



# *Affordable and Attainable Housing: Demographic Realities and Public Perception*

CCI Winter Conference, November 2023

State Demography Office, Department of Local Affairs

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



**COLORADO**  
Department of Local Affairs

# Trends

- Population growing at a slowing rate in US and Colorado
- Migration and Mobility Slowing
- Job growth and retirements drive migration
- We're Aging - Impacts Everything - jobs, labor force, housing

<b>2022 Data</b>	
<b>Population</b>	<b>5,840,000</b>
<b>Households/Occupied Housing Units</b>	<b>2,390,000</b>
<b>Housing Units</b>	<b>2,600,000</b>
<b>Vacant Housing Units</b> (for sale, second home, remodel, etc)	<b>210,000</b>



## Factors Driving Colorado's Changing Population

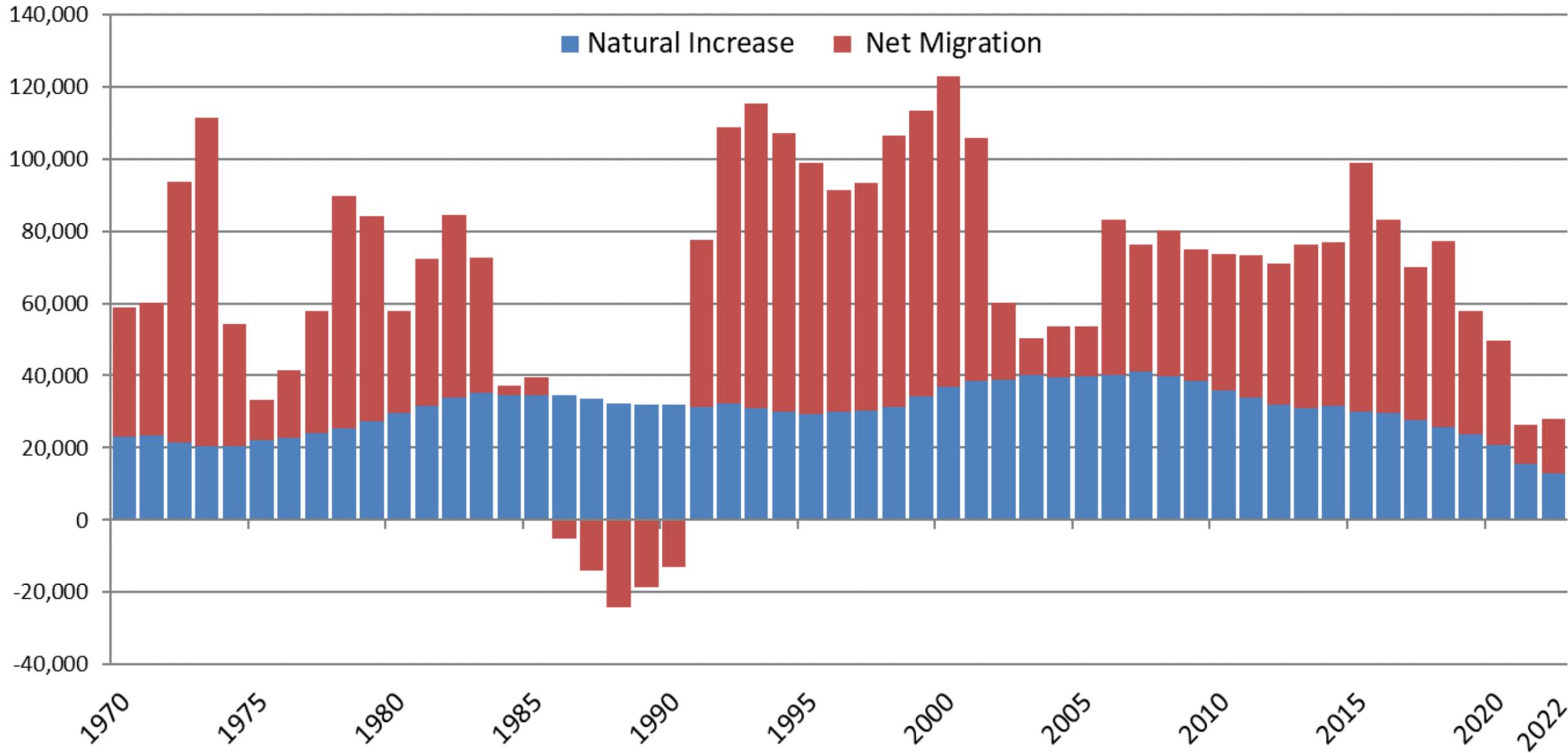


- Births largest contributor to growth.
- Births down by 8,000
- Deaths increasing due to age.
- Migration slowing
- Migration leads to an increase in births
- When migration is less than deaths, there is an absolute decline in adults.

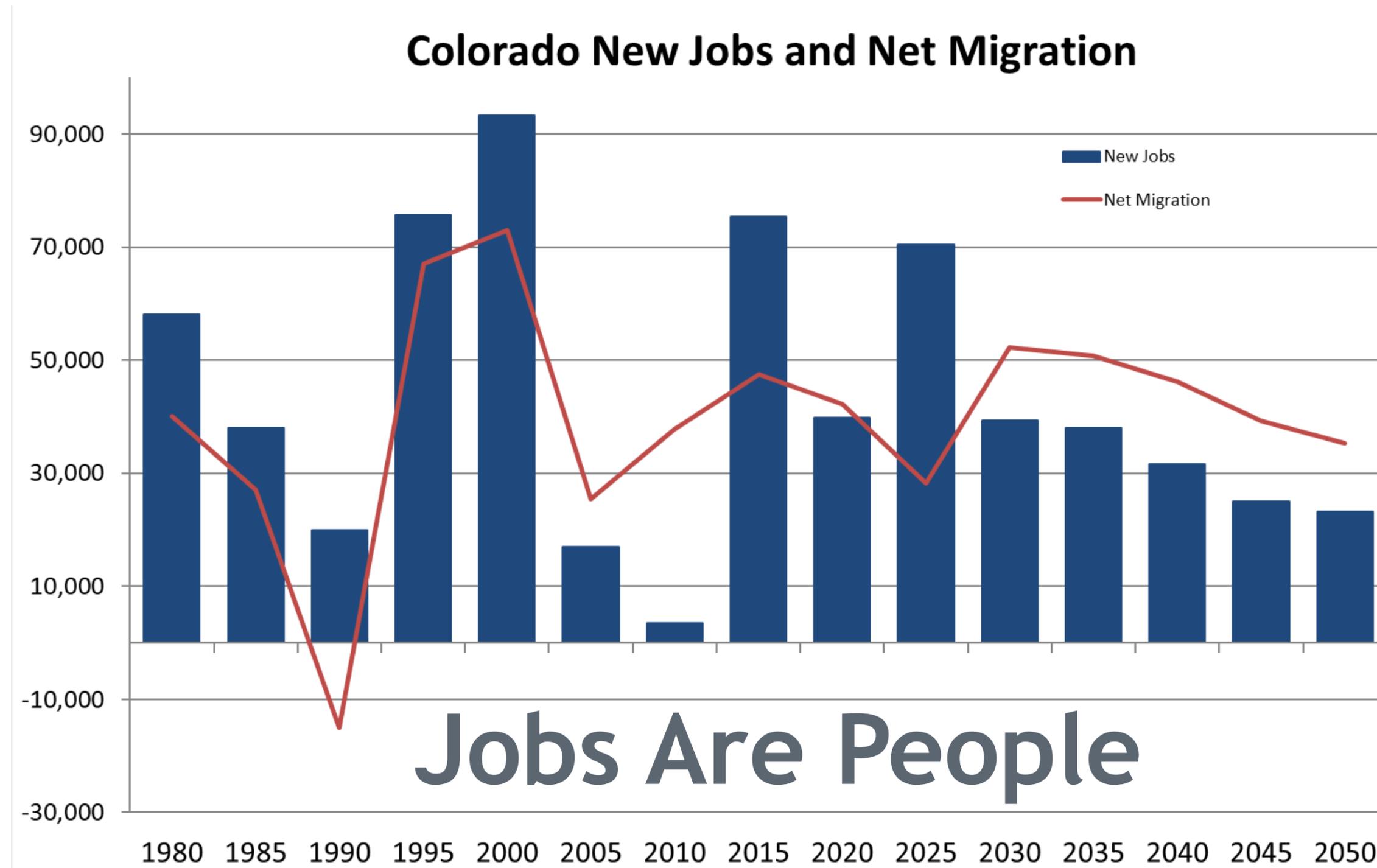


- Colorado Population Growth is Slowing Due to Increase in Deaths, Slowing Births, and Slowing Net Migration
- Annual Growth Slowed to 27,000 in 2022 from 2010-2020 average of 74,000

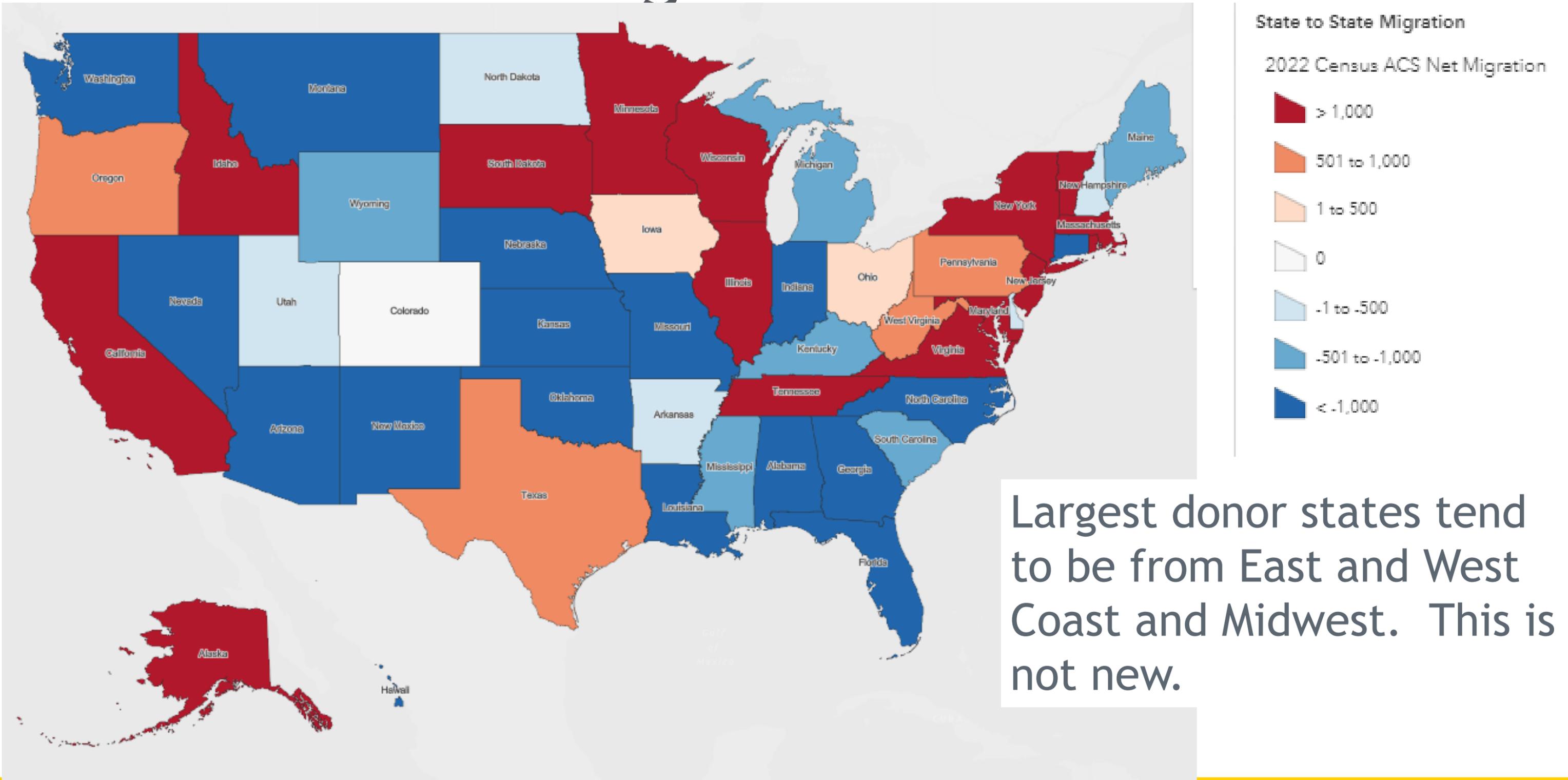
**Components of Colorado Population Change 1970-2022**



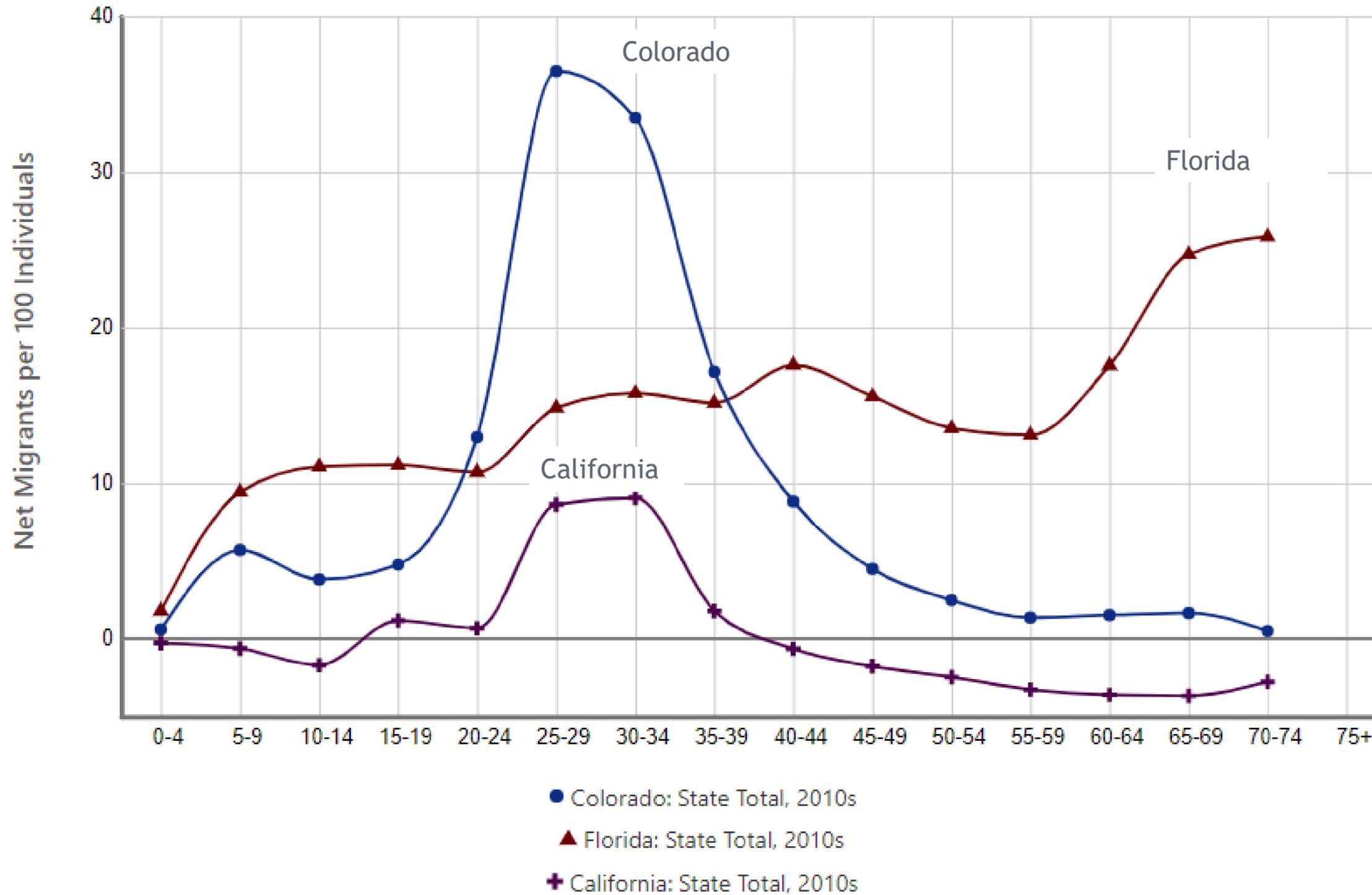
# Jobs Drive Migration - So Do Retirements



# Colorado Net Migration 2021-2022



# 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.



# Migration by Age Groups

Statistic:

Net Migrants

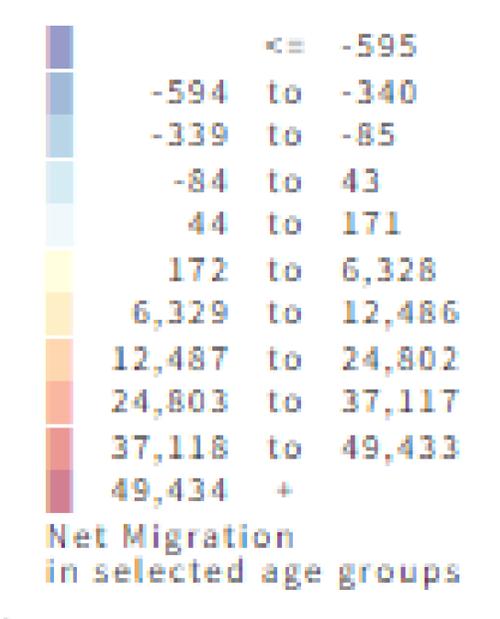
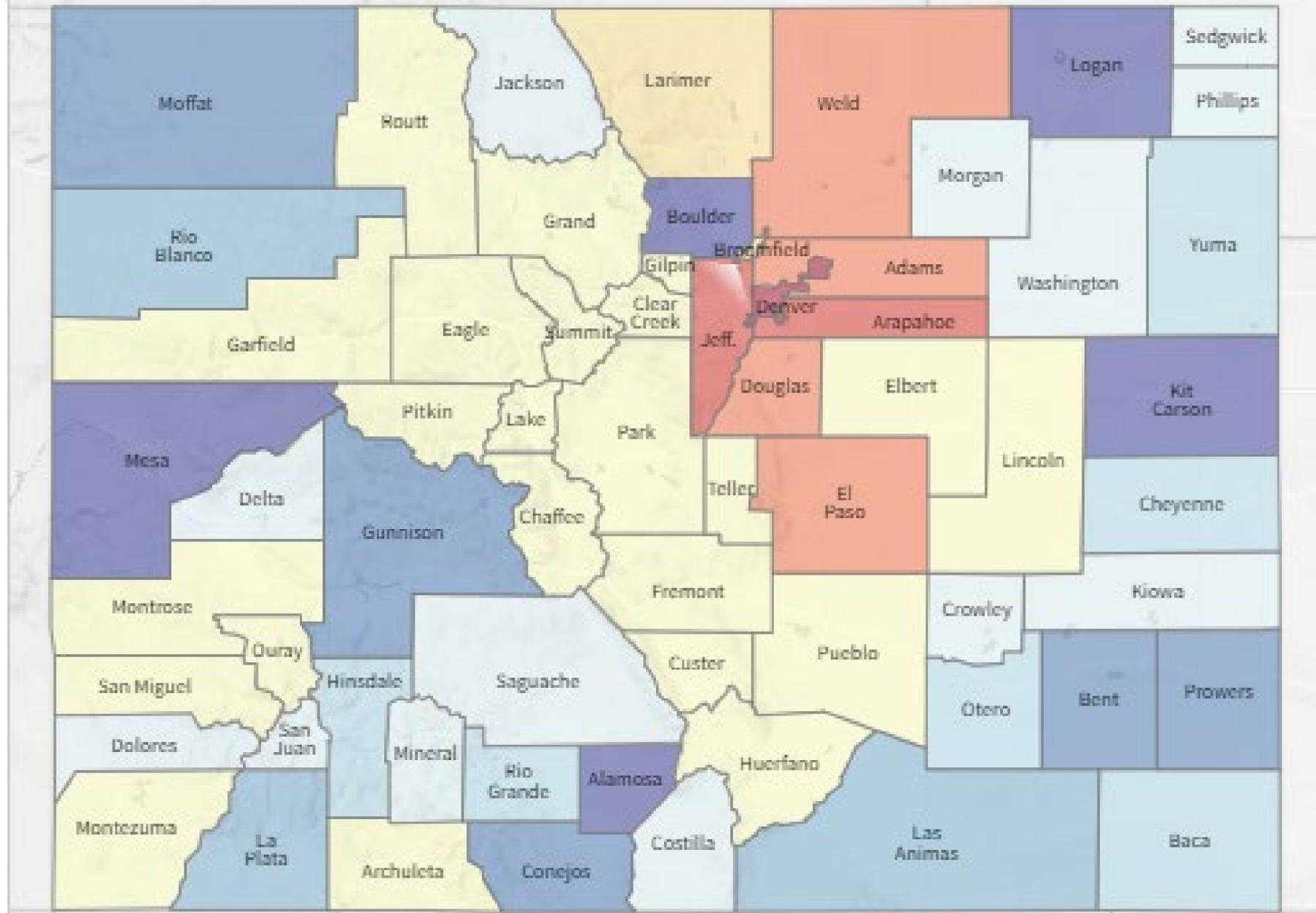
Decade: 2010s

Select Age Groups:

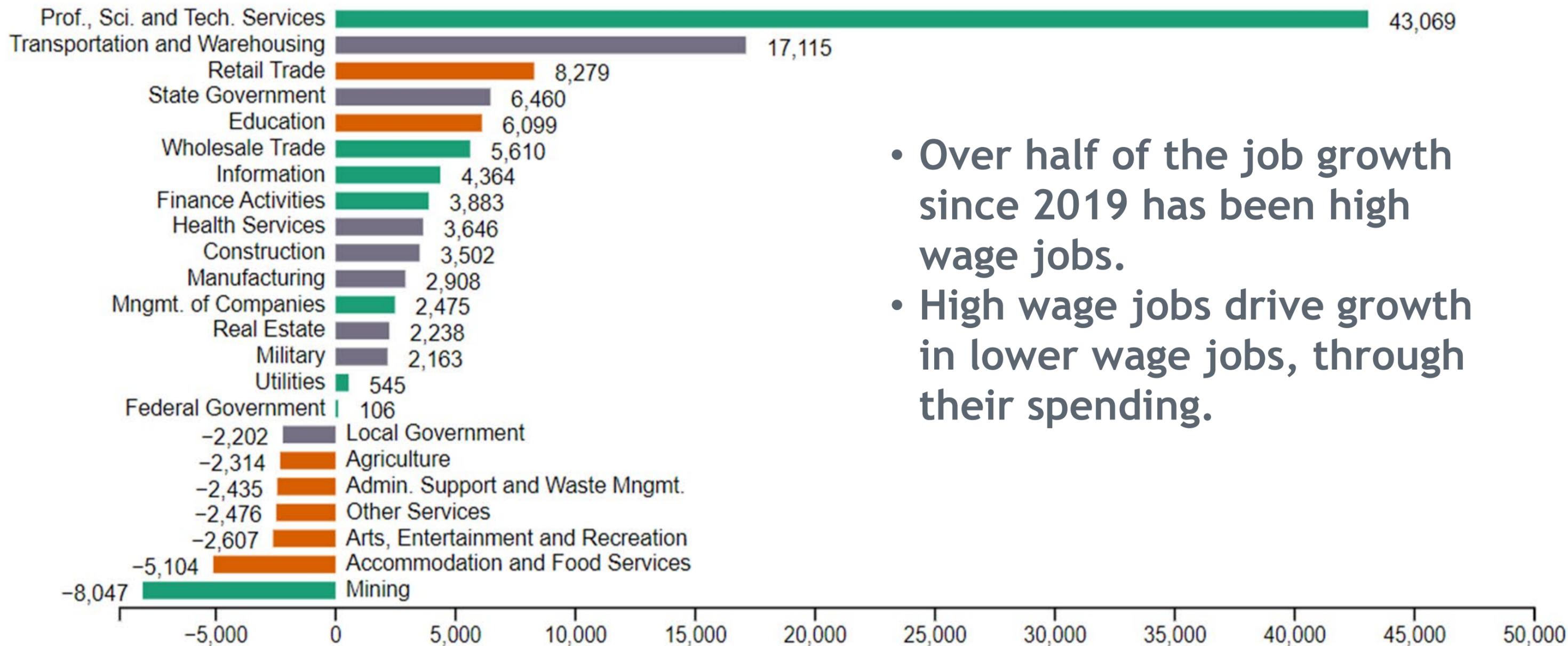
- 0 to 4
- 5 to 9
- 10 to 14
- 15 to 19
- 20 to 24
- 25 to 29
- 30 to 34
- 35 to 39
- 40 to 44
- 45 to 49
- 50 to 54
- 55 to 59
- 60 to 64
- 65 to 69
- 70 to 74

Data for older age groups is unavailable.  
 Data for Broomfield before 2000 and  
 Arapahoe 1970s is unavailable.

Source: Colorado State Demography Office and  
 Applied Population Lab, Univ. of Wisconsin - Madison  
[Download the data](#)



# Employment Change by Sector. Colorado 2019 to 2022



- Over half of the job growth since 2019 has been high wage jobs.
- High wage jobs drive growth in lower wage jobs, through their spending.

Job sector data is suppressed according to Bureau of Labor Statistics standards.

Data Source: Bureau of Labor Statistics Source Date: July, 2022.

Visualization by the State Demography Office, Print Date: 09/12/2023

87,277 Total Employment Change

- Less than 80% of Average Weekly Wage
- Between 81% to 120% of Average Weekly Wage
- Greater than 120% of Average Weekly Wage



# *Age Matters*

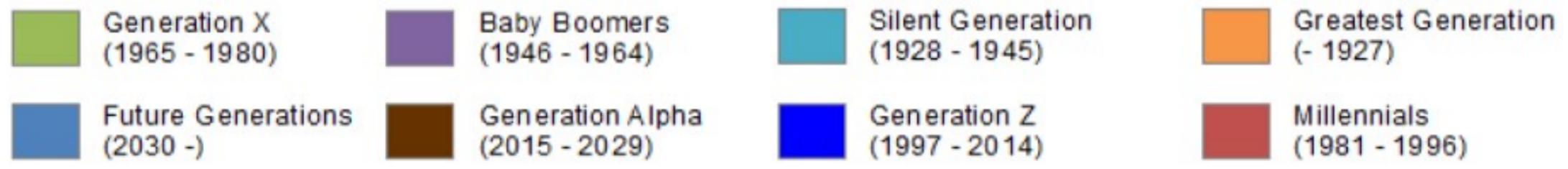
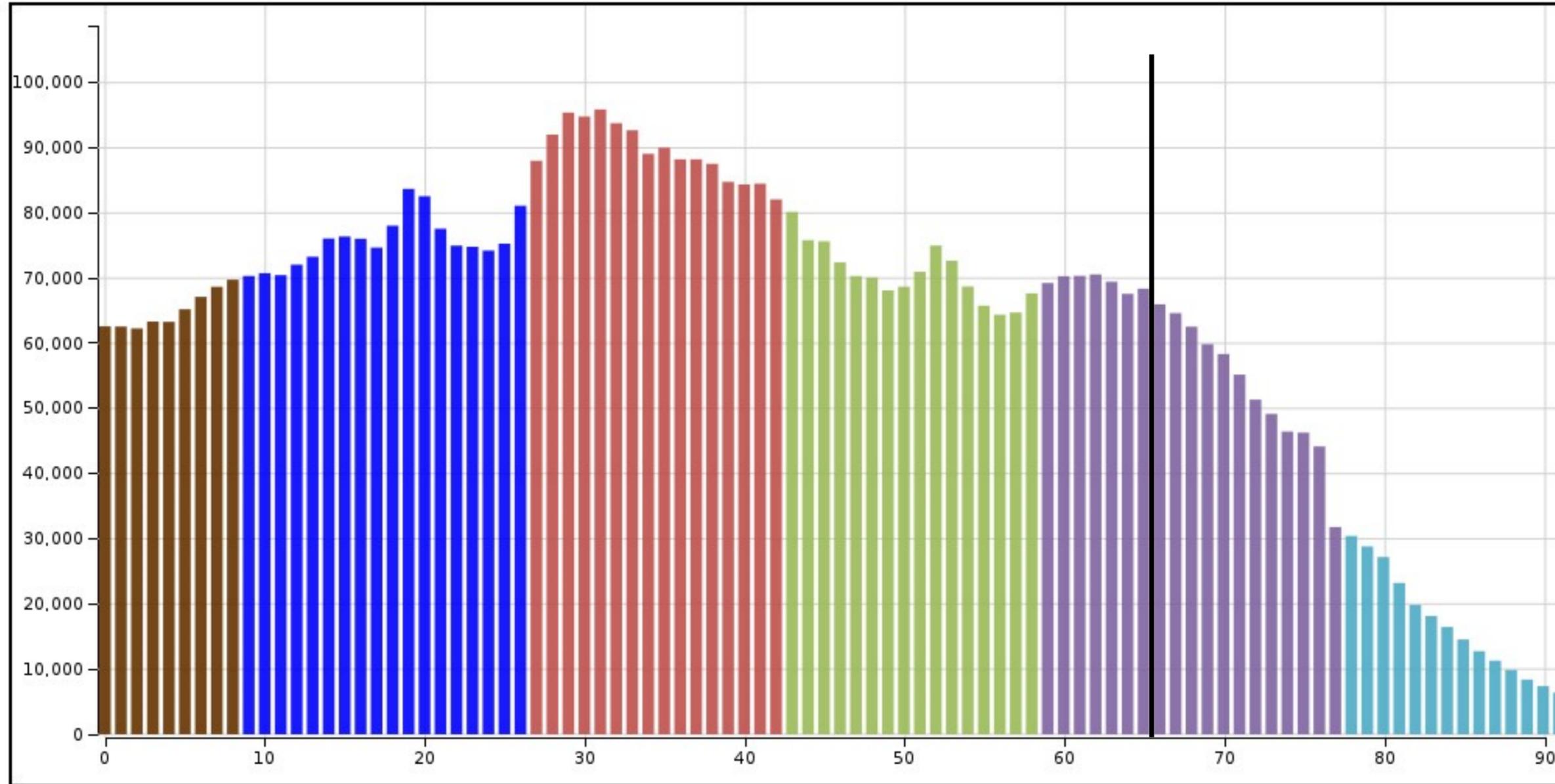
## *Colorado is young but aging*

- Preferences - where people shop and what they buy.
- Labor Force - Age is also driving migration through retirements
- Housing - type, size, mobility
- Income
- Service Demands

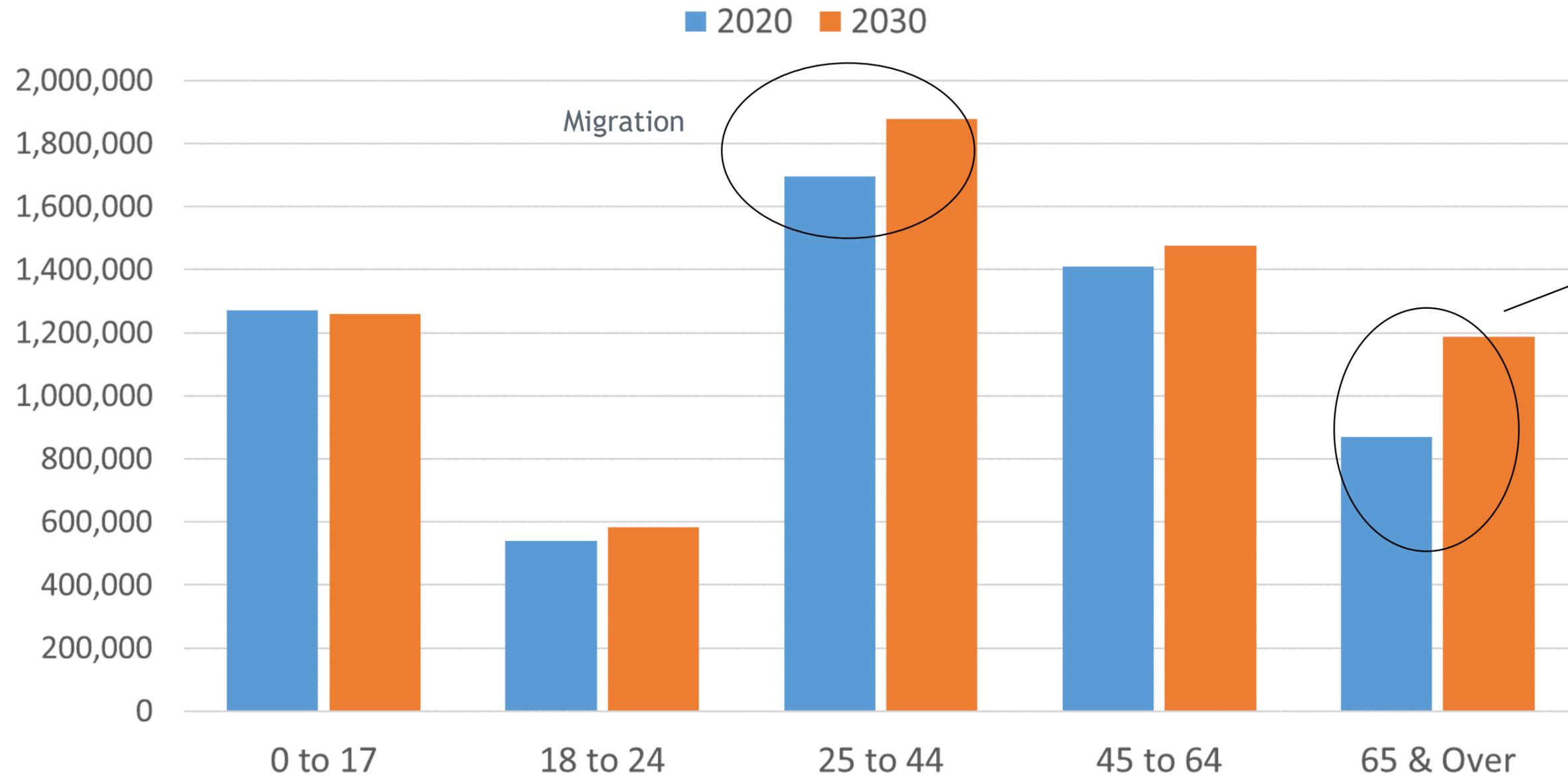


# Colorado

# 2023



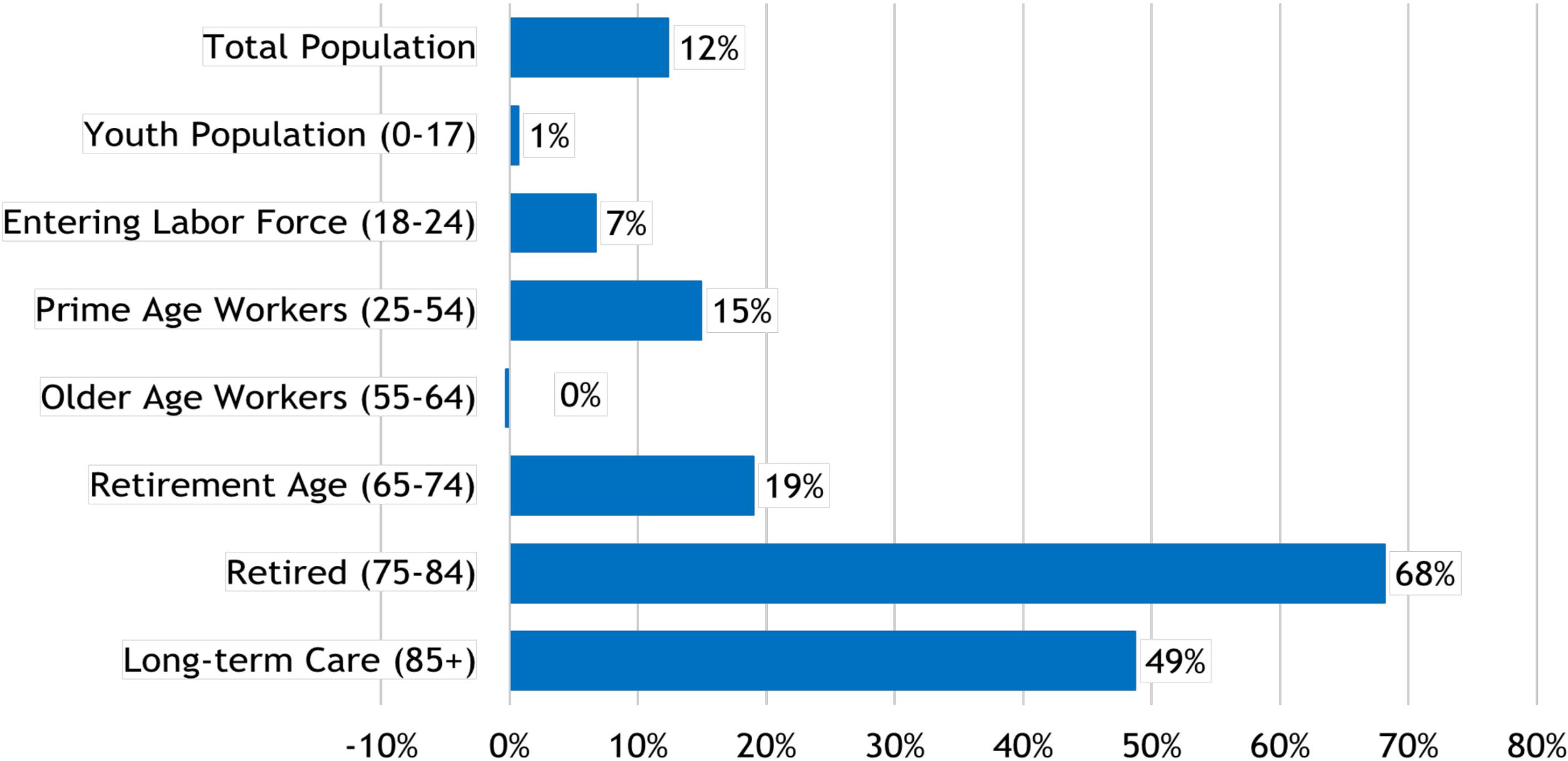
# Colorado Population By Age, 2020 to 2030



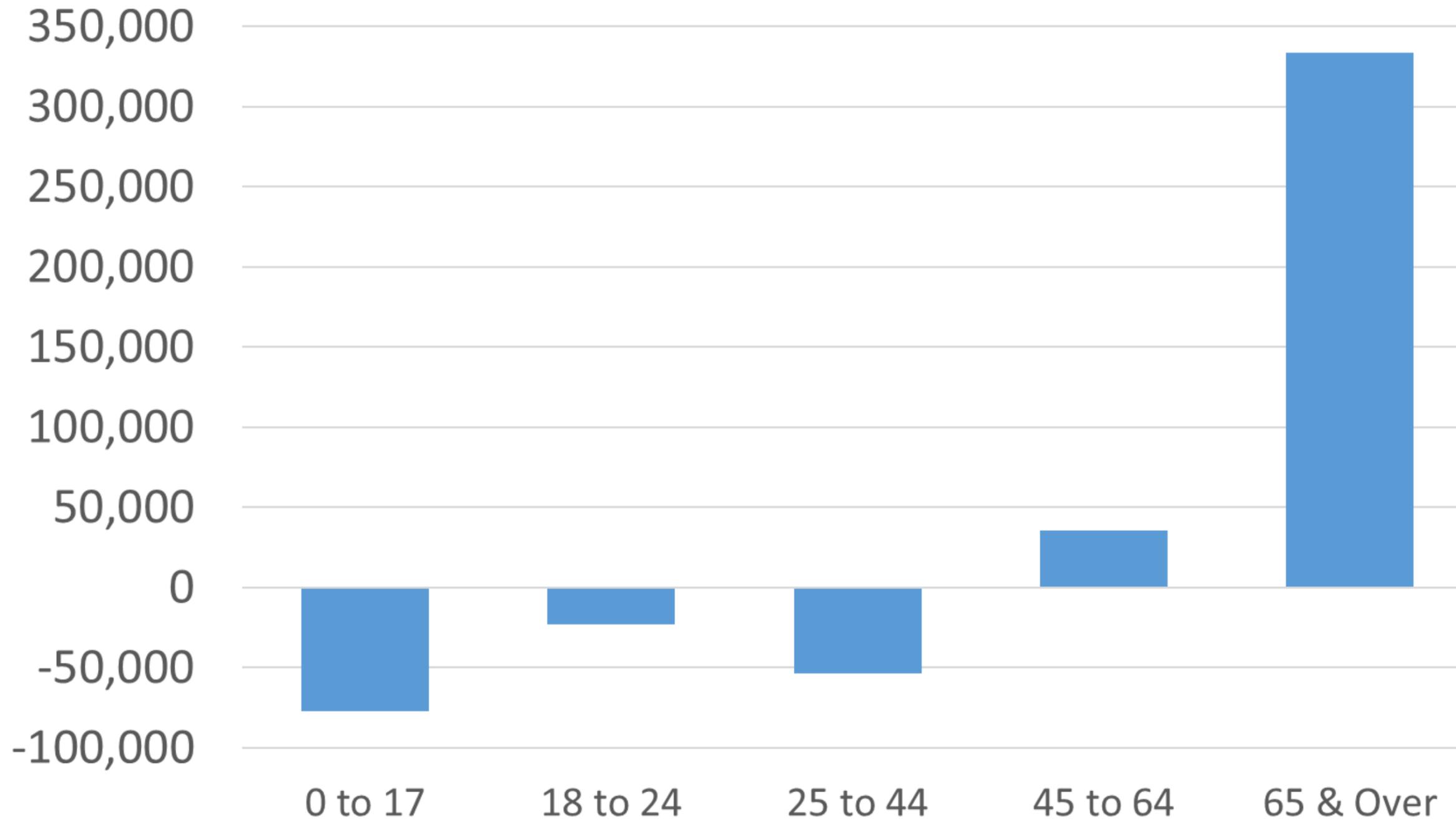
	0 to 17	18 to 24	25 to 44	45 to 64	65 & Over	Total
<b>2020</b>	<b>1,270,519</b>	<b>539,144</b>	<b>1,694,991</b>	<b>1,410,374</b>	<b>869,556</b>	<b>5,784,584</b>
<b>2030</b>	<b>1,260,203</b>	<b>584,329</b>	<b>1,878,133</b>	<b>1,477,443</b>	<b>1,186,435</b>	<b>6,386,542</b>
<b>Change</b>	<b>-10,316</b>	<b>45,185</b>	<b>183,142</b>	<b>67,069</b>	<b>316,879</b>	<b>601,958</b>
<b>Pct Ch</b>	<b>-0.8%</b>	<b>8.4%</b>	<b>10.8%</b>	<b>4.8%</b>	<b>36.4%</b>	<b>10.4%</b>



# Colorado Population Change, 2020-2030

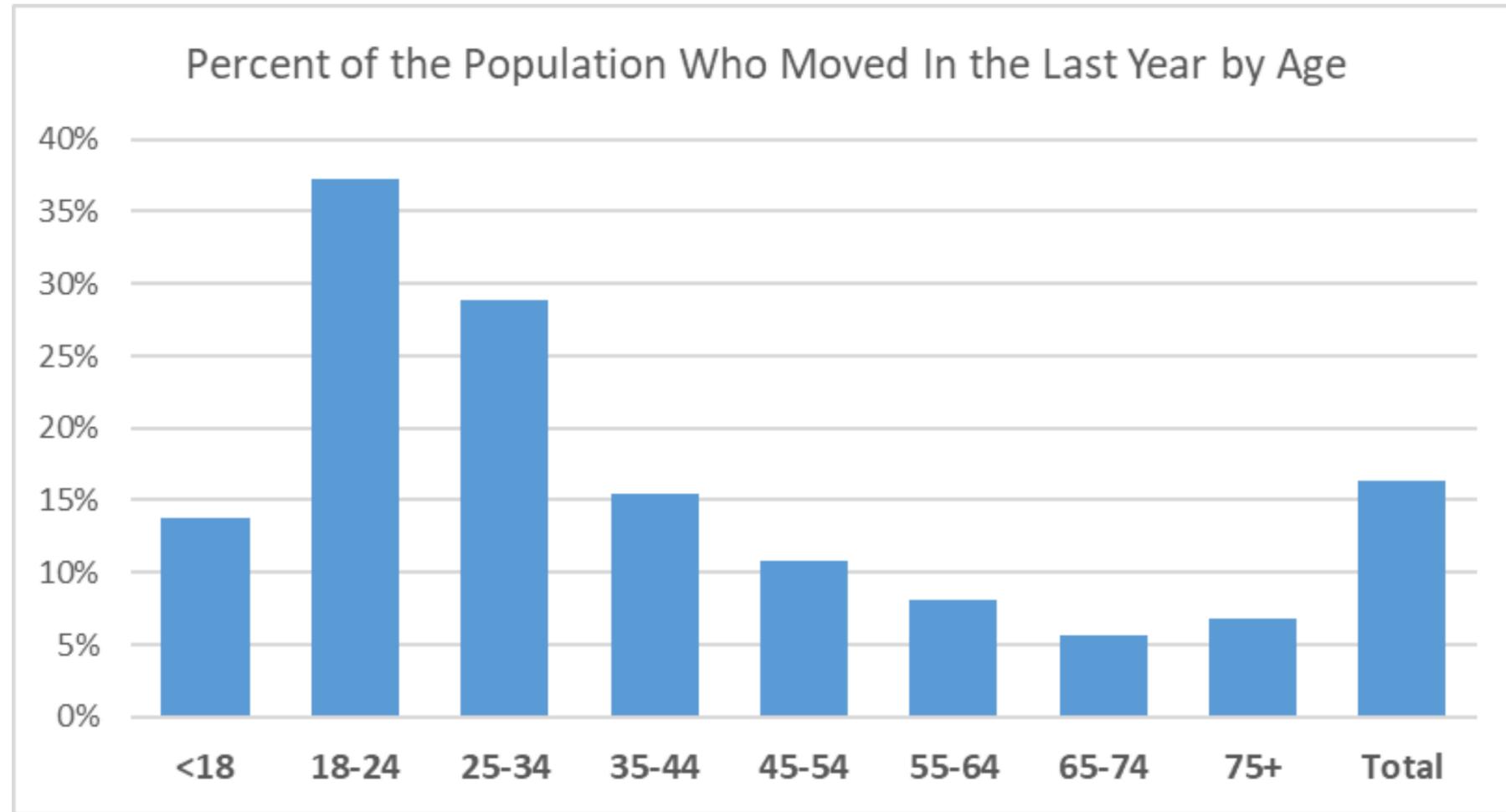


# Colorado Population Change By Age, With Zero Net Migration, 2020-2030



# Age Impacts How Often We Move

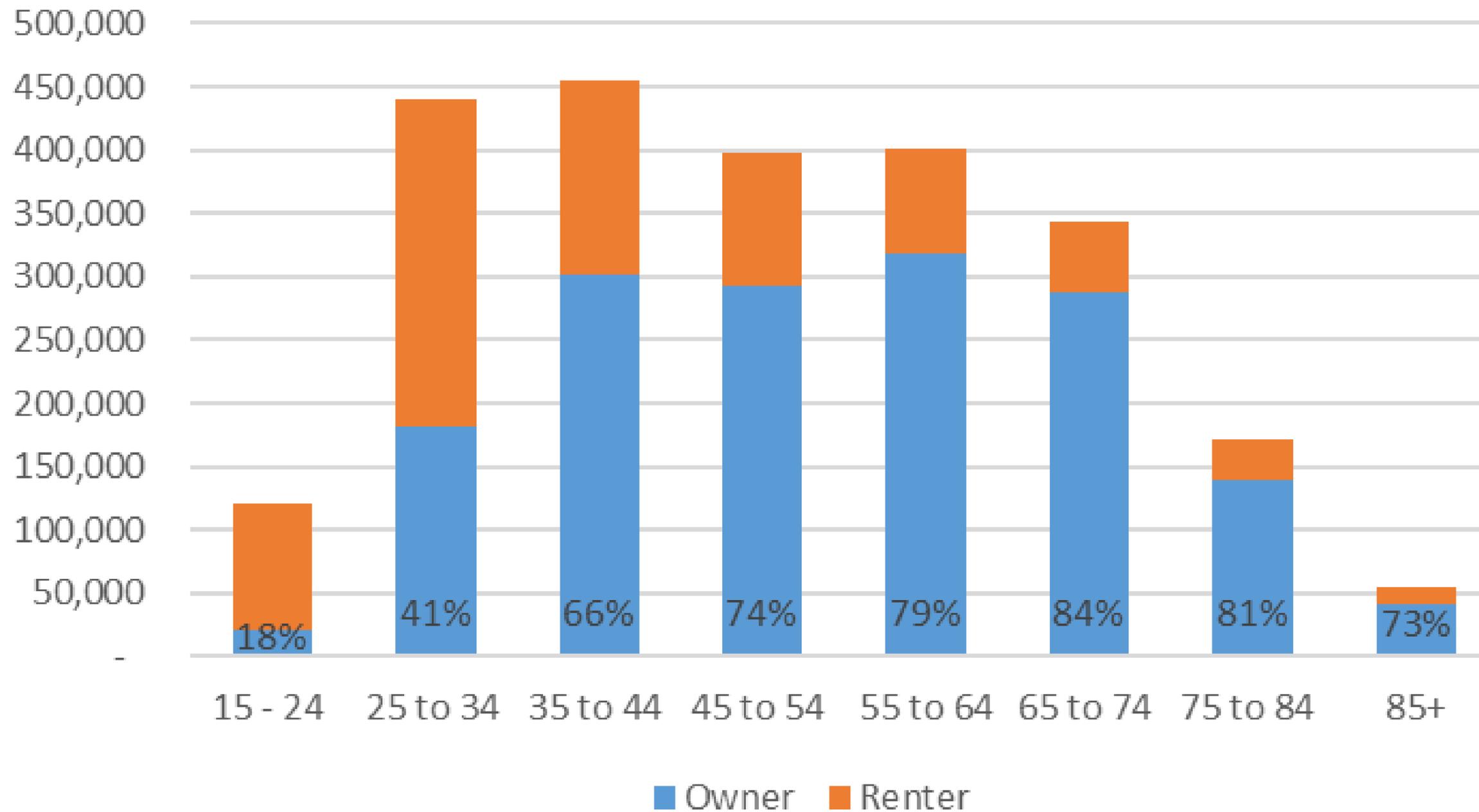
Movers by Age	
	% Movers
<18	14%
18-24	37%
25-34	29%
35-44	15%
45-54	11%
55-64	8%
65-74	6%
75+	7%
Total	16%



- Less frequent moving as we age.
- Slower turnover in housing as we age.
- Some of the tightness in the housing market also due to less churn



## Owners and Renters by Age

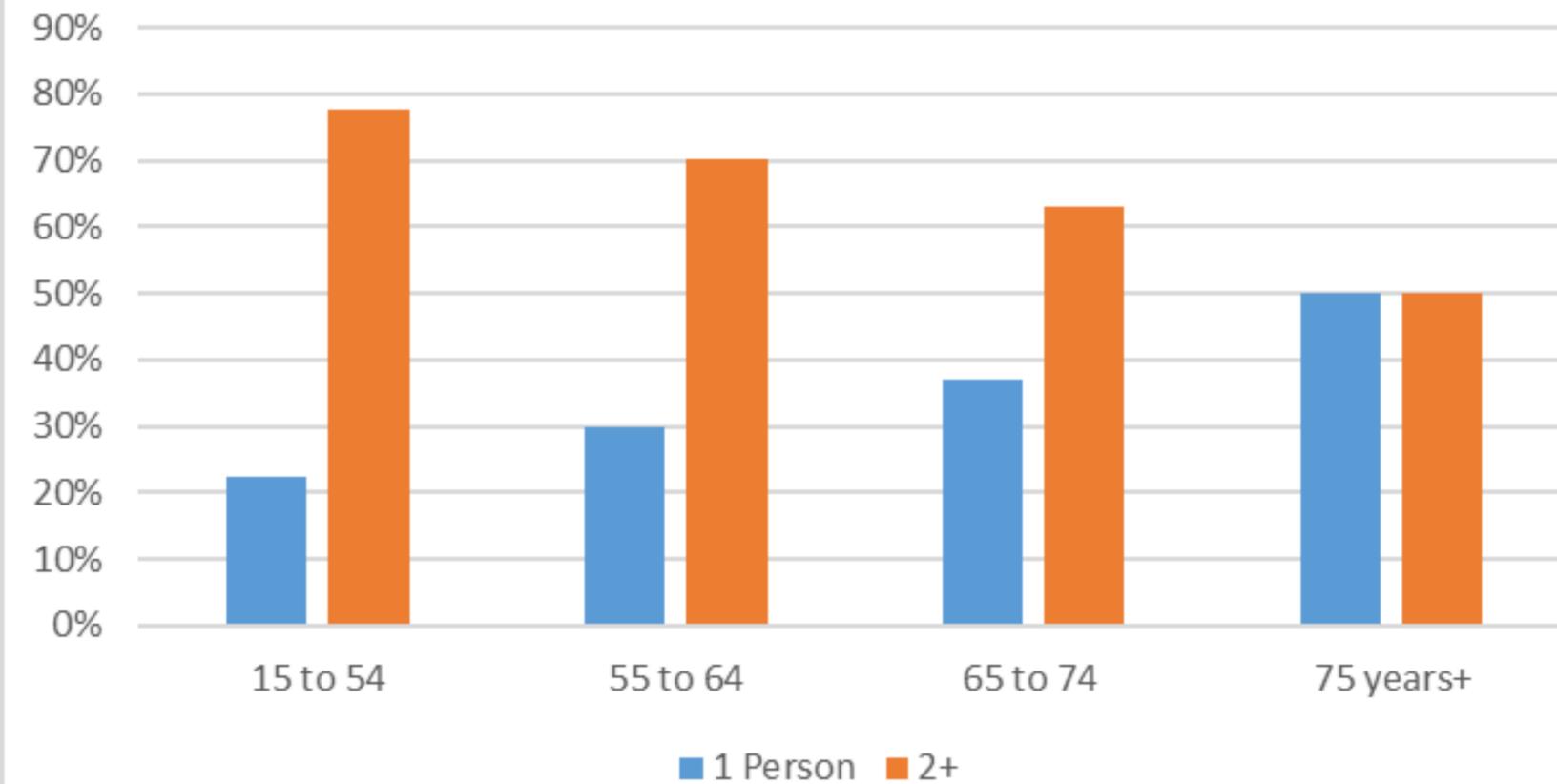


- Larger share of renters are young
- Older adults tend to be owners



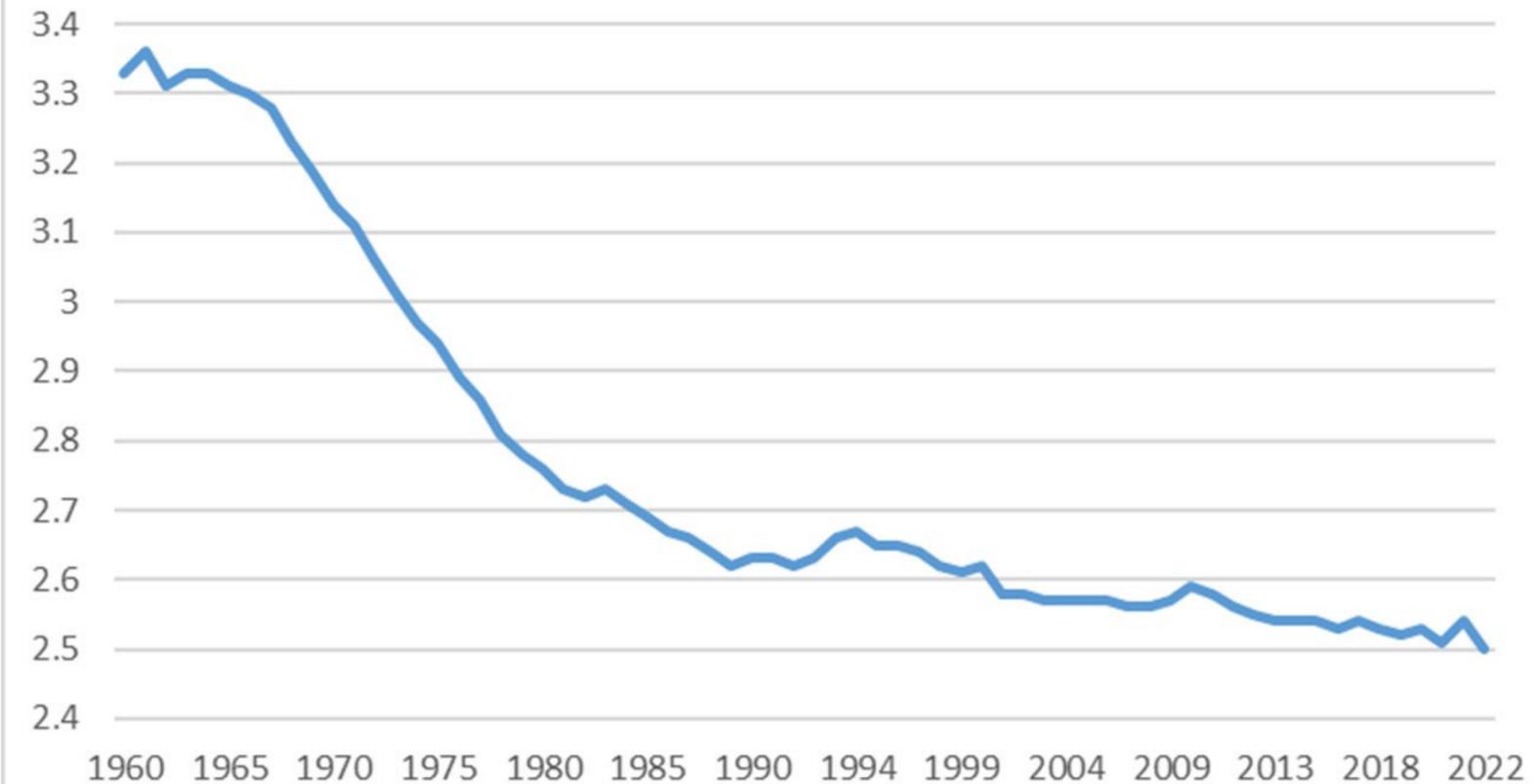
# 28% of all households are 1 person households 42% of households 65+ are 1 person households

### Household Size by Age of Householder



### US Household Size

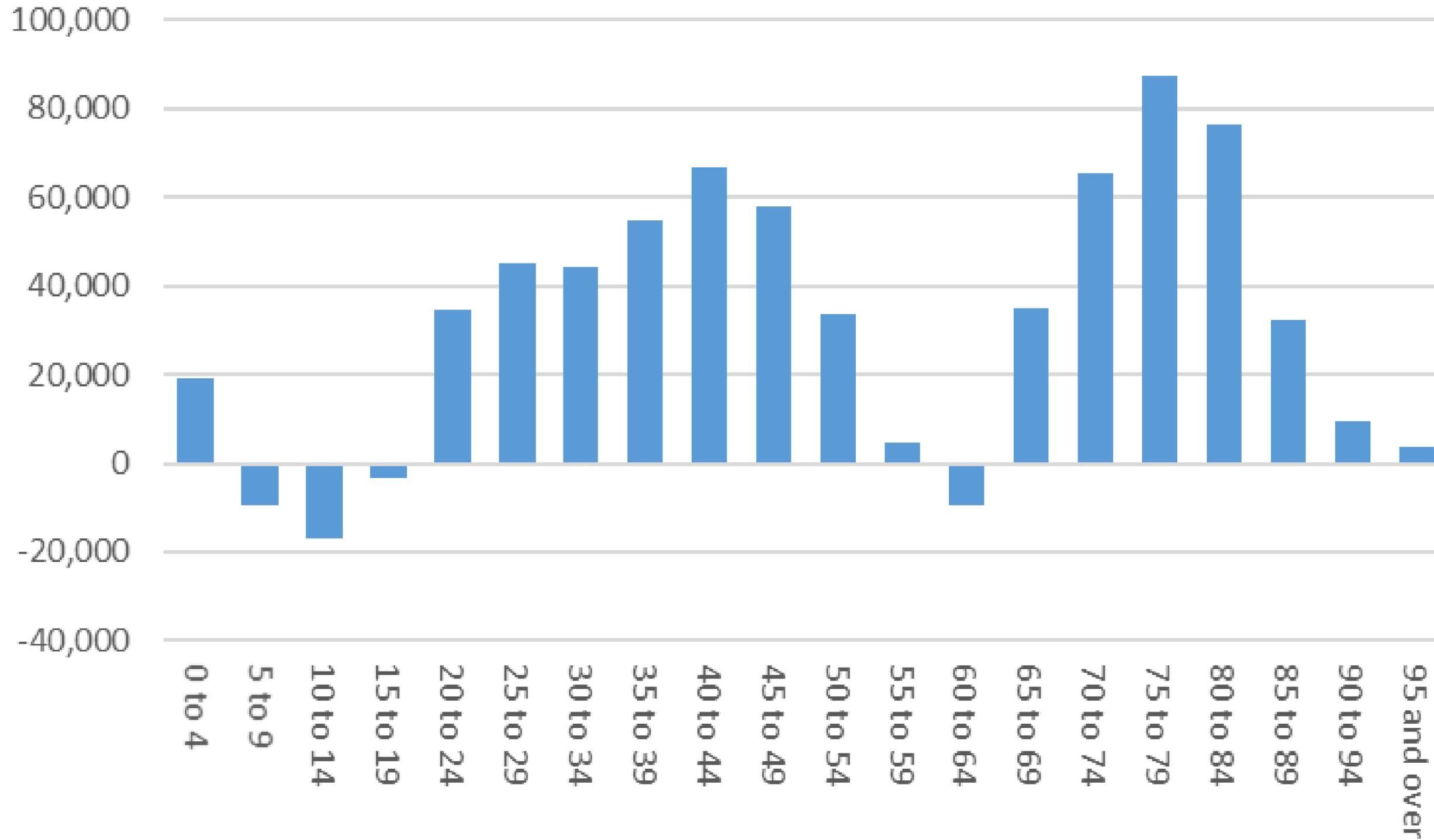
Source: Census Bureau



**With:**  
Declining Birth Rate  
Aging Population  
Preferences



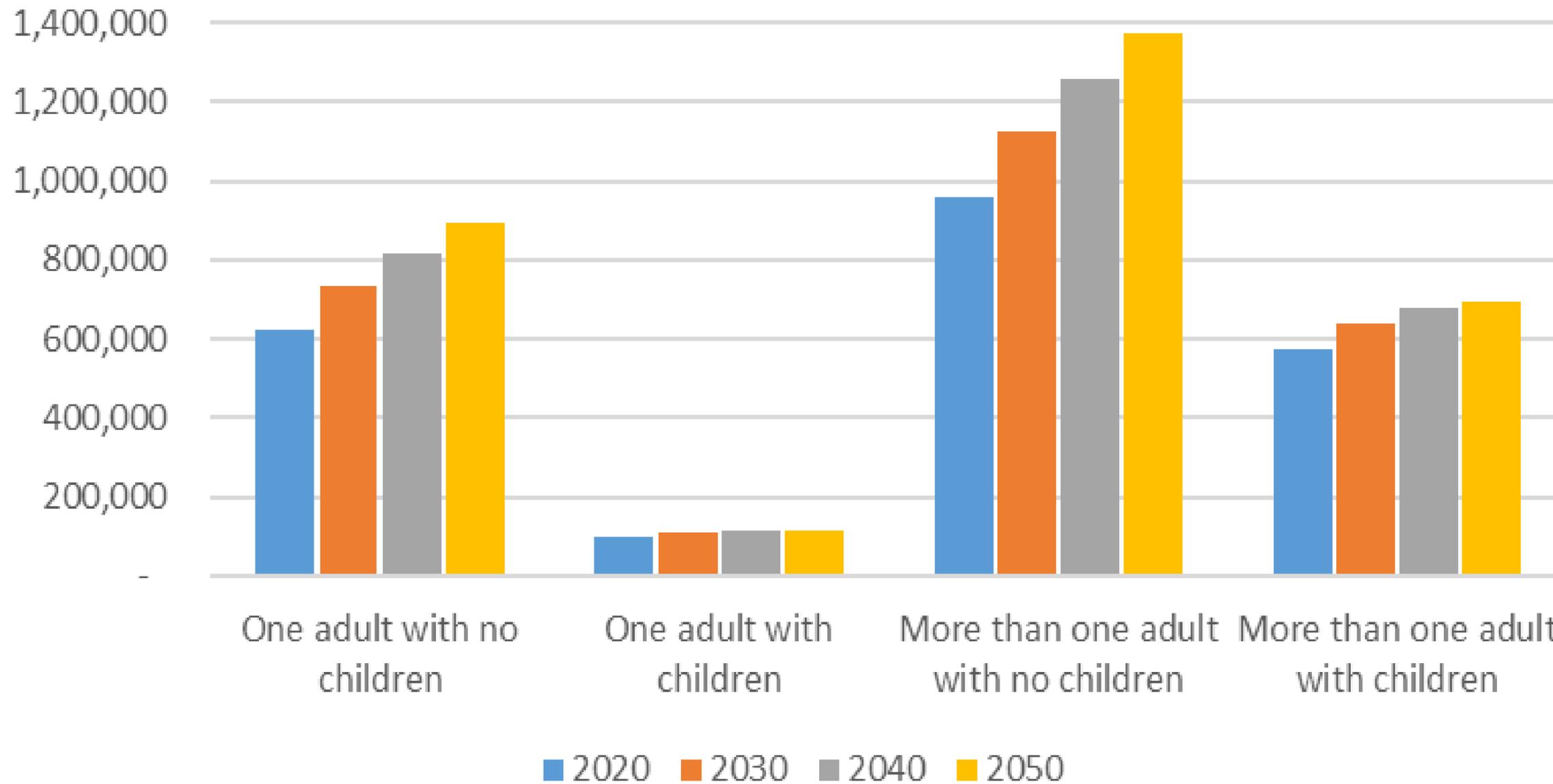
# Colorado Change by Age 2020-2030



- Most growth forecast for 75-84
- Early 80s most common age to move into assisted living
- Late 40s - move-up, and second home buying.
- Slower growth in young adults and late 50s



## Households by Type, 2020 to 2050



- Most growth - More than one adult with no children.
- Followed by - One adult with no children.



# *Implications From Age and Aging*

- Consumer demand
  - Older - fastest growth, services vs. goods
  - Younger - more diverse
- Labor force
  - Faster growth in retirees, slower growth in new entrants
  - Young entrants more diverse
  - Migration to attract new workers
- Housing -
  - Household size, mobility, ownership - vary by age
  - Retirees aging in place and demand from new workers.
  - Millennials aging into prime and second home ownership
  - Gen Z - aging into renters and first time home buying

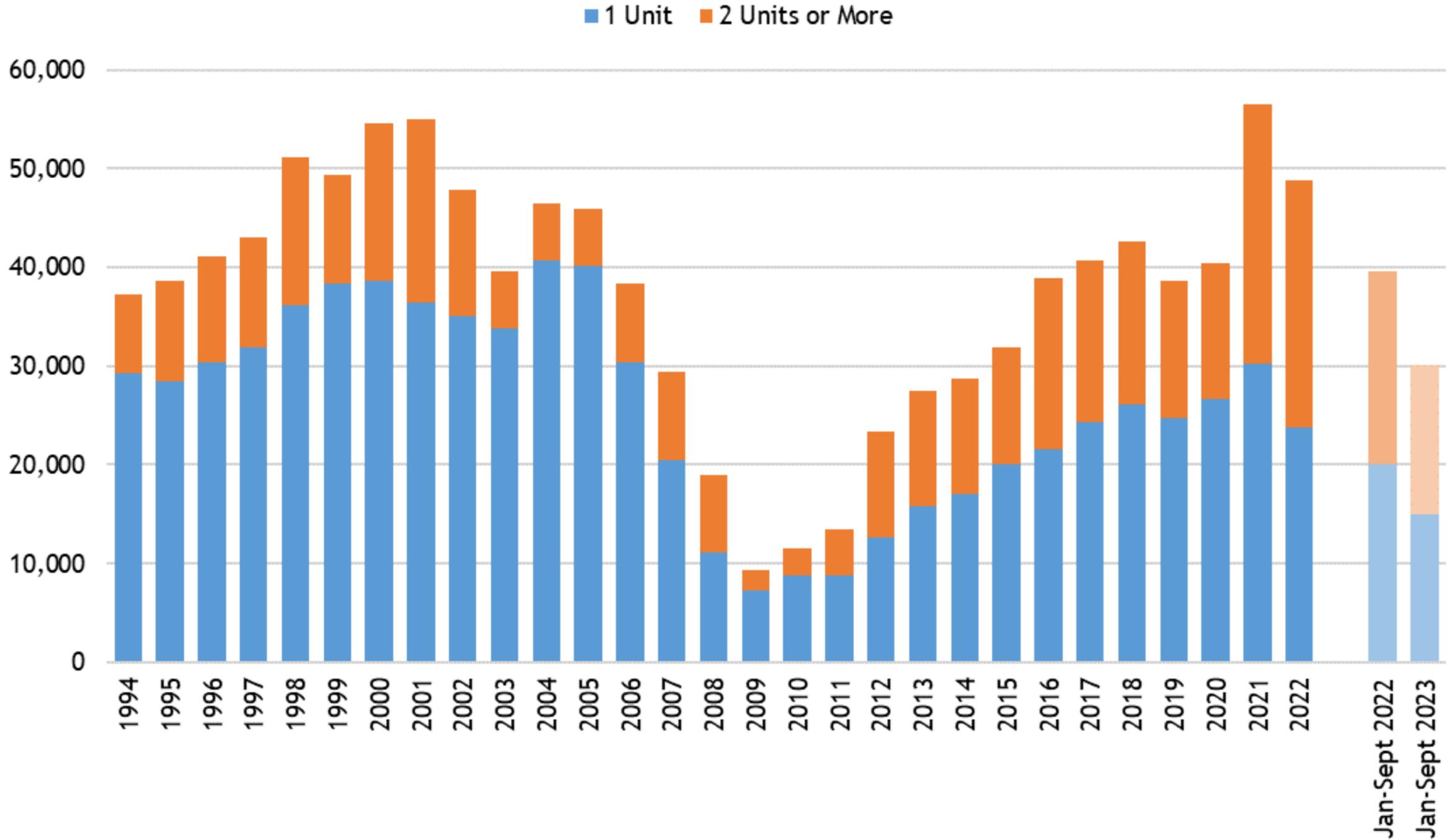


# *Housing and Households Factors*

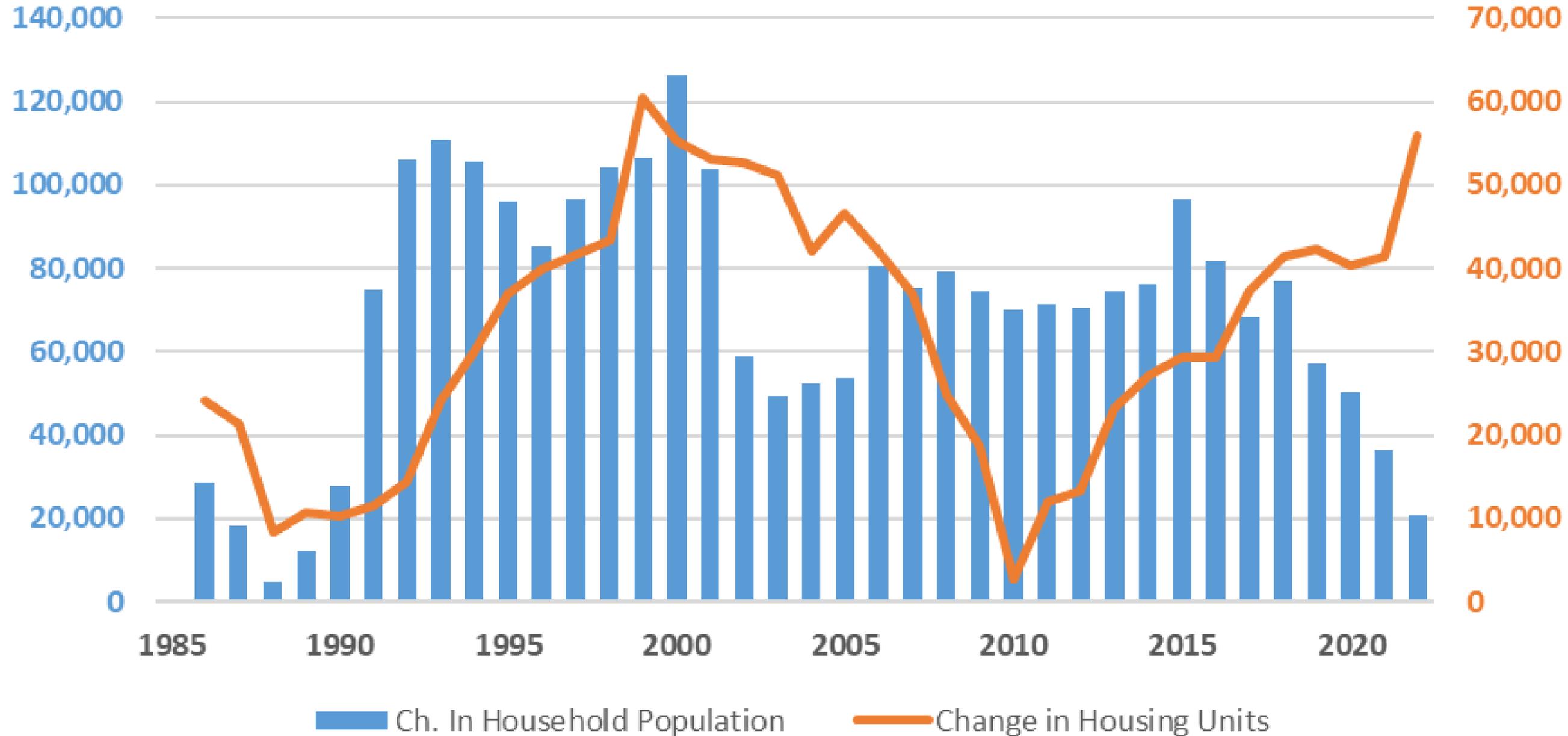
- Population forms households who live in housing units
- Job growth drives migration - who are people/households, who live in housing units
- Age
  - Retirements
  - Behavior
  - Slowing growth at young ages
- Home construction collapse during Great Recession



# Annual Building Permits above 40K since 2018, record levels in 2021, and even with higher interest rates, 2023 should come in around 40K



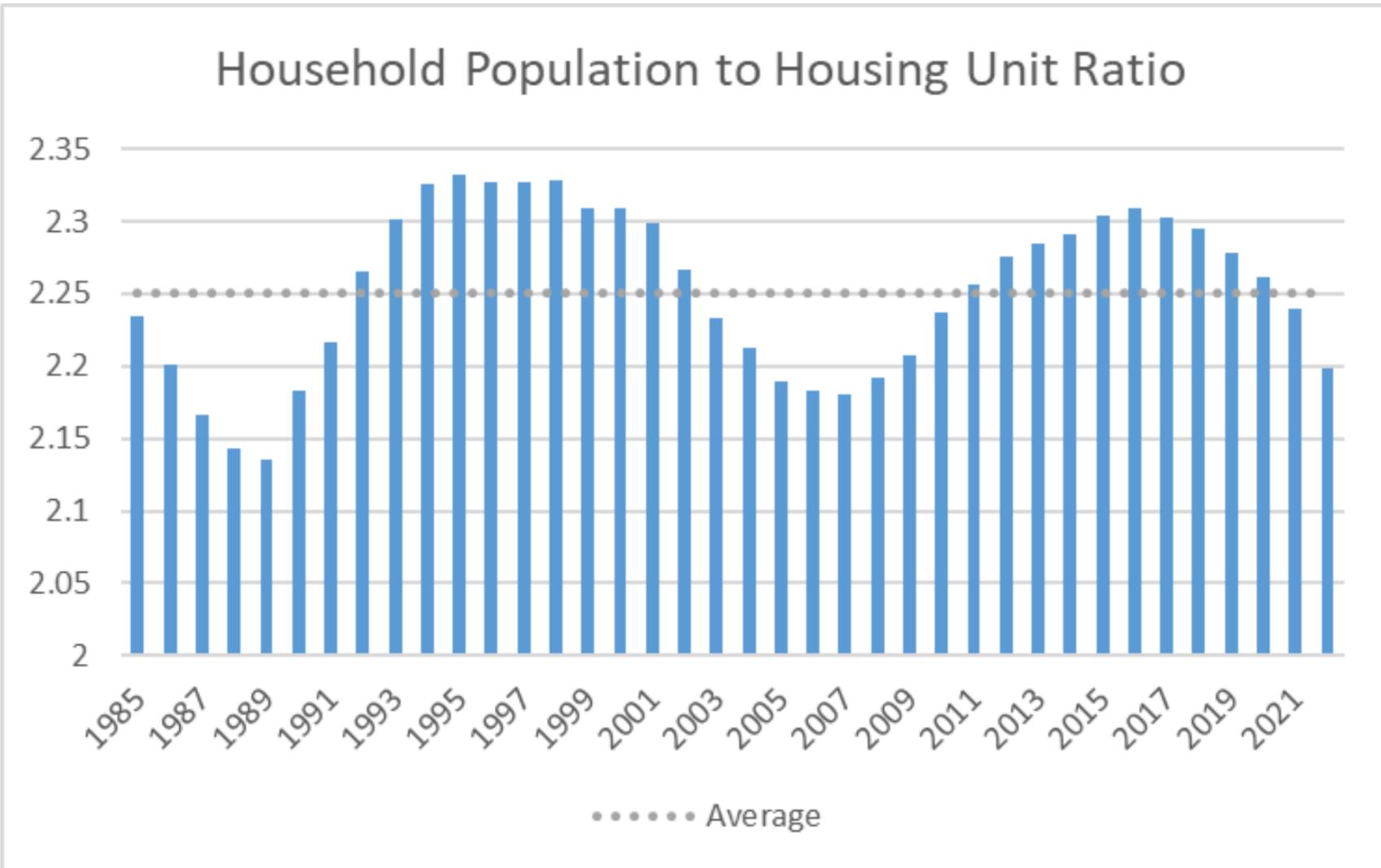
# Change in Household Population and Housing Units



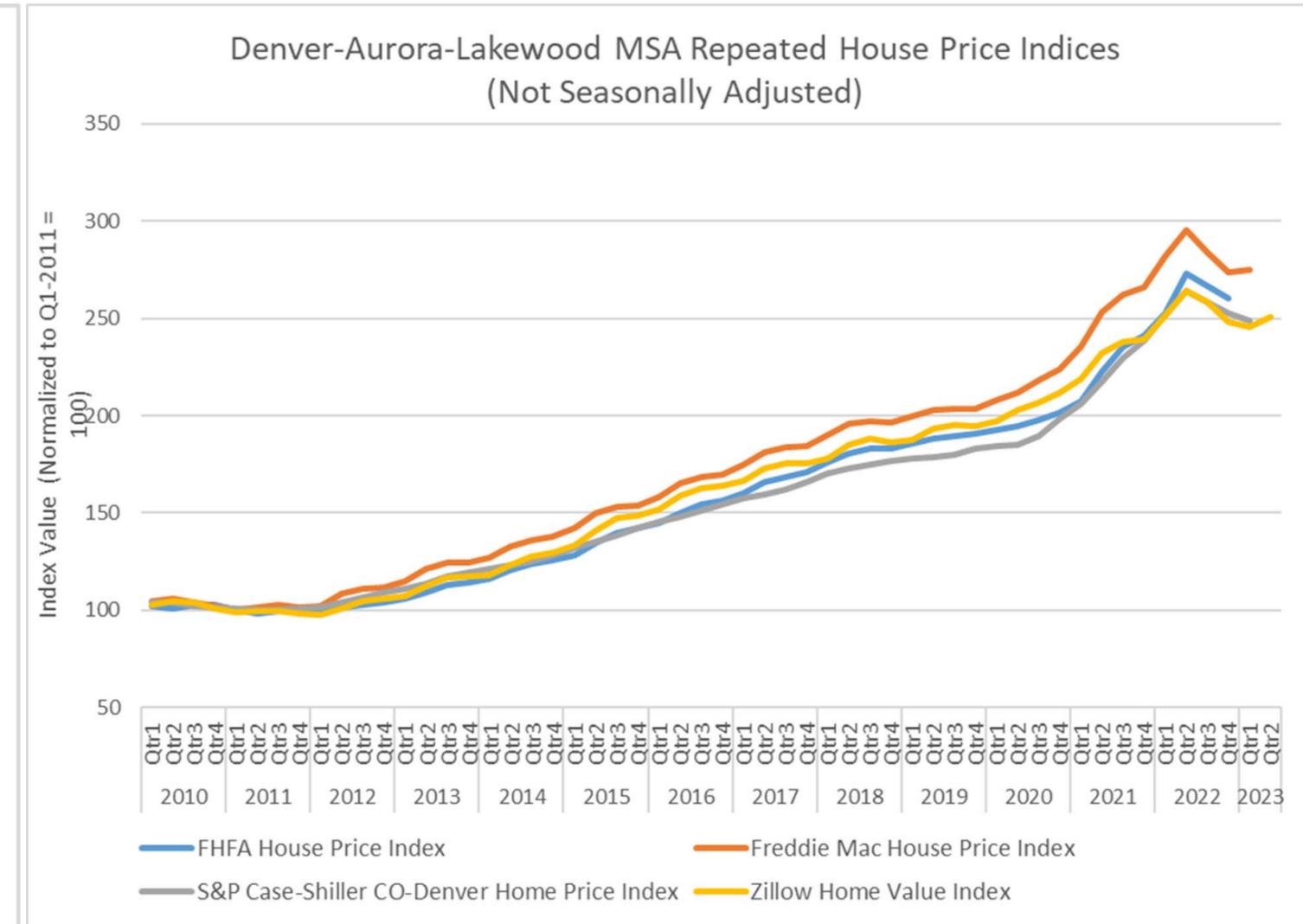
- Population growth did not slow down during Great Recession but housing construction did.
- Since 2018 housing construction has been greater than population growth, making up ground on the housing deficit.
- High mortgage rates, slowing new housing starts.
- Options?



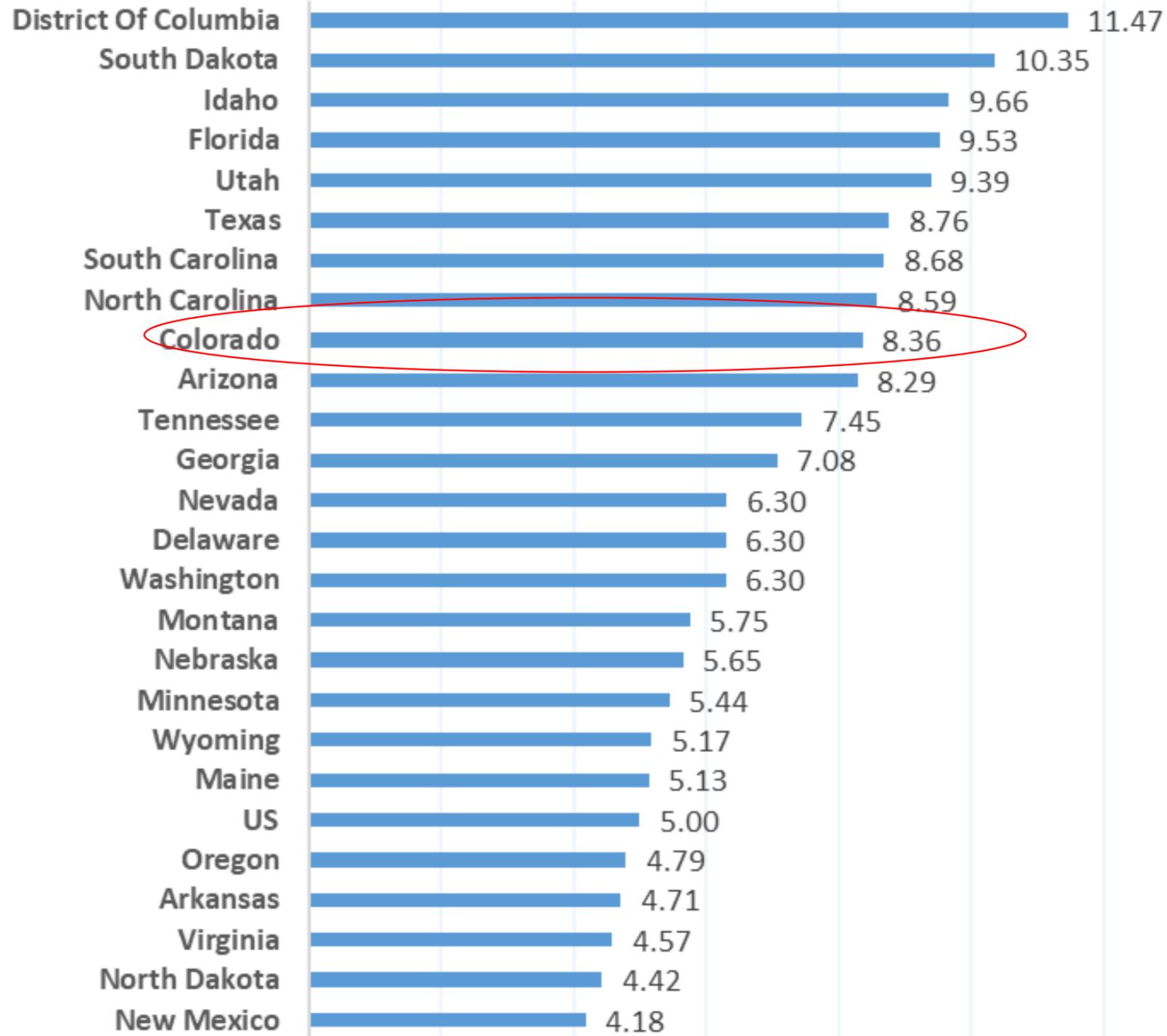
# Monitoring Conditions



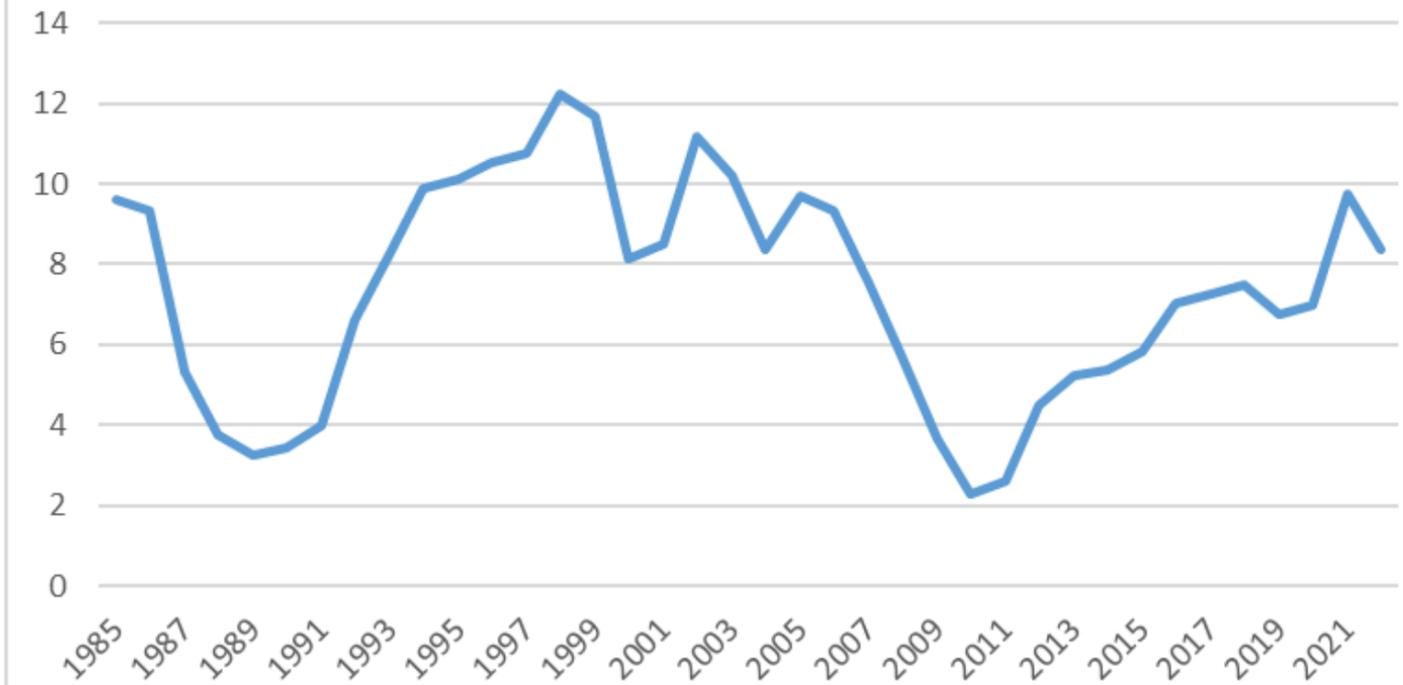
Looks at the ratio of Demand vs. Supply



## Building Permits Per 1,000 Population



## Building Permits per 1,000 Population in Colorado



# *Households and Housing Is Complicated*

## Demand

- Occupied HU = Households
  - Jobs = New + Retirements + Remote
  - Migration and births
  - Age - growth different by age groups
    - HH size, mobility, tenure, income
    - Worker/Non-Worker
    - Preferences
    - Aging plan
  - Interest Rates - External
- Vacant/ Non-primary Residence
  - Seasonal, Second Home, VRBO, Investor
  - Other - remodel, hold, probate, storage

## Supply

- Boom and Bust Cycle
- Financing dried up in Great Recession
- Slow industry to start and stop
- Water
- Public will
- Interest rates
- Is it possible to keep building when macro factors create constraints?

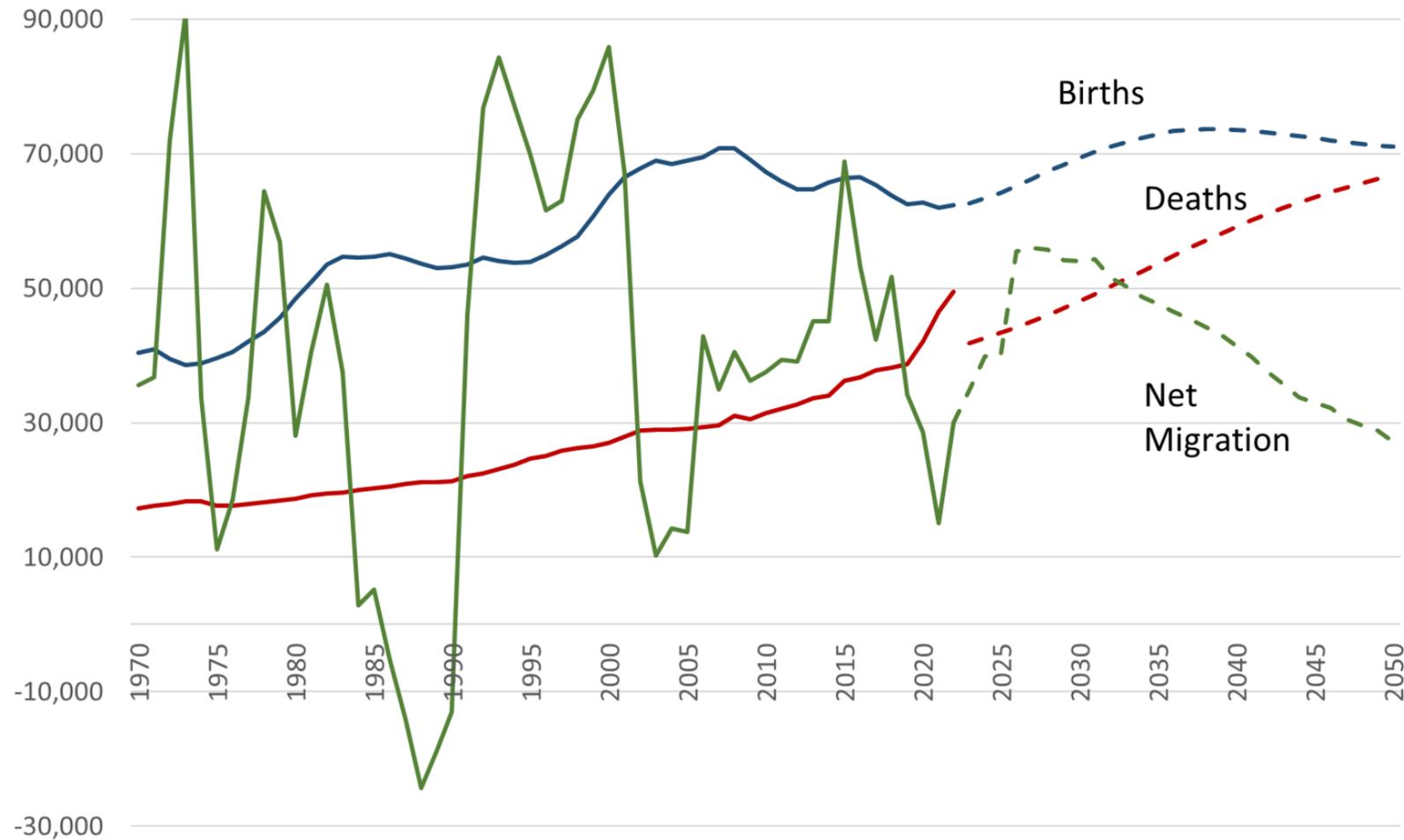


# *Summary and Considerations*

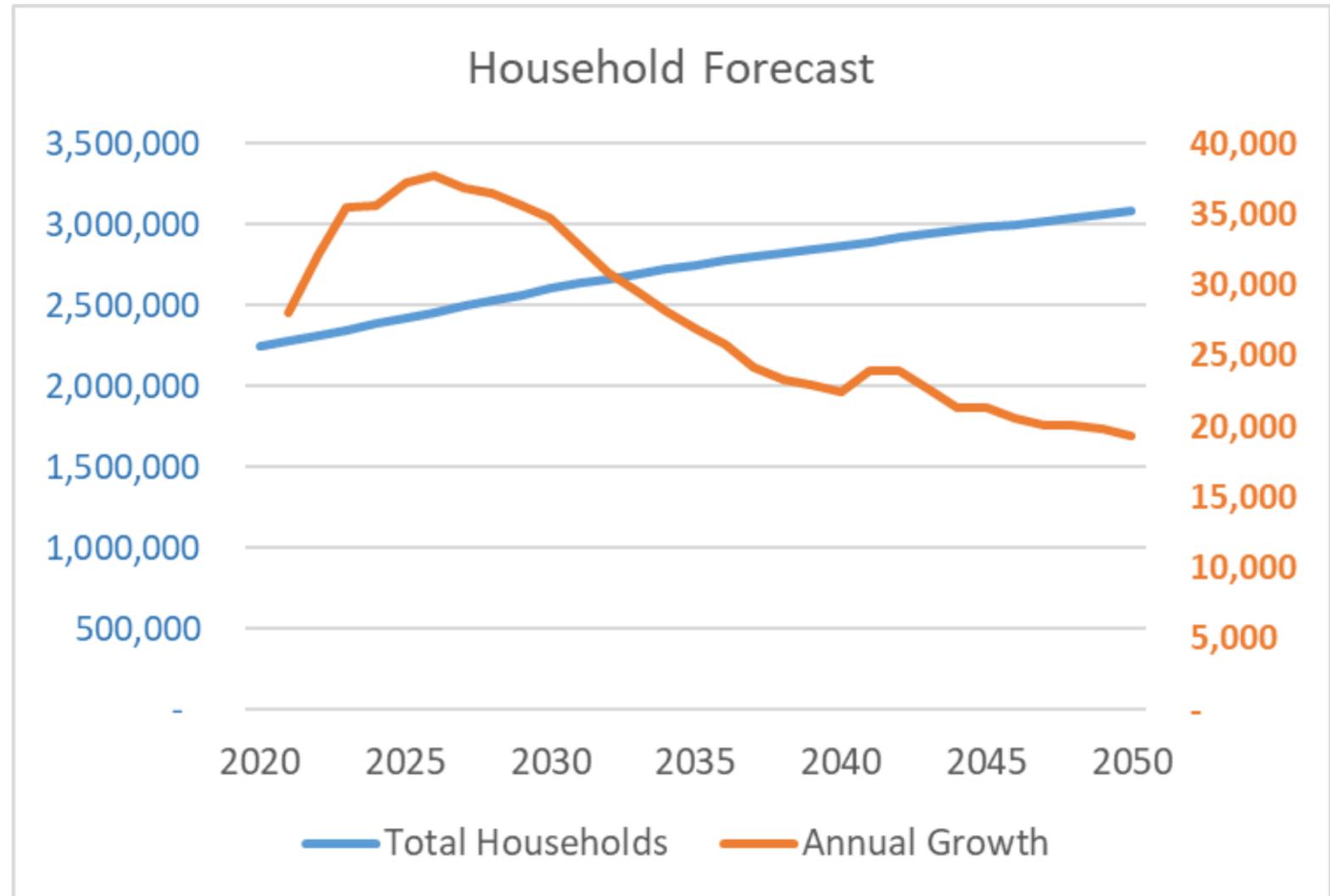
- US population growth is slowing
- Births have slowed, deaths increase
- Migration/Mobility slowing - Tight labor force, Competition to attract and retain workers
- Job growth drives migration - will they come?
  - New Jobs + Retirements + Remote workers
- Aging -
  - 400K expected to retire this decade
  - Drives economy - health care, leisure and hospitality
  - Move less and smaller household size - competition for housing



Colorado Births, Deaths and Net Migration, 1970 to 2050



Household Forecast



- **Forecasts are revised annually**
- Population forecast highly connected to employment forecast and replacement of retirees.
- People who move to the state tend to be in their 20s. When/if they move here, a share will have children, increasing the number of births in the state.
- Long run, jobs and population are forecast to continue to grow but at a lower level or slowing rate.





Thank you

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