



City of Colorado Springs and El Paso County

Regional Housing Needs Assessment

December 8, 2025



Agenda

1. Background
2. Big Picture
3. Demographic and Economic Trends
4. Housing Inventory and Market Conditions
5. Housing Challenges and Gaps
6. Next Steps

Project Team

City of Colorado Springs

- Aimee Cox, Chief Housing & Homelessness Response Officer
- Katie Sunderlin, Housing Solutions Manager

El Paso County

- Crystal LaTier, Executive Director of Economic Development
- Natasha North, Project Manager

Consultant Team

- James McMurray – Project Manager, Matrix Design Group
- Christian Caron – Senior Data Analyst, Matrix Design Group

Contributors

- Tatiana Bailey, Kathryn Zenoni
Data-Driven Economic Strategies
- Mary Straka, Skylar Liu, Michael Wright, Colin Lowe

Key Messages

- Our community continues to thrive, with our population growth above state and national averages.
- The City's housing shortage of 27,000 units has been a long time in the making (Great Recession).
- Single-person, senior, and low-income households face acute challenges in the current market.
- The COS Housing Action Plan (HAP) will follow this Housing Needs Assessment in 2026 and identify specific actions for the community to help meet housing needs.

1

Project Background



About the Housing Needs Assessment

The Colorado Springs and El Paso County Regional Housing Needs Assessment provides a comprehensive analysis of current and future housing needs within Colorado Springs and unincorporated El Paso County to evaluate housing challenges, gaps, and opportunities.

Housing Needs Assessment Purposes

Housing Needs Assessment Guide for Colorado Communities Dec 2024 (per SB24-174)

Purposes



Informing Housing Policy
Help craft policies that align with housing needs



Increasing Affordability & Stability
For households at all income levels and life stages



Planning for Change
Housing needs evolve with the community



Community & Economic Vibrancy
Support community and economic health and diversity



Accessing Funding
Inform state & federal housing funding applications



Education and Support
Build support for housing programs through data storytelling

Required Elements

- Demographic Trends
- Economic Trends
- Housing Inventory
- Housing Market Trends
- Housing Problems
- Housing Resources
- Housing Development Challenges and Opportunities
- Current and Projected Housing Needs
- Policy Programs and Recommendations



Methodology

Goal: Evaluate current conditions and forecast future housing needs across Colorado Springs and unincorporated El Paso County.

- **Quantitative**

- Used federal, state, local, and proprietary data sources
- Most current data available; reference years vary depending on the source.
- *Note: Estimates for Colorado Springs, unincorporated El Paso County, El Paso County, and Colorado are not available from every source.*

- **Qualitative**

- Guided discussions with 60 stakeholders across five different functional groups – Land Use & Planning, Housing Providers, Elected Officials, Military, Advocacy Groups
- Provide context to quantitative findings
- Gauge feasibility of potential recommendations and Housing Action Plan items

Key Data Sources

American Community Survey (ACS) – US Census Bureau	HUD Multifamily Assistance Database
Public Use Microdata Sample	HUD Picture of Subsidized Households
State Demography Office	AirDNA
Bureau of Labor Statistics	El Paso County Assessor
Colorado Department of Labor and Employment	Pikes Peak Association of REALTORS®
Bureau of Economic Analysis	Colorado Department of Revenue
Longitudinal Employer-Household Dynamics	Colorado EnviroScreen
Colorado Secretary of State	Colorado Department of Local Affairs Mobile Home Park Oversight Program
Pikes Peak Regional Building Department	City of Colorado Springs
Zillow Observed Rent Index	HUD Point-in-Time (PIT) Count
Zillow Home Value Index	Supplemental Nutrition Assistance Program
Zillow Rental Listings	McKinney-Vento Program
HUD LIHTC Database	Homeless Management Information System
USDA Rural Development – Rural Housing Service	

2

Big Picture



Colorado Outpaced Nation for Decades

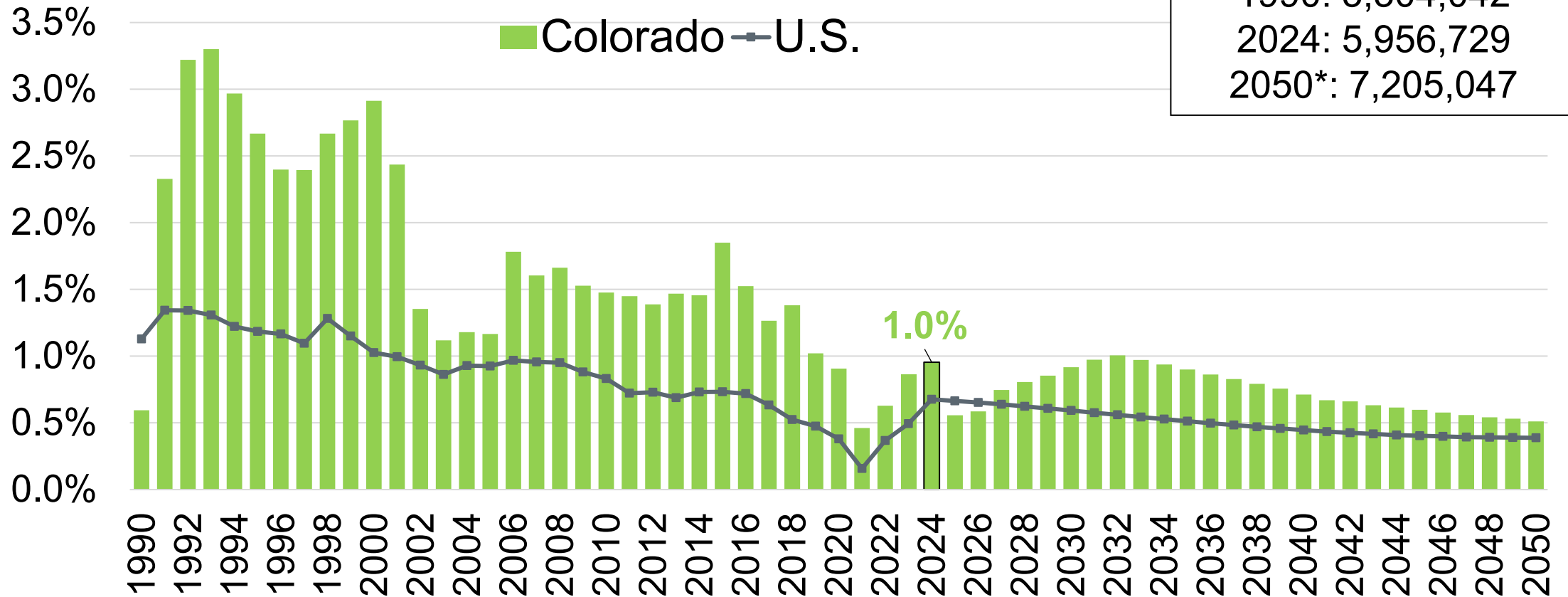


Colorado population

1990: 3,304,042

2024: 5,956,729

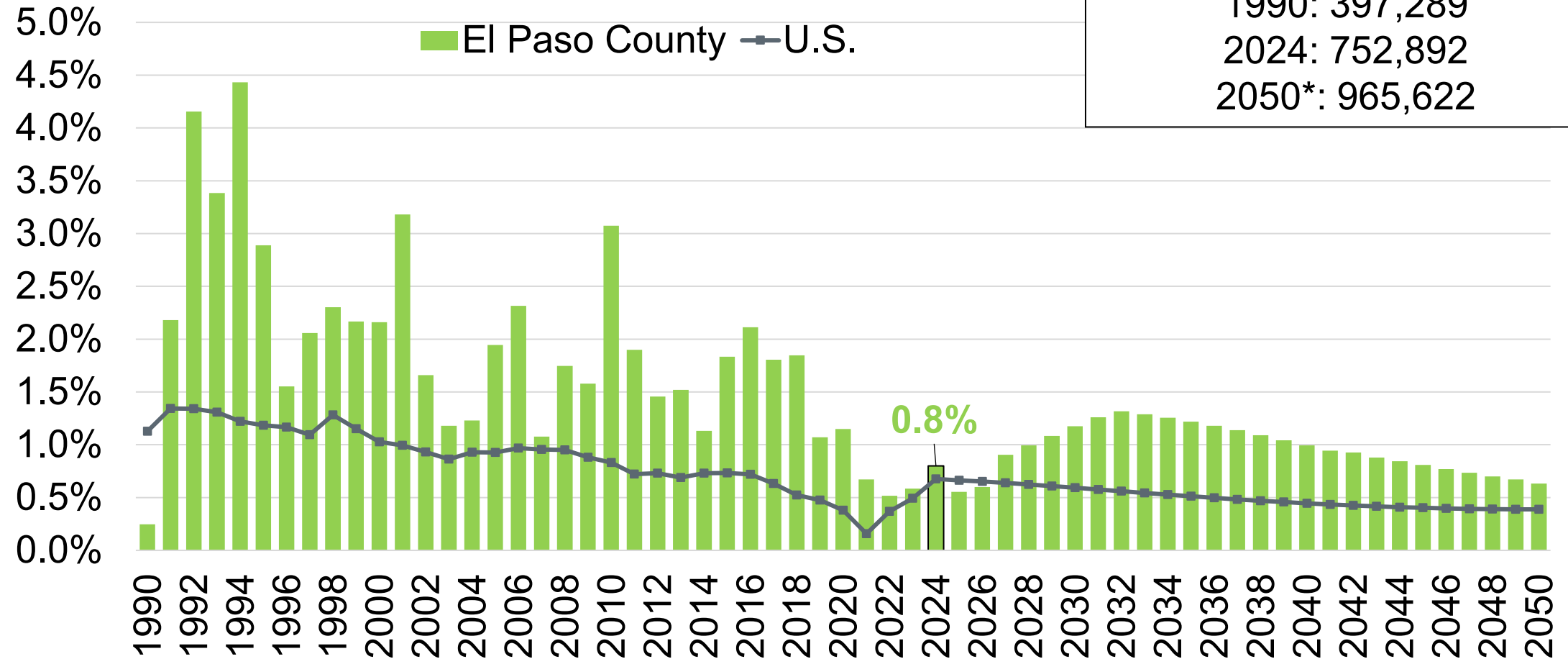
2050*: 7,205,047



*Shaded area: Forecast from Colorado State Demography Office in November 2025. U.S. latest forecasts from U.S. Census Bureau, 2017 vintage. U.S. growth rate in 2024 at 0.7%; CO at 1.0%. CO population previously estimated to be 8.0m in 2050 but revised downwards in the past couple of years.

Sources: Colorado State Demography Office; U.S. Census Bureau

Also True for El Paso County



*Shaded area: Forecast from Colorado State Demography Office in November 2025. U.S. latest forecasts from U.S. Census Bureau, 2017 vintage.

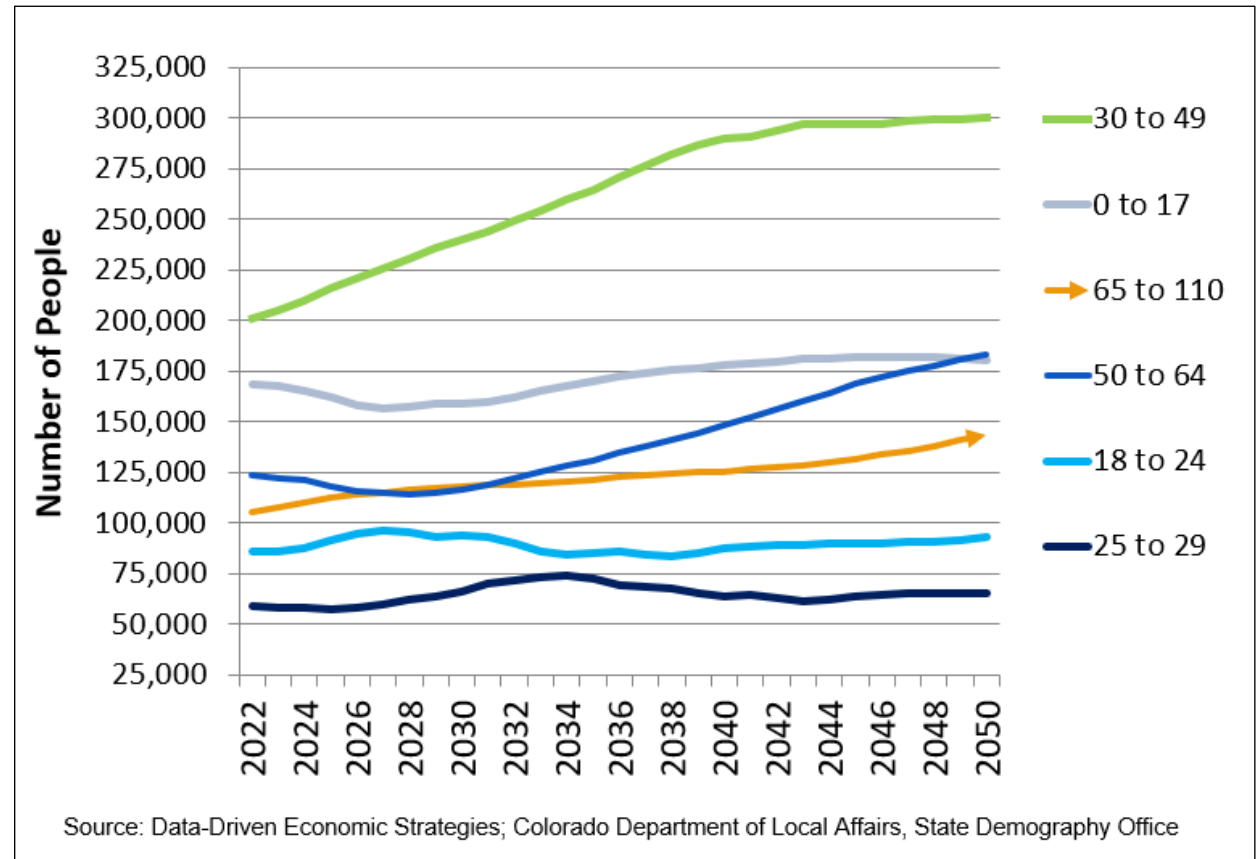
Sources: Colorado State Demography Office; U.S. Census Bureau

Population Growth Projections

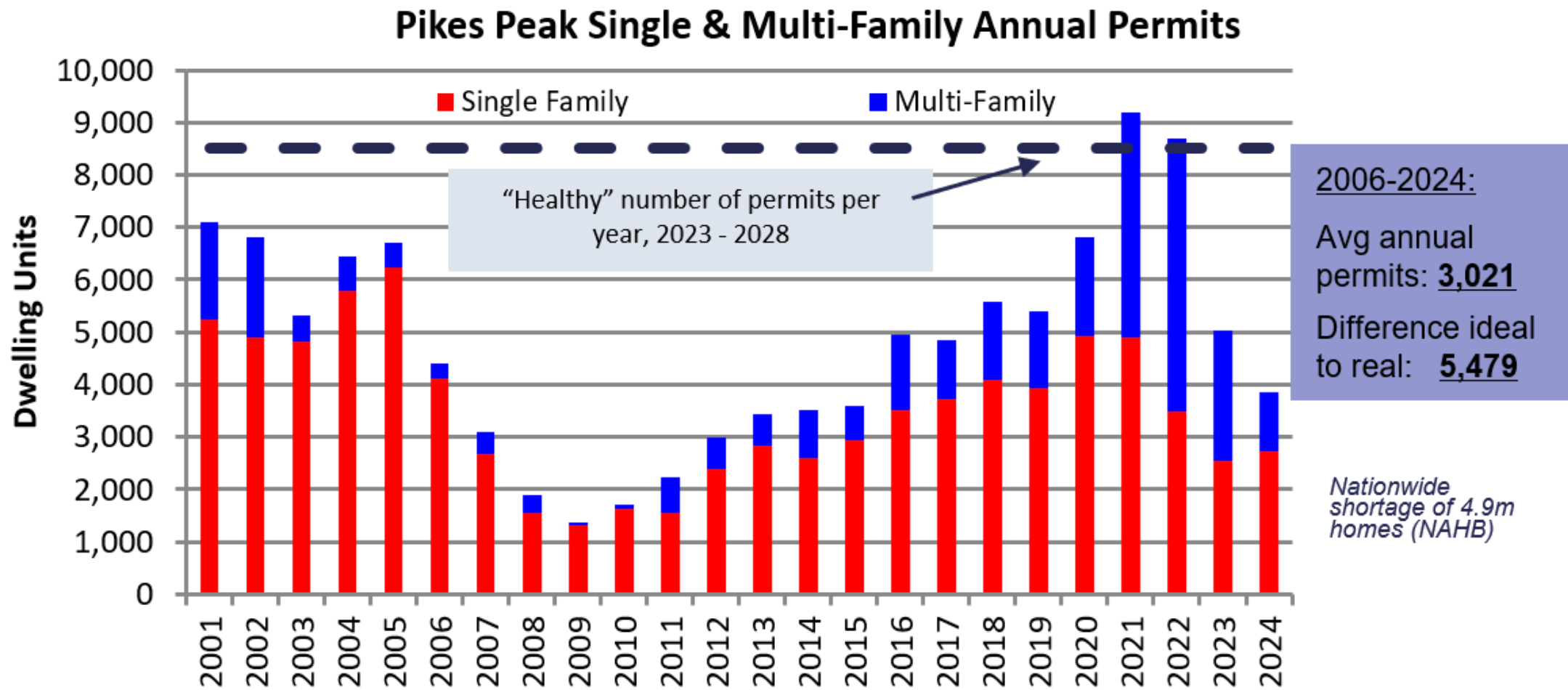


EPC Population Projections by Age, 2024-2050

- The county is expected to reach almost *one million residents* by 2050. This estimate represents a *35% increase* from 2023.
- This growth will be driven largely by older adults and new household formation cohort (30-49) = senior-friendly housing and single-*family* housing.



Decades of Regional (and U.S.) Underbuilding



“Healthy” number of permits in El Paso County per year from 2023 through 2028: 8,500 to make up shortage and keep up with population growth.

Source: Pikes Peak Regional Building Department. MF permits include duplexes, condos, and apartments (but not townhomes).

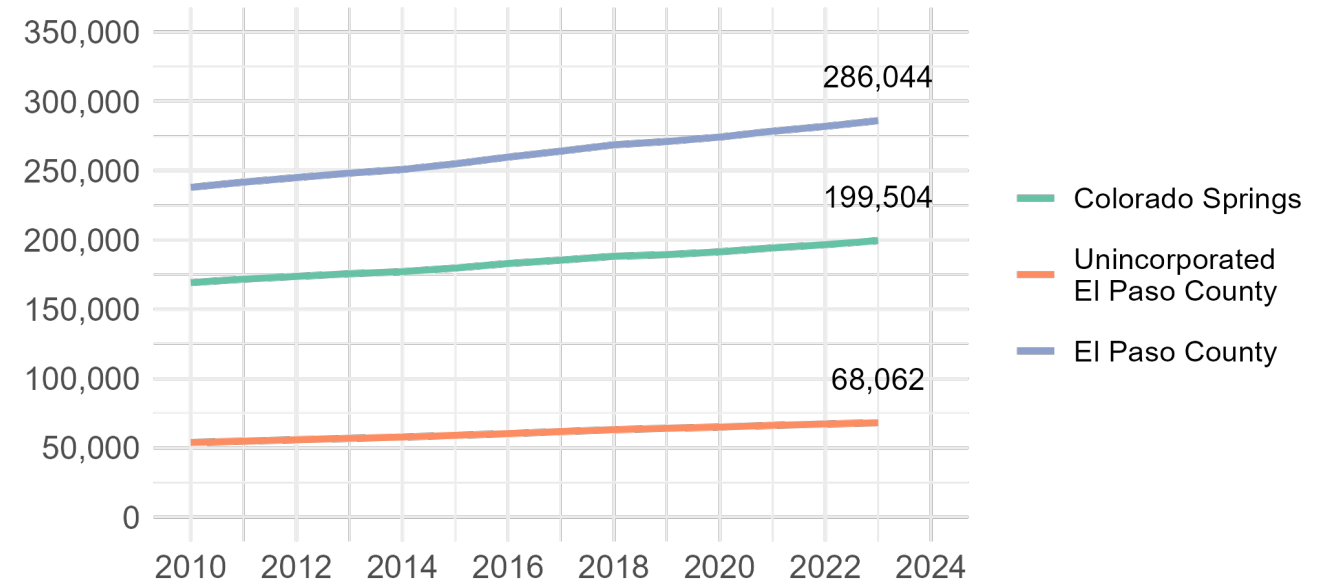
Demographics & Economic Trends



Population Trends

- Between 2010 and 2023, COS added more than 30,000 households.
- Household size (2.4 people) and composition (family/single/nonfamily) has remained approximately the same
- From 2018-2023, COS average household age has increased from 34.6 to 35.6
- The percentage of the population with a bachelor's degree or higher has risen from 39% to 42%

Number of Households in Colorado Springs, Unincorporated El Paso County, and El Paso County, 2010-2023



Demographics

- City of Colorado Springs has a higher concentration of **younger professionals and older adults** compared to El Paso County, which has a higher concentration of children 19 and under.
- Across the region, average households have become both smaller and older, reinforcing demand for smaller, more flexible housing options.
- 61% of Colorado Springs (city) households were homeowners in 2023 (minor increase from 2018)

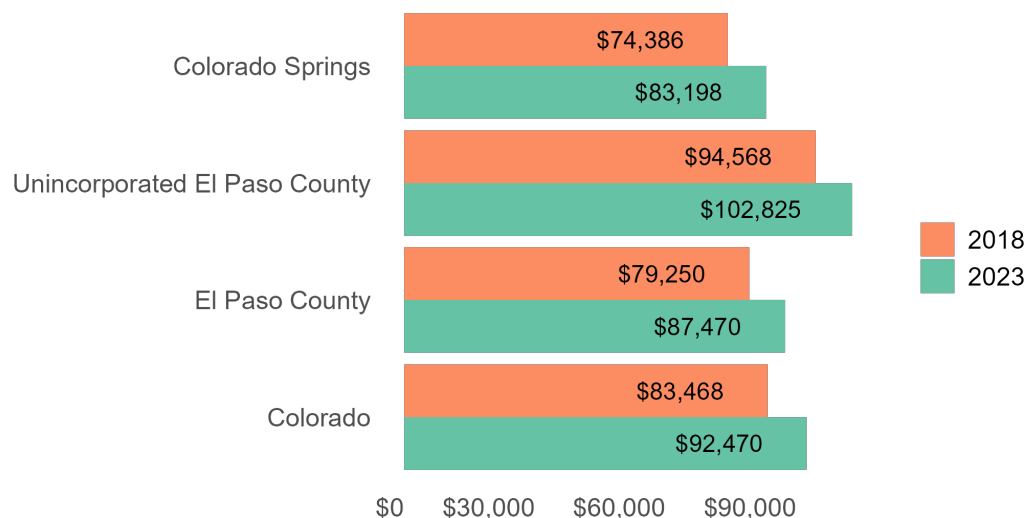
Age Range	City of Colorado Springs		Unincorporated El Paso County	
19 and under	119,360	24%	60,552	29%
20 to 24	36,894	8%	17,547	9%
25 to 34	83,566	17%	28,648	14%
35 to 44	67,009	14%	26,652	13%
45 to 54	54,787	11%	22,240	11%
55 to 64	54,960	11%	25,331	12%
65 and over	71,587	15%	24,826	12%
Total	488,164	100%	205,797	100%

Source: State Demography Office; Five-Year American Community Survey; Matrix Design Group, Inc.

Household Income

- The financial position of households improved between 2018 and 2023 across the region.
- Lower incomes in COS reflect extent of single-person, service industry, and student households.

Real Median Household Income by Region, 2018 and 2023



Household Income Distribution by Tenure in Colorado Springs and Unincorporated El Paso County, 2023

Household Income	Population
<\$20,000	17,196
\$20,000-\$34,999	17,099
\$35,000-\$49,999	20,698
\$50,000-\$74,999	35,273
\$75,000-\$99,999	27,216
\$100,000-\$149,999	39,601
>\$150,000	42,422
Total	199,504

Source: Five-Year American Community Survey; State Demography Office; Matrix Design Group, Inc.

Note: Totals may not sum precisely due to rounding. Estimates of households by income bracket were derived from the 2023 five-year ACS and then proportionally scaled to match total household figures published by the Colorado State Demography Office.

Note: Colorado Springs' lower median household income reflects its higher proportion single-person households, individuals employed in lower-wage service industries, and students.

Key Takeaways

Three Groups:

1. Seniors

Promote independence and aging comfortably in place

2. Young Professionals & Families

Keep COS economically competitive

3. Single-person Households

Support service and essential workers that sustain the community

For further consideration:

As more households settle beyond city limits, the implications extend beyond housing, affecting transportation networks, school capacity, utility infrastructure, and the fiscal responsibilities for COS.



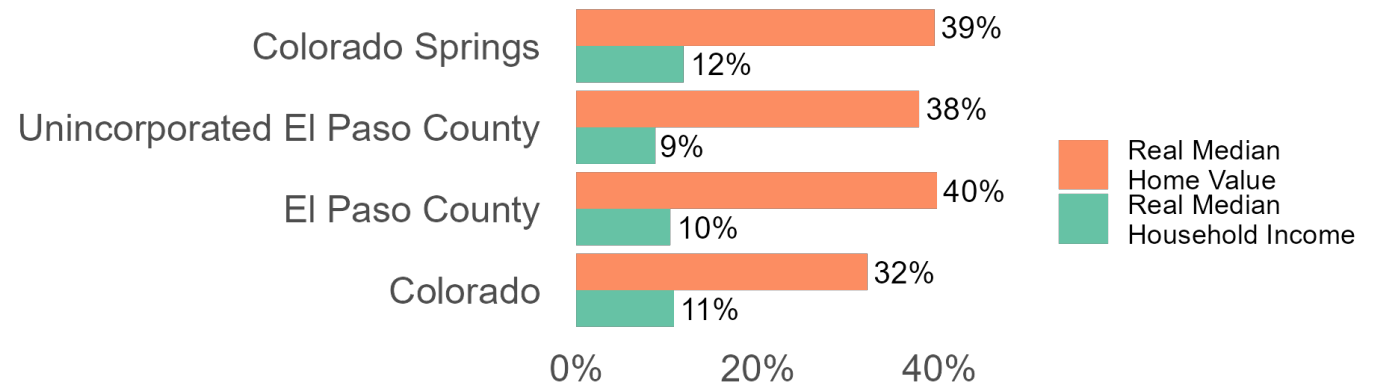
Housing Inventory & Market



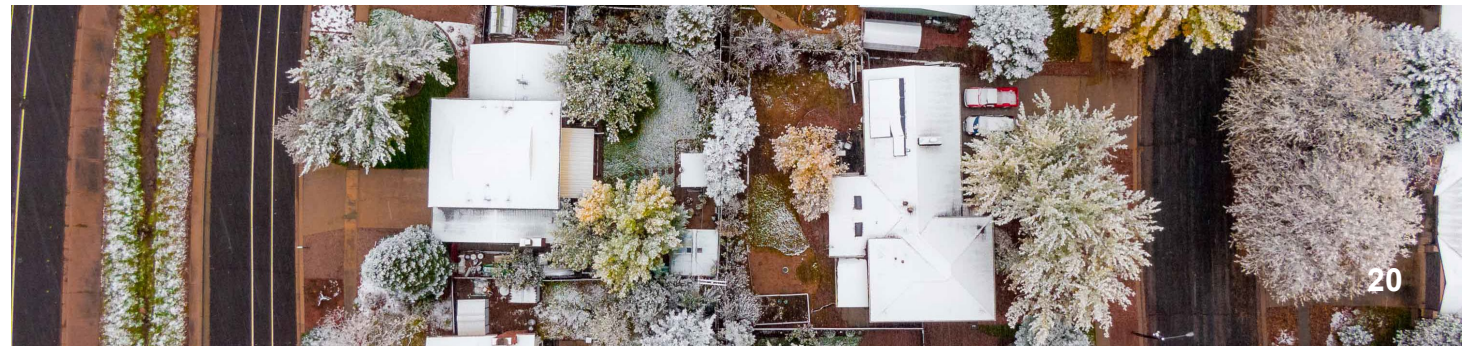
Housing Inventory Overview

- From 2010 to 2023, housing across Colorado Springs rose from approximately 180,000 to 216,000 units
- Colorado Springs added over 36,000 homes from 2010-2023 (approx. 2,800/yr)
- Affordability remains a key concern across the region

2018 to 2023 Relative Change in Real Median Home Value and Real Median Household Income by Region

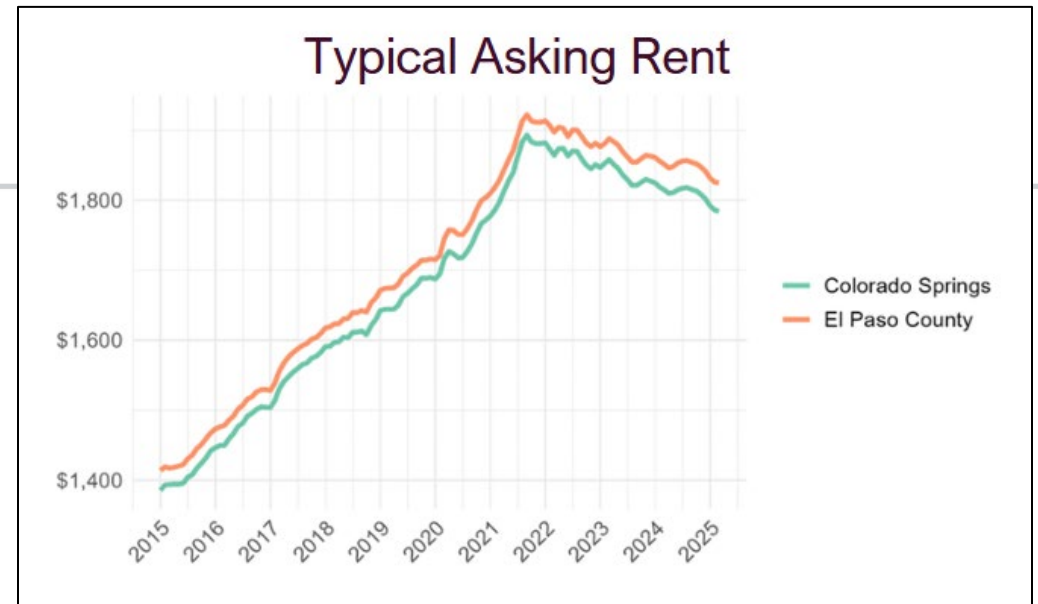


Source: Five-Year American Community Survey; Matrix Design Group, Inc.

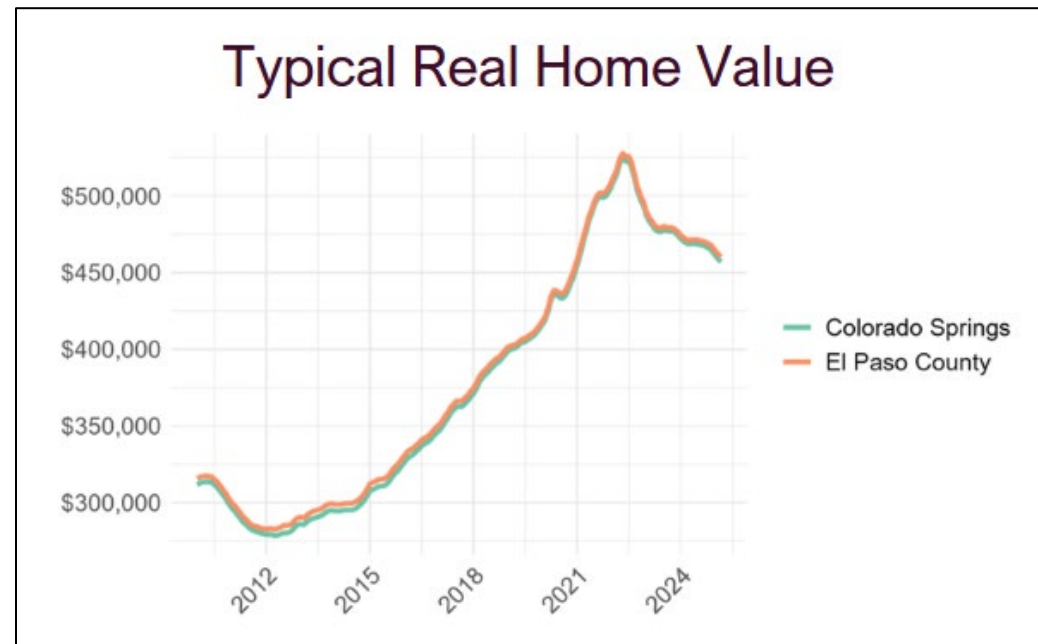


Housing Prices

- **Rental Market – \$1,784 average asking rents in COS as of March 2025**
 - Median renter income - \$58,325
 - A household would need to earn **\$78,693 in COS** to comfortably afford this rent
 - ~36% of renters meet this threshold
- **Owner-Occupied Market – \$457,000 average home value in COS as of March 2025**
 - Median homeowner income – \$106,625
 - A household would need to earn over **\$150,000 in COS** to afford average home
 - ~30% of homebuyers meet this threshold
 - Note: currently, reduced home prices are offset by interest rate increase



Source: Zillow Observed Rent Index; Matrix Design Group, Inc.



Source: Zillow Observed Home Value Index; Matrix Design Group

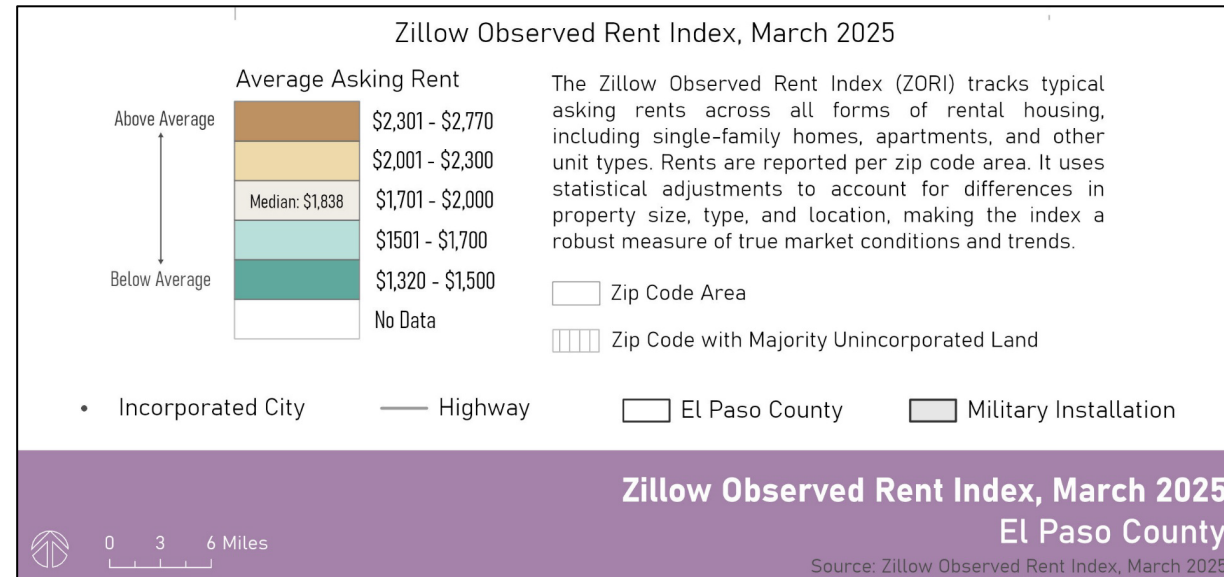
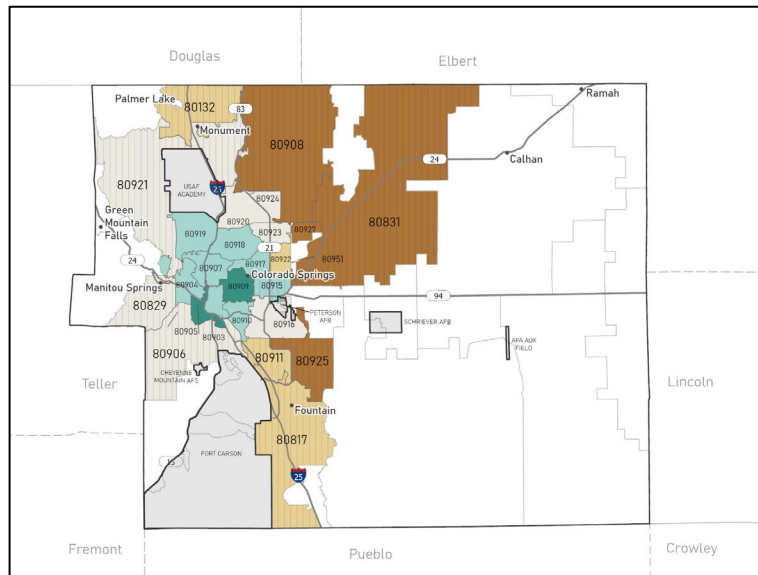
Rental Market

- Rental rates in COS are generally lower than surrounding areas largely due to the age and size (bedrooms) of units (Smaller/Older → Larger/Newer)
- Growing challenges faced by family-sized households trying to secure affordable options region-wide

Rental Affordability in Colorado Springs and Unincorporated El Paso County, April 2025

Unit Type	Colorado Springs	
	Average Rent	Required Income
Studio	\$1,000	\$40,000
One bedroom	\$1,111	\$44,435
Two bedrooms	\$1,893	\$75,711
Three bedrooms	\$2,519	\$100,778
Four+ bedrooms	\$2,690	\$107,586

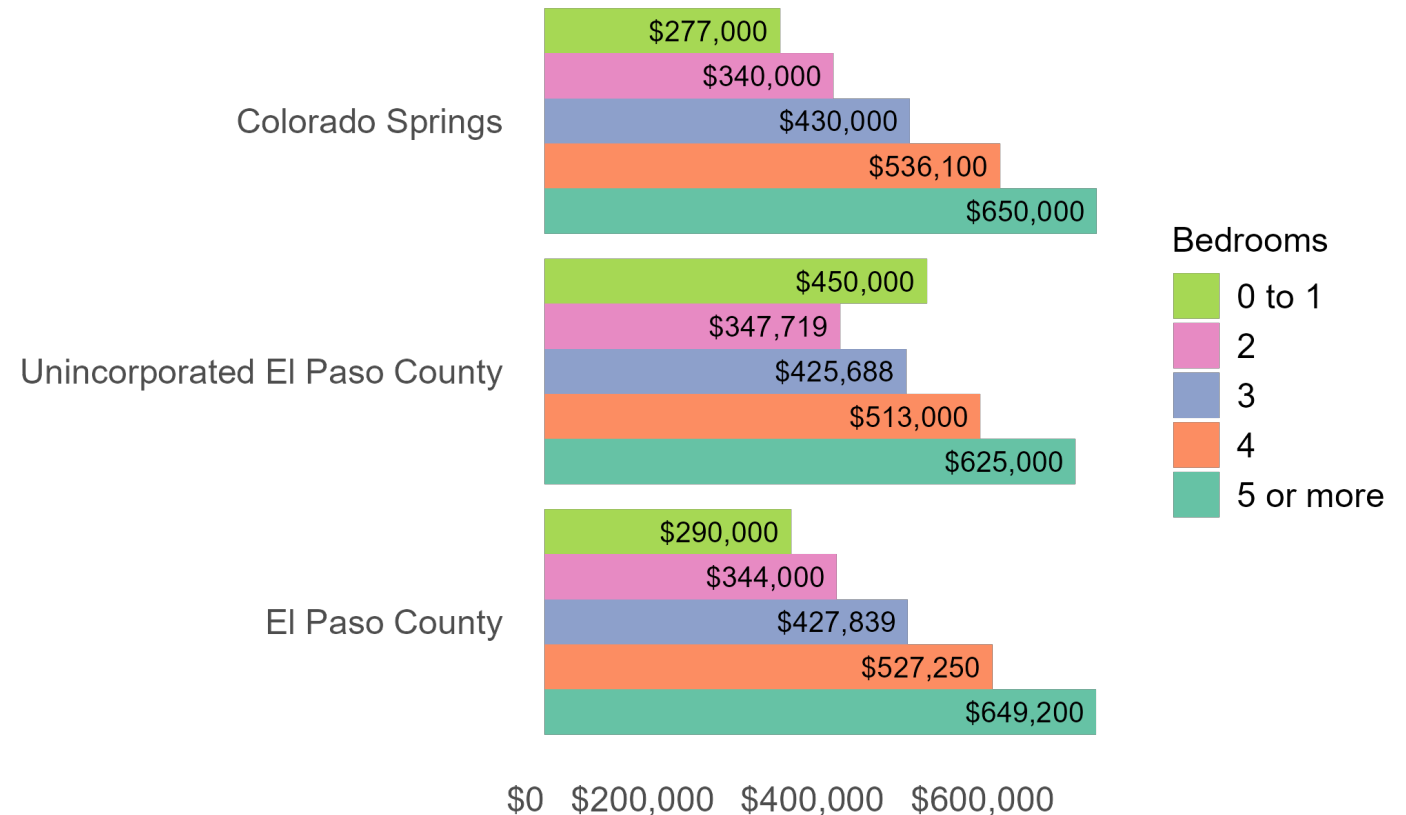
Source: Zillow; Matrix Design Group, Inc.



Owner-Occupied Market

- Accounting for inflation, home values in the region rose by *nearly 47%* from 2010-2025.
- From 2018 to 2023, real home values in El Paso County rose at nearly four times the rate of household income growth.
- Roughly 10,000 homes sold across the county in 2024, with about 60% of sales occurring in Colorado Springs and approximately 30% in unincorporated areas.

Median Sale Price by Bedroom Count and Region, 2024



Key Takeaways

1. Market choice is limited

Existing housing stock is demographically mismatched for the future, limits market choice, and heightens affordability challenges

2. Homeownership is increasingly out of reach for many

Rising home values have outpaced income growth; higher interest rates constrain purchasing power



Current and Projected Housing Needs



Current Housing Demand

- 61% of households own, 39% rent
- One out of two households earn less than 80% AMI (\$66,558/year)
 - ~7 in 10 renter households
 - ~4 in 10 owner-occupied households



Households by AMI Tier in Colorado Springs, 2023

AMI Tier	Total Households		Owner-Occupied Households		Renter-Occupied Households	
Extremely Low Income ($\leq 30\%$ AMI)	30,285	15%	11,868	10%	18,417	24%
Very Low Income (31-50% AMI)	28,304	14%	12,704	10%	15,600	20%
Low Income (51-80% AMI)	41,561	21%	22,396	18%	19,165	25%
Moderate Income (81-120% AMI)	38,019	19%	25,287	21%	12,732	17%
Middle Income (120% AMI-200% AMI)	21,916	11%	16,326	13%	5,590	7%
Upper Income (201%+ AMI)	39,419	20%	33,769	28%	5,650	7%
Total Households	199,504	100%	122,350	61%	77,154	39%

Source: Five-Year American Community Survey; State Demography Office; Matrix Design Group, Inc.

Current Housing Demand

Existing Housing Shortfall in Colorado Springs, 2023

AMI Tier	Total Units		Owner Units		Renter Units	
Extremely Low Income ($\leq 30\%$ AMI)	4,357	16%	1,546	10%	2,811	24%
Very Low Income (31-50% AMI)	4,036	15%	1,655	10%	2,381	20%
Low Income (51-80% AMI)	5,842	21%	2,917	18%	2,925	25%
Moderate Income (81-120% AMI)	5,237	19%	3,294	21%	1,943	17%
Middle Income (120% AMI to 200% AMI)	2,979	11%	2,126	13%	853	7%
Upper Income (201%+ AMI)	5,261	19%	4,399	28%	862	7%
Current Units Needed	27,712	100%	15,937	57%	11,775	43%

Source: Five-Year American Community Survey; State Demography Office; Matrix Design Group, Inc.

- 27,712 units needed as of 2023
- Most of the rental housing need is below 80% AMI (\$66,558)
 - Rent under \$1,664 per month
- Most of the owner housing need is above 80% AMI
 - Mortgage payment starting at \$1,830/month
- Ratio of low-income jobs per affordable unit in COS doubled between 2018 and 2023 from 3.9 to 8.0 (aka “parent’s basement” effect)

Future Housing Demand

- 60,034 units needed by 2035
- ~70% of total long-term need is under 120% AMI (\$99,835)
- Current areas of housing need will persist (renter below 80% AMI; owner above 120% AMI)

10-Year Projected Housing Needs in Colorado Springs

AMI Tier	Total Units		Owner Units		Renter Units	
Extremely Low Income (\leq 30% AMI)	9,297	15%	3,446	10%	5,852	24%
Very Low Income (31-50% AMI)	8,645	14%	3,688	10%	4,957	20%
Low Income (51-80% AMI)	12,591	21%	6,502	18%	6,089	25%
Moderate Income (81-120% AMI)	11,387	19%	7,341	21%	4,045	17%
Middle Income (120% AMI to 200% AMI)	6,515	11%	4,739	13%	1,776	7%
Upper Income (201%+ AMI)	11,599	19%	9,804	28%	1,795	7%
Current Units Needed	60,034	100%	35,520	59%	24,514	41%

Senior Housing

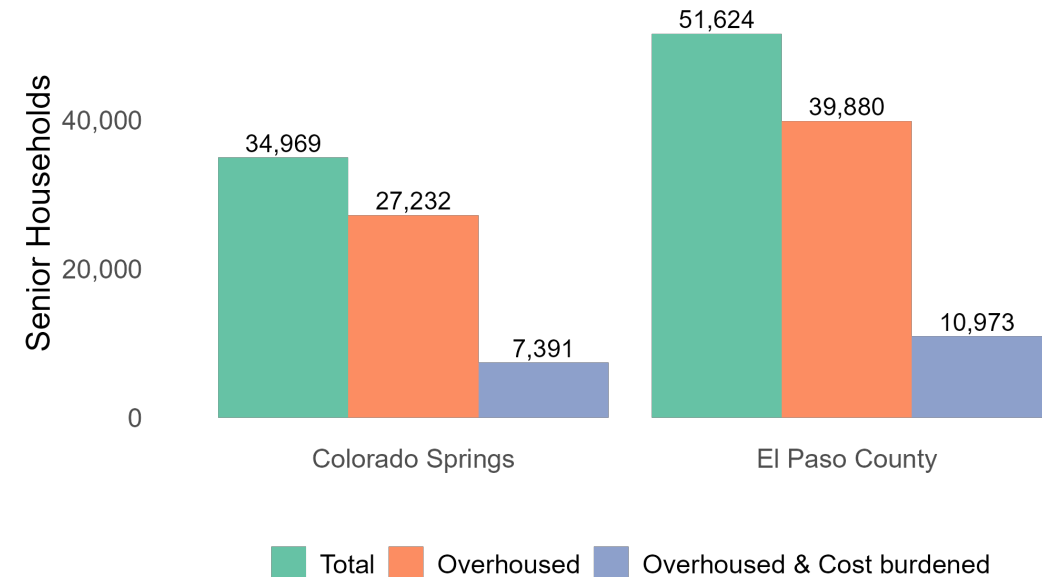
Mobility Challenges

- 27,232 of the 34,969 COS senior households (nearly 78%) were overhoused.
 - *Overhoused = single-person with 2+ bedrooms; couple with 3+ bedrooms*
- Many seniors would be likely to downsize if affordable, appropriately sized options were more widely available.

Accessibility Challenges

- Among those who report serious difficulty walking or climbing stairs, Colorado Springs would require approximately 23,345 accessible units (11% of total housing stock – supply is not currently tracked)

Overhousing and Cost Burden Prevalence Among Senior Households



Accessible/Visitable Housing Units Needed by Region, 2023

Region	Units Currently Required
Colorado Springs	23,345
Unincorporated El Paso County	7,833
Other municipalities	1,881
El Paso County (Total)	33,059

Military Housing

- Basic Allowance for Housing (BAH) falls well below the monthly ownership or rental costs for most ranks, particularly junior and mid-grade enlisted personnel.
- Continued attention to housing affordability, proximity, and unit diversity is essential to sustain the region's defense workforce and operational effectiveness.
- Specific challenges**
 - Housing options for larger families (especially single-income enlisted and lower-ranking personnel)
 - Housing options in proximity to the installations

Local Basic Housing Allowance Table*

Rank (Enlisted/ Officer)	E1/ O1	E2/ O2	E3/ O3	E4/ O4	E5/ O5	E6/ O6	E7/ O7	E8/ O8
With Dependents	\$2,160	\$2,160	\$2,160	\$2,160	\$2,340	\$2,382	\$2,445	\$2,517
	\$2,355	\$2,379	\$2,562	\$2,745	\$2,871	\$2,898	\$2,919	\$2,919
Without Dependents	\$1,692	\$1,692	\$1,692	\$1,692	\$1,875	\$1,995	\$2,166	\$2,355
	\$1,977	\$2,283	\$2,367	\$2,442	\$2,478	\$2,547	\$2,592	\$2,592

Unit Type	Colorado Springs	
	Average Rent	Average Home Price
Studio	\$1,000	\$277,000
One bed	\$1,111	
Two bed	\$1,893	\$340,000
Three bed	\$2,519	\$536,100
Four+ bed	\$2,690	\$650,000

Source: Defense Travel Management Office (travel.dod.mil); *80918 used a reference ZIP code

Note: At current interest rates, financing a \$457,000 home translates into monthly mortgage payments exceeding \$2,800

Key Takeaways

- 1. Current housing need of 27,712 units;
Future housing need of 60,034 units by 2035**

Approximately 2-2.5x the community's average annual housing production needed to catch up

- 2. 70% of new housing needed under 120% AMI
(\$99,137/yr)**

Single-person households and those working in healthcare, education, and service industries

- 3. No Housing is Bad Housing**

No market segment is adequately served

Key sub-groups:

- Supportive housing (at risk/homeless) – Appendix A
- Military housing (economic base) – Appendix B
- Accessible/Visitable Housing (seniors)



Housing Challenges & Gaps

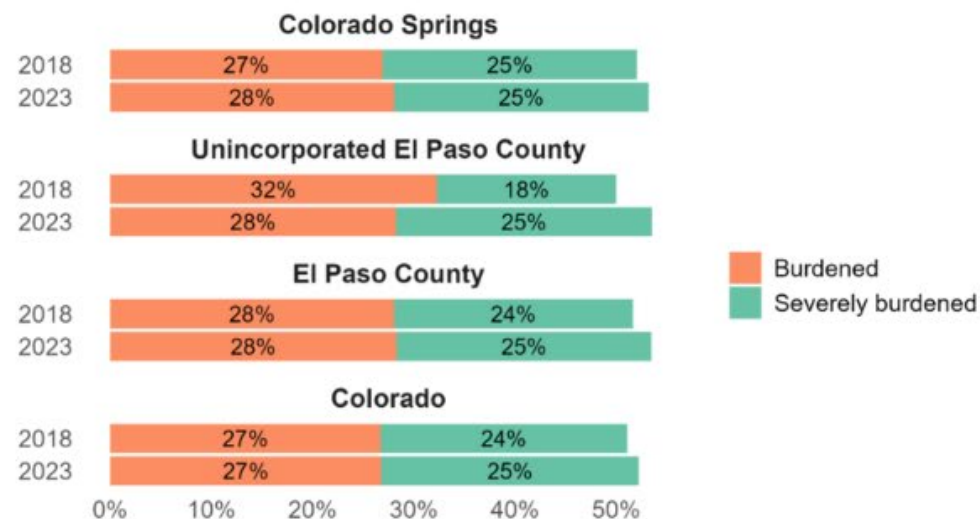


Housing Cost Burden

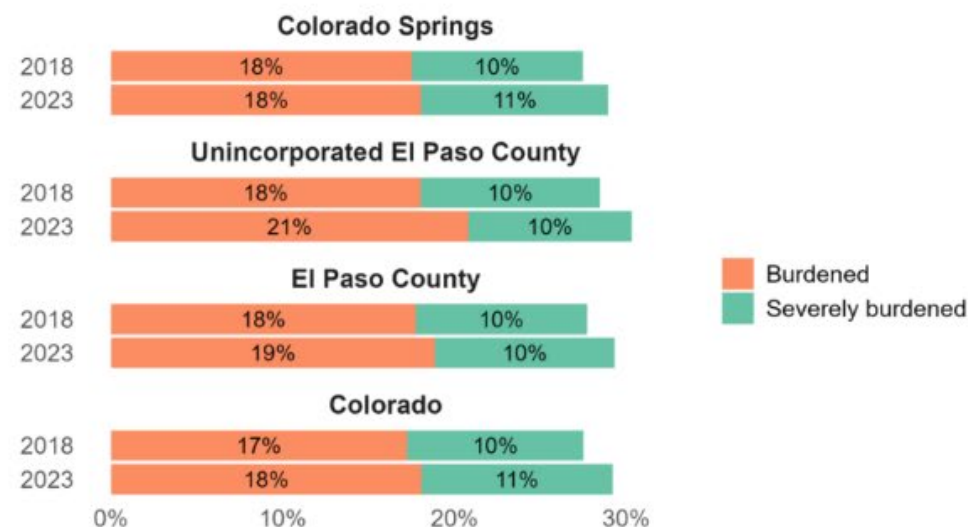
Cost Burden >30% of income
Severe Cost Burden >50% of income

Over half of renters and nearly one in three homeowners are cost burdened

Cost-Burdened Renter Households



Cost-Burdened Owner-Occupied Households with a Mortgage



Source: Five-Year American Community Survey; Matrix Design Group, Inc.

\$75,000 household income is key inflection point *roughly 60% of households* earning less than \$75,000 were cost burdened.

Homelessness

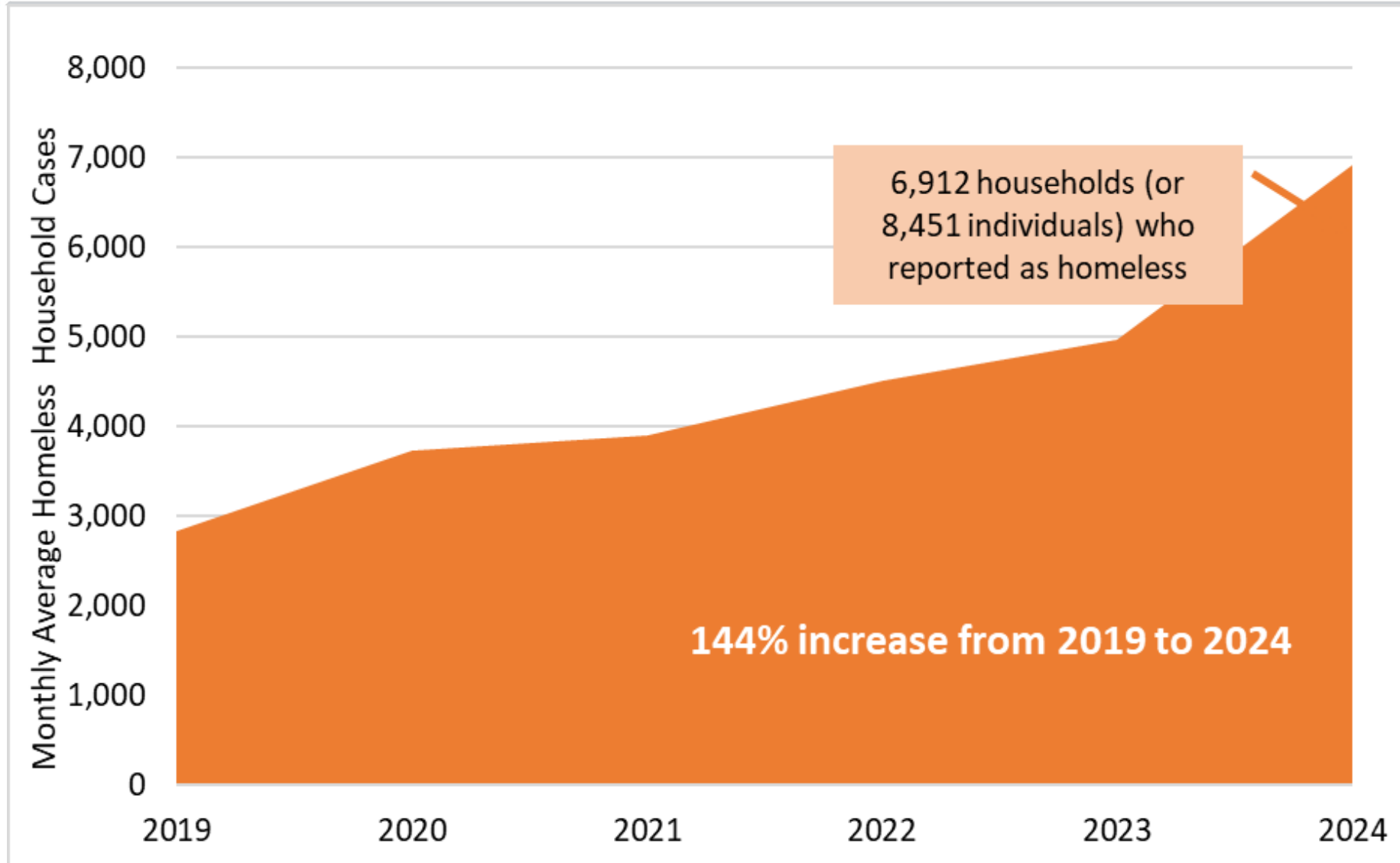


- Multiple data sources point to complex homelessness challenge in El Paso County
- Point-In Time counts are known to underestimate (multiple studies show homelessness tends to be 2.5-10.2 times higher than PIT estimates)

2024 PIT	2025 PIT	2024 SNAP	2024 HMIS	2024 McKinney-Vento
1,146 <u>individuals</u>	<ul style="list-style-type: none">• 1,745 <u>individuals</u> (+52% from 2024)• Increase in volunteers and outreach to Homeless Union	<ul style="list-style-type: none">• 6,912 households (or <u>8,451 individuals</u>)• Self-reported through SNAP applications	<ul style="list-style-type: none">• 6,846 <u>individuals</u>• Broader system that includes outreach/prevention services	<ul style="list-style-type: none">• 1,614 <u>homeless youth</u>• Definitions for homelessness differ from PIT

Sources: Pikes Peak Continuum of Care; Shinn et al., 2024; Metraux et al., 2001; El Paso County Department of Human Services; U.S. Department of Housing and Urban Development; Homeless Management Information System (HMIS); Colorado Department of Education; Data-Driven Economic Strategies

El Paso County Number of Homeless Households (Monthly Average from SNAP)



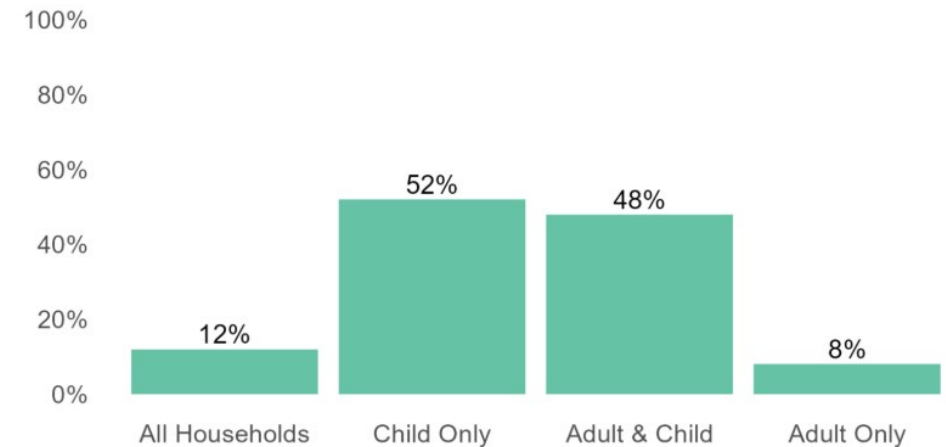
Beyond those already experiencing homelessness, an estimated **1,551 households (3,925 individuals)** are at high risk of becoming homeless due to severe housing cost burdens and low incomes

This was extrapolated from national studies on the probability of becoming homeless at specific (low) income thresholds as they relate to regional housing costs.

Supportive Housing

- **Supportive Housing** combines housing and services in a cost-effective way to assist people in maintaining stable housing and receiving appropriate health care or other personal needs.
- ~30% of homeless individuals require supportive housing due to chronic conditions, disabilities, or other barriers
- 12% of 3,143 households exiting the system were known to secure permanent housing (~380 households)
- The region faces a need for more than 2,007 net total supportive housing units

Share of El Paso County Homeless Households Exiting to Permanent Housing by Type, 2024



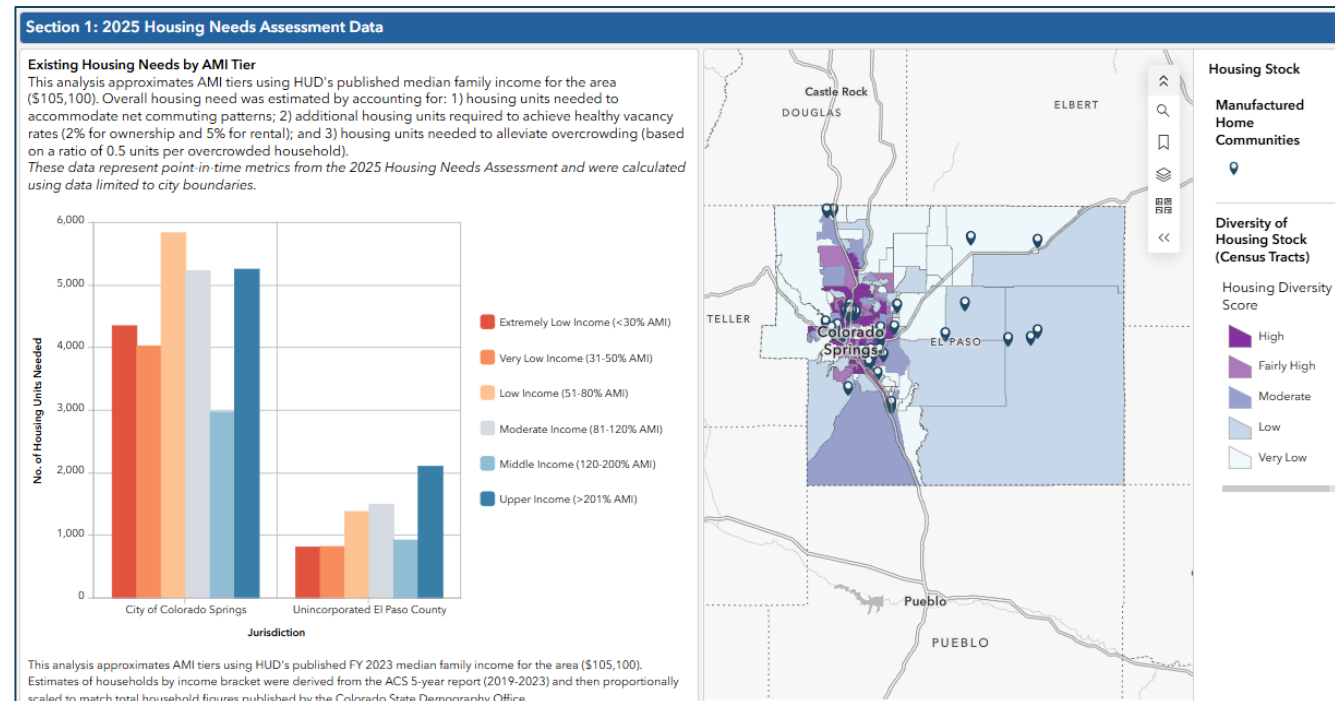
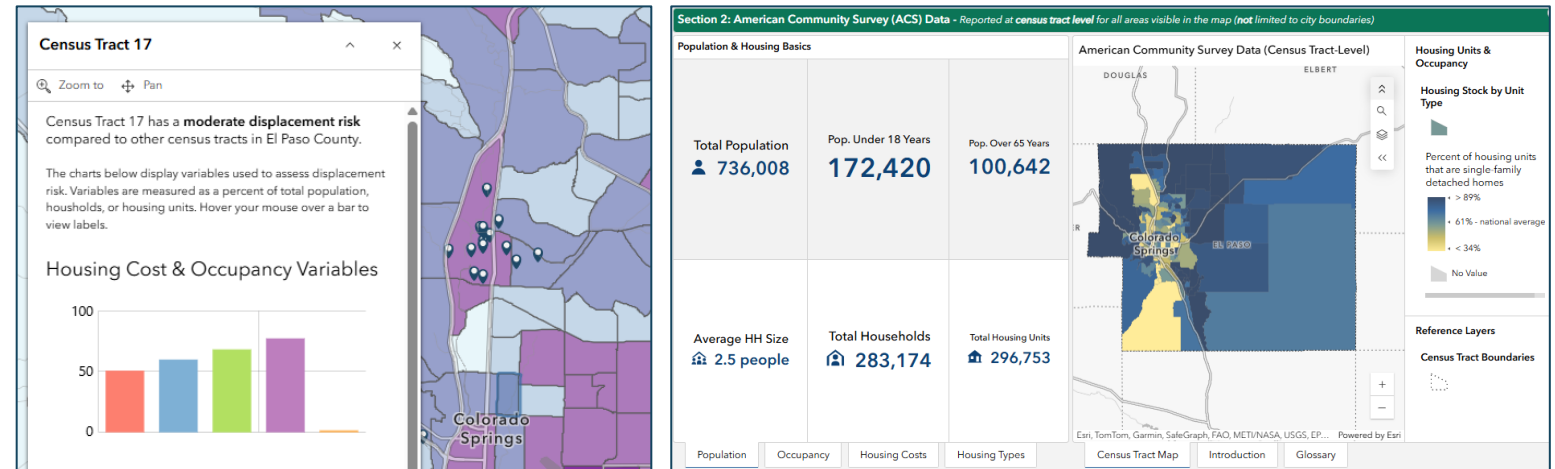
Sources: HUD Longitudinal Systems Analysis; Data-Driven Economic Strategies; Matrix Design Group, Inc.



Next Steps

Dashboard

- Presents key findings and major takeaways from HNA
- Helps identify where needs are greatest
- Provides data for public understanding
- Census tract data and custom HNA analytics



Policy and Program Recommendations

Funding Sources

- Low-interest Loans | Tax Relief | Tax Increment Financing (TIF) | Linkage Fees | Direct Investment

Regulatory Tools

- Zoning Amendments | Development Standards | Parking Reductions | Administrative Processes

Direct Support and Partnerships

- Regional Coordination | Technical Assistance | Redevelopment | Institutional Partnerships

Preservation and Management

- Housing Preservation | Rental Assistance/Foreclosure Prevention | Affordable Housing Mgmt

Community Housing Programs

- Housing Partners | Supportive Housing Programs | Displacement Mitigation | Assistance Programs

Housing Action Plan

1. Information and Data Review

- Assessment Recap | Zoning Capacity Analysis | Six-year Construction Timeline | Future Performance Reporting Framework

2. Public Engagement

- Follow-up Interviews/Working Groups | Community Meetings

3. Housing Action Plan

- Housing Goals and Strategies | Zoning | Equitable Development

4. Implementation

- Action-oriented Framework | Funding and Resources

What is included in a Housing Action Plan?

	Summary of Key Housing Needs Assessment Findings
	Summary of Public Engagement Findings
	Housing Targets and Goals
	Strategies
	Implementation of Actions, Progress Report



Questions & Discussion

Thank You