

El Paso County Economic & Workforce Progress Report (EPR)

Highlights - July 2025

The volatility in recent economic data was front and center this past week with the first release of **Gross Domestic Product, or GDP {Page 3}**, which came in stronger than many anticipated. U.S. GDP grew at an annualized rate of 3.0% in Q2 of 2025, or 2.0% if you compare to Q2 of last year. This rebound follows a contraction (-0.5%) in Q1, which was attributable to front-loaded trade activity as businesses tried to get ahead of tariffs. While this positive growth is encouraging, details are always important when assessing the overall health of the economy.

One such layer is **Consumer Sentiment {Page 3}**, which inched up one point in July to 61.8 (from 60.7 in June). These levels are far below pre-pandemic averages and 16% below December 2024's index. As I mentioned in a recent [segment](#), the lackluster confidence is now seeping into spending patterns with personal consumption expenditures well below 2024 levels. What consumers say and what they do has been quite divergent in the past few years since the pandemic rebound, but the lower personal consumption expenditures have now shown up for two consecutive quarters.

On the labor front, the U.S. **Unemployment Rate {Page 3}** ticked up from 4.0% in May to 4.4% in June, and the broader U-6 unemployment rate—which includes discouraged and underemployed workers—rose even more significantly, from 7.4% to 8.1%. This is important because people who are working part-time but would prefer full-time and those who want to work but have stopped looking in the past four weeks because they are discouraged are often a harbinger for weakness in the labor market writ large. I will say, however, that a U-6 rate of 8.1% is not historically high – I am just watching the increase in that rate. By contrast, **Colorado and El Paso County Unemployment Rates {Page 3}** held steady at 4.5% in both May and June, suggesting more stability in our state and local labor markets.

National **Job Openings {Page 3}** fell 3.6% from May to June 2025, a sign that demand for workers may be softening slightly, though year-over-year openings were still up 0.3%. As I discussed last month, I remain concerned about entry-level and lower-skill jobs. These positions are often the first to be cut or automated.

Inflation {Page 3} data continues to be a moving target. The Consumer Price Index (CPI) rose 0.3% from May to June on a seasonally adjusted basis—an uptick from the 0.1% increase the previous month. Core CPI, which excludes food and energy, also increased by 0.2%, compared to a flat 0.1% in May. Year-over-year, headline CPI was up 2.7% in June, accelerating from 2.4% in May. Core CPI was up 2.9% year-over-year, after holding steady at 2.8% from March through May. I have more [specifics in a segment I did when that inflation data was released](#) earlier this month. These data points suggest price pressures are no longer subsiding as they were earlier in the year and add a layer of complexity to the Federal Reserve's decision-making.

And speaking of the Fed—despite the stronger GDP figures and lingering inflation, the central bank held the federal funds rate steady at 4.33% in its July meeting. The prime rate has been stable at 7.50% since January, and 30-year mortgage rates also stayed flat at 6.82% between May and June. That said, the new GDP data puts increased pressure on the Fed to consider a rate cut in September. President Trump has publicly called on Chair Jerome Powell to cut rates or resign, raising alarms over political interference in what is supposed to be an independent institution. When I was in grad school, I didn't fully grasp the dangers of a politicized central bank, but having studied the consequences in developing countries, I now see how damaging it can be when monetary policy is dictated by electoral cycles rather than economic fundamentals. Buyers of U.S. Treasuries know this, and that is why the bond market reacts negatively to any hints of a central bank that is not autonomous.

Locally, the **Colorado Springs Job Market {Page 4}** showed some reshuffling in June. Maintenance and repair workers (median salary ~\$50,000) and medical and health services managers (~\$80,000) returned to the list of the top 10 occupations with the most job openings. Dropping off the list were janitors and cleaners and computer systems analysts. Overall job postings and the number of unemployed stayed relatively steady while the ratio of unemployed people to job openings inched up to 0.99 from 0.97 last month. That's essentially one person for every available job, which sounds ideal, but remember not every unemployed person has the skills that are in high demand.

In the housing market, **Home Sales {Page 6}** in the Pikes Peak region ticked up slightly—from 1,166 in May to 1,197 in June. On the construction side, the number of single-family **Permits {Page 6}** dropped from 288 in May to 253 in June, and multi-family

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permits fell significantly—from 388 units in May to just 54 in June. While these permits can fluctuate greatly month to month, there is an overall decline in multi-family permitting, which is problematic in terms of the ongoing need for affordable rental housing in our region. But on that front, there is some great local news specifically regarding senior affordable housing. Greccio Housing, in partnership with the Center for Strategic Ministry and Woodmen Valley Chapel, broke ground in July on “Sunrise at Shiloh Mesa,” a 50-unit affordable housing development for low-income seniors in northeast Colorado Springs. Built on land donated by the Center and supported by church volunteers, this \$18 million project is slated to open next summer and will include transportation services. Funded through federal and state low-income housing tax credits, it’s Greccio’s second senior housing initiative located on church property, and one of several recent developments aimed at expanding affordable housing, including faith-based partnerships like the Village (with 77 units) at Solid Rock. DDES did a study a couple of years ago (thanks to David Lord) on Aging in Place. If anyone has interest in this topic, please contact me, and we’d be happy to share that final report.

Commercial Real Estate {Page 6} trends for 2025 Q2 were mixed, depending on the segment. Office vacancy rates rose from 10.7% in Q1 to 11.1% in Q2, with rents increasing slightly from \$25.25 to \$25.35 per square foot. Medical office space saw some improvement, with vacancies dropping from 9.8% to 9.6% and rents dipping marginally. Retail held steady at a 5.2% vacancy rate, with rents rising to \$17.92. Industrial space saw a significant jump in vacancies—from 3.7% to 5.2%—though rents still rose from \$10.38 to \$10.69 per square foot. Class A/B market is showing resilience according to Colorado Springs Commercial, a member of the Cushman & Wakefield Alliance. Their report notes that quality space is still in short supply and expects leasing rates to continue rising in the absence of new speculative development.

On the revenue side, local **Sales and Use Tax {Page 7}** collections were down 1.4% in June compared to the prior year but rose 3.2% from May to June, suggesting modest momentum in local consumer activity. **Enplanements {Page 7}** at the Colorado Springs Airport rose 0.4% year-over-year in June and were up 4.4% from May. The graph shows the marked enplanement growth at the airport overall compared to pre-pandemic levels with activity now steady at that higher rate.

Vehicle registrations, however, tell a different story. **New Vehicle Registrations in El Paso County {Page 7}** dropped 9.2% year-over-year in June, and luxury vehicle registrations were down 11.4%. We didn’t have a chance to address this in last month’s report, but it’s worth flagging as a possible (local and national) indicator of consumer caution. For comparison, national vehicle sales were up 2.2% in June compared to the previous year. There have been sizable revisions to this data in the past, so these numbers may be revised most likely upwards based on past revisions.

On a more positive note, **Tourism {Page 7}** in El Paso County saw continued growth in 2024, with \$2.3 billion in spending—up 2.9% from 2023. **Direct Tourism Employment {Page 7}** rose slightly to 18,400 workers, and tax receipts climbed to \$148.4 million, up 2.8%. Nationwide, there is an expected \$12.5 billion reduction in tourism expected for this year mostly due to fewer international travelers, but I am thinking we may do better locally based on year-to-date **Hotel Occupancy and RevPAR {Page 7}** statistics.

Finally, we now have updated **Military Employment {Page 4}** data for 2024 showing our local military comprises 16.1% of our total employment, which is a bit less than previous years.

To close, I’ll circle back to my starting comment that we have more gyrations than usual in the economic data. This is not surprising to me given the attempts to restructure some of the foundational aspects of our economy, like trade agreements, central bank autonomy, federal agencies and their workforce, to name a few. As such, I am dissecting the data more so than usual. We do have many updates in coming weeks, and I will share any patterns I begin to see.

Tatiana & Rebecca

If you wish to unsubscribe from this monthly report, please email rwilder@ddestrategies.org. If you’d like to know more about supporting our economic reporting and workforce development initiatives, please contact gglassford@ddestrategies.org.

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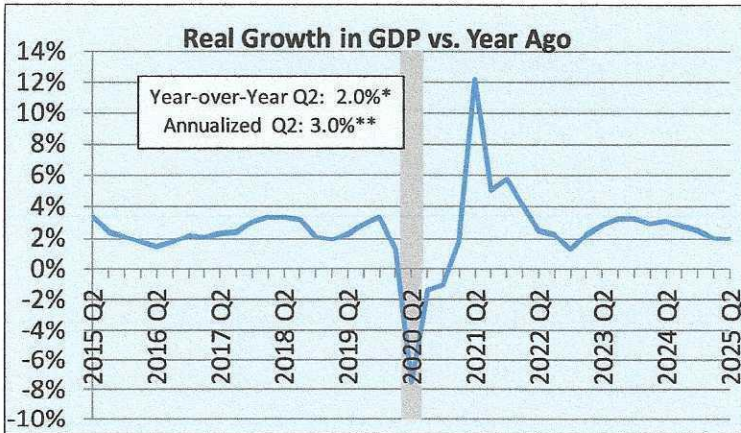
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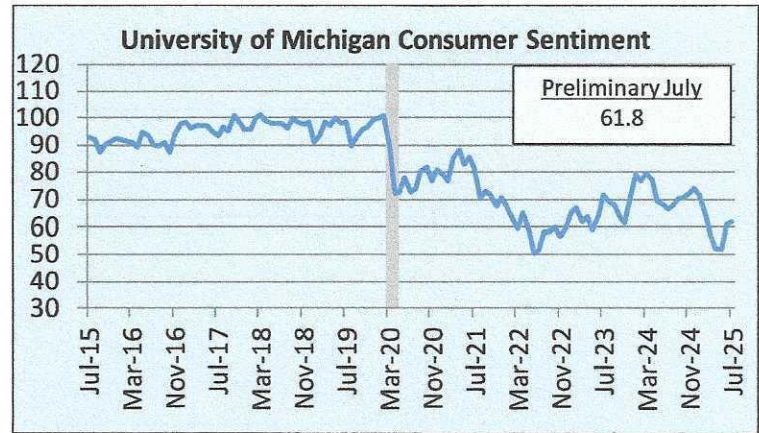
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MACROECONOMIC "BIG PICTURE" (PAGE 3)



*Estimate of real GDP percent change from same quarter a year ago, SA
**If quarterly changes were annualized over the year.

Source: U.S. Bureau of Economic Analysis



Source: University of Michigan

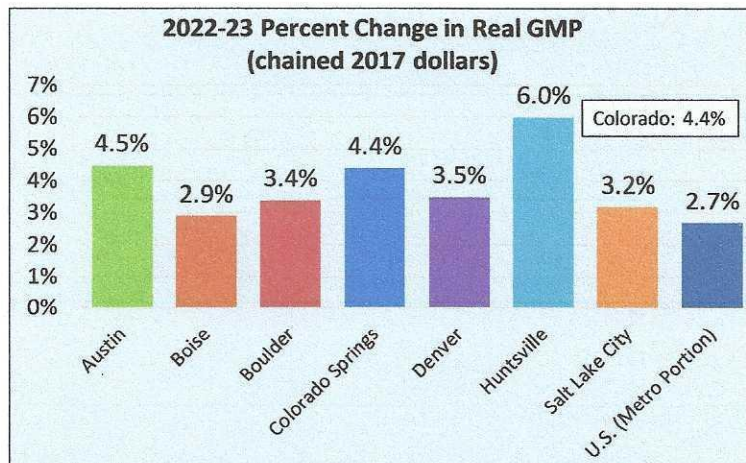
Forecasts for U.S. Real GDP and Unemployment (SA)				
	2023 Actual	2024 Actual	2025 Forecast	2026 Forecast
Real GDP Growth	2.9%	2.8%	1.0%	0.8%
Unemployment Rate	3.6%	4.0%	4.3%	4.3%

Forecasts by Data-Driven Economic Strategies with input from the Conference Board, Wells Fargo, Colorado Department of Labor & Employment, and other anecdotal resources.

Sources: U.S. Bureau of Economic Analysis; U.S. Bureau of Labor Statistics



Source: U.S. Bureau of Labor Statistics; Job openings data lags.



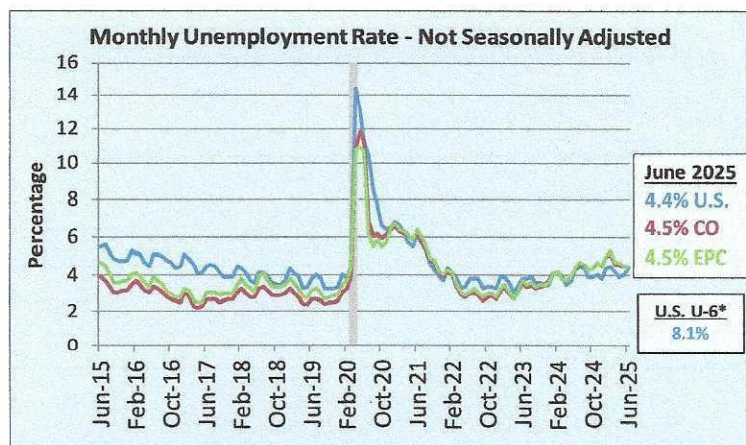
Note: Data includes military. Real GMP is adjusted for regional price parity (RPP). This regional data lags ~23 months.

Source: U.S. Bureau of Economic Analysis

U.S. Consumer Price Index - June 2025		
	All items	Less food & energy
Change from May to June 2025 (SA)	0.3%	0.2%
Last 12-months (NSA)	2.7%	2.9%

The 2025 Q1 cost of living in the **Colorado Springs MSA** was **102.6%** of the U.S. according to C2ER data provided by the CS Chamber & EDC.

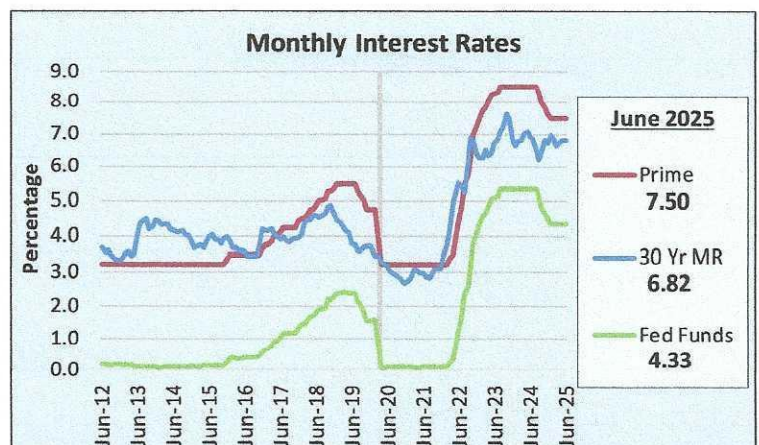
Source: U.S. Bureau of Labor Statistics; all urban consumers (CPI-U)



Note: Data in the graph is NSA to enable comparisons with counties.

*U-6 includes unemployed, those marginally attached to the labor force, plus those employed part time who would prefer full-time work.

Sources: U.S. Bureau of Labor Statistics; CO Dept. of Labor & Employment



Source: Board of Governors of the Federal Reserve System

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LOCAL LABOR MARKET (PAGE 4)

Top Job Openings, Colorado Springs MSA June 2025

Top Job Titles	# of Job Postings	Median Advertised Salary
Registered Nurses (L)	628	\$89,856
Retail Salespersons (M)	552	\$35,456
Computer Sys Engineers/Architects (L)	415	\$132,608
Software Developers (L)	382	\$132,864
Heavy & Tractor-Trailer Truck Drivers (H)	345	\$61,312
1st-Line Supervisors, Retail Sales (L)	300	\$52,480
Customer Service Reps (M)	276	\$41,600
Maintenance & Repair Workers (H)	218	\$49,920
Network & Computer Sys Admins (L)	204	\$109,824
Medical & Health Services Managers (L)	199	\$80,128

Colorado Springs MSA, June 2025

TOTAL Job Openings: 18,270

TOTAL Unemployed: 18,123

Workers Available per Job Opening: 0.99

Risk of Automation: L = Low; M = Medium; H = High
Sources: The Conference Board®-Lightcast® Help Wanted OnLine® via Pikes Peak Workforce Center; CO Dept. of Labor & Employment

2023 Federal Poverty Level (FPL)

	El Paso County	U.S.
% people at FPL or below	7.0%	12.5%

Note: FPL in 2023 was \$14,580 for an individual and \$30,000 for a family of four.

2024 Average Annual Wages for All Industries

**El Paso County wages are
10.7% lower than U.S. wages
and 15.9% lower than CO wages.**

U.S.	Colorado	El Paso County
\$75,608	\$80,288	\$67,548
2024 El Paso County Total Employment*		309,474
*Estimated military employment in 2024 (and % of total 2024 EPC who are military).		59,183 (16.1%)

2024-25 Minimum Wage & Living Wage El Paso County

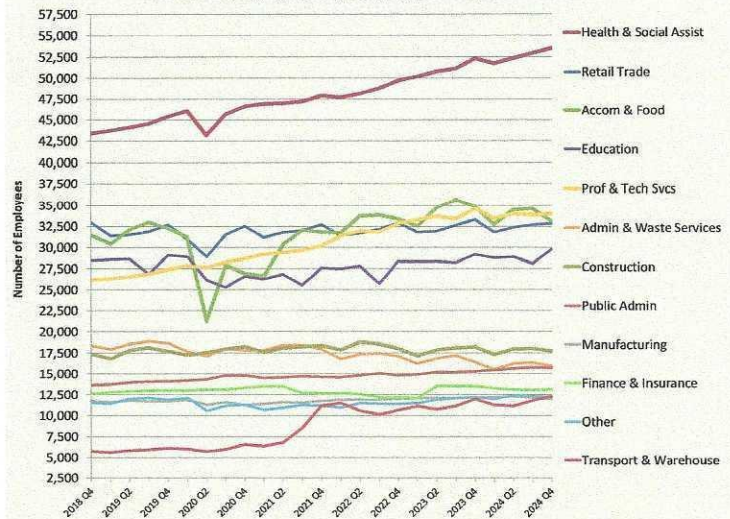
	Wage/Hr	Annualized
Minimum wage salary for full-time worker	\$14.81	\$30,805
Living wage: HHs with 1 adult, 2 children	\$58.48	\$121,638
Living wage: HHs with 2 adults (1 working), 2 children	\$44.31	\$92,165
Living wage: HHs with 2 adults* (2 working), 2 children	\$31.61	\$65,749

*Living wage is for each working adult. For specifics, go to livingwage.mit.edu.

*QCEW data does not include military-related employees.

Sources: U.S. Bureau of Labor Statistics and Colorado Department of Labor and Employment, QCEW; Local military installations; U.S. Census Bureau, American Community Survey 1-year estimates; U.S. Department of Health & Human Services; MIT Living Wage Calculator

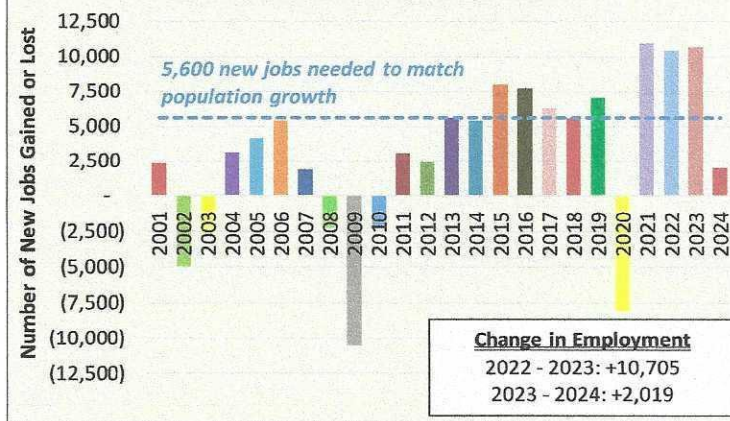
El Paso County Quarterly Employees in Top 12 Sectors



Top Growing Industries from 2018 Q4 to 2024 Q4

Transport & Warehouse: +112.4%
Prof & Tech Services: +29.8%
Health & Social Assist: +23.3%
Public Administration: +15.0%
Other Services: +6.0%

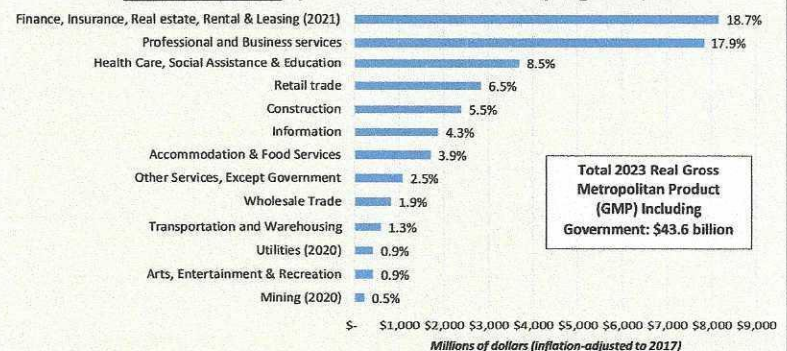
El Paso County Annual Job Changes



An estimated 5,600 new jobs are needed based upon population growth and age composition. This QCEW data lags up to three quarters and includes public and private employment, but not military-related employees.

Source: Colorado Dept. of Labor & Employment, Quarterly Census of Employment and Wages (QCEW)

Real GMP Contribution by Private Sectors, Colorado Springs MSA, 2023



Manufacturing data last disclosed in 2012 when it was 7.1% of real GMP. Government data is no longer released by sector for 2016 when federal military was 12.7%, state & local government was 8.2% and federal civilian government was 5.3% of real GMP. Utilities and Mining data last disclosed in 2020. Finance, insurance, real estate & leasing was last disclosed in 2021. GMP (local) data lags by approximately 23 months. GMP is the same as GDP for the nation but at the local level.

Source: U.S. Bureau of Economic Analysis

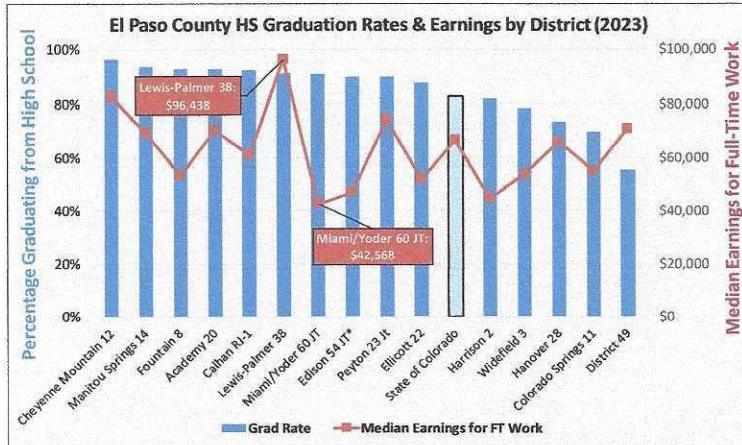
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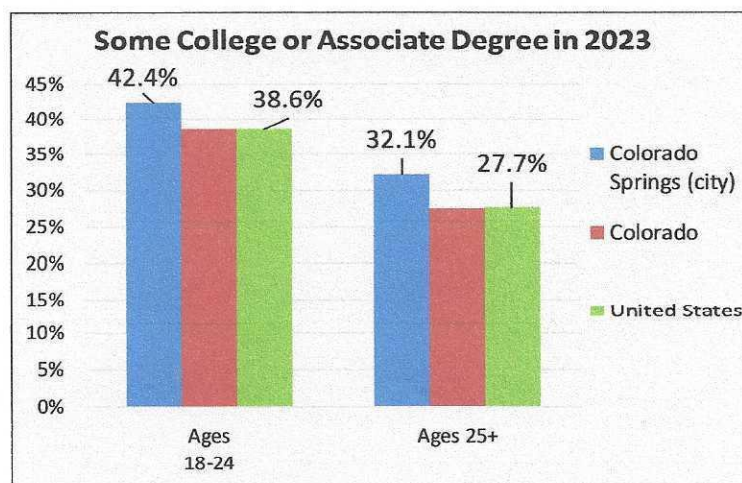
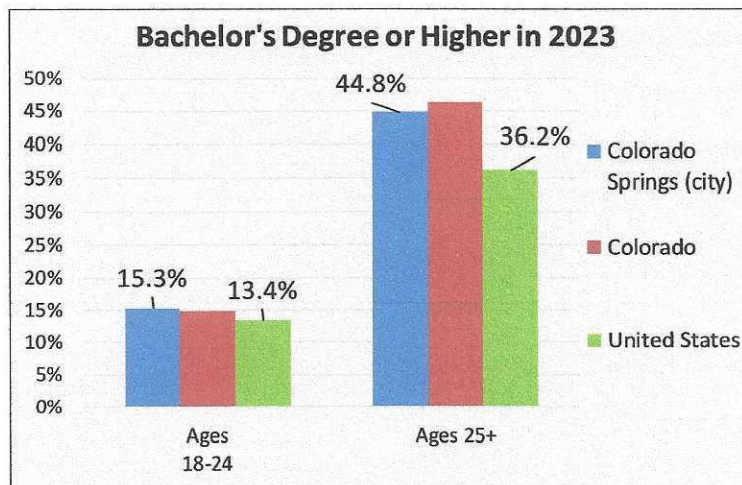
DEMOGRAPHICS (PAGE 5)

Population Estimates		
	2023	2050
El Paso County	744,153	1,001,087
Colorado	5,876,300	7,416,589

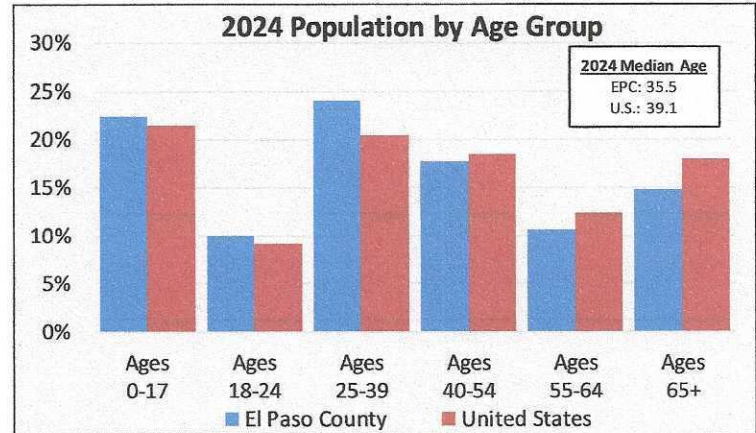
The City of Colorado Springs had a population of 488,164 in 2023.
Source: Colorado State Demography Office



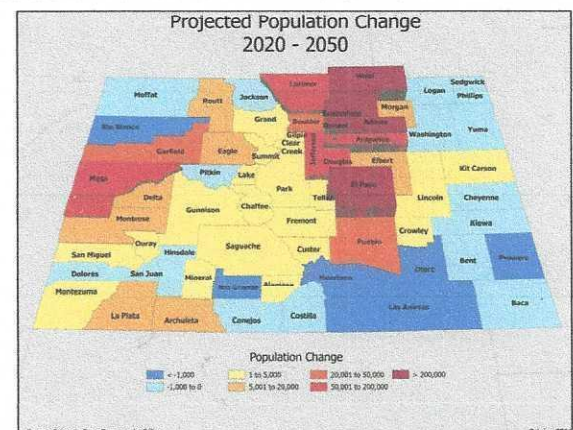
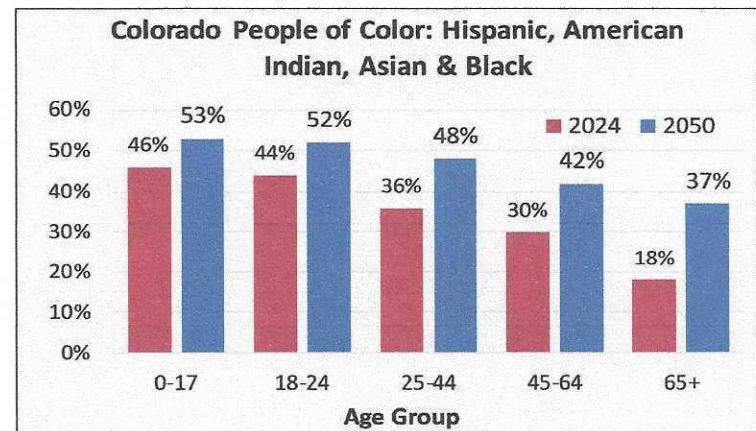
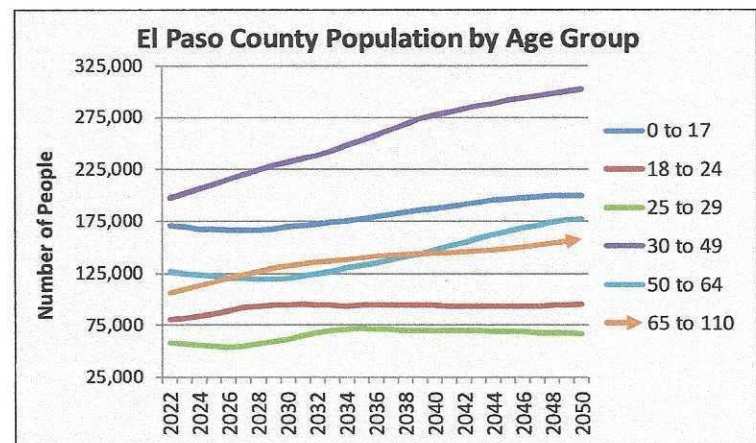
Note: Calhan, Ellicott, Peyton, Hanover, Edison, and Miami/Yoder districts all have fewer than 100 students. District 49 has a significant number of online students, which pull down the districtwide average. (Without the largest online school, the district average is 88%.) *Edison had ≥ 90% graduation rate.
Sources: Colorado Department of Education; U.S. Census Bureau, American Community Survey 5-year estimates



Source: U.S. Census Bureau, American Community Survey 1-year estimates



Source: U.S. Census Bureau, Population Division



Source: Colorado State Demography Office

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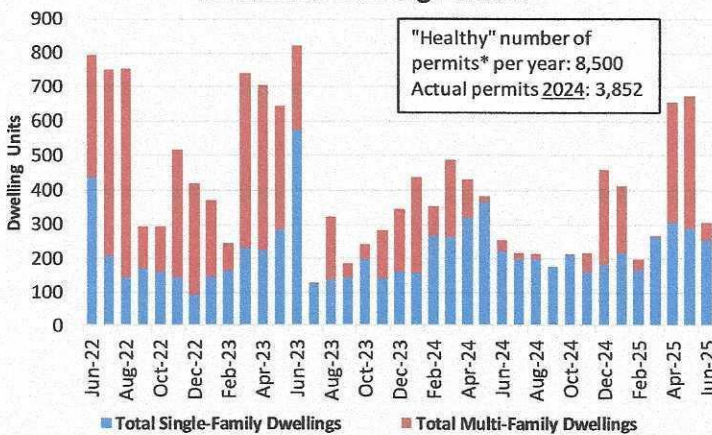
REAL ESTATE (PAGE 6)

Pikes Peak Region New & Existing Home Sales



Source: Pikes Peak REALTOR® Services Corp.

Pikes Peak Region Residential Building Permits

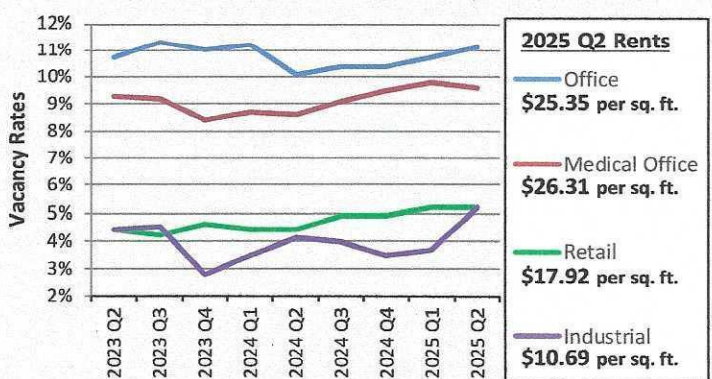


*The methodology for "healthy permits" now includes single-family and multi-family dwellings needed if we incorporate both population growth and the existing shortage of housing between 2023 and 2028. These calculations by Data-Driven Economic Strategies incorporate research by Common Sense Institute and input from the Colorado State Demography Office.

The National Association of REALTORS® has calculated that the U.S. has underbuilt roughly 6.5 million homes since the Great Recession.

Source: Pikes Peak Regional Building Department

Colorado Springs Quarterly Vacancy Rates & Rents



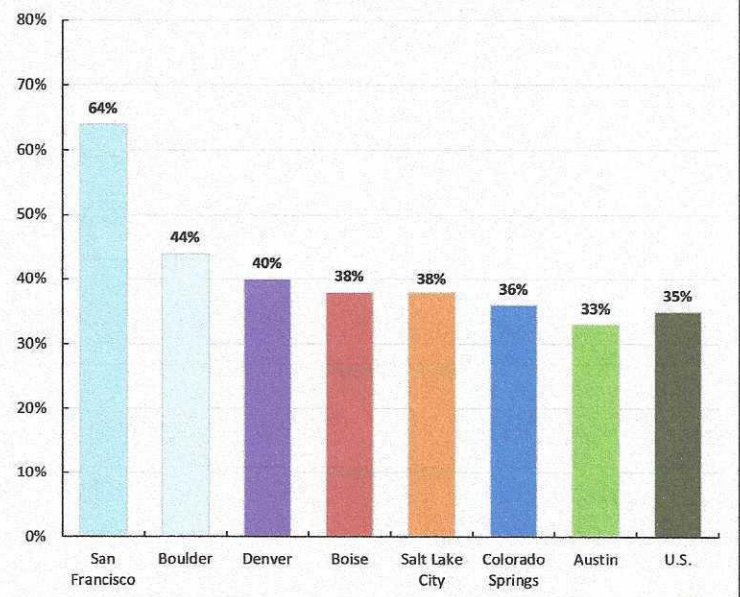
Sources: CoStar Group™; Olive Real Estate Group, Inc.

Median Existing Single-Family Home Price 2025 Q1

Location	Colorado Springs	Denver	Boise	United States
Price	\$464,700	\$647,800	\$487,300	\$410,100
1-year % Change	3.5% increase	0.5% decrease	3.4% increase	4.8% increase
MSA Rank	47	21	41	n/a

Sources: National Association of REALTORS®

2025 Q1 Cost of Housing Index for Existing Homes



Notes: The Cost of Housing Index (CHI) is defined as the percentage of the local median pre-tax income needed for mortgage payments, based on standard mortgage underwriting criteria. It includes only existing home prices.

Sources: National Association of Home Builders; Wells Fargo

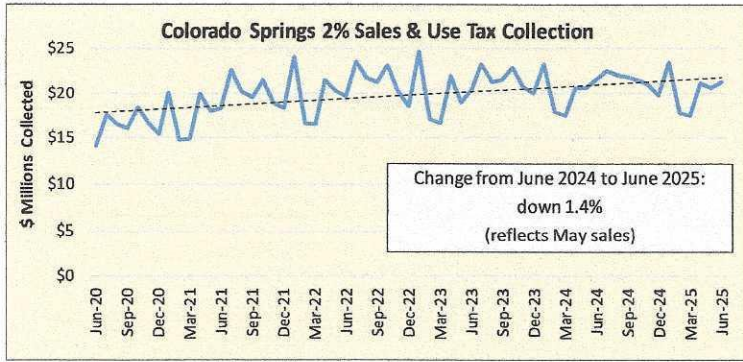
Apartment Rental Information

	Colorado Springs	Denver	Salt Lake City
Market Conditions 2025 Q1	Soft	Soft	Slightly Soft
Vacancy Rate 2024 Q1	12.1%	9.1%	10.8%
Vacancy Rate 2025 Q1	13.1%	11.5%	10.8%
Average Rent 2024 Q1	\$1,524	\$1,901	\$1,633
Average Rent 2025 Q1	\$1,486	\$1,843	\$1,618

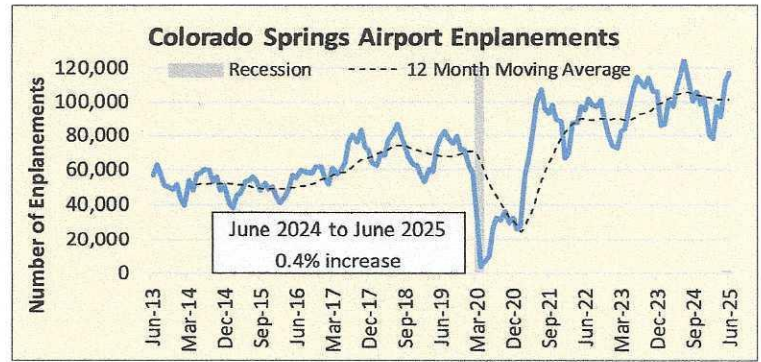
Source: U.S. Department of Housing & Urban Development (HUD), U.S. Market Conditions report

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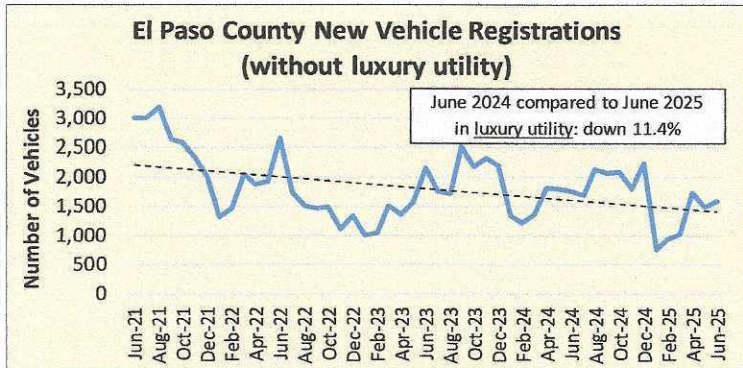
TAXATION, VEHICLE SALES, AIR QUALITY, AND TOURISM (PAGE 7)



Source: City of Colorado Springs

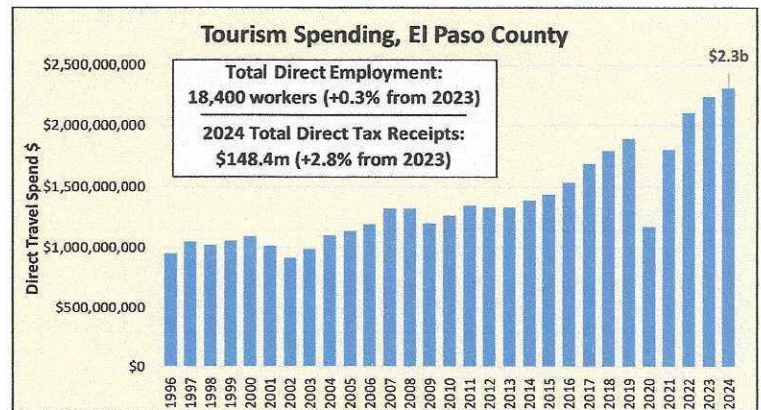


Source: Colorado Springs Airport



Note: Luxury utility categories (all terrain, camper trailer, trailer coach and trailer utility) are not included in graph line above, but % change in this category is noted in text box.

Source: Colorado Interactive LLC



Note: Direct travel includes day and overnight visitors.

Source: Colorado Tourism Office

2024 Air Quality		
	Colorado Springs*	U.S. Standard
Carbon Monoxide (CO) Concentration (ppm)	0.7	9.0
Particulate Matter ($\mu\text{g}/\text{m}^3$)	5.67	9.00
Ozone (ppm) at USAFA	0.070	0.070
Ozone (ppm) at Manitou Springs	0.073	0.070

*Locations of measurements: CO at 690 W. Hwy 24; Particulate Matter at Colorado College

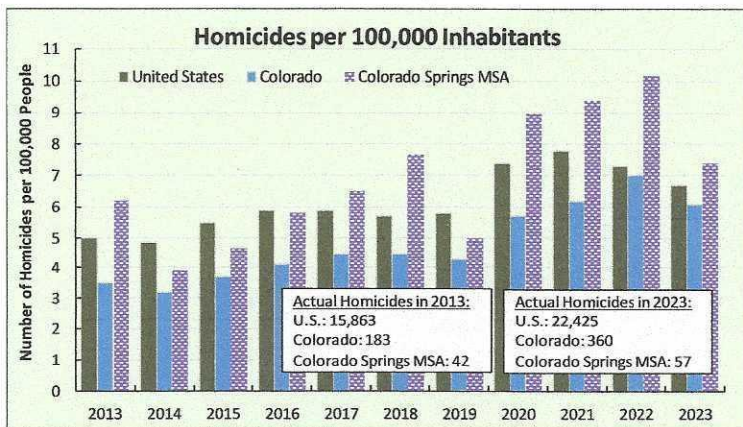
Source: Colorado Department of Public Health & Environment

Hotel Occupancy Rate June 2025	
Colorado Springs	Denver
78.2%	78.6%

Hotel RevPAR* June 2025	
Colorado Springs	Denver
\$127.22	\$132.73

*RevPAR measures hotel revenue by taking the average room rate times hotel occupancy.

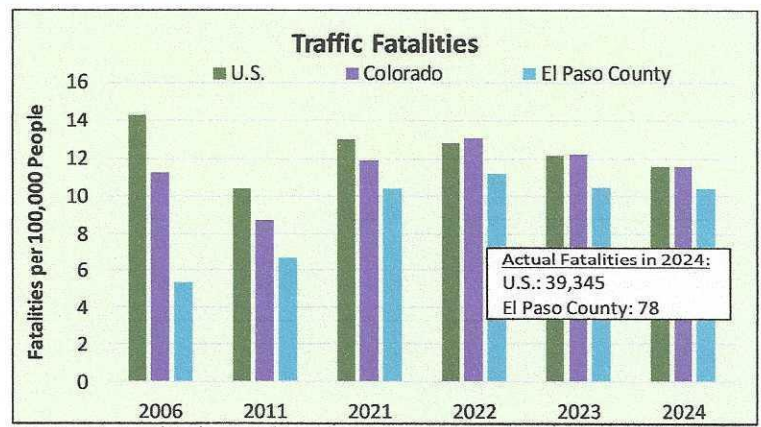
CRIME & SAFETY (PAGE 7)



Source: United States Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Health Statistics, Underlying Cause of Death on CDC WONDER online Database.

2021 Mortality Rates due to Homicide per 100,000 Population				
Canada	Germany	Italy	Japan	United States
2.1	0.8	0.5	0.2	6.8

Source: UN Office on Drug and Crime's International Homicide Statistics database through The World Bank and World Population Review



Sources: National Highway Safety Administration; Colorado Department of Transportation; World Bank; U.S. Census Bureau; Colorado State Demography Offices; Data-Driven Economic Strategies

Note: "Each year when Crime in the United States is published, some entities use reported figures to compile rankings of cities and counties. These rough rankings provide no insight into the numerous variables that mold crime in a particular town, city, county, state, or region. Consequently, they lead to simplistic and/or incomplete analyses that often create misleading perceptions adversely affecting communities and their residents. Valid assessments are possible only with careful study and analysis of the range of unique conditions affecting each local law enforcement jurisdiction. The data user is, therefore, cautioned against comparing statistical data of individual reporting units from cities, metropolitan areas, states, or colleges or universities solely on the

Sworn Police Officers Per 10,000 Inhabitants in 2024	
City of Colorado Springs	14.8
City of Boise	14.0
Kansas City	21.6
City of Omaha	17.0

Sources: Federal Bureau of Investigation, Uniform Crime Report; U.S. Census Bureau, Population Division

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SUPPORTERS (PAGE 8)



THANK YOU!

Data updated on 07/31/2025.

Contact Rebecca Wilder at rwilder@ddestrategies.org.