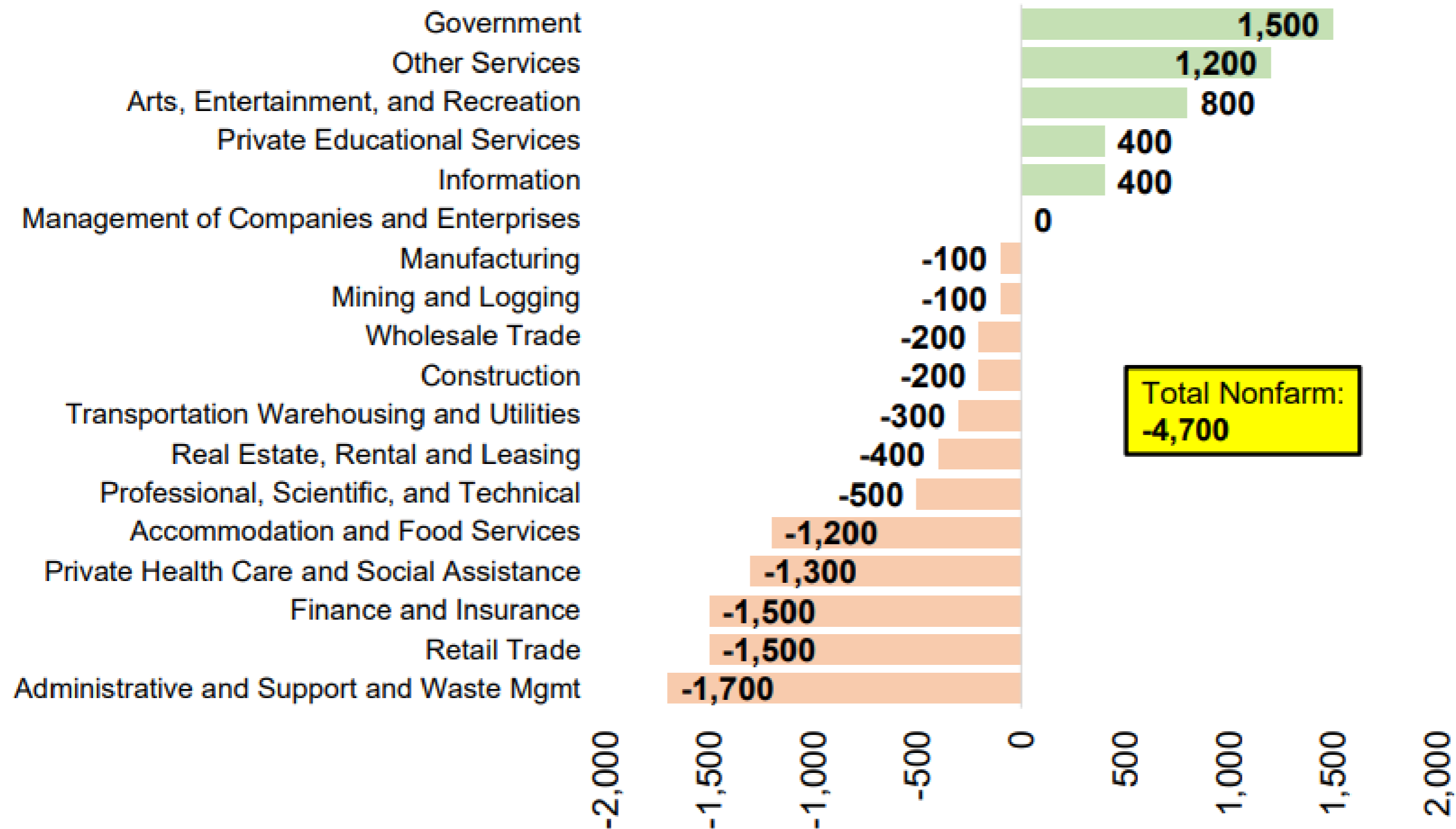
## Colorado and U.S. Over the Year Growth Rates for Total Nonfarm Employment



Source: Colorado Department of Labor and Employment; Bureau of Labor Statistics  
Data seasonally adjusted



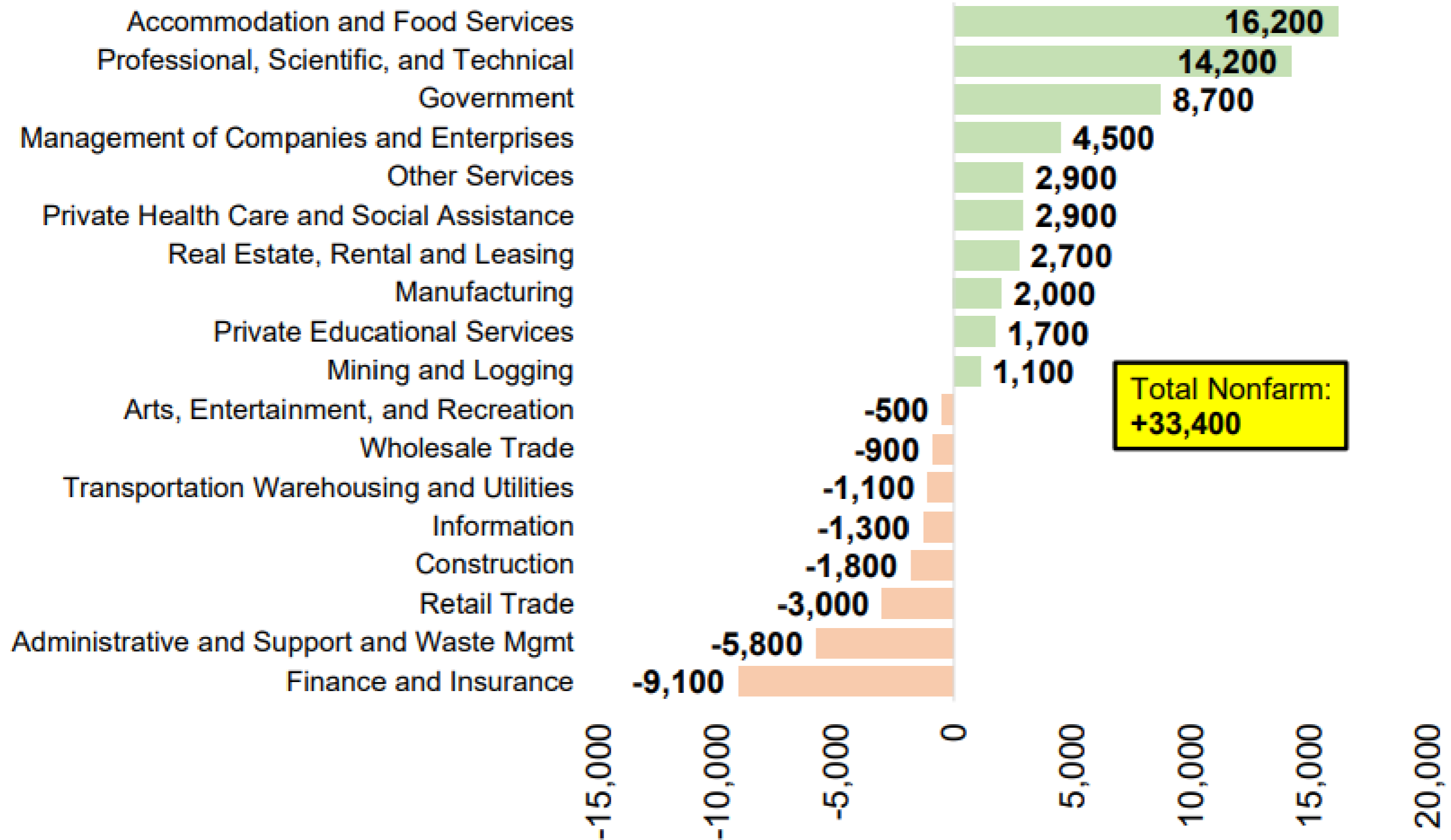
## Change in Payroll Jobs in March 2023, by Industry Sector



Source: Colorado Department of Labor and Employment; Bureau of Labor Statistics  
Data seasonally adjusted, February 2023 to March 2023



## Change in Payroll Jobs Over Past 12 Months, by Industry Sector



Source: Colorado Department of Labor and Employment; Bureau of Labor Statistics  
Data seasonally adjusted, March 2022 to March 2023



# Remote and Hybrid Double Edge Sword

	Pre COVID	MID COVID	CURRENT
Hybrid	14%	35%	25%
Remote	5%		11%

Kansas City Federal Reserve, 2022 Jackson Hole Economic Policy Symposium

- Worker lives in Fort Morgan- Job in Chicago - not available for labor force, but bring in outside dollars
- Worker lives in Ft Collins - Job in Fort Morgan - fills position, don't need to house the job, income leaves Fort Morgan.
- Couple live in Fort Morgan - One job in Fort Morgan, one job in Chicago

60% percent of jobs cannot be done remotely or hybrid.



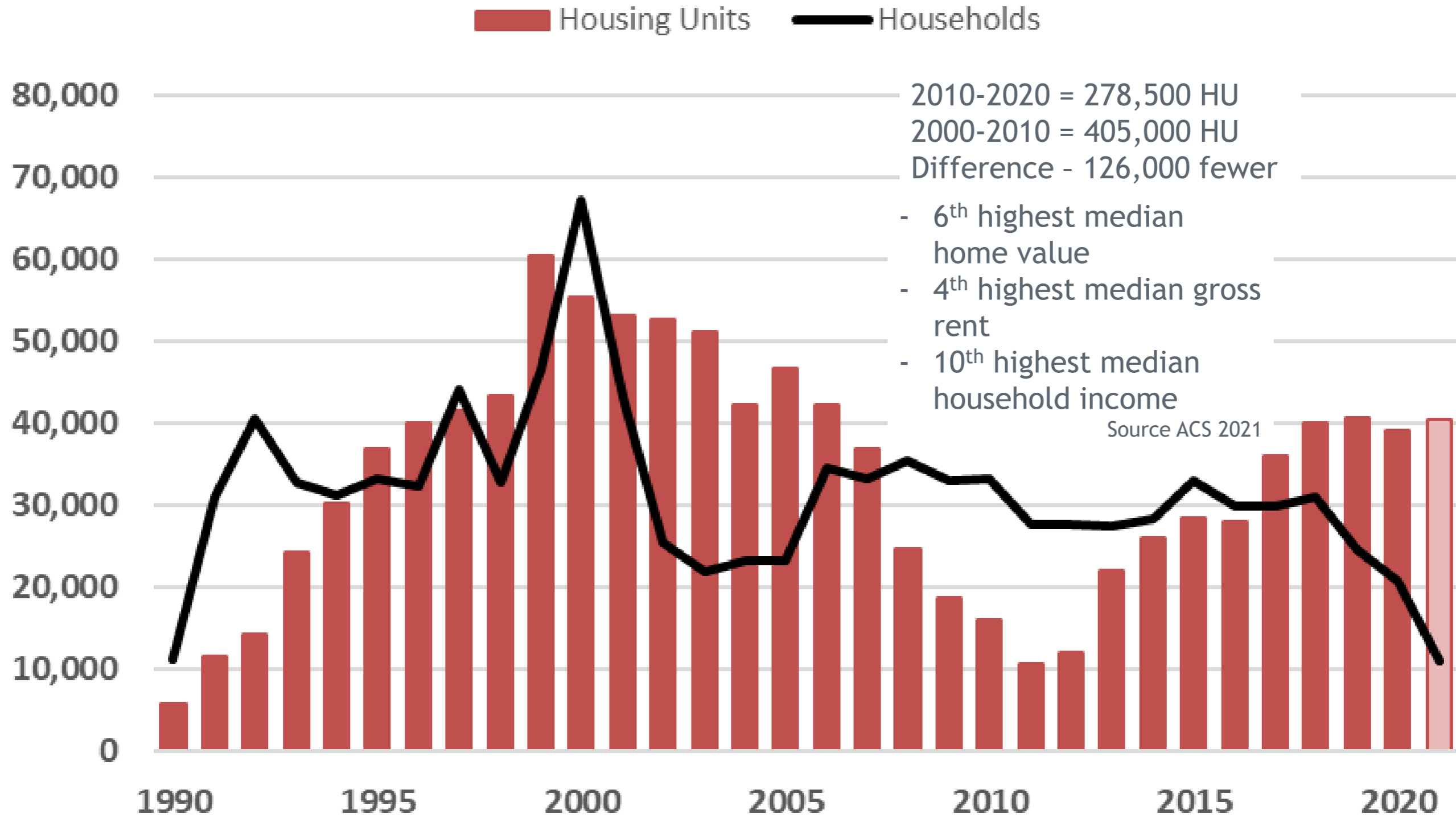
# *Housing*

Supply vs. Demand



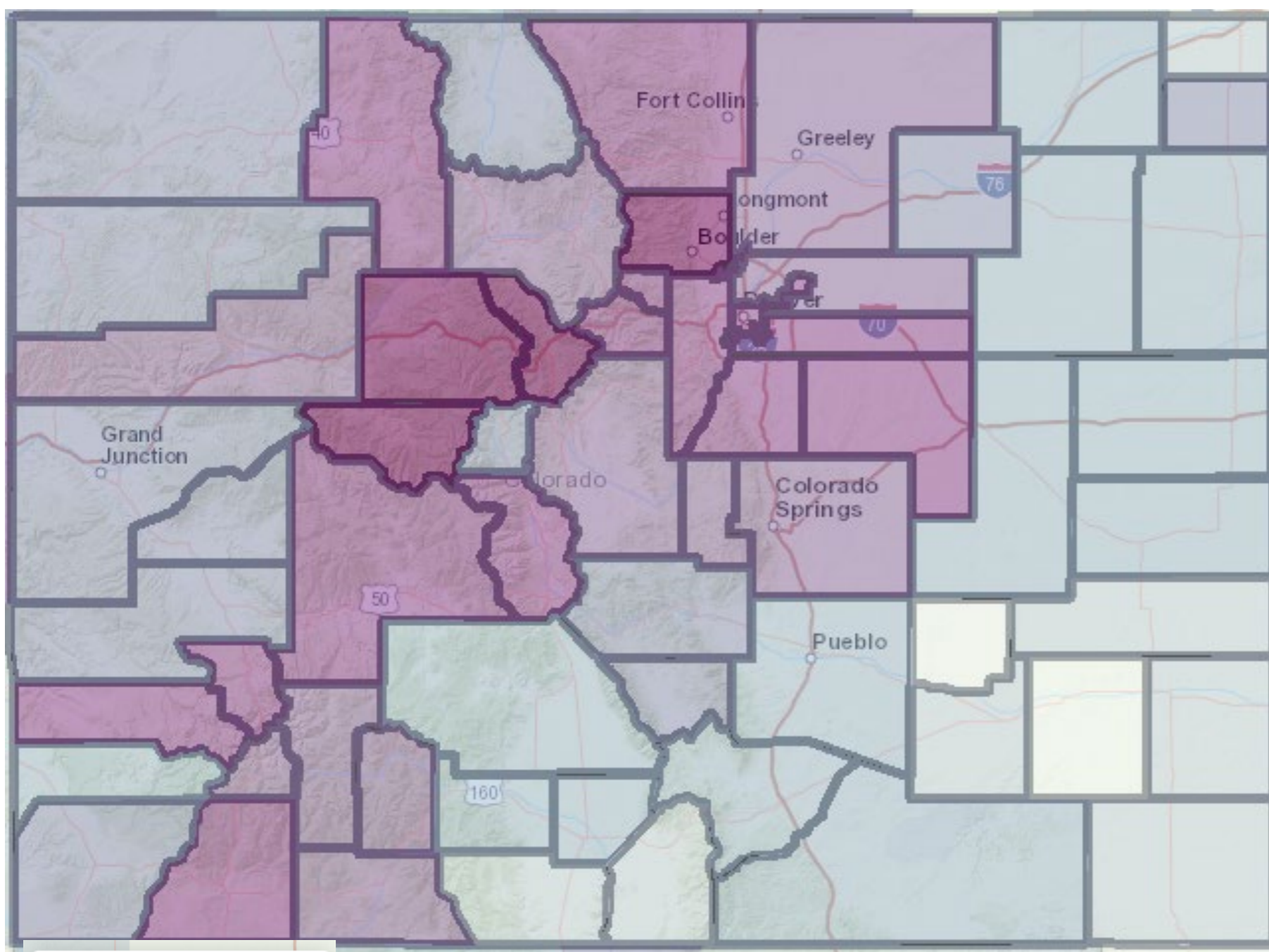


# Colorado Annual Housing Units and Household Growth



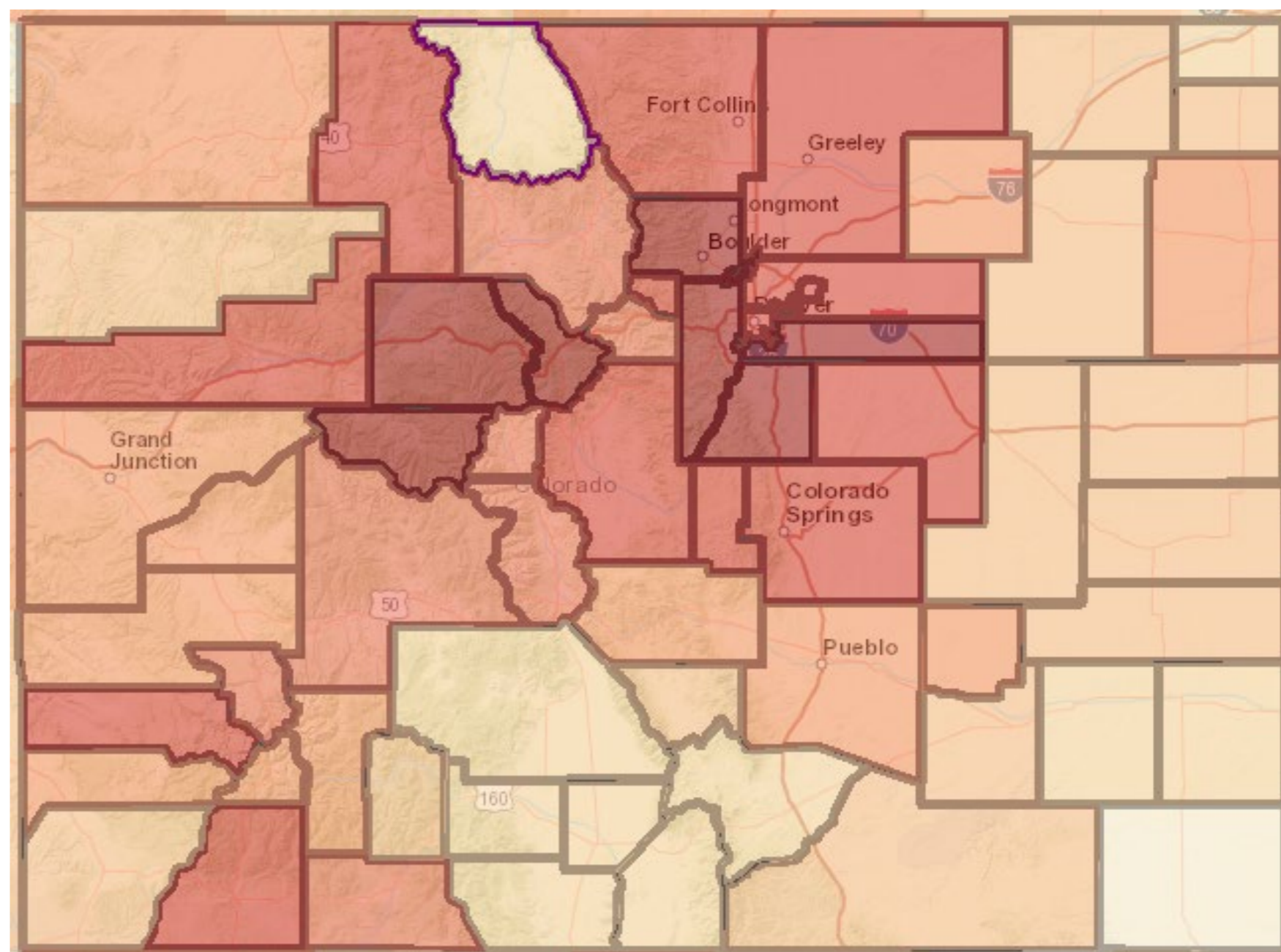
# Median Home Value

# Median Gross Rent



**Median Home Value**

Lightest Blue	\$1 to \$97,699
Light Blue	\$97,700 to \$139,599
Medium Light Blue	\$139,600 to \$199,199
Medium Blue	\$199,200 to \$284,399
Dark Blue	\$284,400 to \$396,499
Very Dark Blue	\$396,500 to \$570,699
Dark Purple	\$570,700 +



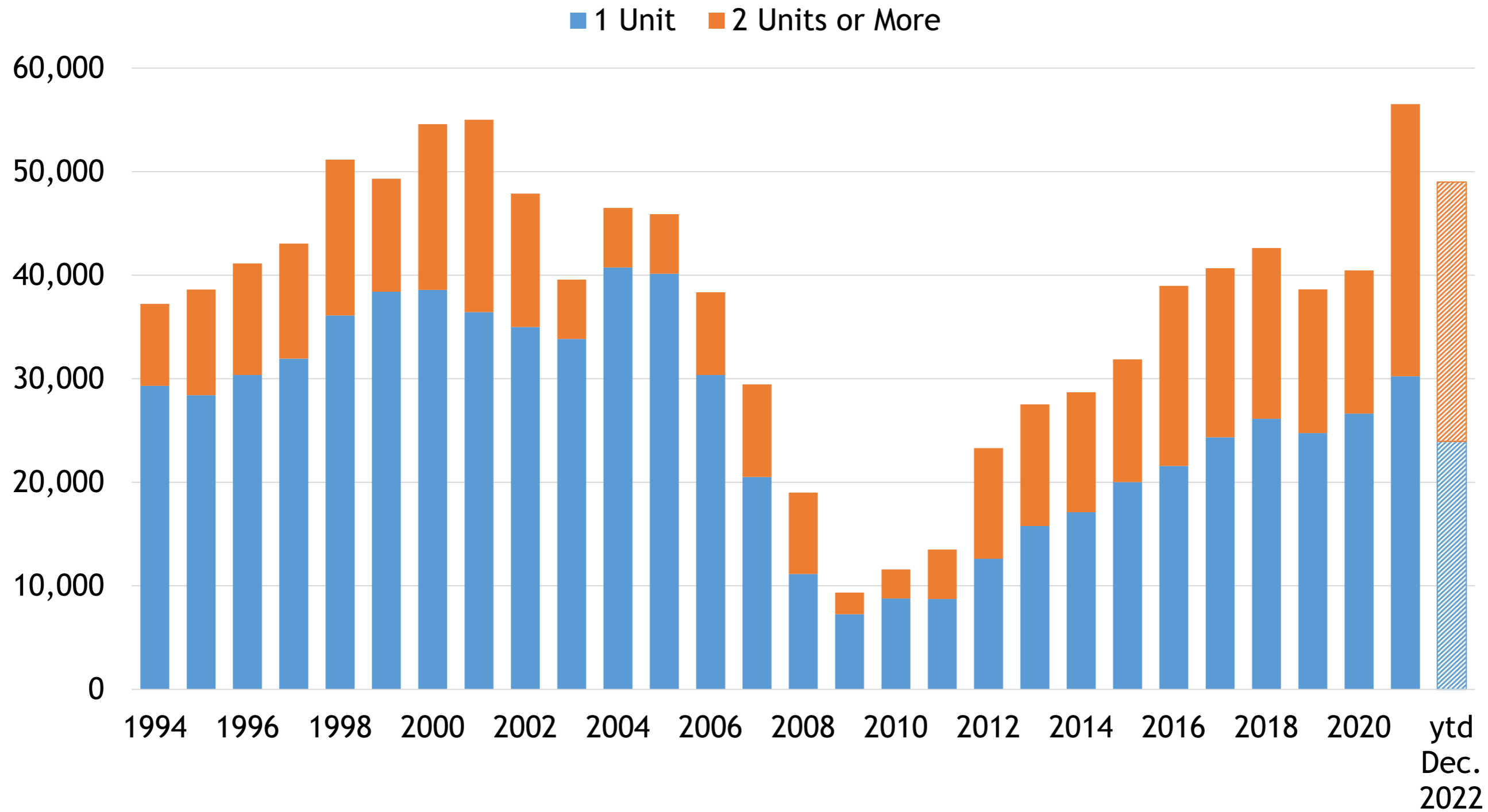
**Median Gross Rent**

Lightest Yellow	\$1 to \$583
Light Yellow	\$584 to \$707
Yellow	\$708 to \$829
Light Orange	\$830 to \$993
Orange	\$994 to \$1,216
Dark Orange	\$1,217 to \$1,514
Dark Red	\$1,515 +



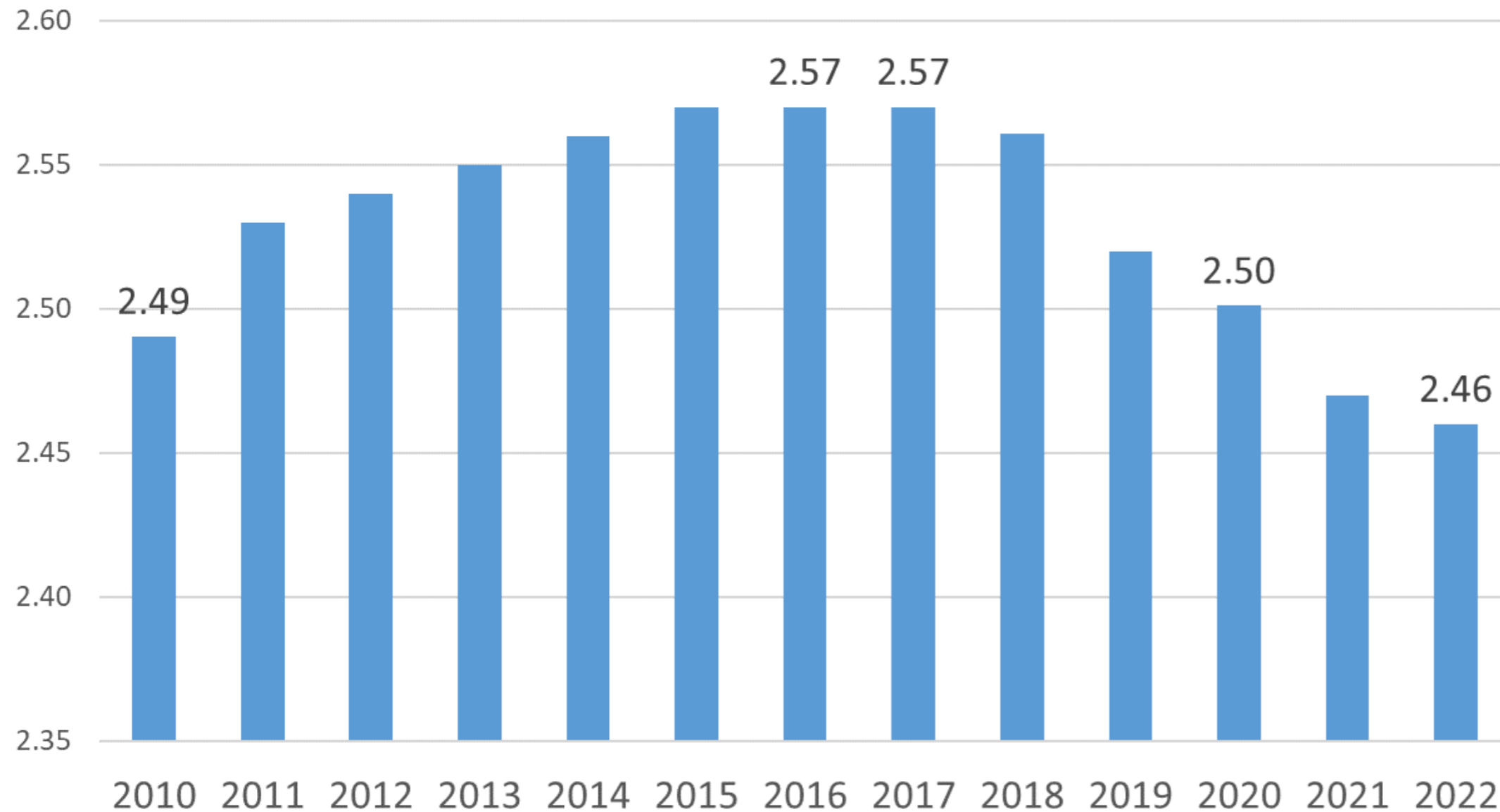
# New Residential Building Permits

## Colorado



# Household Trends

Colorado Household Size, 2010 to 2022

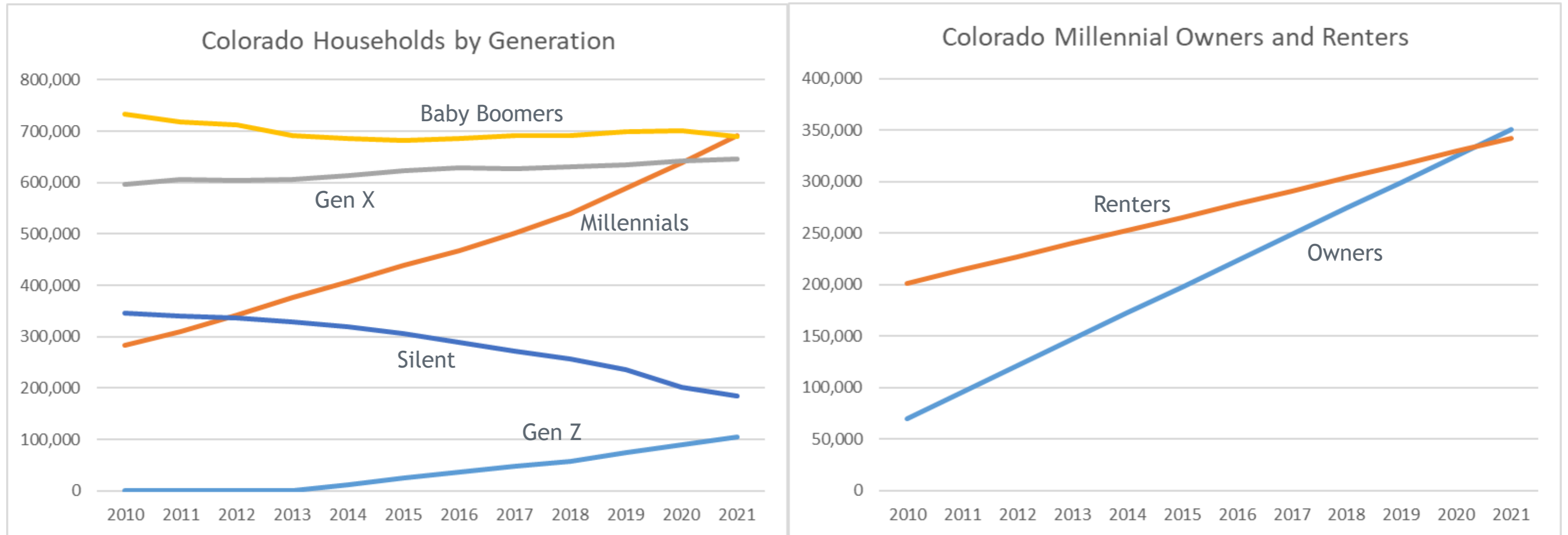


- Nationally, household size increased last decade for the first time in over 100 years
- Household size in Colorado also increased and reached a peak in 2017



# Colorado Households

2020-2022 slower population growth, continued housing demand, record apartment absorption



# *Factors Influencing Housing*

## Supply

- Fewer units built
- Slow industry to start and stop
- Boom and bust cycle
- Supply chain and tight labor
- Public will - NIMBY, Anti growth/density
- Water, infrastructure
- Financing
- Interest rates

## Demand

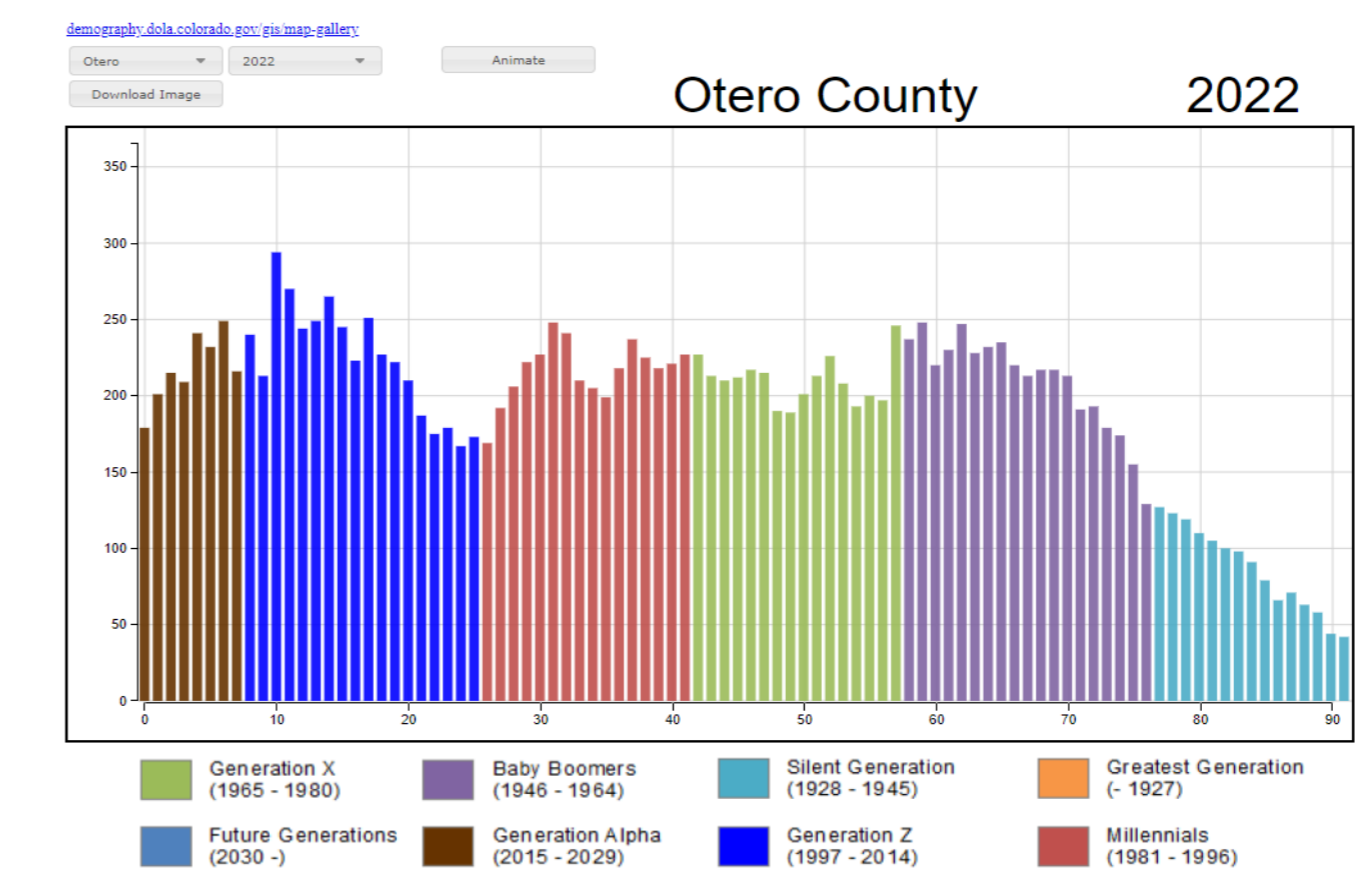
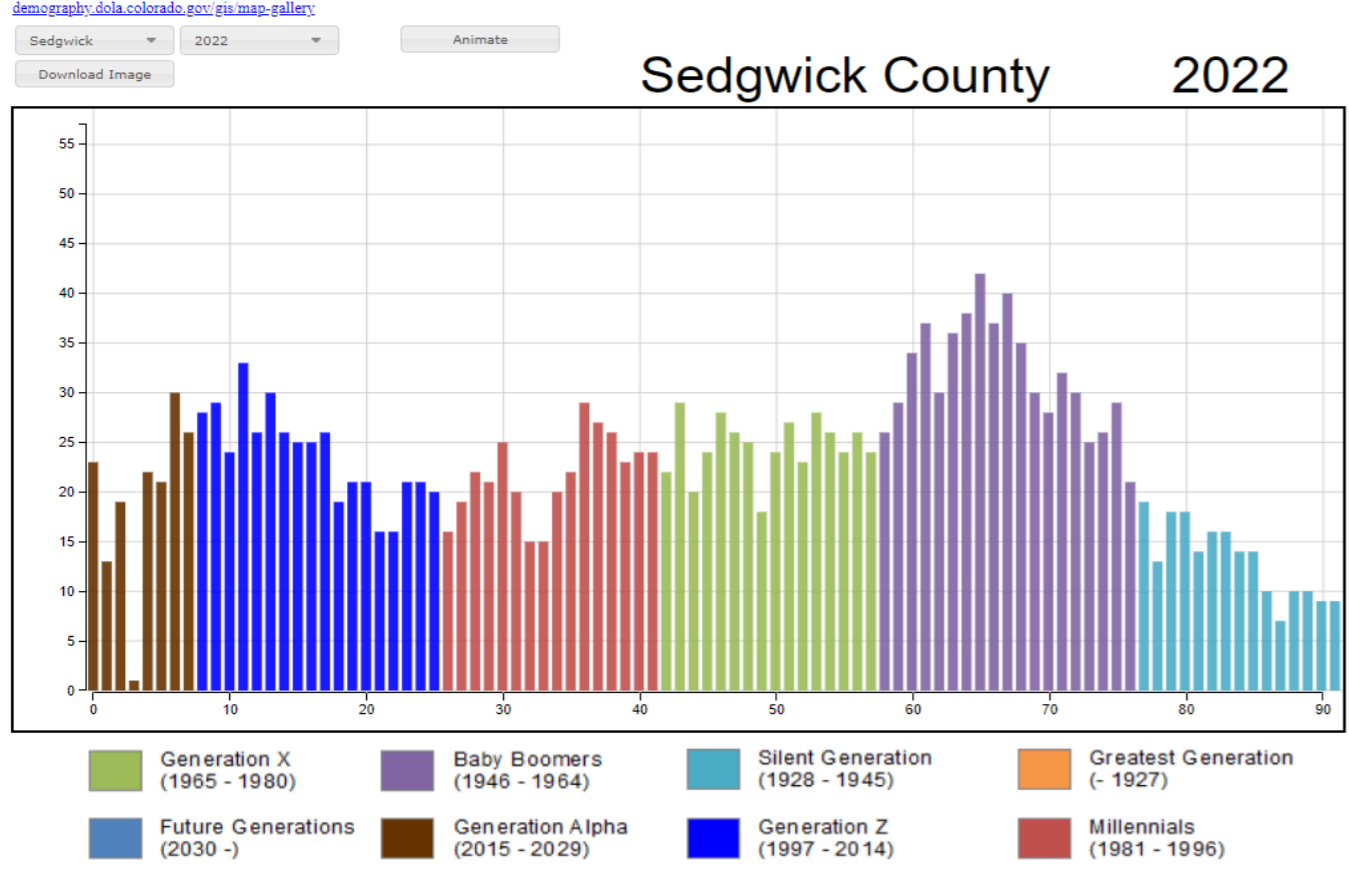
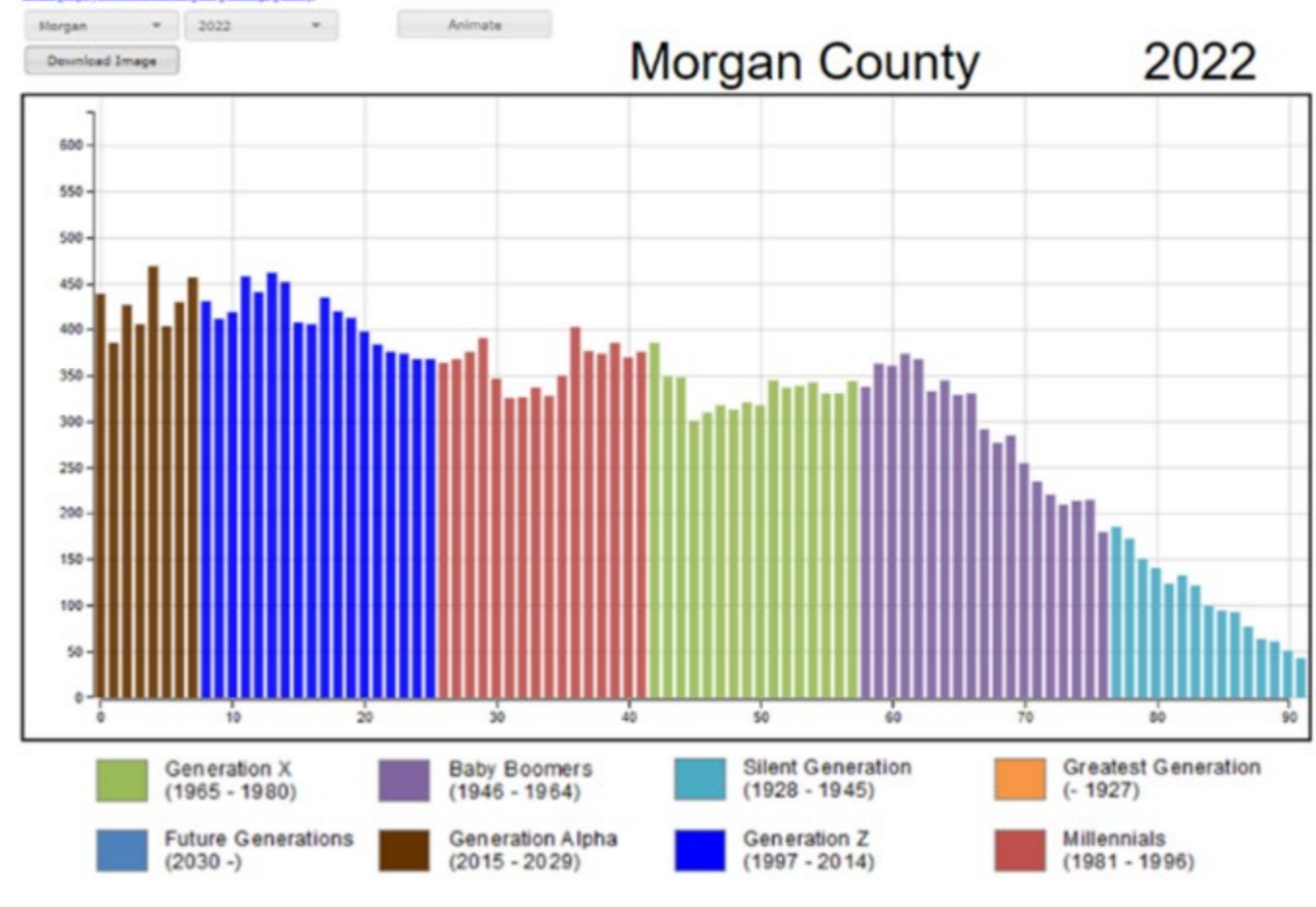
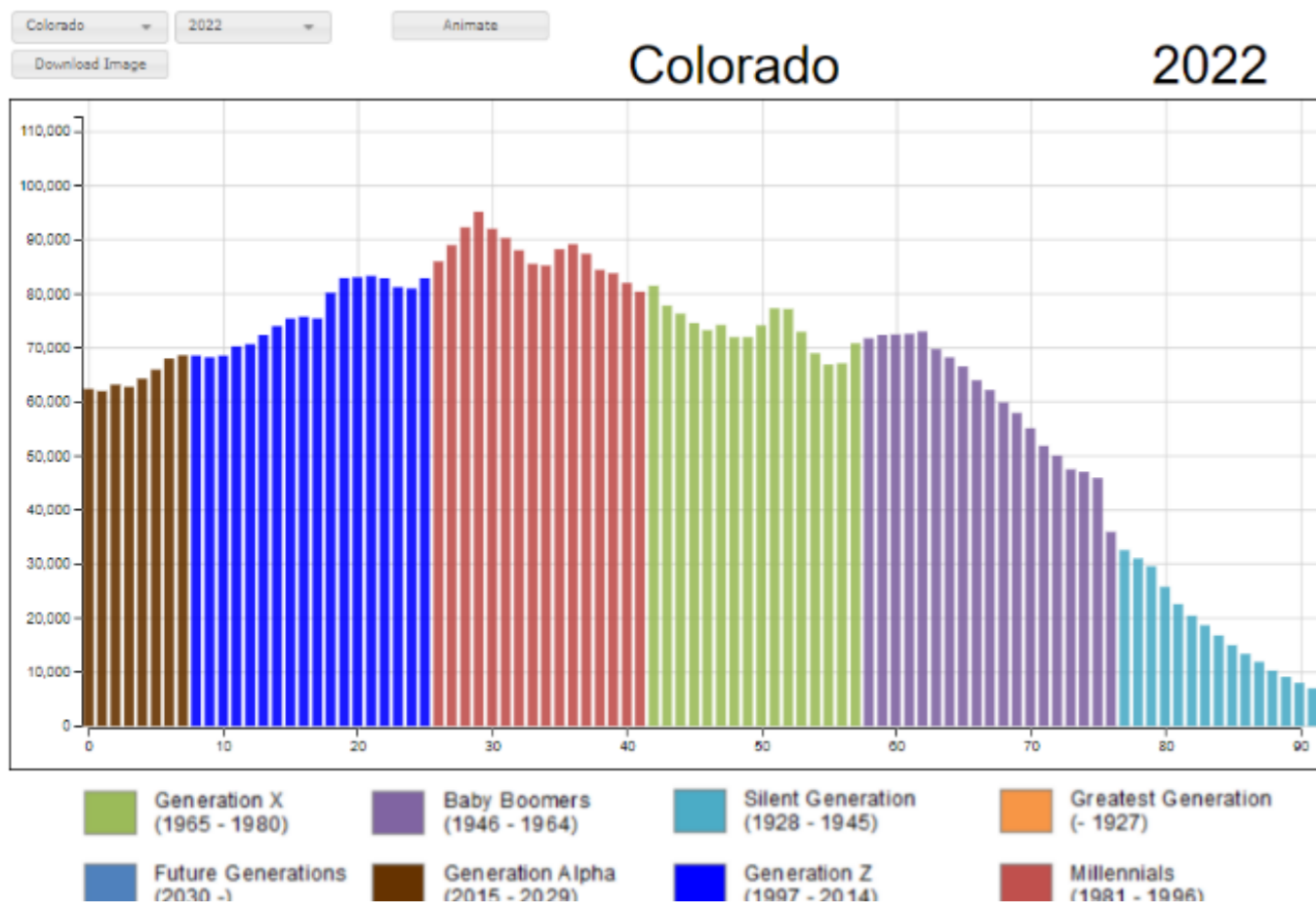
- Job growth = workers = people
- Aging - smaller household size
- Millennials - Prime home buying and second home buying
- Gen Z - entering first time apt/home
- More money - didn't travel or have big wedding, stimulus, interest rates.
- Investors - institutional and cannabis firms (often holding vacant)



# *Age Matters*

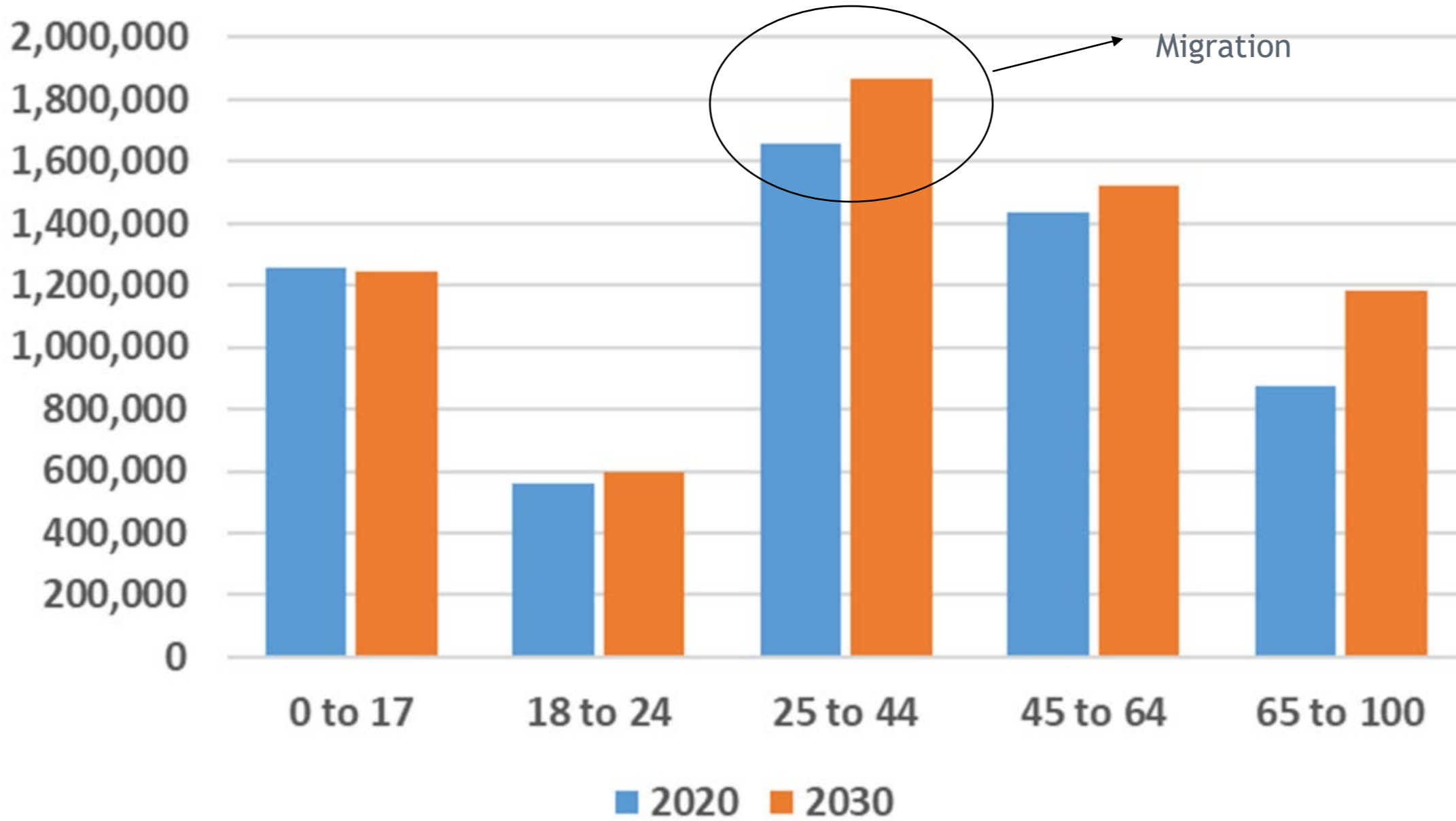
- Preferences - where people shop and what they buy.
- Housing - type, size, mobility
- Labor Force
- Income
- Service Demands







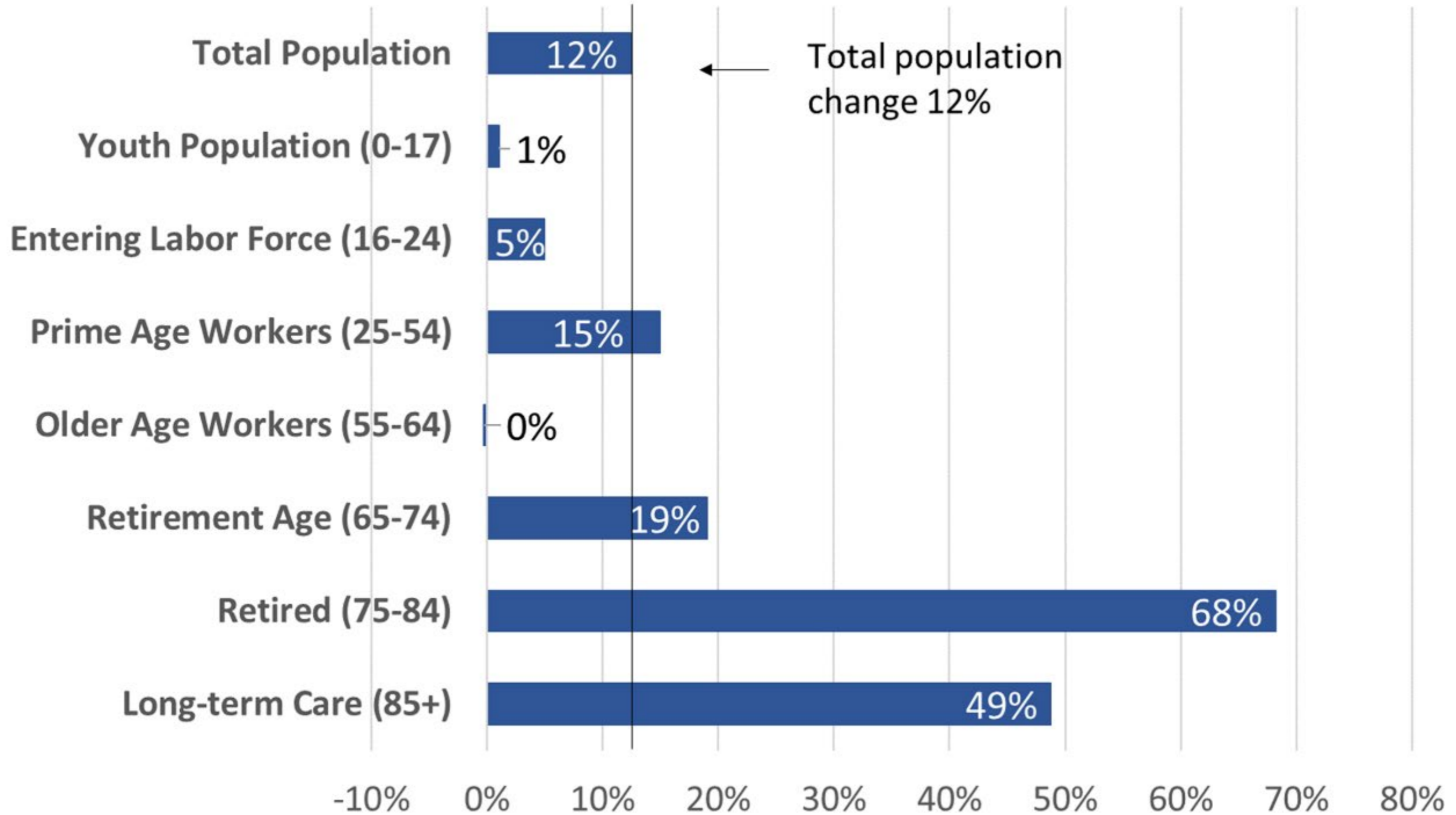
## Colorado Population By Age



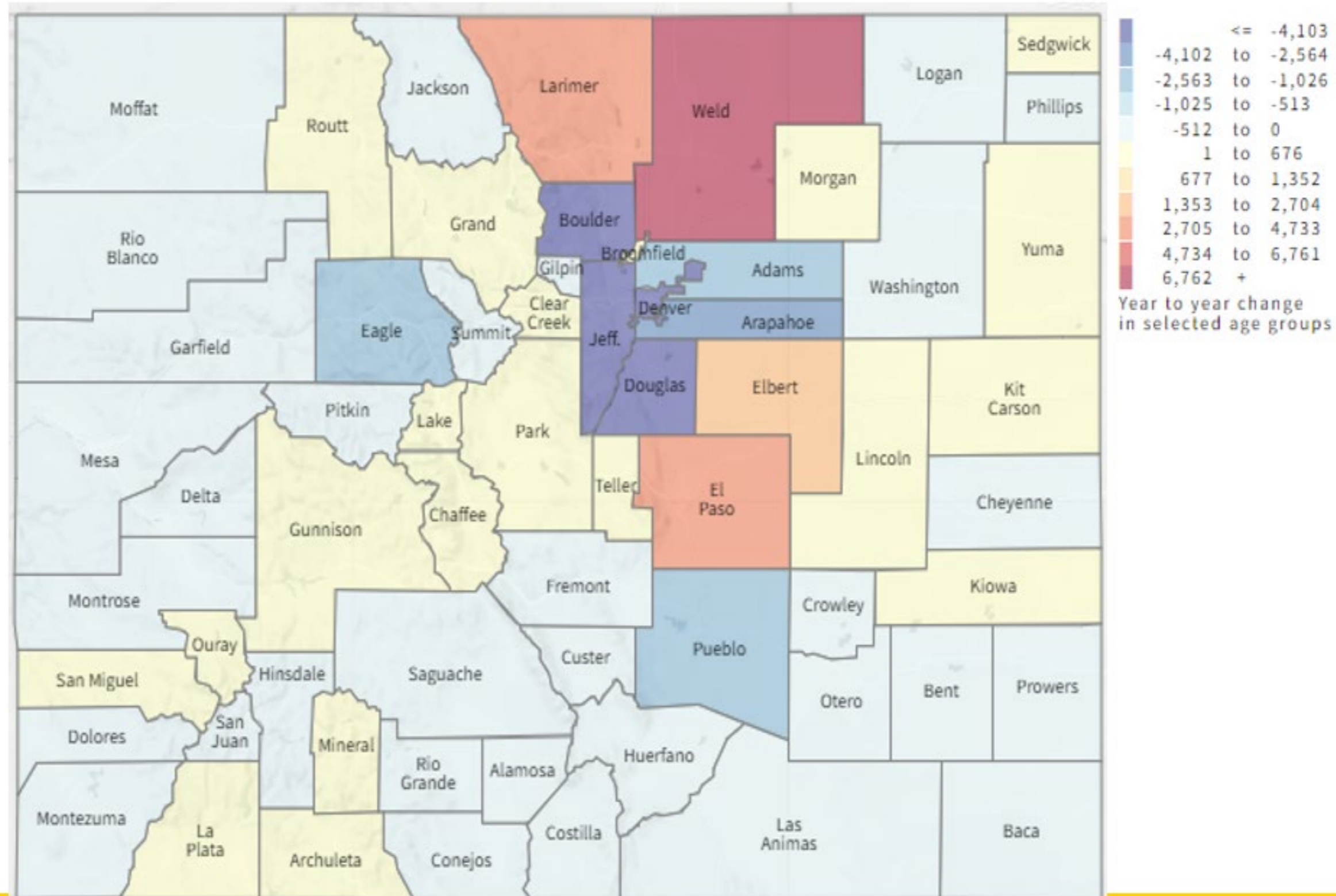
	0 to 17	18 to 24	25 to 44	45 to 64	65 to 100	Total
<b>2020</b>	<b>1,255,749</b>	<b>561,243</b>	<b>1,657,073</b>	<b>1,437,494</b>	<b>872,581</b>	<b>5784140</b>
<b>2030</b>	<b>1,244,184</b>	<b>596,781</b>	<b>1,868,099</b>	<b>1,524,336</b>	<b>1,182,816</b>	<b>6416216</b>
<b>Change</b>	<b>-11,565</b>	<b>35,538</b>	<b>211,026</b>	<b>86,842</b>	<b>310,235</b>	<b>632,076</b>
<b>Pct Ch</b>	<b>-0.9%</b>	<b>6.3%</b>	<b>12.7%</b>	<b>6.0%</b>	<b>35.6%</b>	<b>10.9%</b>



# Colorado Percent Change by Age Group , 2020 to 2030



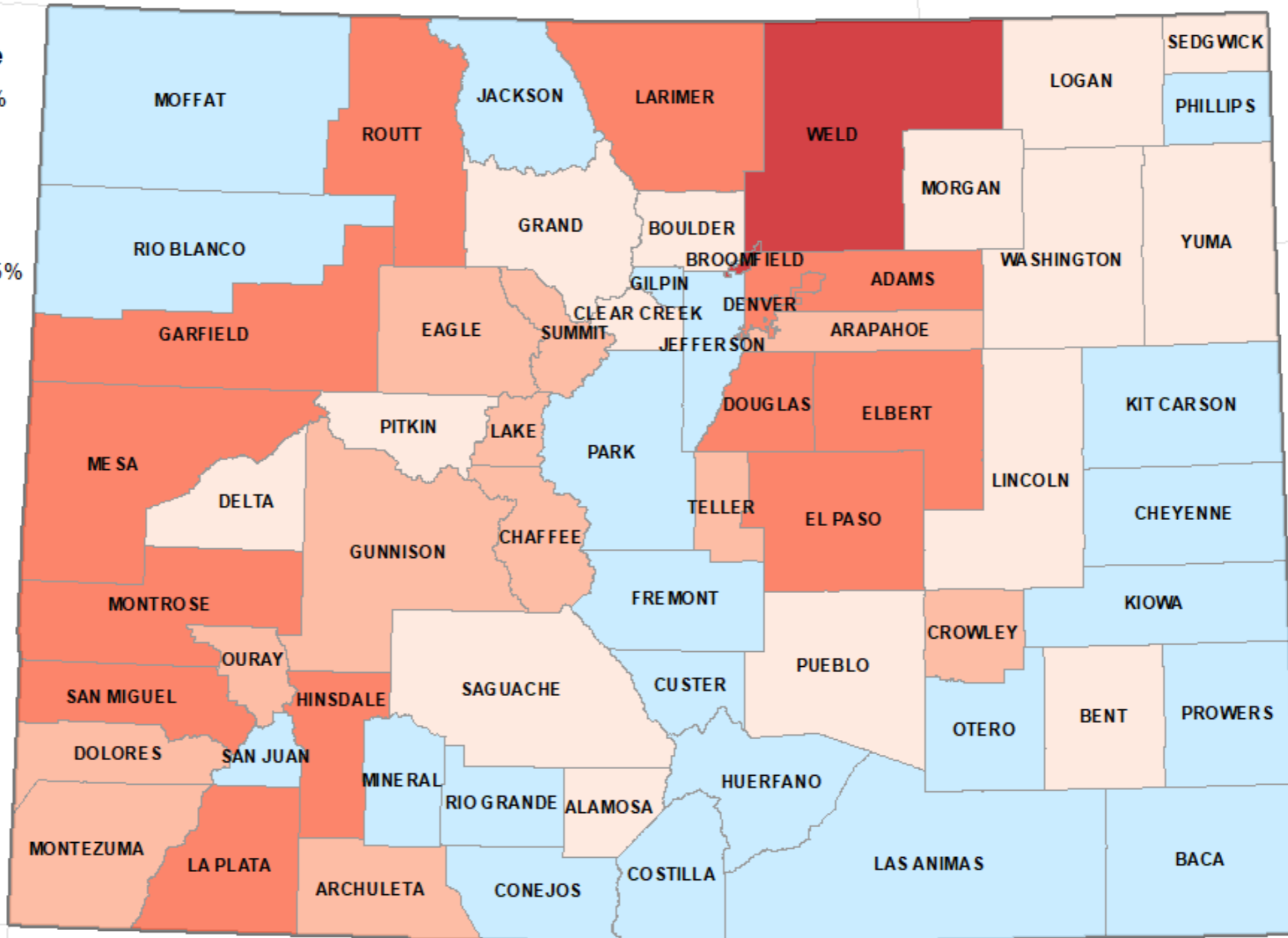
# Change in the School Age Population 2020-2030



# Forecast Change in the Working Age Population (Ages 16 - 64) 2020 - 2030

## Percent Change

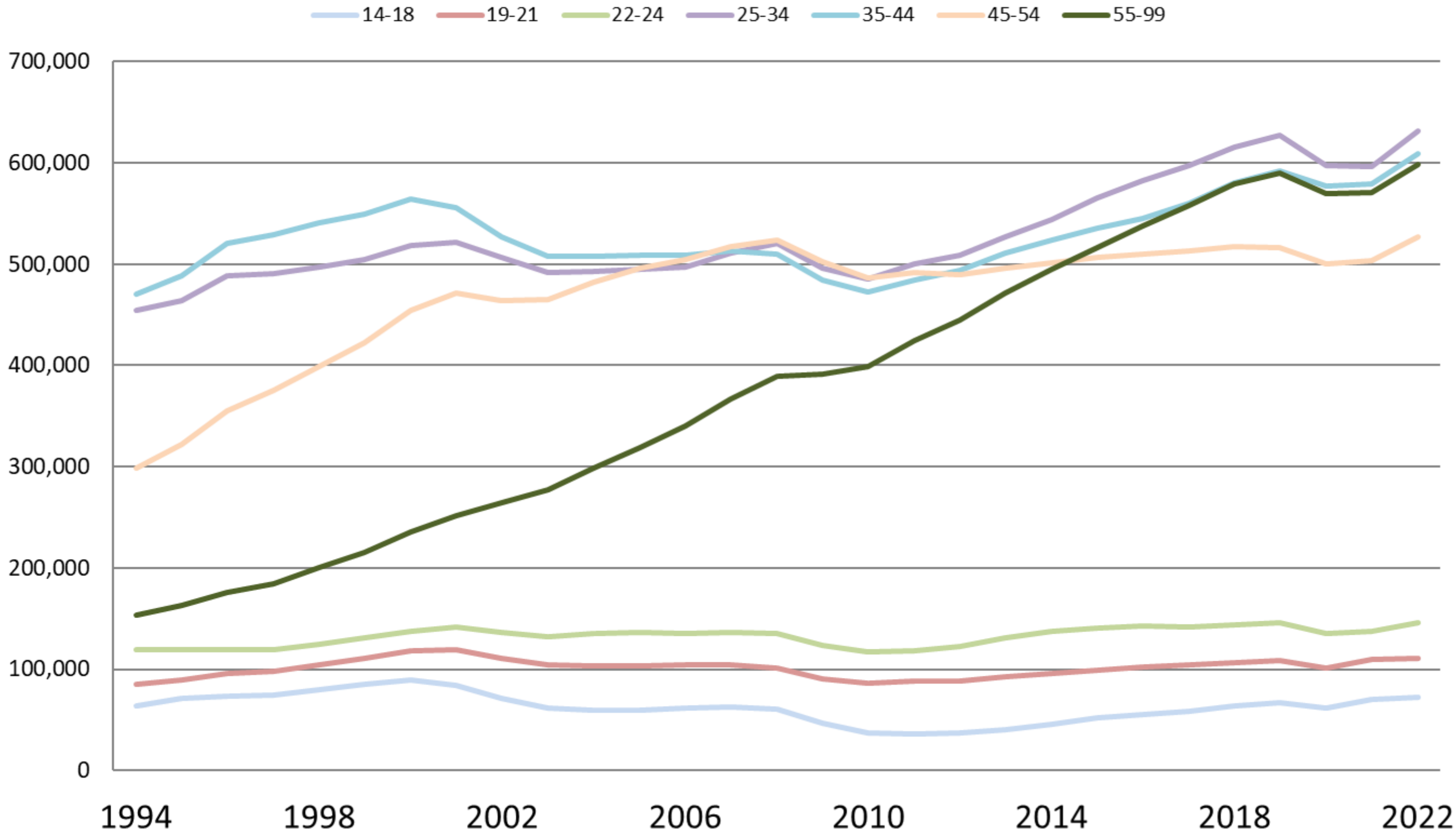
- Less than 0%
- 0% to 5%
- 5% to 10%
- 10% to 25%
- More than 25%



Colorado State Demography Office, 10/20/2021



# Colorado Workforce by Age, 1994 - 2022



In 1990, 1 in 10 workers over age 55

Today, 1 in 5 workers over age 55



# Statewide labor force trends

- Labor force participation among Colorado older adults has been rising over time and higher than the U.S.
- Employed adults ages 65 & over increased 600% between 2000 and 2022, from 30,000 to over 180,000
- Over the next 5 years expecting 40,000 retirements per year, assuming increased participation for everyone ages 55+

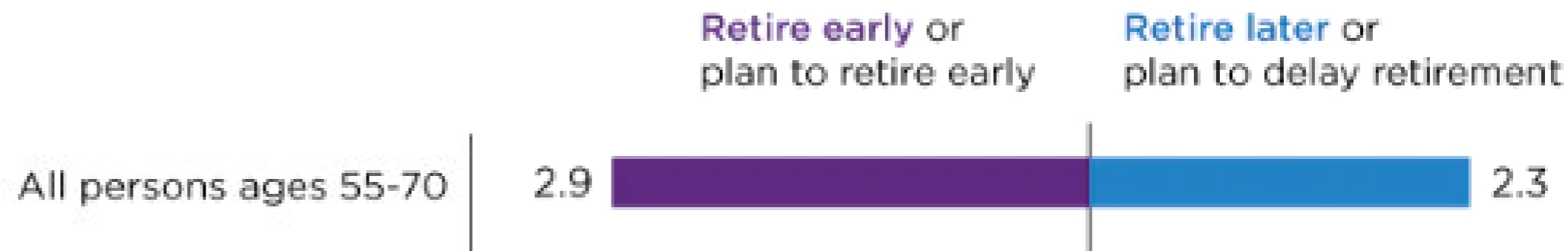


# Labor Force Participation

*Did the pandemic change retirement timing?*

Census Bureau using 2021 SIPP data, "Retirement trends were remarkably stable during a period of upheaval in the labor market overall."

**People Ages 55-70 Employed in January 2020:  
COVID-19 Retirement Response by Age**  
(In percent)

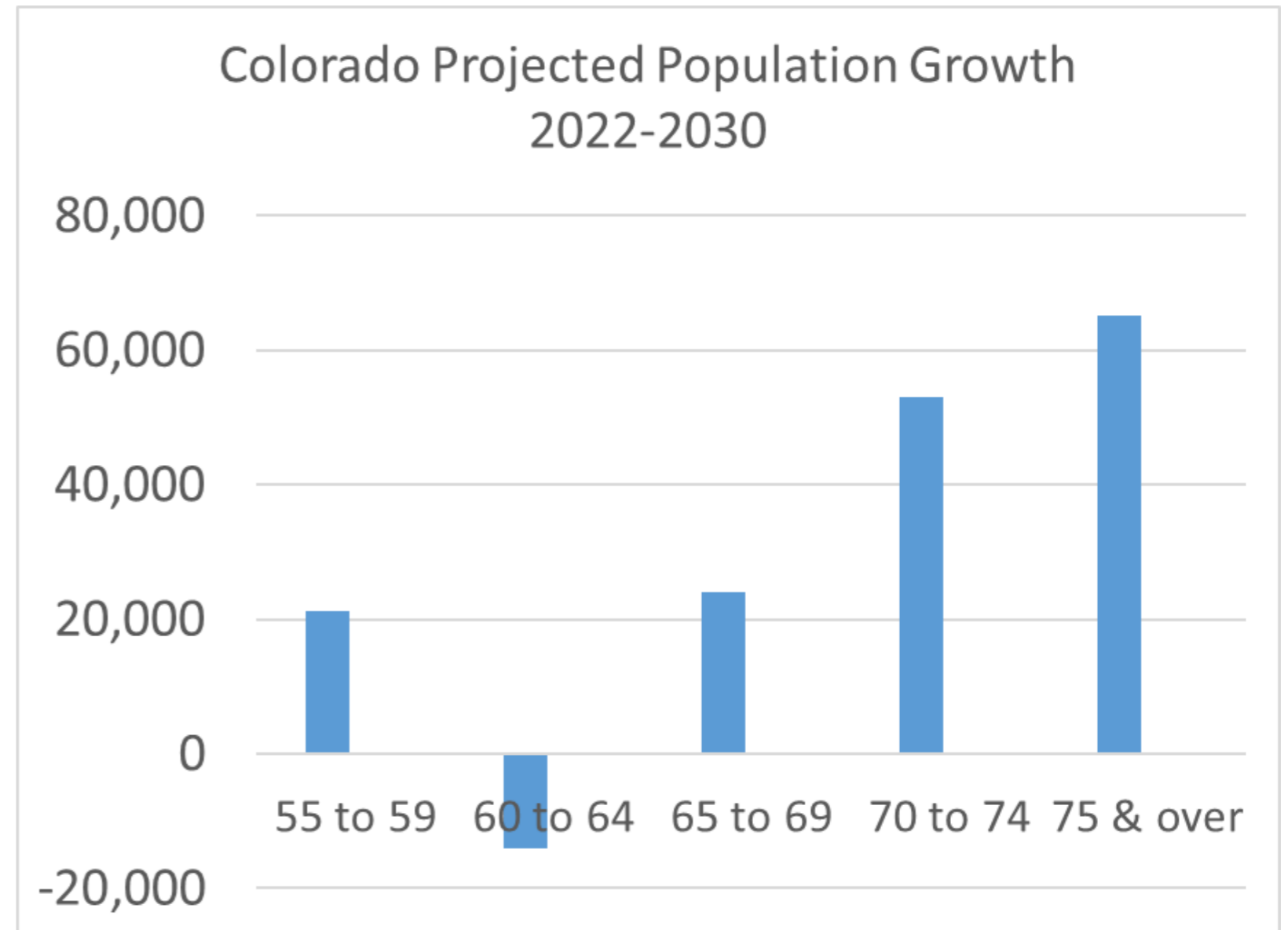
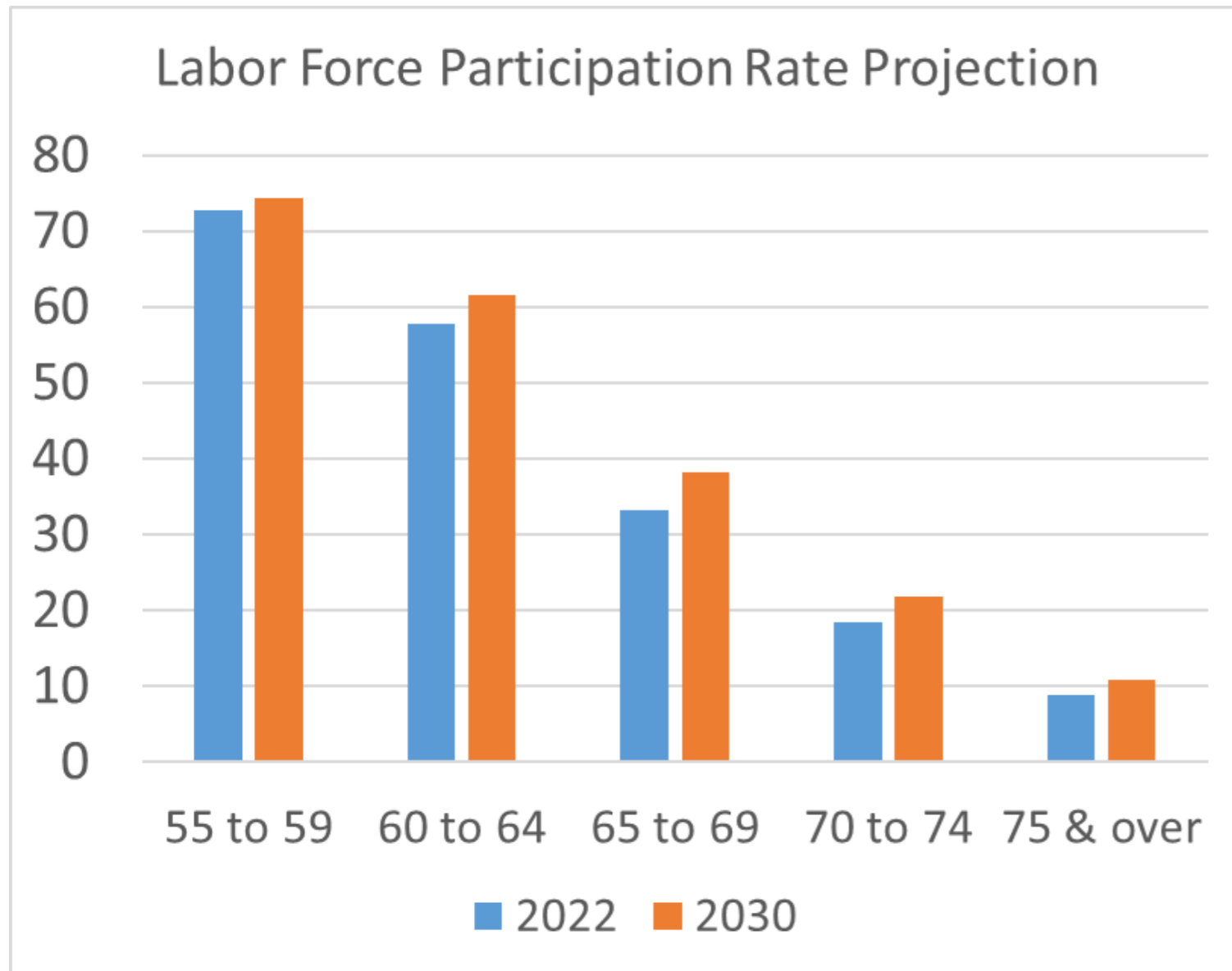


Source: U.S. Census Bureau, 2021 Survey of Income and Program Participation.

# Labor Force Participation by Age

Bureau of Labor Statistics

Labor Force participation of persons ages 55+ projected to decline in aggregate





# *Implications From Age and Aging*

- Consumer demand - job creation, occupations, wages
- Labor force - older, retirements
  - Slower growth in working age - especially after 2027
  - Lowest Labor Force Participation - <24 and 55+
  - Highest unemployment - <24
  - Look at ways at encouraging folks to (re)enter the labor force
  - Engaging the 40+
  - Will continue to be tight
- Housing - household size, mobility, owners, accessibility
  - Retires aging in place, where will new workers live?



# *Race and Ethnicity*

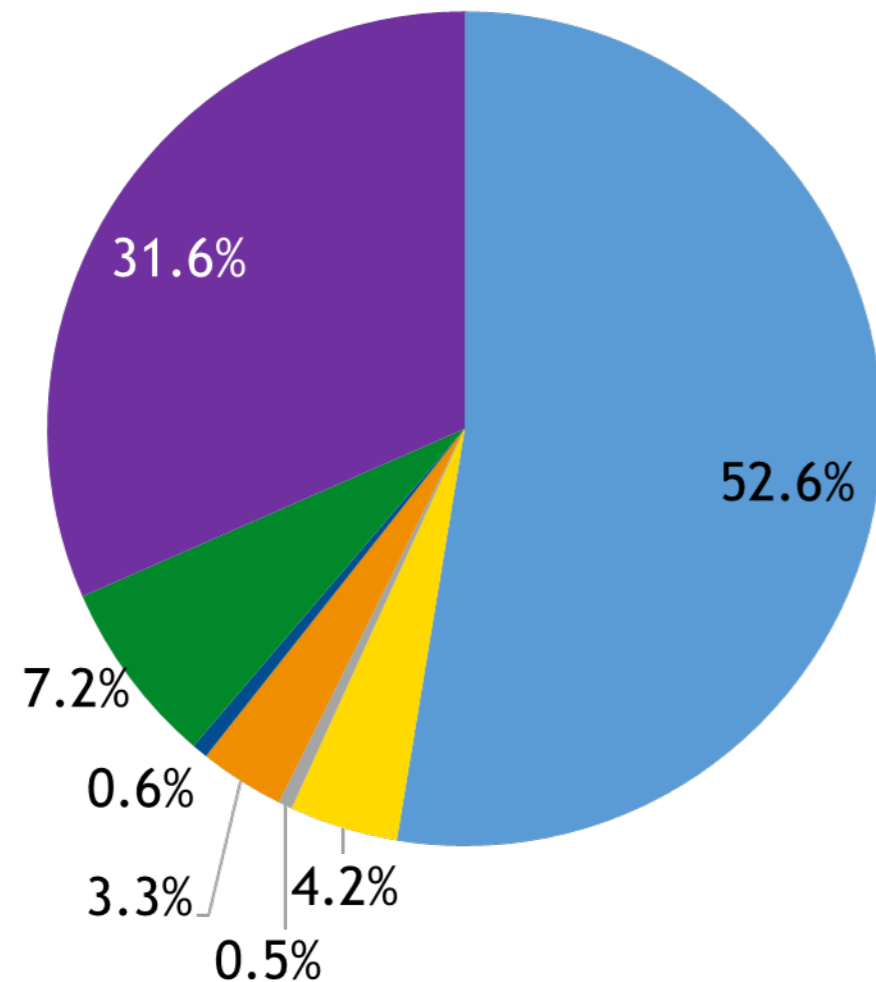
## *Becoming More Diverse*



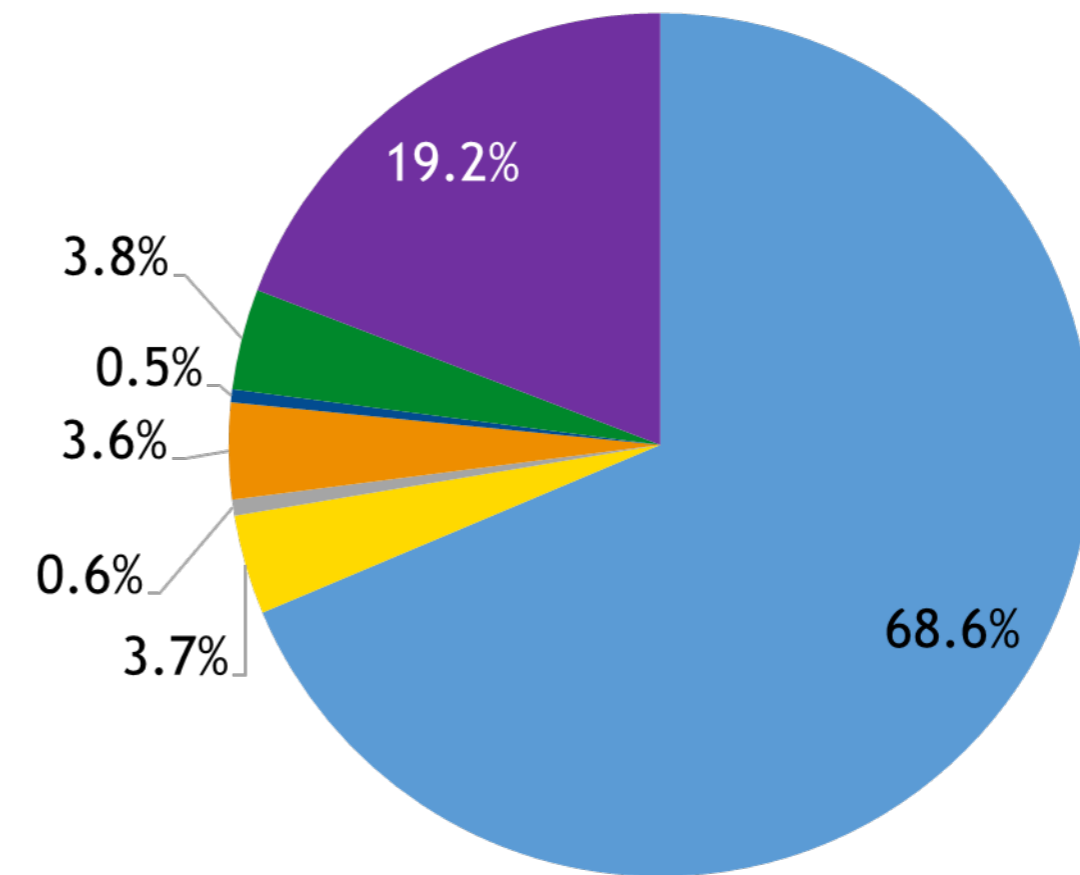
# Race and Ethnicity by Age Group

## Colorado - 2020 Census

### Under 18 Years (Children)



### 18 Years and Over (Adults)

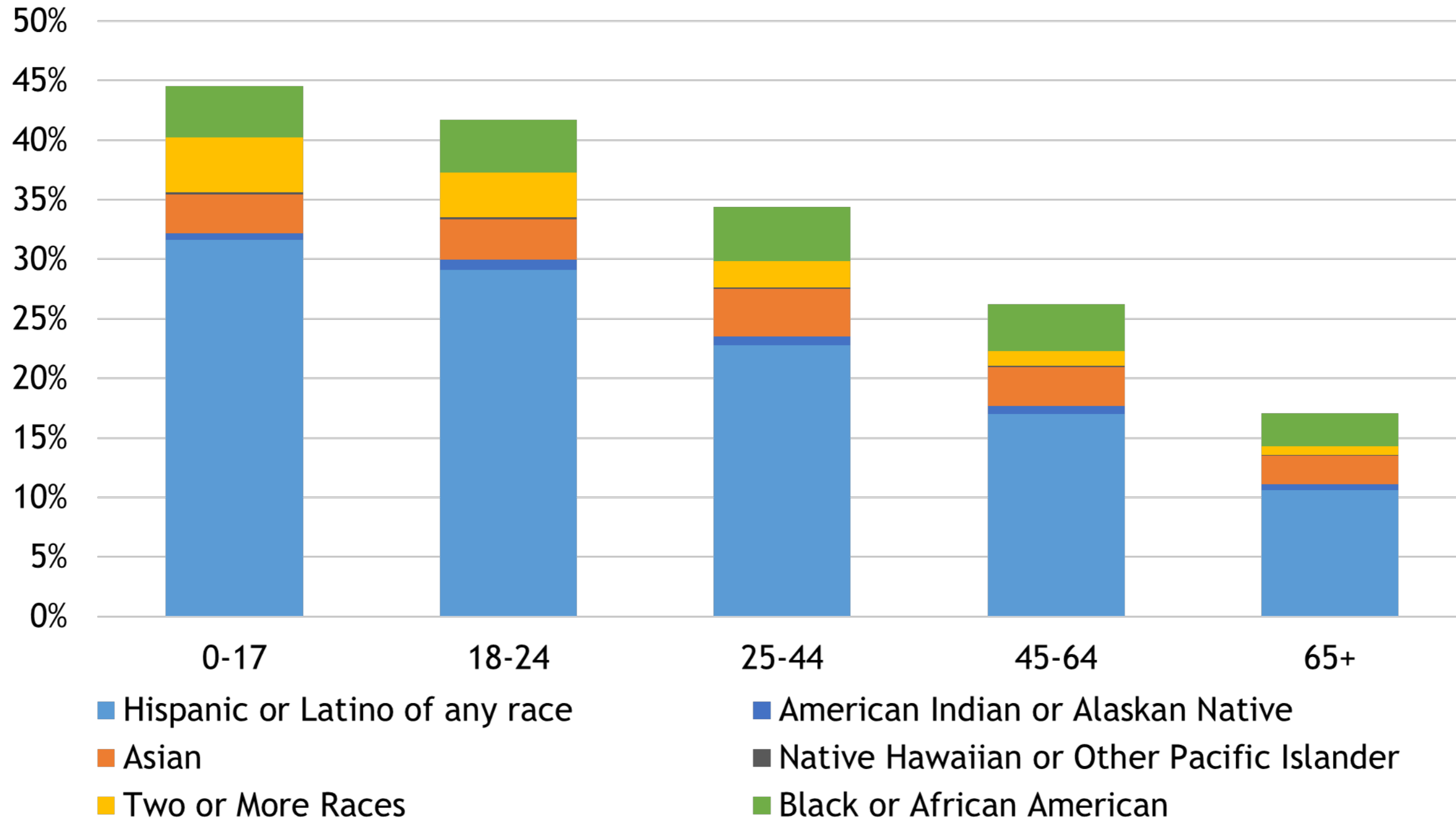


- White Alone not Hispanic
- Black/African American Alone not Hispanic
- American Indian & Alaska Native Alone not Hispanic
- Asian/Pacific Islander Alone not Hispanic
- Some Other Race Alone not Hispanic
- Two or More Races Total not Hispanic
- Hispanic/Latino Origin (of any race)



# Diversity by Age

2020 People of Color Share of Population by Age



# Summary - Population Trends

- Labor Force - National Competition
  - Migration/Mobility slowing, International slowed
  - Slowing young adults after 2027
  - Aging - growth in retirees 400K this decade
  - Marginally Attached - day care, senior care
  - Growth in Race and Ethnic Diversity - entrants
  - Growth in Gig - Transportation Jobs (flexibility)
  - Telework - Complement/Competition.
  - Housing and other community services
- Economy
  - Consumer Demand, Age, Income
  - Jobs = People = Housing

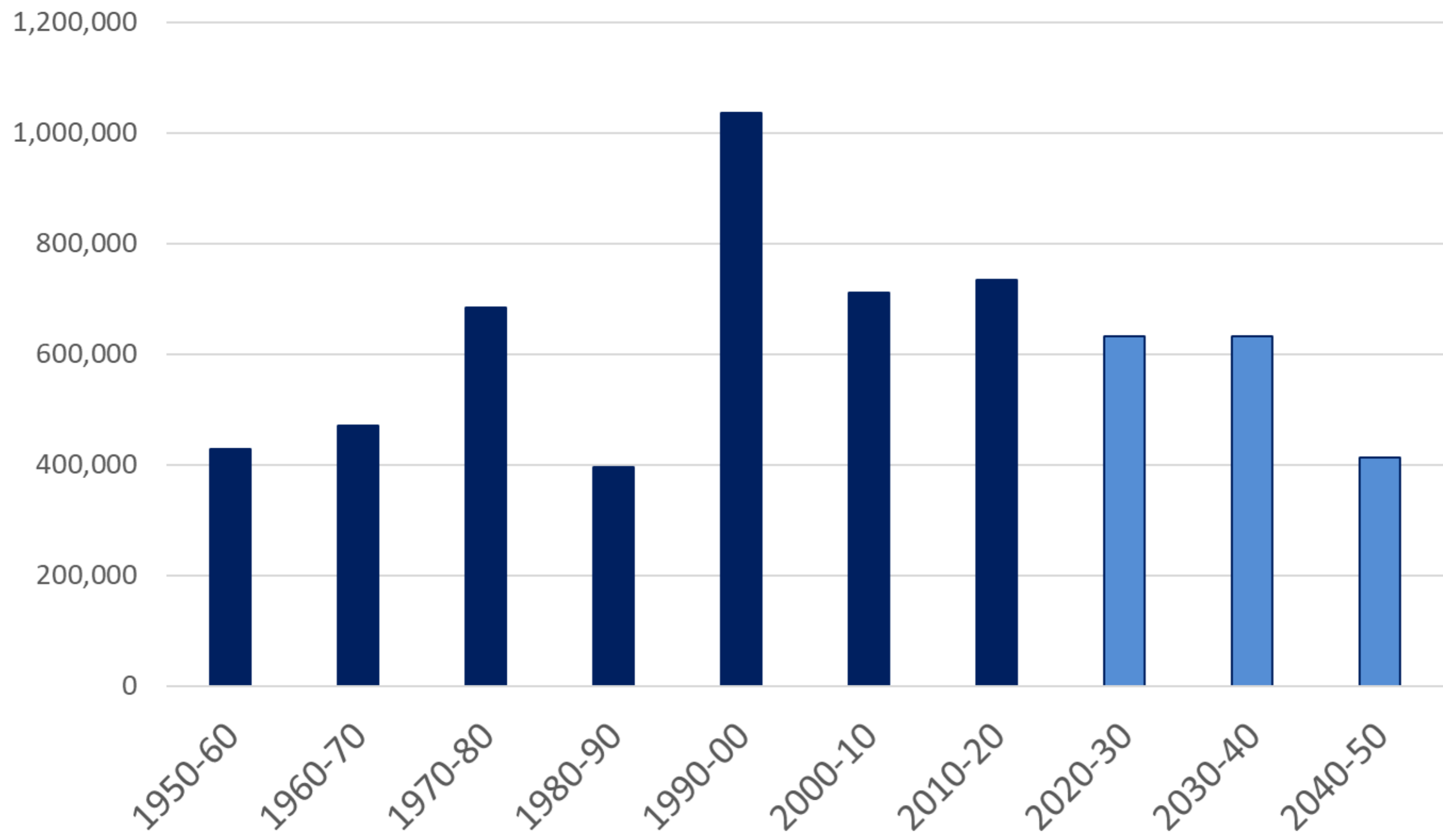


# *People Based Economic Development*

- Reimagine - Intentional and strategic
- Researched
- Additive vs. Poached
- Employee centered (first time since 60s)
- Community Services - Housing, Day Care
- Increase labor force participation at all ages - creative.
  - <24 and >55
  - People with Disabilities
  - People of Color
  - Formerly incarcerated



# Colorado Population Change by Decade, 1950-2050



## Colorado

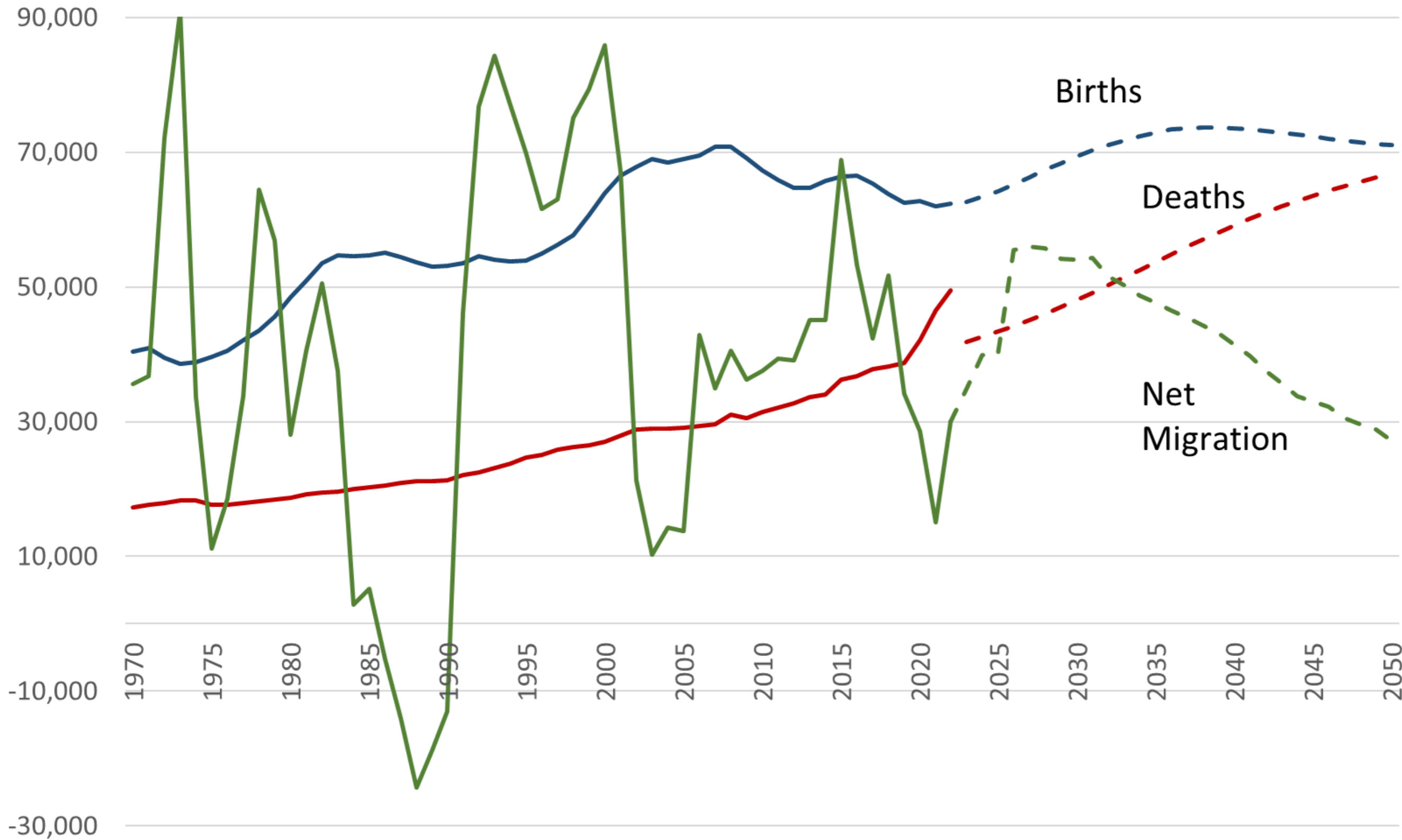
Total population reaches 7.5 million by 2050

## Share of U.S. Population

1950 0.9%  
2000 1.5%  
2050 2.0%



Colorado Births, Deaths and Net Migration, 1970 to 2050



Assumptions

Fertility rate stabilizes below replacement

Life expectancy increases

Colorado remains competitive and continues to attract young adults





# Population Forecast 2050

7.4 million

## Change 2020-2050

State: 1.7 million

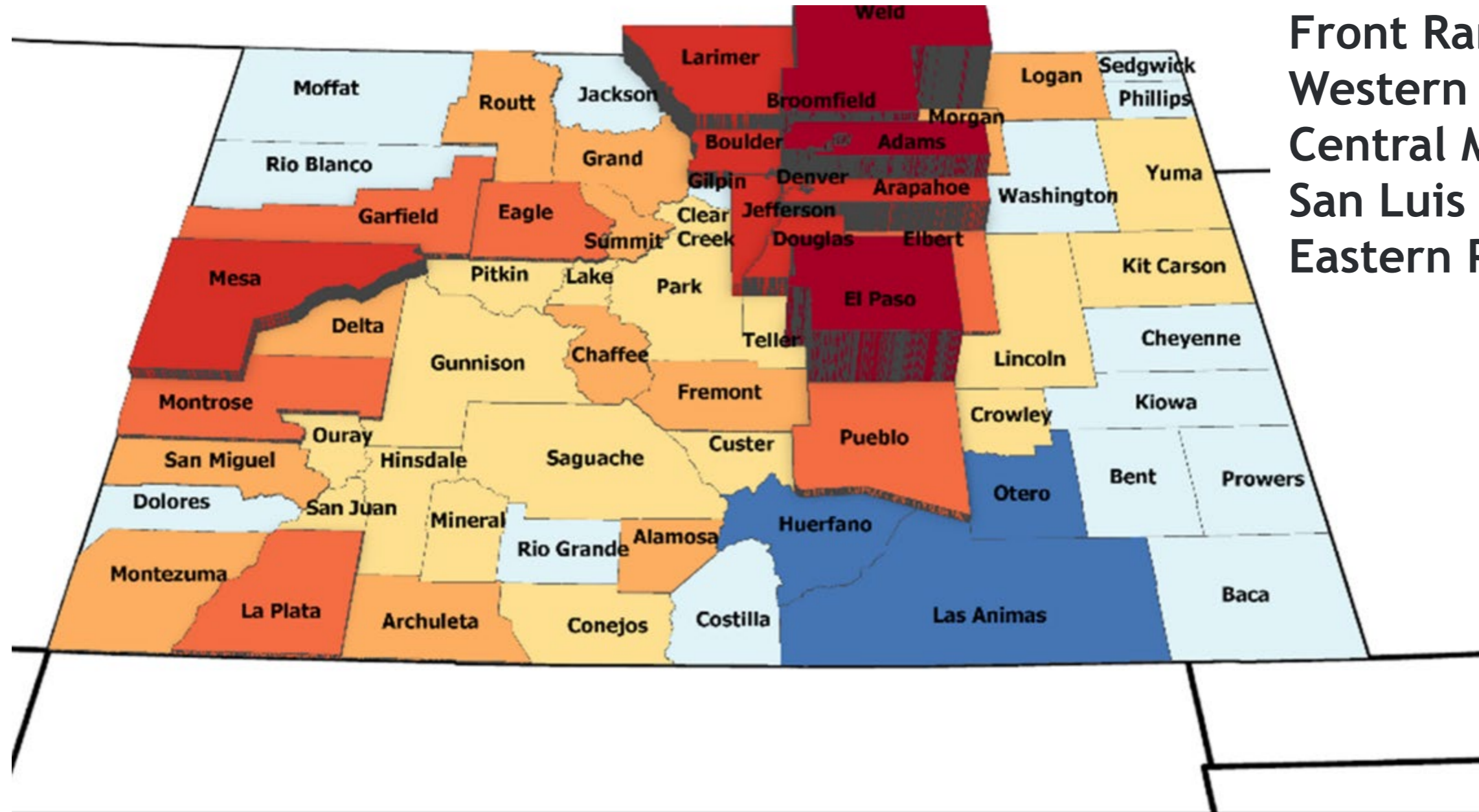
Front Range: 1.5M

Western Slope: 190K

Central Mtns: 1K

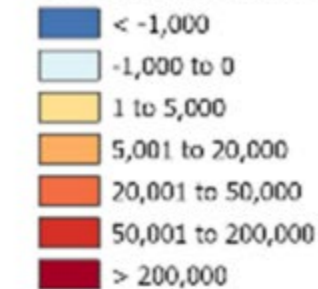
San Luis Valley: -2K

Eastern Plains: 7K



Projected Population Change  
2020 - 2050

Population Change



e Demography Office, October 16, 2020



# *Uncertainties to the Forecast +/-*

- **Water**
- **Intl' immigration**
- **Housing** - supply, price, type, location
- **Pandemic uncertainty**
- **Aging** - labor force, prepared labor force
- **Infrastructure/Transportation**
- **Natural disasters** - nationally
- **State Budget**
- **Industry changes** - boom/bust, competitiveness



# *What Are Our Assets and Threats?*

Assets:

Threats:





Thank you

State Demography Office  
Department of Local Affairs  
Elizabeth Garner

[Elizabeth.garner@state.co.us](mailto:Elizabeth.garner@state.co.us)

303-864-7750

[Demography.dola.colorado.gov](http://Demography.dola.colorado.gov)



**COLORADO**  
Department of Local Affairs