



Economic Forum

COLLEGE OF BUSINESS

UNIVERSITY OF COLORADO  
COLORADO SPRINGS

## UCCS Economic Forum Dashboard Report

July 2025

Dr. Bill Craighead, Director

Greetings from Austin Bluffs!

### Highlights:

- Local payroll growth estimates showing improvement
- Continued weakness in city sales tax collections
- LART revenue was weak for May, but hotel data suggests possible improvement in June
- Local single-family home price hits \$500k for first time; inventory continues to be high with sales modestly ahead of last year
- Undermining Fed independence would lead to higher borrowing costs
- The recent budget package will be a modest short-term demand boost with potential local benefits from defense spending, but will bring higher long-term interest rates, more uninsured and costs to state government
- Tariffs starting to show in inflation data

**Employment:** Regional payroll growth appears to be picking up – in the second quarter, job gains averaged 1,067 per month (including a preliminary June figure). These numbers can be volatile from month to month, so I'm cautious about whether the employment growth slump we were in has ended (payroll increases averaged 147 from January 2024 through March of this year, after a pace of 792 per month in 2022-23), but it is an encouraging sign.

The picture at the state level is less positive – Colorado payrolls saw a strong gain of 14,900 in April but gave some of it back in May and June, with declines of 2,400 and 1,500 respectively. The state's unemployment rate (4.7%) continued to be above the national rate (4.1%) in June.

June saw an all-time high for the median sale price of a single-family home – \$500,000.

However, while that is a milestone of sorts, it doesn't change the picture of a relatively flat market. Since the median price was \$499,000 a year ago. Sales continue to run at a low pace – 1,197 homes were sold in June, compared with 1,115 in June 2024. The year-over percentage gain was stronger than last month. The number of homes on the market continues to be very elevated, which could be a source of downward pressure on prices.

for permitting, with 253 single-family and 54 multi-family dwelling units permitted in the first half of 2025 with the same period in 2024, single-family dwelling units were up (924 vs. 1,799), while multi-family units were up (924 vs. 547). PPRBD noted that the increase in permits, which could be a boost for economic activity.

### Residential and Real Estate:

in the region – \$500,000. Prices here are relatively flat, ahead of last year's very strong gains in 2024, and the year-on-year increase on the market continues to be modest.

It was a lukewarm month for new construction permitted. Comparing the first half of 2025 with the same period in 2024, single-family dwelling units permitted were down (1,799 vs. 924), while multi-family units were up (924 vs. 547). PPRBD noted that the increase in permits, which could be a boost for economic activity.

The apartment market may have turned a corner in absorbing all the recent new supply – the vacancy rate has started to fall, according to Apartment List’s data. While still high in June at 9.6%, it was down from the peak of 9.8% in March.

The National Zoning Atlas project released a [report on zoning in Colorado](#) and some of the findings were discussed in [the Colorado Sun’s reporting](#). According to a report generated in [their mapping tool](#), two-family housing units are allowed on 24% of Colorado Springs residential land, and may be allowed on an additional 31% subject to a public hearing.

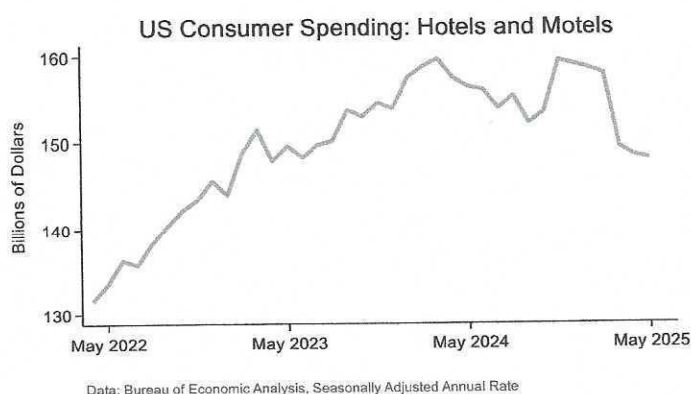
**Retail Activity:** City sales and use tax collections in June – for sales made in May – were down 1.4% from a year ago, and year-to-date are essentially flat (up 0.06%). The building materials category is down 13.6% year-to-date.

After a partial month in the last report, this was the first full month of collections from the 5.0% retail marijuana tax, which brought in \$196,346 (compared with \$21.3 million for the sales and use tax).

It is worth noting that while the sales tax collections can be taken as a proxy for retail activity, not all sales are subject to sales tax – growth in retail sales measured by the Colorado Department of Revenue has looked somewhat healthier than sales tax revenue (CDOR collects this information for taxation purposes but includes the sales total in their reports). El Paso County retail sales are shown in the lower-left of p. 3.

**Travel and Tourism:** LART collections for May transactions were down 3.8% from a year ago – this was the fourth consecutive month of year-on-year declines, but a smaller percent decrease than last month. We may see a boost in the next report from the US Senior Open, which was in June (and July’s numbers may be helped by the Warrior Games).

The hotel data for June did look somewhat better than it has recently – revenue per available room was lower than June 2024, but the year-on-year drop off was the smallest in percentage terms since January. The occupancy rate was fractionally higher than a year ago, and, with 630 more rooms (4.5%) here compared with last year, this indicates more hotel usage overall.



We are not alone in experiencing headwinds in travel and tourism – nationally, spending on accommodation has dropped off in recent months. Note, the data shown in the graph is seasonally adjusted (i.e., the seasonal patterns like you see in the LART graph in the dashboard have been removed).

The recent slowdown here comes after gains in visitation seen in 2024 – according to the Longwoods

International Travel USA Visitor Profile study commissioned by VisitCOS, there were 25.5 million visitors to Colorado Springs in 2024, a 2.7% increase from 2023.



**City Parks:** An [updated report by the Trust for Public Land](#) estimated that residents visited Colorado Springs parks, trails and open spaces 22.5 million times in 2024. The report contains estimates of a wide variety of park benefits including recreational use value (\$91.2 million), avoided health care costs due to physical activity (\$60.8 million), stormwater infiltration (\$10.6 million). It estimated an impact on residential property values of \$1.1 billion.

**Colorado Business Confidence:** The Leeds Business Confidence Index (LBCI), based on a survey of state business leaders conducted by our friends in Boulder, recovered partially from its steep drop in Q2, but remains sharply in negative territory – 37.9 for Q3 and 38.6 for Q4 (50 is neutral). Economic uncertainty, tariffs and federal policy were the most frequently cited reasons for responses. More detail is available in the report on the [Business Research Division website](#).

**National Macro:** I was alarmed by the discussion of using the cost of the renovations of the *Federal Reserve* headquarters as a pretext to try to remove Chair Powell (legally, he can only be removed by the president 'for cause'). If the Fed's independence was undermined, it would lead to higher interest rates. Long-term rates are determined in markets, not directly by the Fed. The federal funds rate is a short-term rate, and expectations of the federal funds rate are an important influence on long-term rates. However, if financial market participants lost confidence in the Fed's independence, they would require additional compensation for risk and the yields on Treasury bonds would rise. This would raise the government's borrowing costs, and other long-term rates, like mortgage rates, would also increase.

The president signed the *budget reconciliation* act (the "Big Beautiful Bill" name was officially removed using Senate rules). In the short run, it is a modest demand boost – it avoids individual tax rates snapping back to their levels prior to the 2017 Tax Cuts and Jobs Act (TCJA), and there are some additional tax cuts. The provisions making permanent full expensing of some capital investment as well as research and development are seen as beneficial for long-run growth. However, the additional borrowing – \$3.4 trillion over the next decade in the [CBO's estimate](#) – will put upward pressure on long-term interest rates, which will be negative for growth. Accounting for the additional interest expenses combined with extensions of temporary tax provisions would put the 10-year cost over \$5 trillion, [according to the Committee For a Responsible Federal Budget](#).

The bill includes additional funding for space missile defense, which is expected to benefit the local defense industry. It cuts support for development of clean energy, which will slow the transition to lower-carbon sources and likely lead to some project cancellations. Funding for food assistance through SNAP (the Supplemental Nutritional Assistance Program) is being reduced with tighter eligibility restrictions. Cuts to Medicaid, mainly starting in 2027, will have a big effect. Since this is shared between federal and state governments, there will be a significant impact on the state budget. The number of uninsured will rise substantially – the health policy research organization [KFF estimated](#) an enrollment loss of 154,000 for Colorado in 2034 based on the House version of the bill, which had smaller Medicaid cuts than the final version. Health care will also be impacted by the expiration of expanded tax credits to subsidize individual health insurance through the exchanges established by the affordable care act (ours is Connect for Health Colorado), unless Congress decides to extend them.



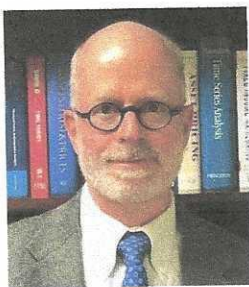
The deadline for the **tariffs** announced on April 2 was extended to August 1, some of the rates are being modified in country-by-country announcements from the White House, and the administration has been making 'deals' with various governments including the UK, the Philippines, Indonesia, Japan and the EU. These are resulting in tariff levels that are generally lower than those announced on April 2, but still substantial (e.g., 19% on imports from Indonesia and the Philippines). A better word might be 'understandings' – actual trade agreements are very complex and take a long time to negotiate and then need to be ratified by Congress. These understandings have left some of the details undefined – e.g., there is still a back-and-forth with the UK about tariff treatment of its steel exports. The use of the International Emergency Economic Powers Act (IEEPA) was found to be illegal in court, but the tariffs remain in place pending appeal – an oral argument is scheduled for July 31. That applies to most of the country-specific tariffs, but many of the administration's sectoral tariffs – e.g., the tariffs on automobiles, steel, aluminum (and copper starting August 1) – are under a different national security-related legal authority. Overall, while there has been relief that the most extreme versions of the tariffs seem off the table and the range of likely outcomes appears to have narrowed, this is still a considerable hit to the US economy and quite a bit of uncertainty remains.

The tariffs may be starting to show in the **inflation** numbers. For example, the June Consumer Price Index data had some large monthly increases in some of subcategories of household furnishings and supplies – window and floor coverings and other linens were up 4.2% and appliances increased 1.9%. That doesn't sound dramatic, but those are large increases for just one month (the overall CPI was up 0.3% in the month). The headline year-on-year change in the CPI was 2.7% and the core (excluding food and energy) CPI was up 2.9% from a year ago and both of those represented accelerations from May.

The headline **employment** numbers have been holding up better than I expected. The unemployment rate was 4.1% in June and the preliminary estimate of payroll growth was a healthy 147,000 (there are reasons to expect this to be reduced in the next annual benchmark revision early next year).

One area for concern is national **single-family home construction** as both permits and starts are declining. Home construction is often a significant driver of economic cycles, and the industry is beset by higher materials costs (tariffs) and high interest rates and is also facing potential labor disruption from shifts in immigration policy.

We're busily getting ready for the 29<sup>th</sup> Annual UCCS Economic Forum on Oct. 2 at the Ent Center. We will be in touch about registration for partners and look forward to seeing you there!



Thank you for your support!

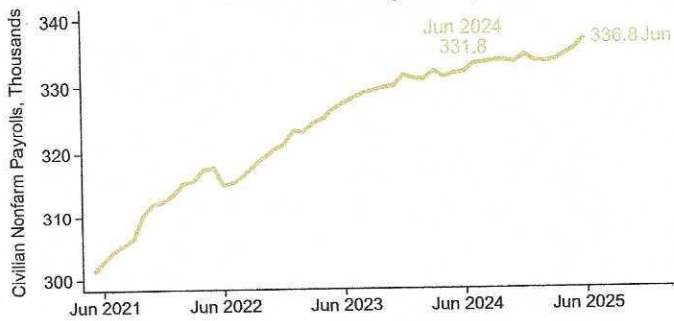
Bill

Bill Craighead, Ph.D.  
Director, UCCS Economic Forum  
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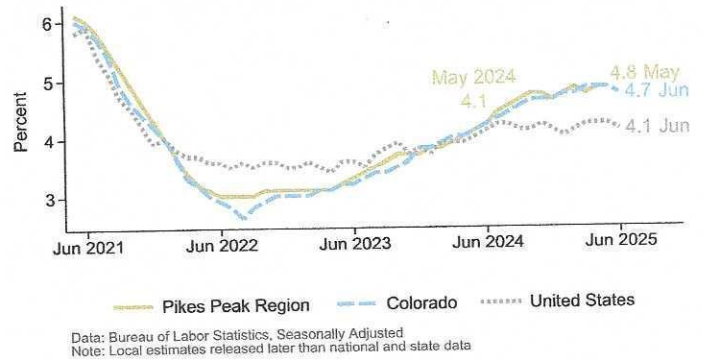


## Labor Market

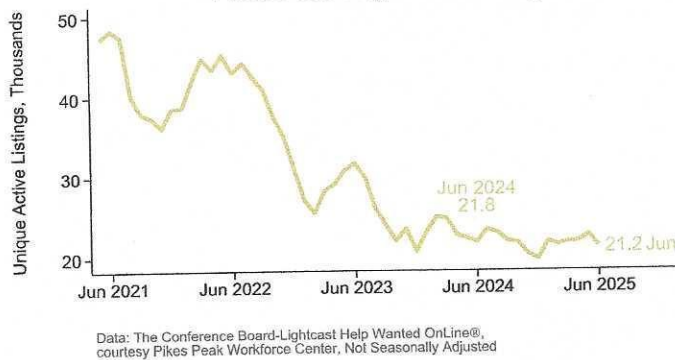
## Pikes Peak Region Payrolls



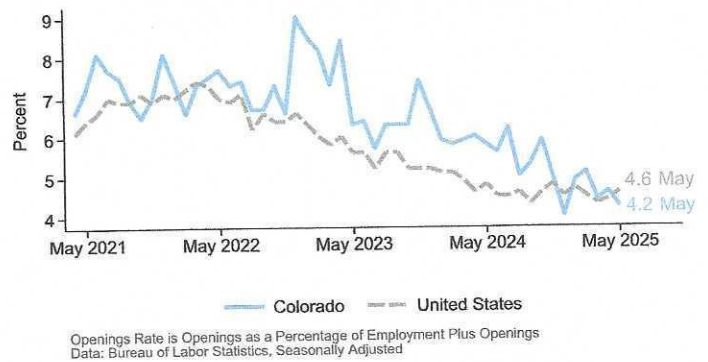
## Pikes Peak Region, Colorado and US Unemployment Rates



## Pikes Peak Region Job Listings



## Colorado and US Job Openings Rates



## Pikes Peak Region Payrolls by Sector, June 2025

Sector	Employment	1 yr. % chg.
Government	59,900	+1.5
Professional & Bus. Services	54,700	+1.7
Private Education & Health Serv.	50,500	+5.9
Leisure & Hospitality	45,900	+5.5
Retail Trade	33,200	-0.6
Other Services	23,600	-3.7
Financial Activities	19,900	-3.1
Mining, Logging & Construction	17,700	-6.3
Manufacturing	12,300	-0.8
Transport, Warehouse & Utilities	11,800	+4.4
Wholesale Trade	6,500	-5.8
Information	4,900	+0.0

Data: Colorado Labor Market Information, Current Employment Statistics Program; Bureau of Labor Statistics. Not seasonally adjusted.

## Pikes Peak Region Job Postings, June 2025

Occupation	No. of Postings	Median Advertised Ann. Salary
Registered Nurses	1,056	\$93,440
Other Computer Occupations	795	\$132,864
Retail Salespersons	587	\$35,712
Software Developers	458	\$132,864
Heavy Truck Drivers	454	\$67,968
Customer Service Reps.	323	\$43,648
First-Line Retail Supervisors	304	\$52,480
Maintenance & Repair Workers	240	\$49,920
Home Health & Pers. Care Aides	230	\$37,888
Network & Computer Sys. Admin.	220	\$109,824
Total Openings	21,185	\$66,944

Unique, active postings for top 10 occupations shown. Data: The Conference Board-Lightcast Help Wanted OnLine®, courtesy Pikes Peak Workforce Center

## Armed Forces in El Paso County

2023	2022
38,320	36,190

Data: Census Bureau

## Average Hourly Earnings

	June	1 yr. % chg.
Pikes Peak Region	\$37.11	+6.8%
Colorado	\$39.19	+3.6%
United States	\$36.27	+3.9%

Data: Bureau of Labor Statistics. Private Sector, Not Seasonally Adjusted.

## Pikes Peak Region Employment

	June	May
Employed	386,186	379,237
Unemployed	18,123	17,977

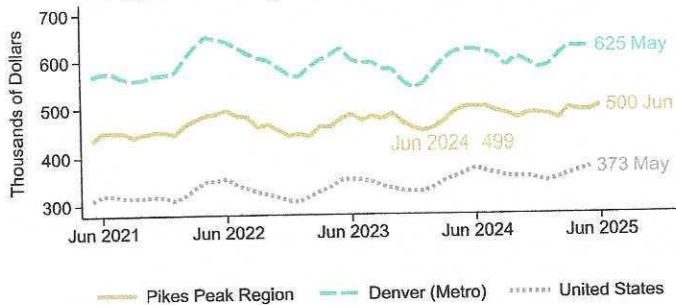
Household survey data, civilians, includes self-employed, not seasonally adjusted. Data: Colorado Department of Labor & Employment; Bureau of Labor Statistics

Note: "Pikes Peak Region" refers to the metropolitan statistical area of El Paso and Teller counties unless otherwise specified. Data subject to revisions. Please do not reproduce without permission.

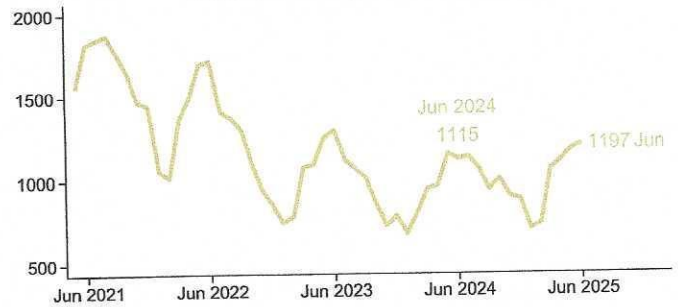


## Real Estate

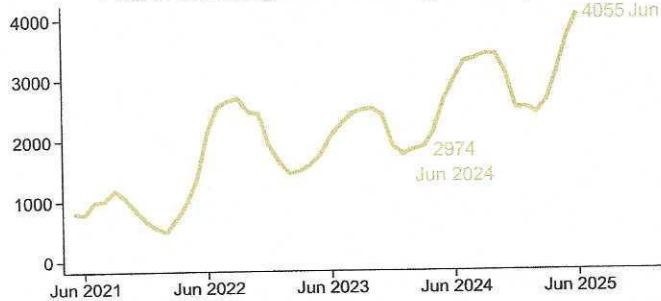
Pikes Peak Region, Denver and US House Prices



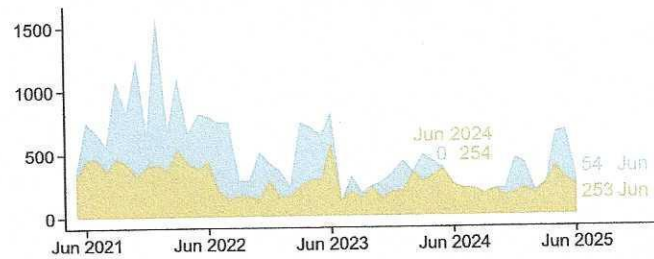
Pikes Peak Region Home Sales



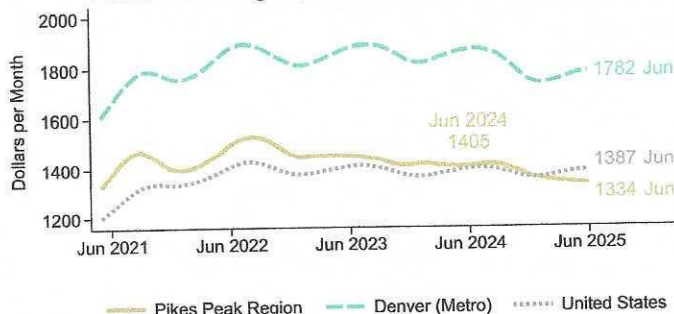
Pikes Peak Region Active Single-Family Listings



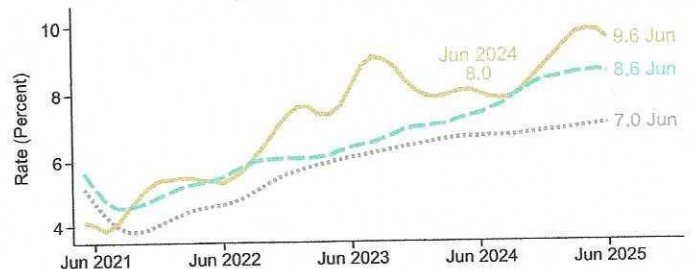
Pikes Peak Region Building Permits



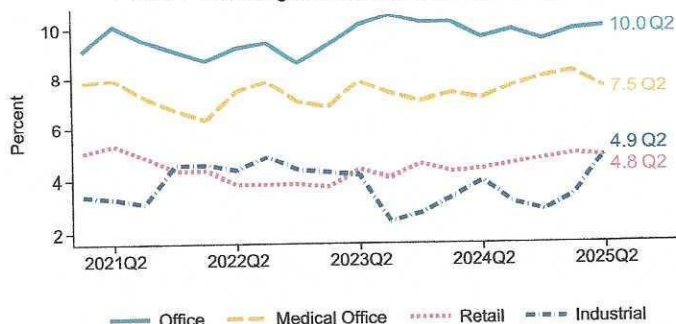
Pikes Peak Region, Denver and US Apartment Rents



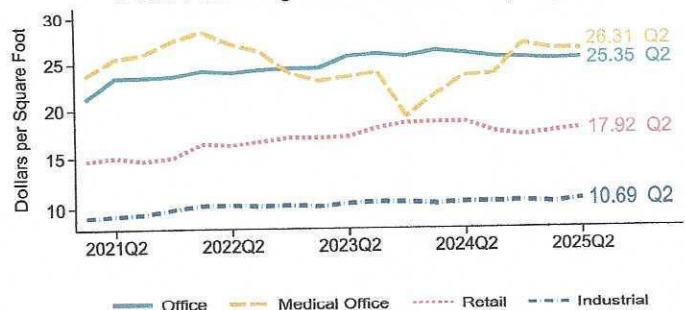
Pikes Peak Region, Denver and US Apartment Vacancy



Pikes Peak Region Commercial Vacancy Rates



Pikes Peak Region Commercial Property Rents

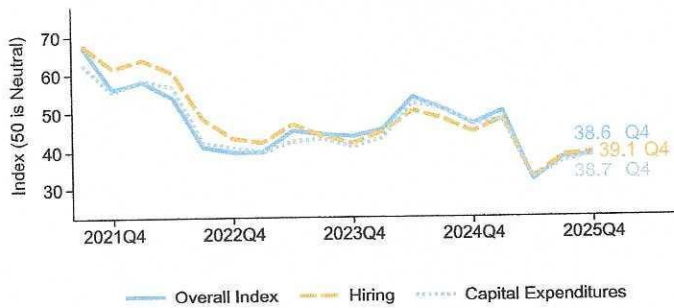


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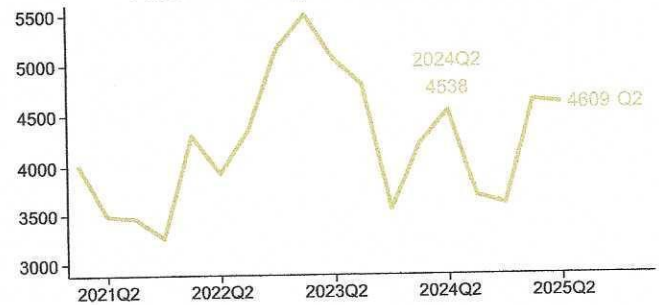
# Business

## Colorado Business Confidence



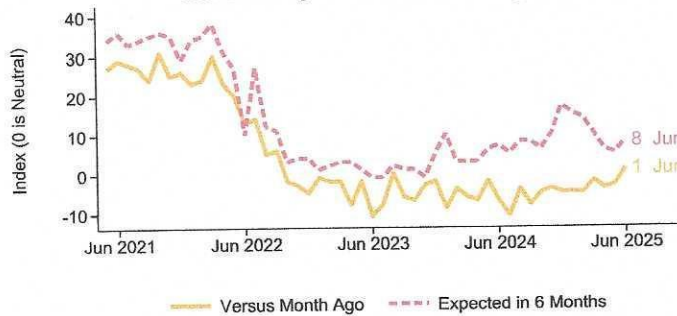
Expectations of Industry Hiring Plans and Industry Capital Expenditures are 2 of 6 components of the Leeds Business Confidence Index (LBCI)  
Data: Business Research Division, CU Boulder Leeds School of Business

## Pikes Peak Region New Business Entities



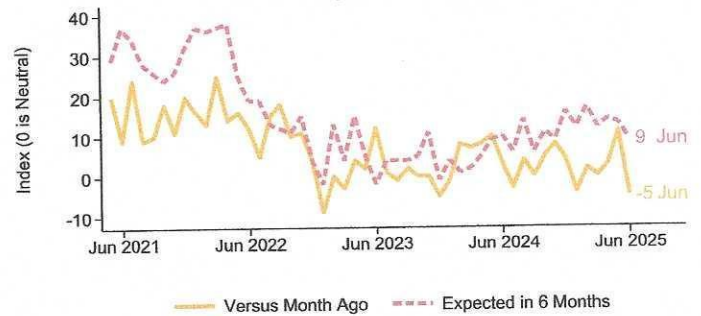
Data: Colorado Department of State  
Note: Filing fees were reduced from \$50 to \$1 between July 2022 and May 2023

## Kansas City Fed Manufacturing Index



Includes Colorado, Kansas, Nebraska, Oklahoma, Wyoming, Northern New Mexico and Western Missouri. Data: Federal Reserve Bank of Kansas City, Seasonally Adjusted

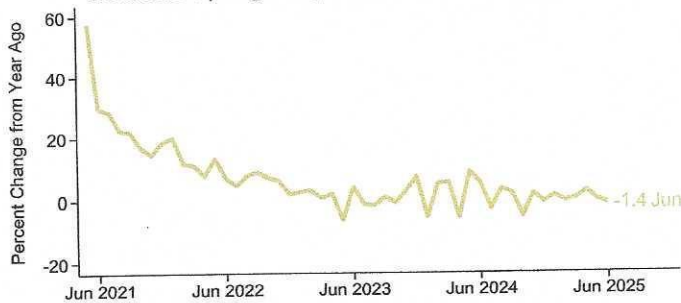
## Kansas City Fed Services Index



Includes Colorado, Kansas, Nebraska, Oklahoma, Wyoming, Northern New Mexico and Western Missouri. Data: Federal Reserve Bank of Kansas City, Seasonally Adjusted

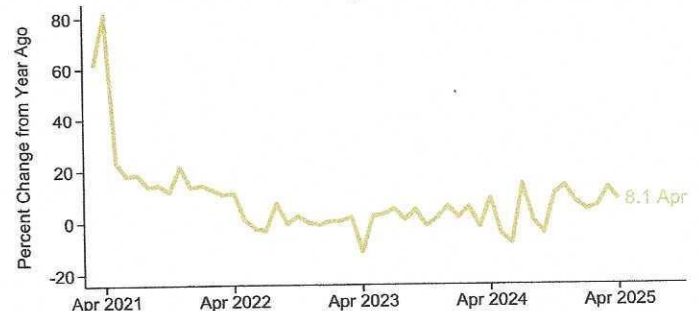
# Consumers

## Colorado Springs City Sales and Use Tax Collections



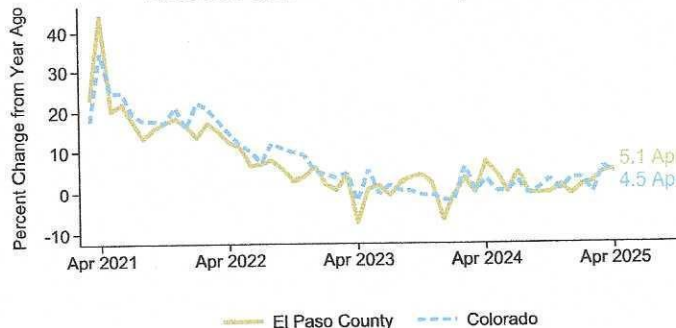
Collections reflect sales in the prior month  
Data: City of Colorado Springs Finance Department

## El Paso County Auto Dealer Sales



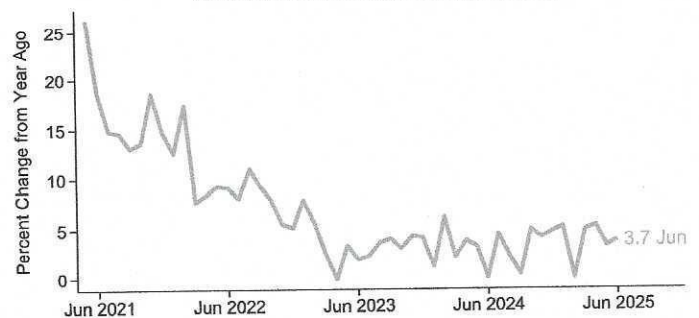
Dollar value of sales. Data: Colorado Department of Revenue

## Colorado and El Paso County Retail Sales



Data: Colorado Department of Revenue

## US Retail and Food Service Sales



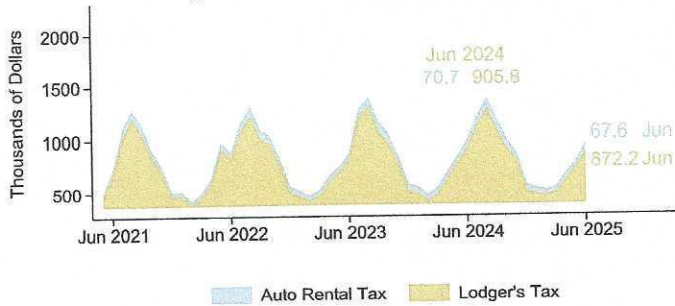
Data: US Census Bureau. Most recent observation is advance estimate.

Note: "Pikes Peak Region" refers to the metropolitan statistical area of El Paso and Teller counties unless otherwise specified. Data subject to revisions. Please do not reproduce without permission.



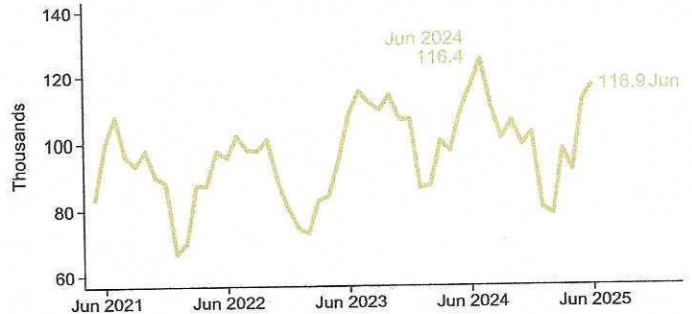
## Travel and Tourism

City of Colorado Springs LART Revenue



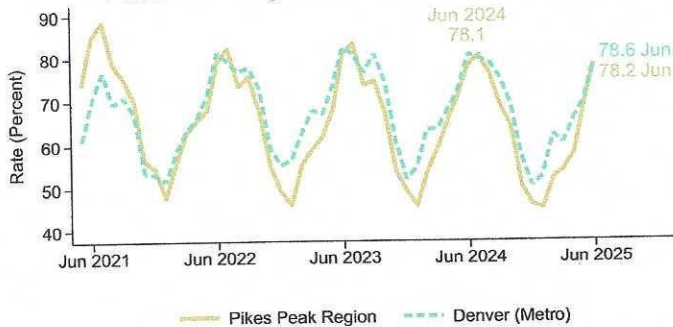
Lodger's (2%) and Auto Rental (1%) Tax Collections Reflect Prior Month Sales  
May 2022 Lodger's Tax Collections Include Delinquent Revenue from Prior Periods  
Data: City of Colorado Springs Finance Department

Colorado Springs Airport Enplanements



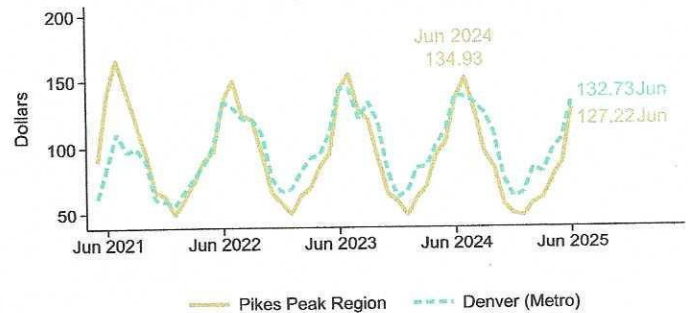
Data: Colorado Springs Airport

Pikes Peak Region and Denver Hotel Occupancy



Data: CoStar Group™, courtesy Olive Real Estate Group, Inc.

Pikes Peak Region and Denver Hotel RevPAR



Revenue Per Available Room  
Data: CoStar Group™, courtesy Olive Real Estate Group, Inc.

## Demographics and Cost of Living

Population and Population Forecasts

	2010	2023	2030	2040
El Paso County	627,232	744,151	810,949	920,109
0-17	163,464 (26.1%)	169,255 (22.7%)	169,317 (20.9%)	187,366 (20.4%)
18-24	68,665 (10.9%)	81,782 (11.0%)	94,993 (11.7%)	94,258 (10.2%)
25-29	42,277 (7.5%)	56,829 (7.6%)	61,407 (7.6%)	69,716 (7.6%)
30-49	170,628 (27.2%)	201,399 (27.1%)	232,182 (28.6%)	277,240 (30.1%)
50-64	114,362 (18.2%)	124,822 (16.8%)	120,749 (14.9%)	146,990 (16.0%)
65+	62,836 (10.0%)	110,064 (14.8%)	132,301 (16.3%)	144,539 (15.7%)
Colorado	5.05 mil.	5.88 mil.	6.32 mil.	6.97 mil.
United States	313.99 mil.	342.84 mil.	358.62 mil.	367.95 mil.

Age group shares of total in parentheses. Data: Colorado State Demography Office, Congressional Budget Office

Selected Population Characteristics, 2023

	El Paso County	Colorado	United States
Median Household Income	\$89,549	\$92,911	\$77,719
Poverty Rate	7.0%	9.3%	12.5%
Median Age	35.4	37.9	39.2
Bachelor's Deg. or Higher (≥25)	44.3%	46.4%	36.2%
Veteran (civilian pop. ≥18)	15.1%	7.2%	6.1%
Military (≥16)	6.5%	1.0%	0.5%

Data: Census Bureau

Mortgage Payment Share of Median Income, May 2025

Pikes Peak Region	45.5%
Denver (Metro)	50.6%
United States	47.7%

Estimated monthly payment for home purchased at local median price as share of median income.  
Data: Federal Reserve Bank of Atlanta

Cost of Living Index Q1 2025

Pikes Peak Region	102.6
Denver (Metro)	110.4

Relative to National Average of 100  
Data: Council for Community and Economic Research, courtesy Co Springs Chamber & EDC

Pikes Peak Region Estimated Living Wages

Living Wage: 1 Adult with No Children	\$23.88/hr
Living Wage: 1 Adult with 2 Children	\$58.26/hr
Living Wage: 2 Working Adults w/ 2 Children (per adult)	\$31.51/hr

Data: MIT Living Wage Calculator

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