The Denver region: Growth with Challenges

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DRCOG Overview

- Quasi-governmental, public agency dedicating to serving local governments
- Local officials working together to address the region's challenges
- Each community has voice in regional decision-making
- Program areas:
  - Advocacy
  - Aging Services
  - Environment
  - Regional growth and development
  - Shared services
  - Transportation and traffic operations

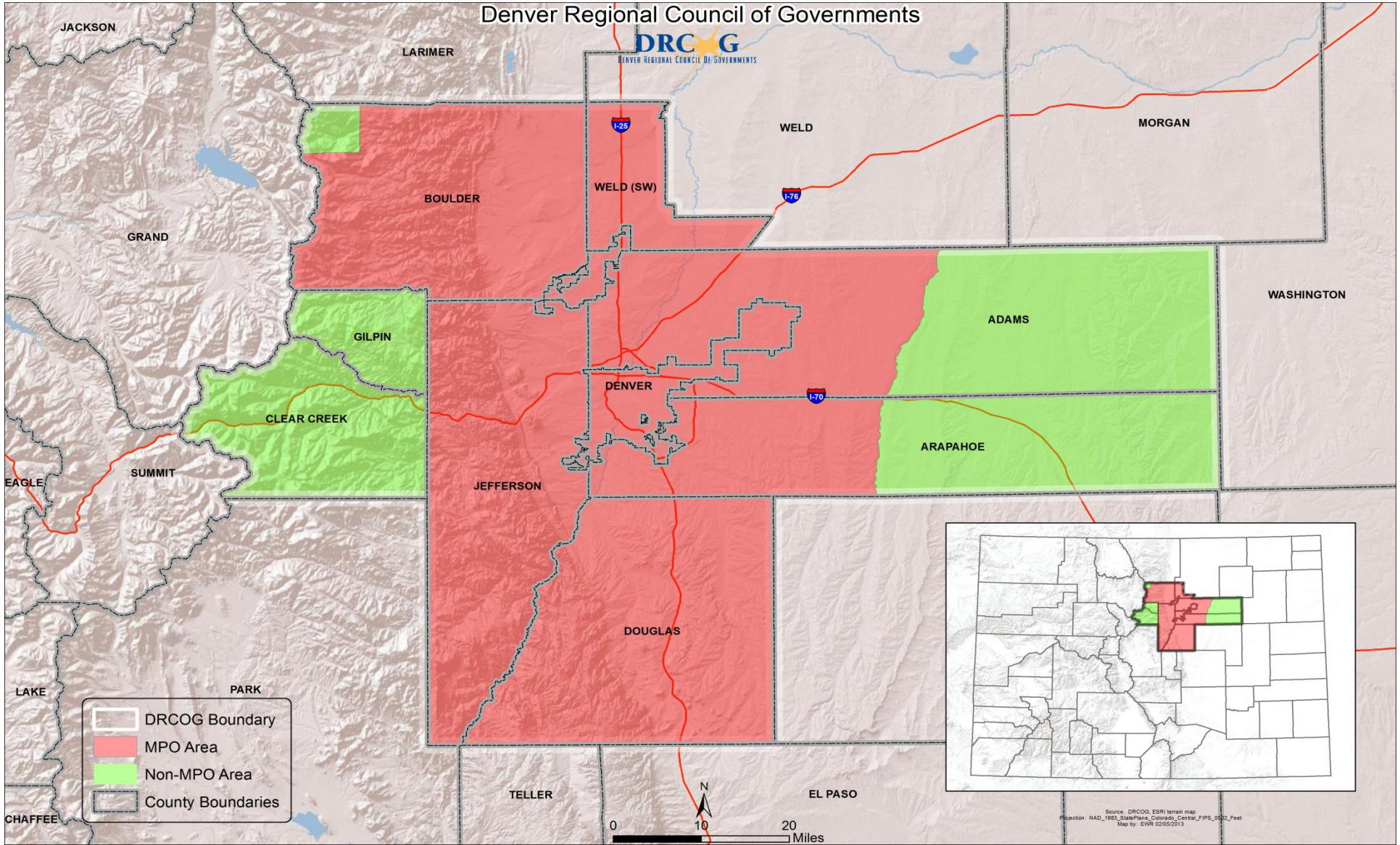
Our mission and vision

MISSION: The Denver Regional Council of Governments is a planning organization where local governments collaborate to establish guidelines, set policy, and allocate funding in the areas of:

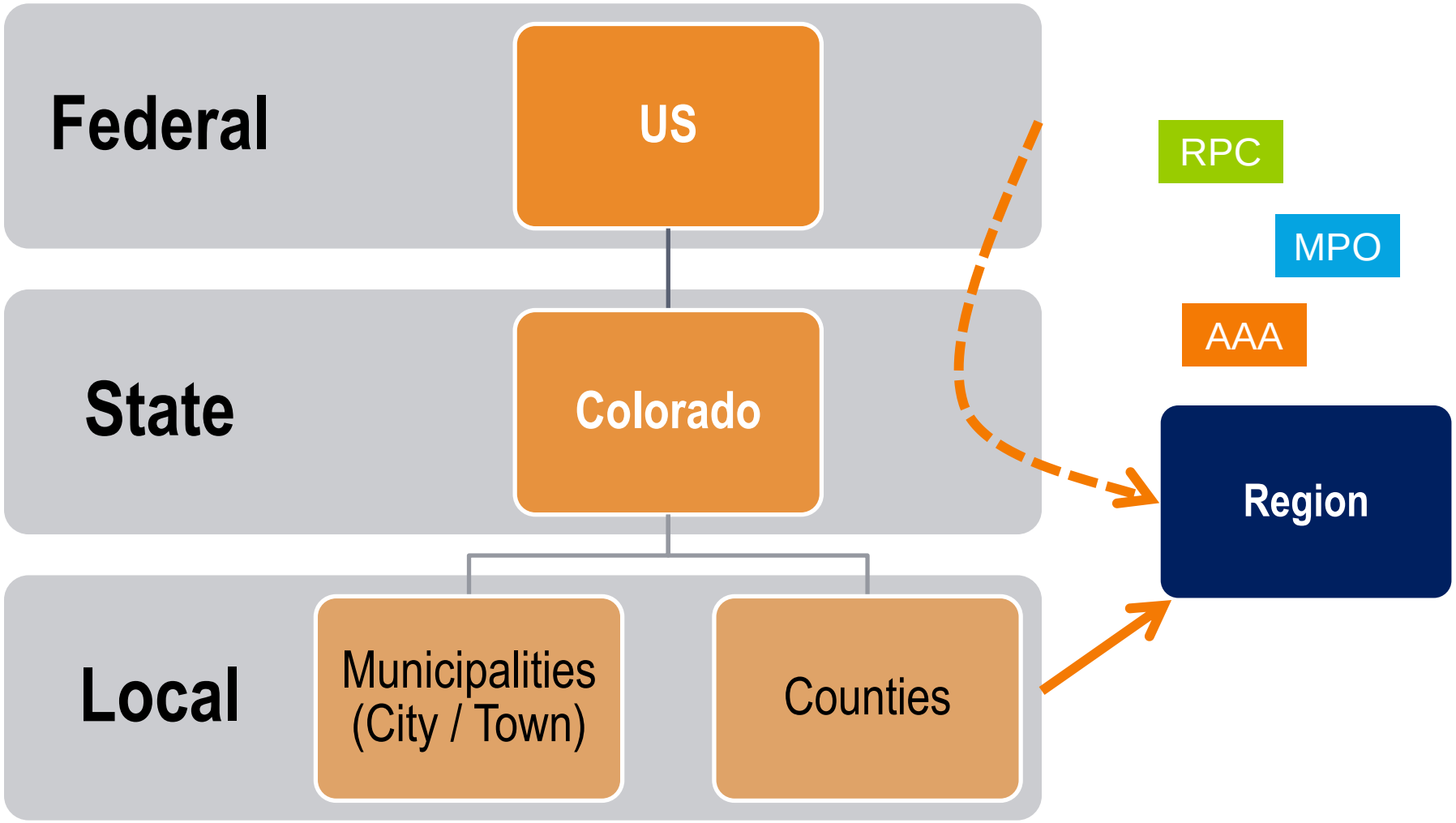
- growth and development
- aging and disability resources
- transportation and personal mobility

VISION: Our region is a diverse network of vibrant, connected, lifelong communities with a broad spectrum of housing, transportation and employment, complemented by world-class natural and built environments.

DRCOG Planning Area



What role do regions play?



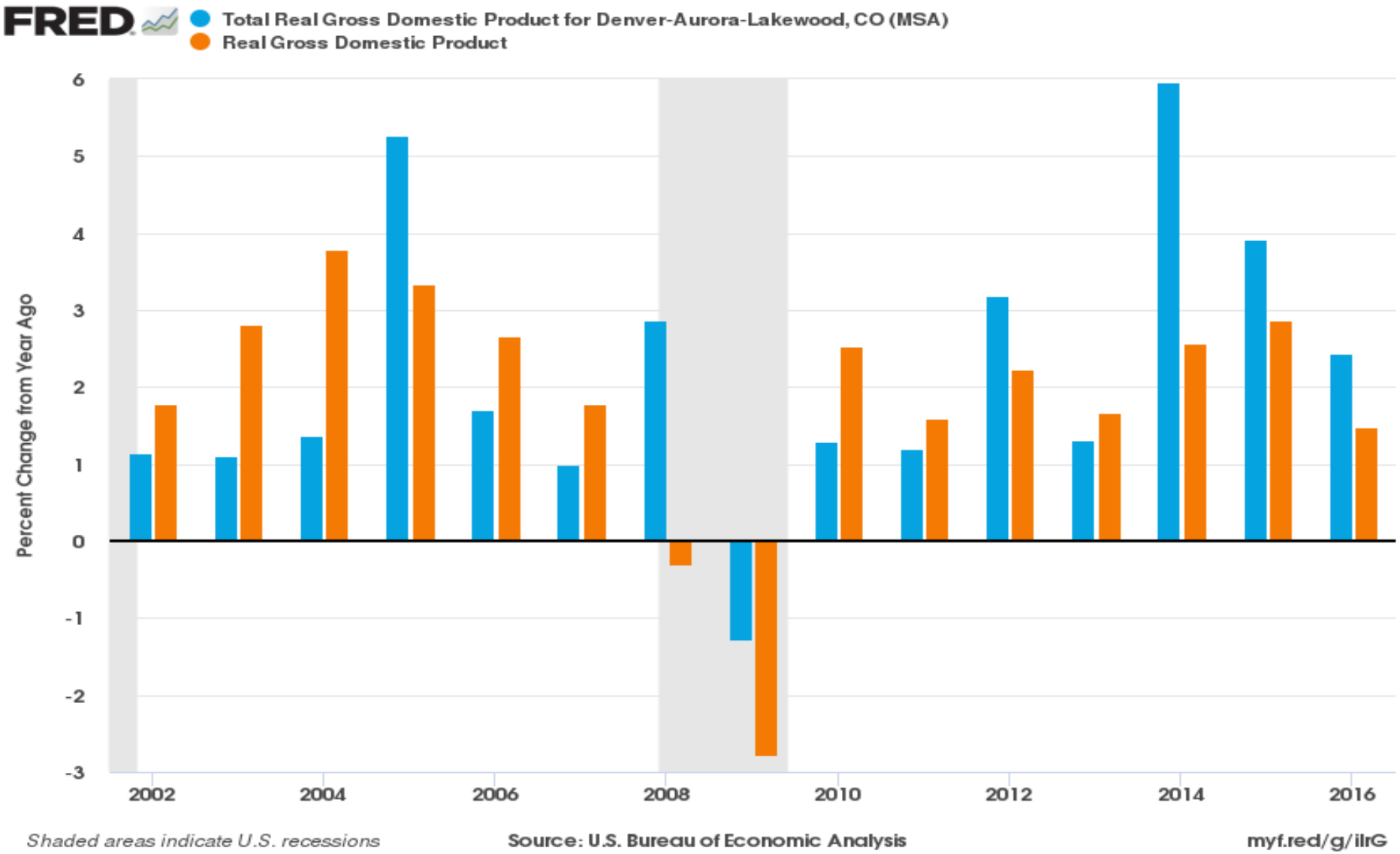
A VIBRANT, GROWING REGION

Strong, steady performance

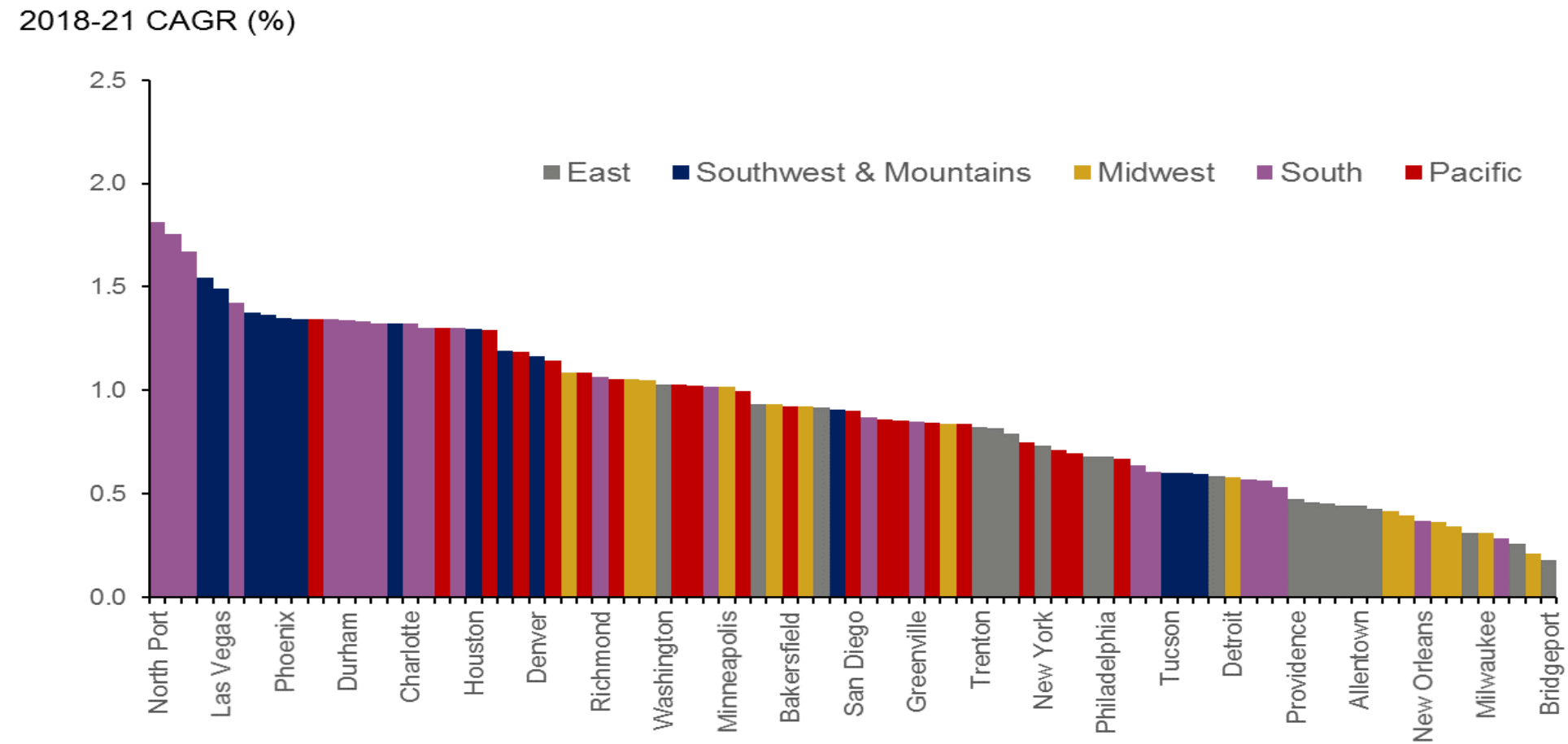
- The Denver economy is ranked 18th largest out of all metropolitan areas at the end of 2016.

- Growth is the Denver metro area has been about 1% higher than U.S. growth between 2012-2016.

Outpacing the nation

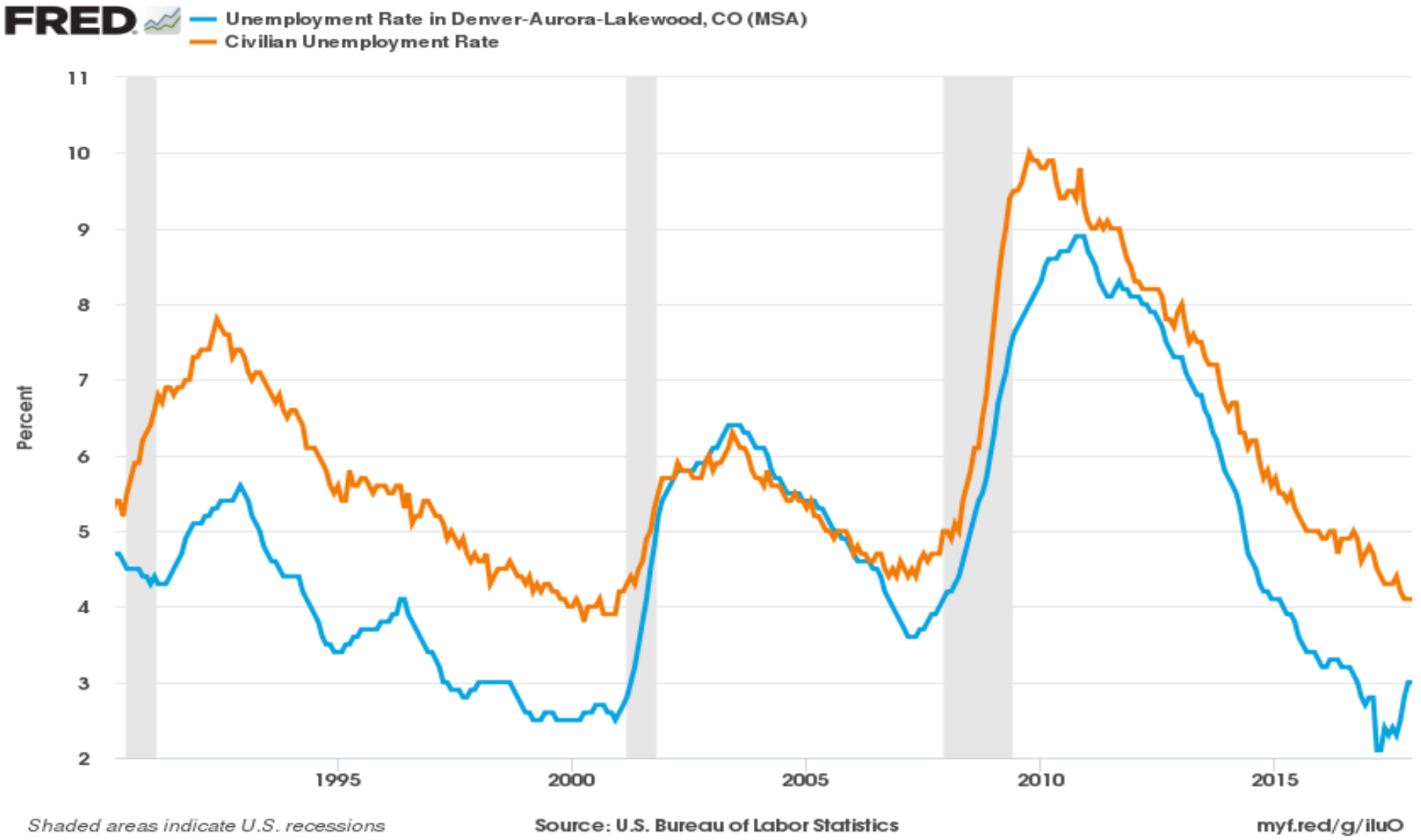


Southeast and SW to dominate future job growth

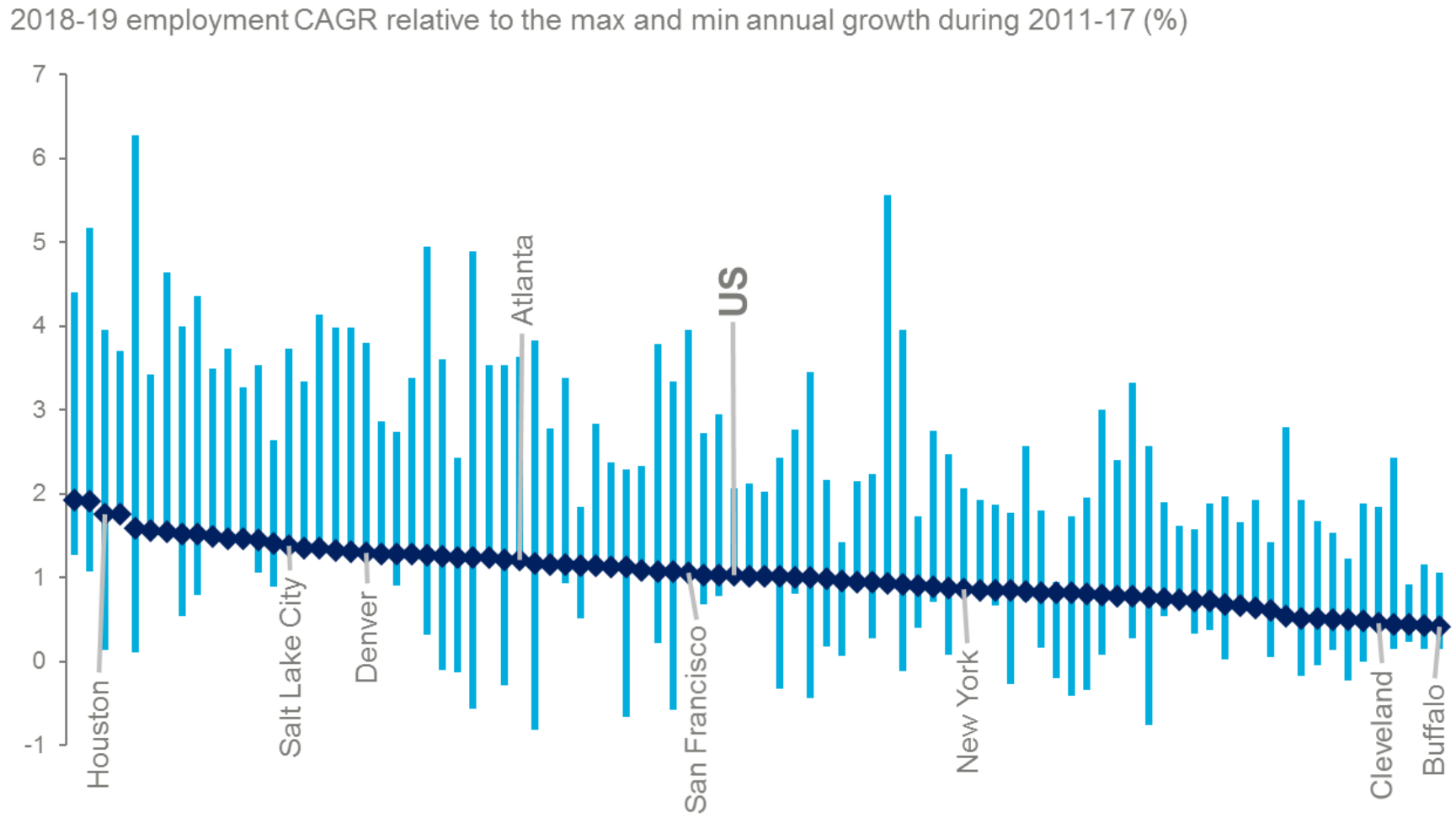


Source : Oxford Economics

Lower unemployment rates than U.S.

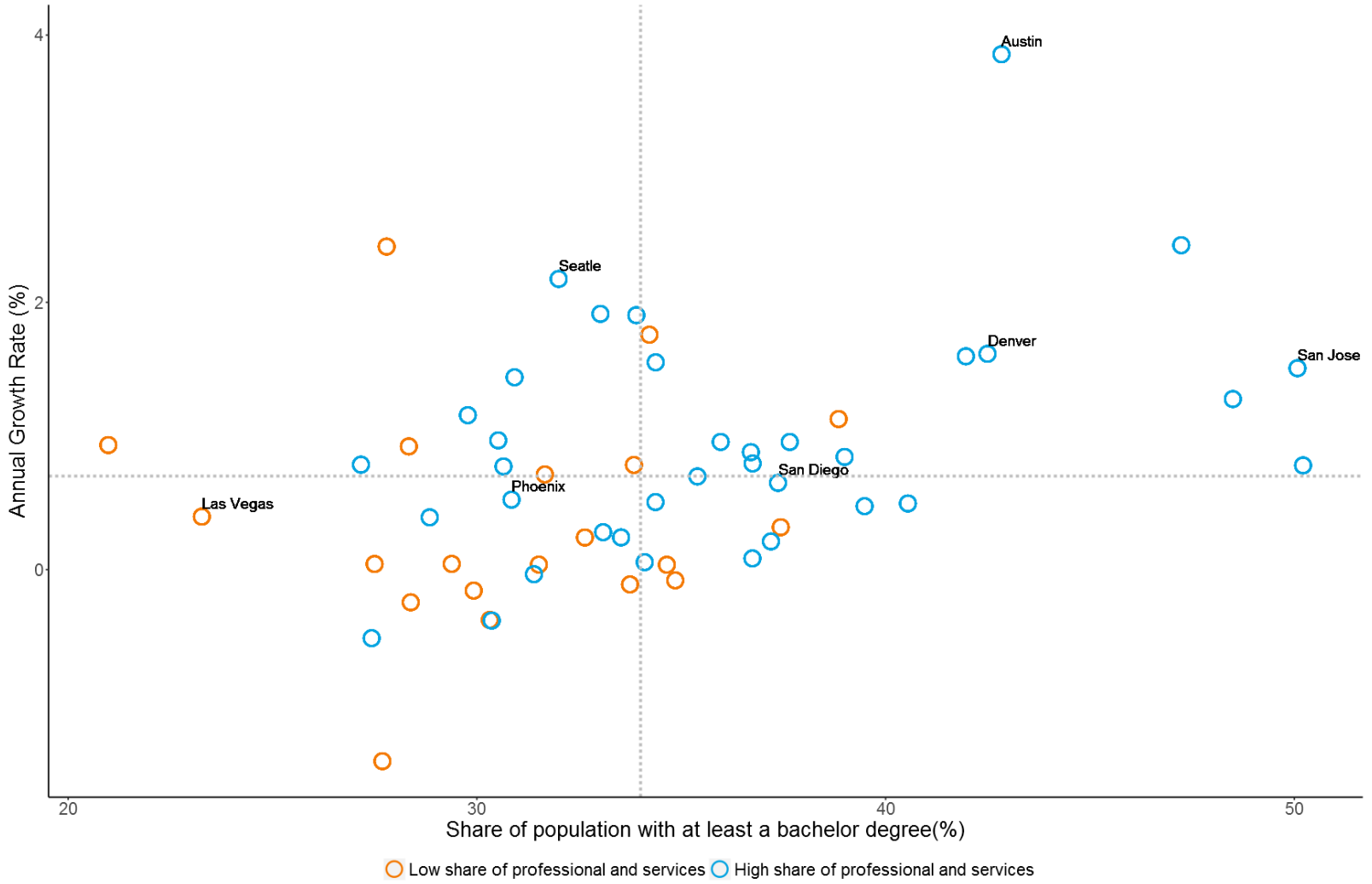


The pace of local job growth will generally slow



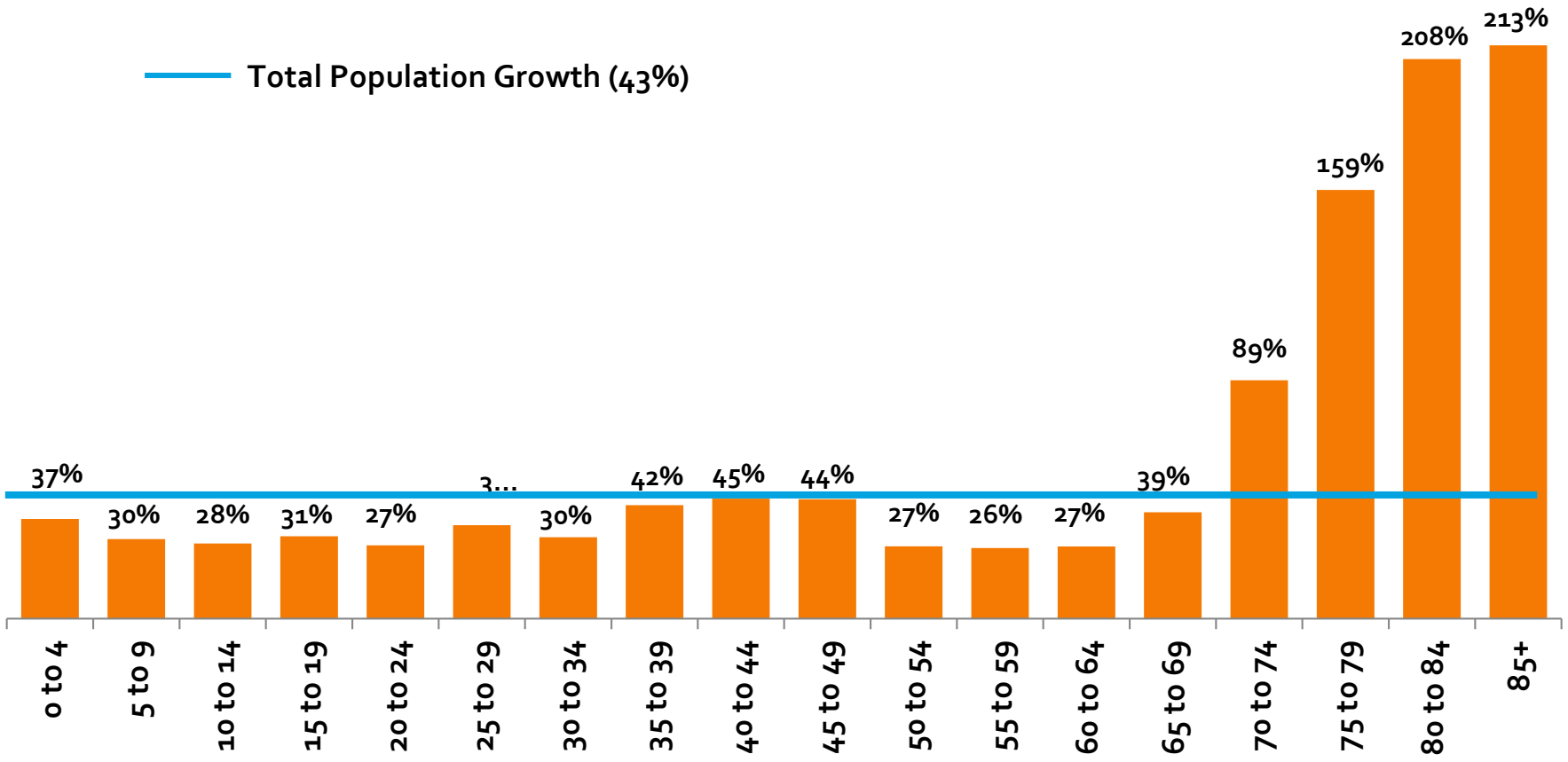
Source : Oxford Economics, BLS

Employment Growth and Education



Source: Bureau of Labor Statisitcs (2017), U.S. Census

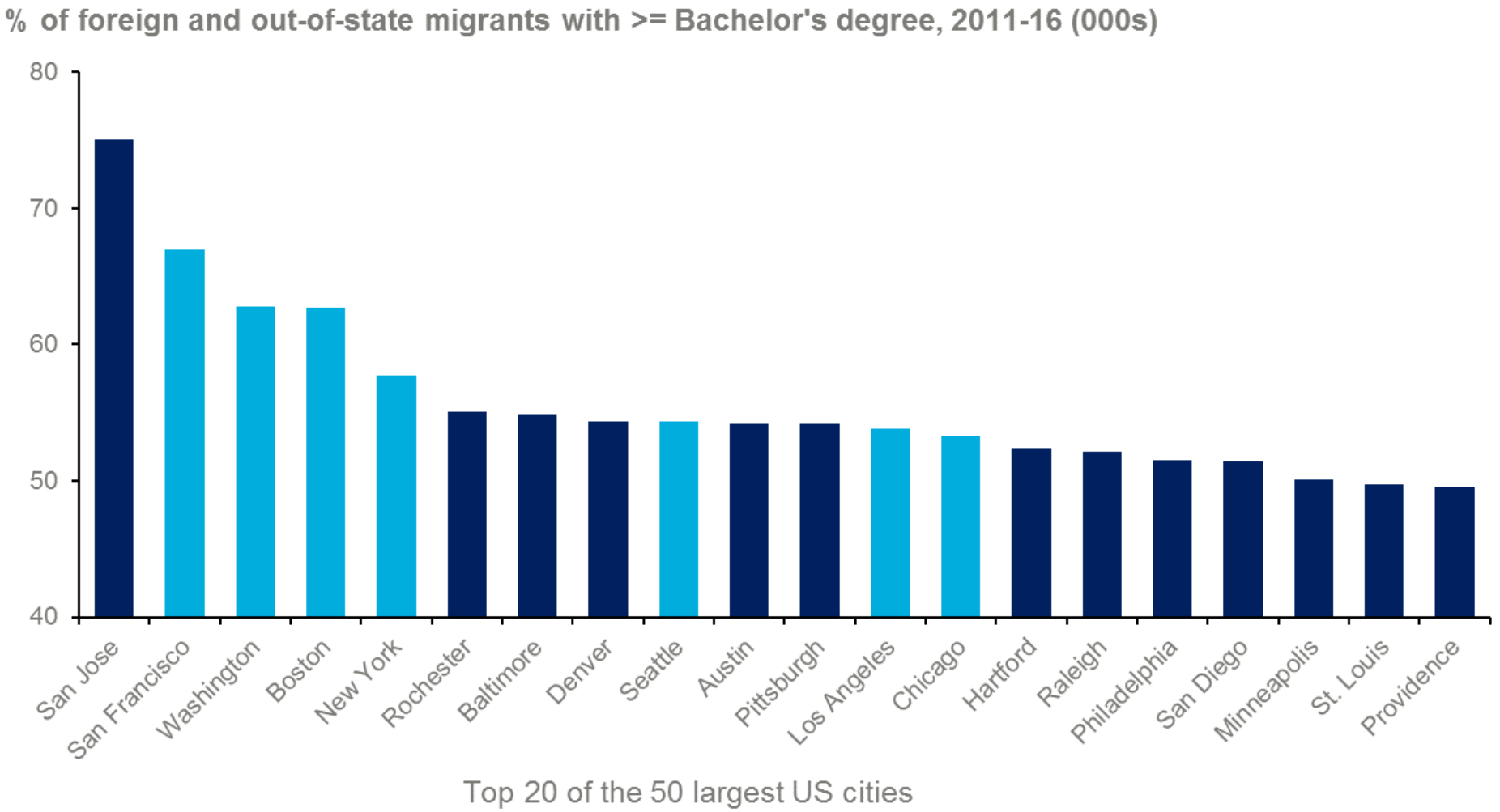
Colorado population growth (2015-2040) by age



Where are Millennials moving?

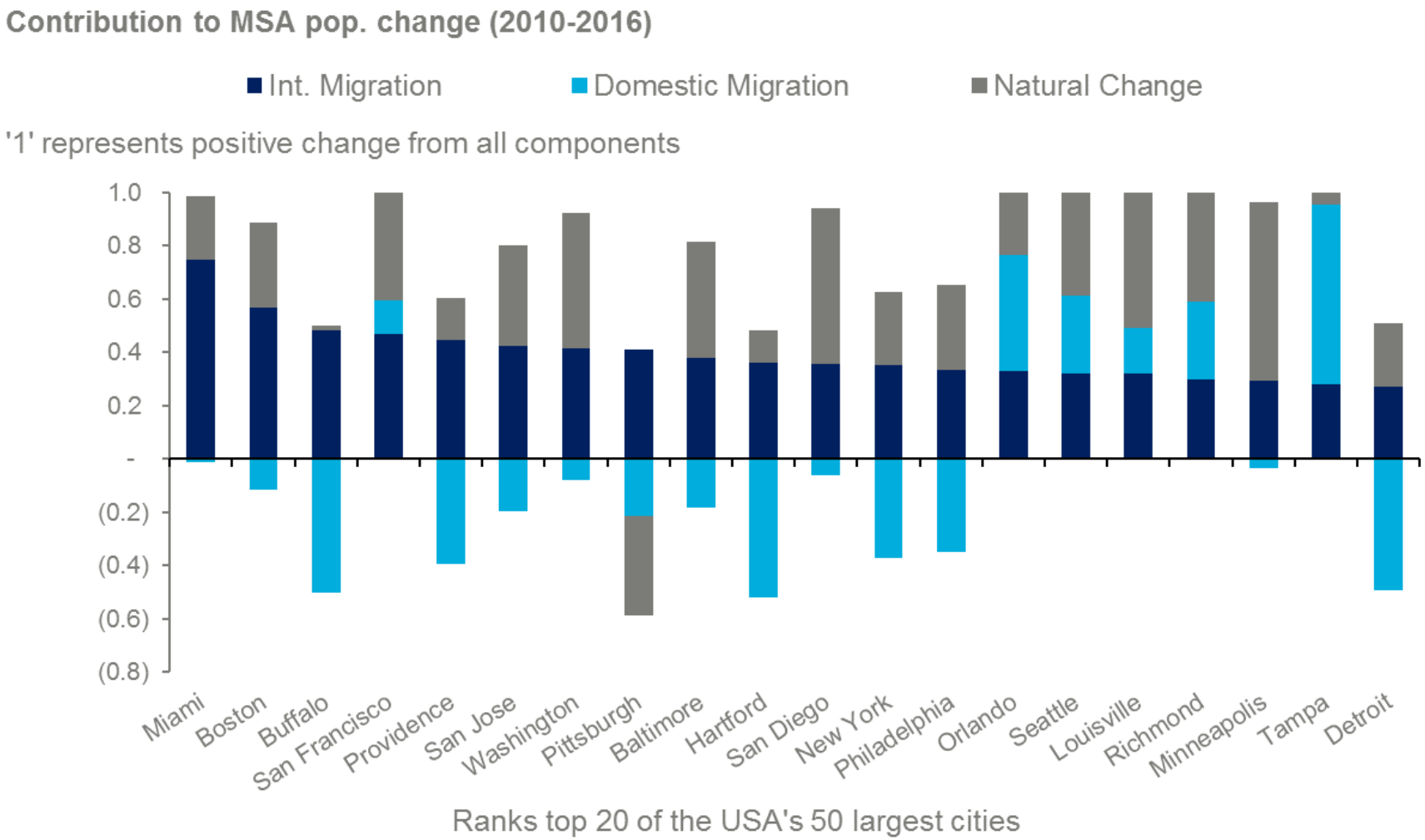
Source : Oxford Economics

The region is importing highly educated labor



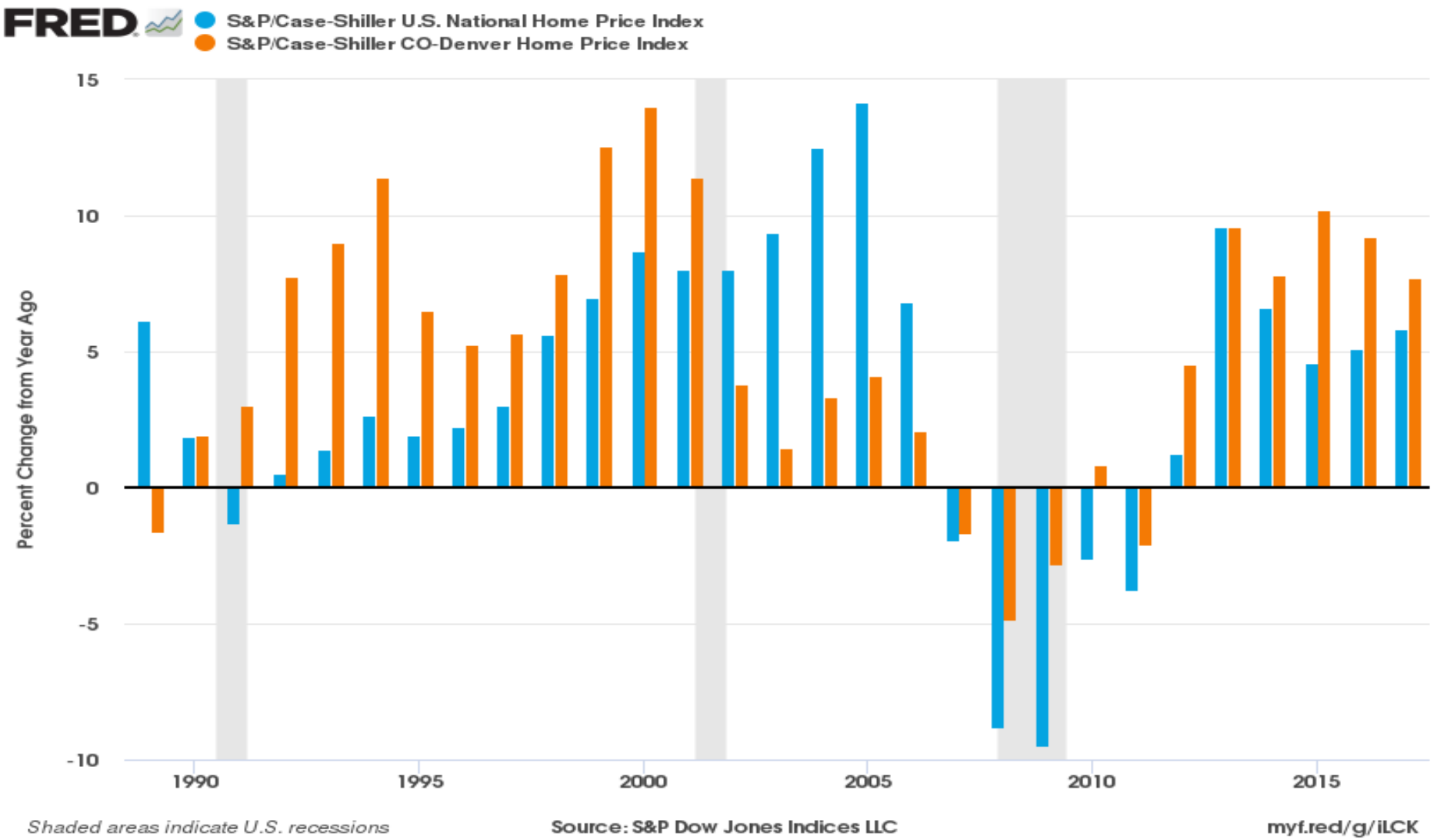
Source : Oxford Economics, US Census

Is the Denver region headed in this direction?



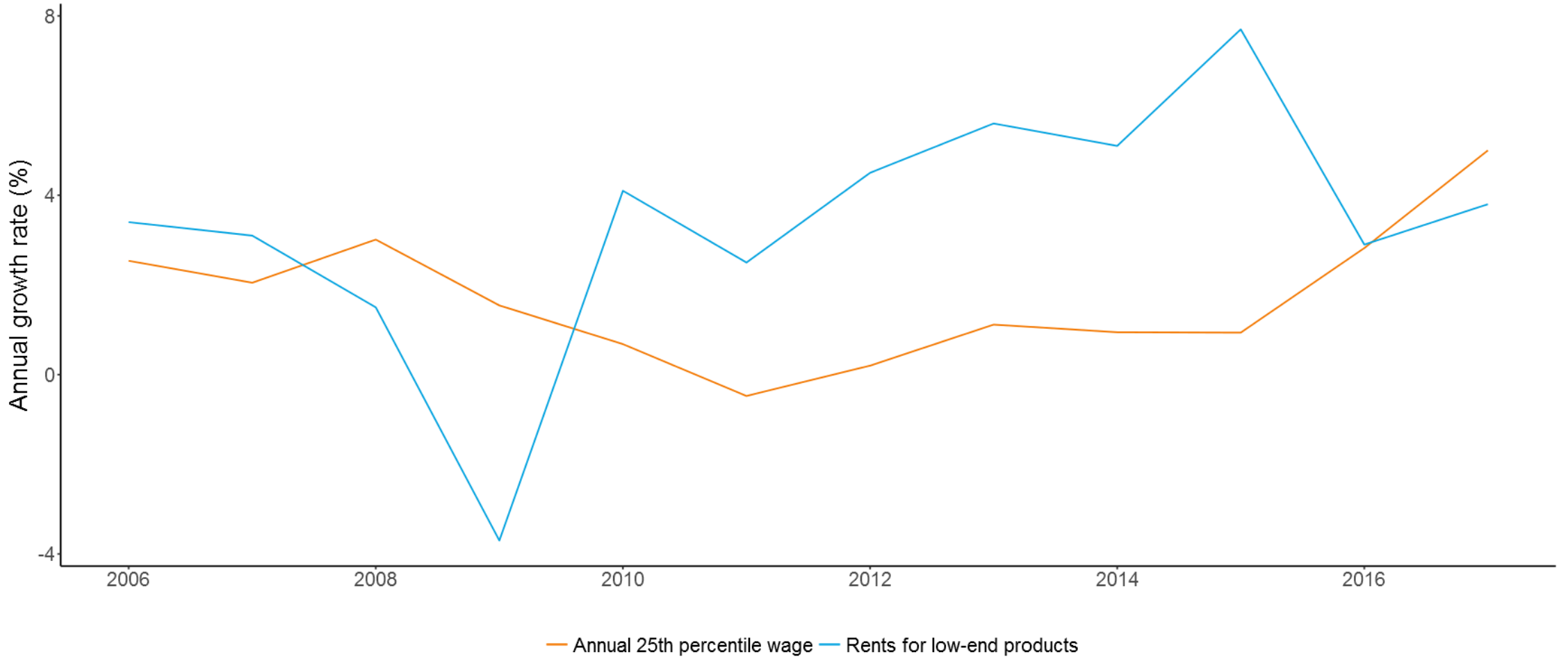
Source : Oxford Economics, US Census

Denver home price growth outpaces the U.S.



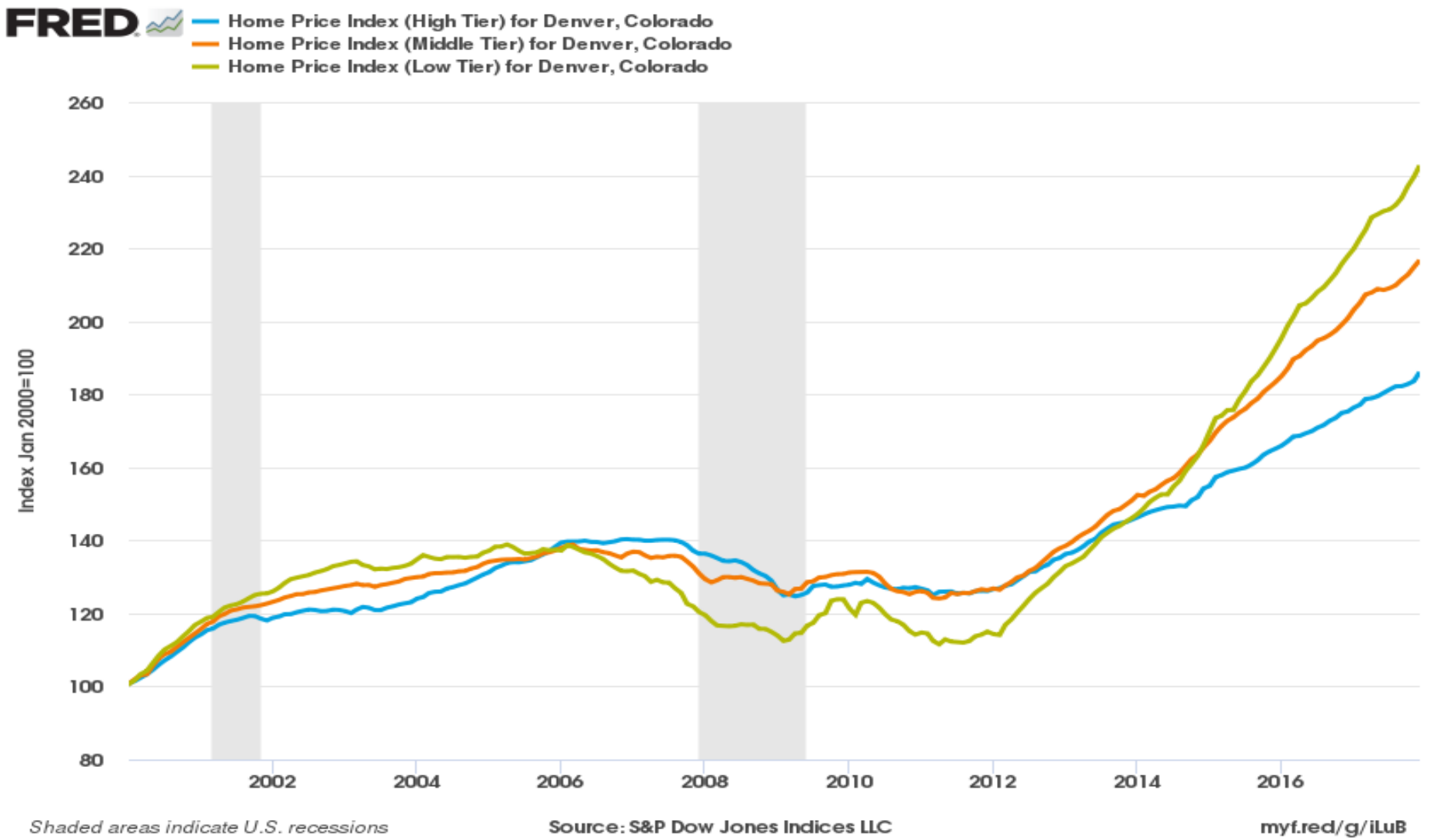
Near-term Affordability Challenges

It is not only about the type of units, but also its price tier.

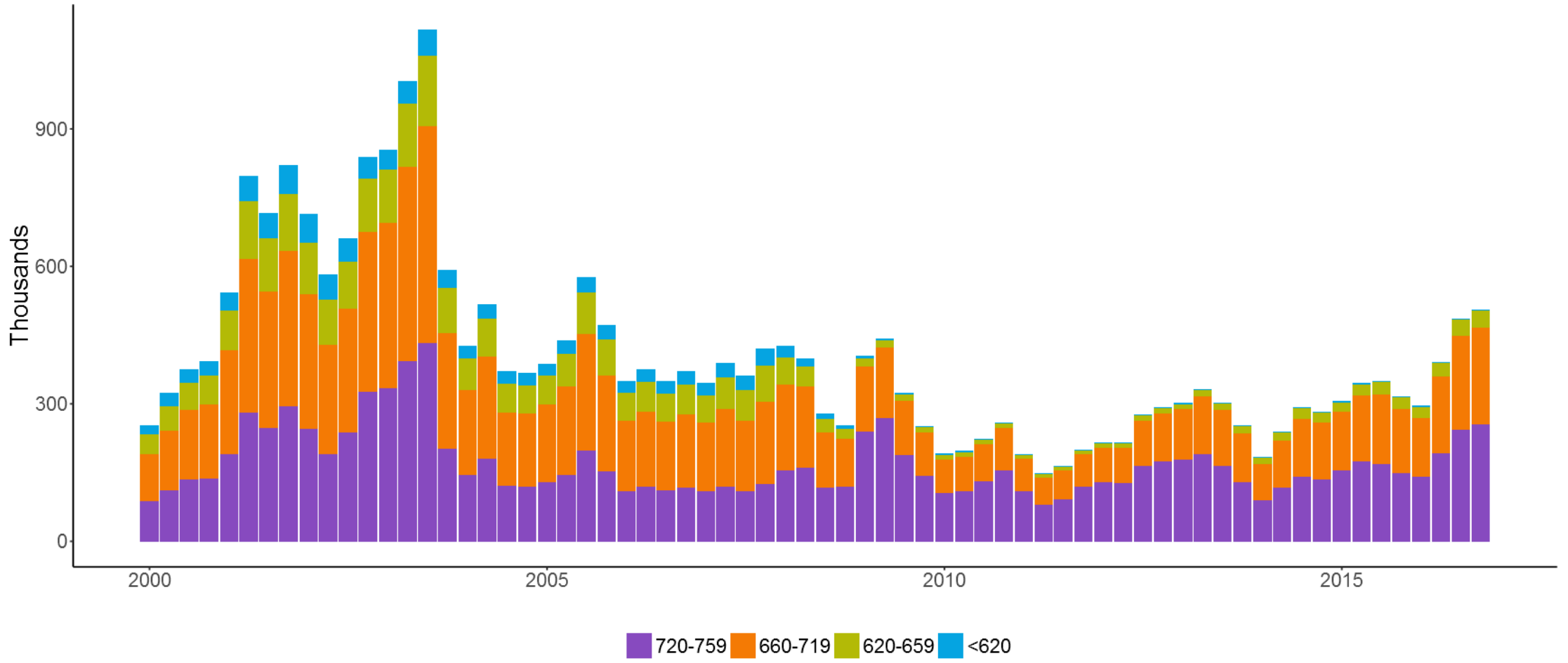


Source: CoStar Realty Information, Inc. (www.costar.com); Bureau of Labor Statistics (Occupational Employment Survey)

Growth in home prices… blessing or curse?



Mortgage origination by credit score (2000-2016)

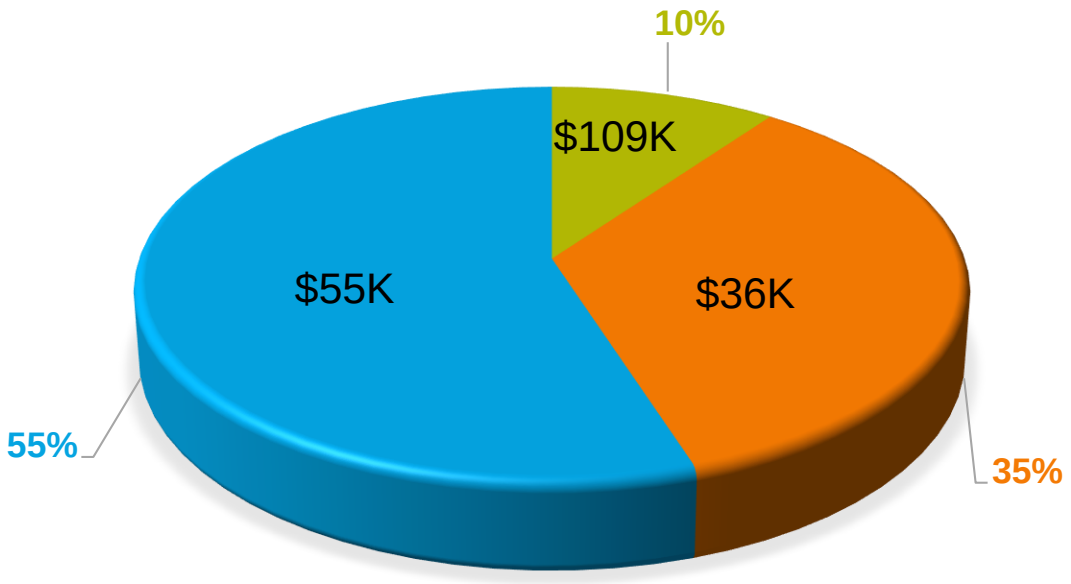


Source: Fannie-MAe and Freddie-Mac single-family loan dataset and DRCOG calculations

Source: Fannie-Mae and Freddie-Mac Single-family Loan Datasets and DRCOG calculations.

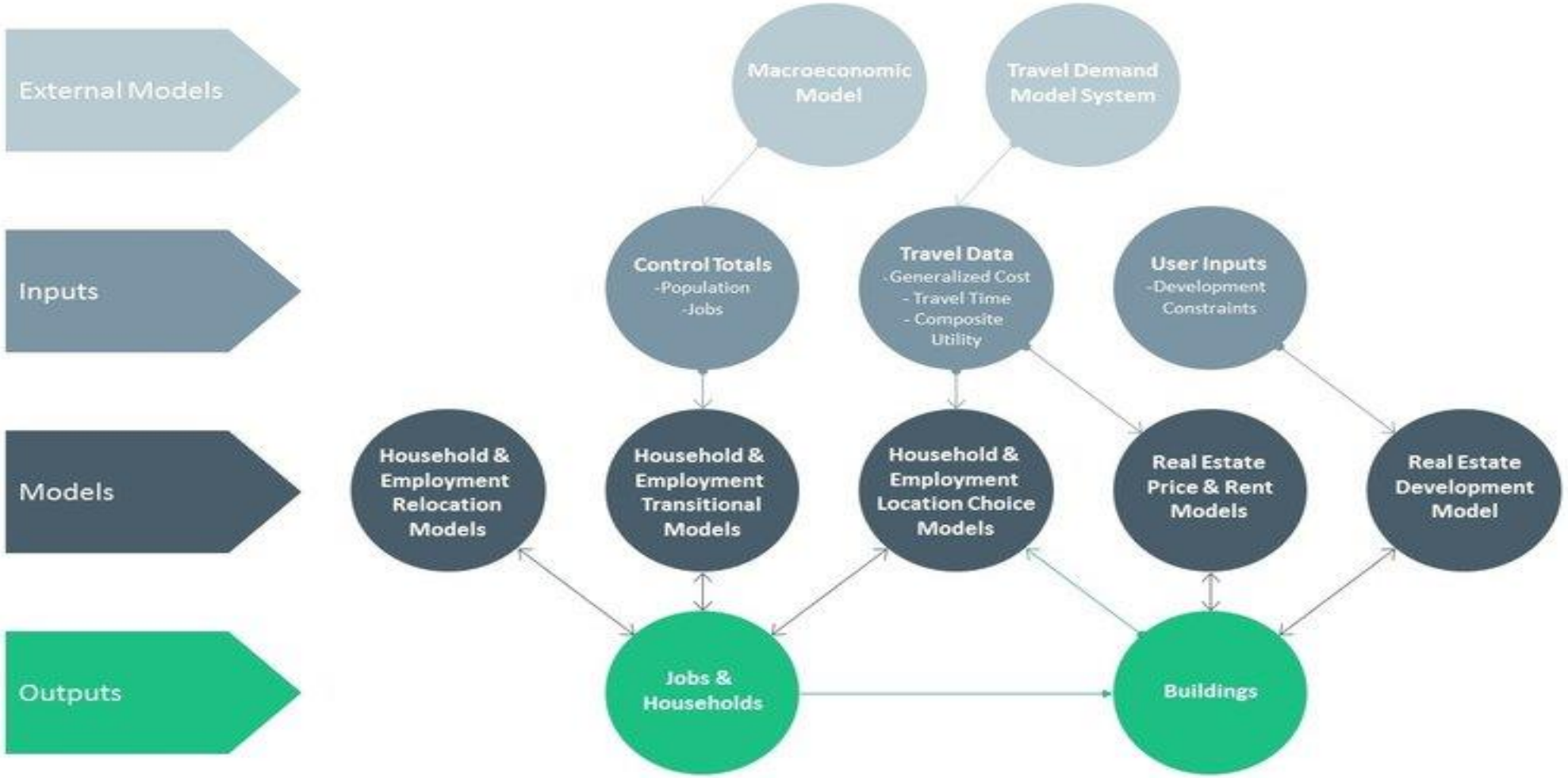
Jobs and income

- The region’s three **highest-paying industries** constitute only **10 percent** of the region’s jobs and have an annual mean salary of **$109,000**
- **35 percent** of the region's jobs (three largest industries) have an annual mean salary of **$36,000**



BLS Survey of Occupational Employment

Forecasting at DRCOG & UrbanSim



The region is growing…

Population

- **2015: 3.2 million**
- **2040: 4.3 million**
- **approximately 40% increase**

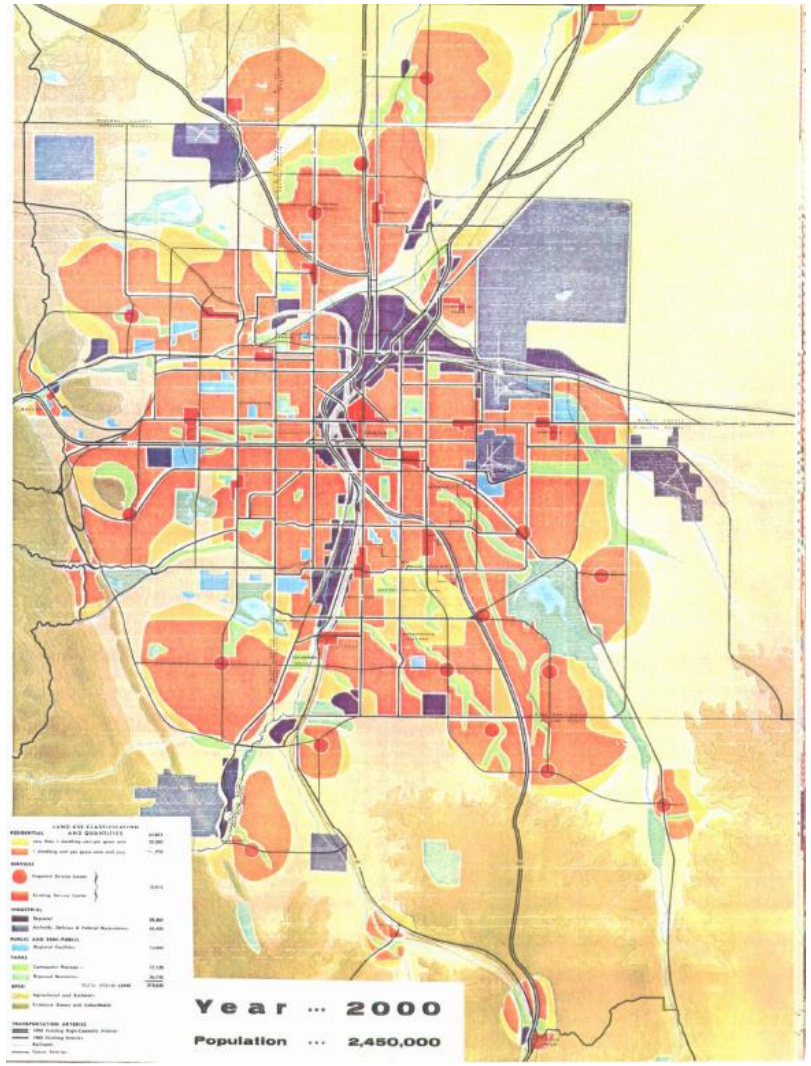
Employment

- **2015: 1.7 million**
- **2040: 2.4 million**
- **approximately 41% increase**

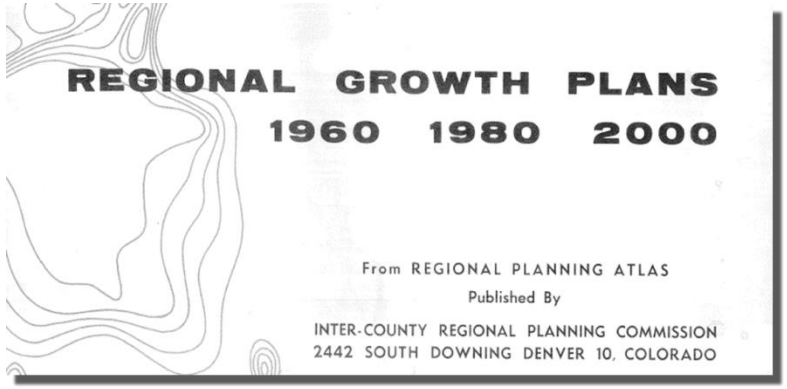
1.1 million people is liking dropping San Jose on Denver

DRCOG'S METRO VISION PLAN

Evolution of Metro Vision



First regional plan: 1960



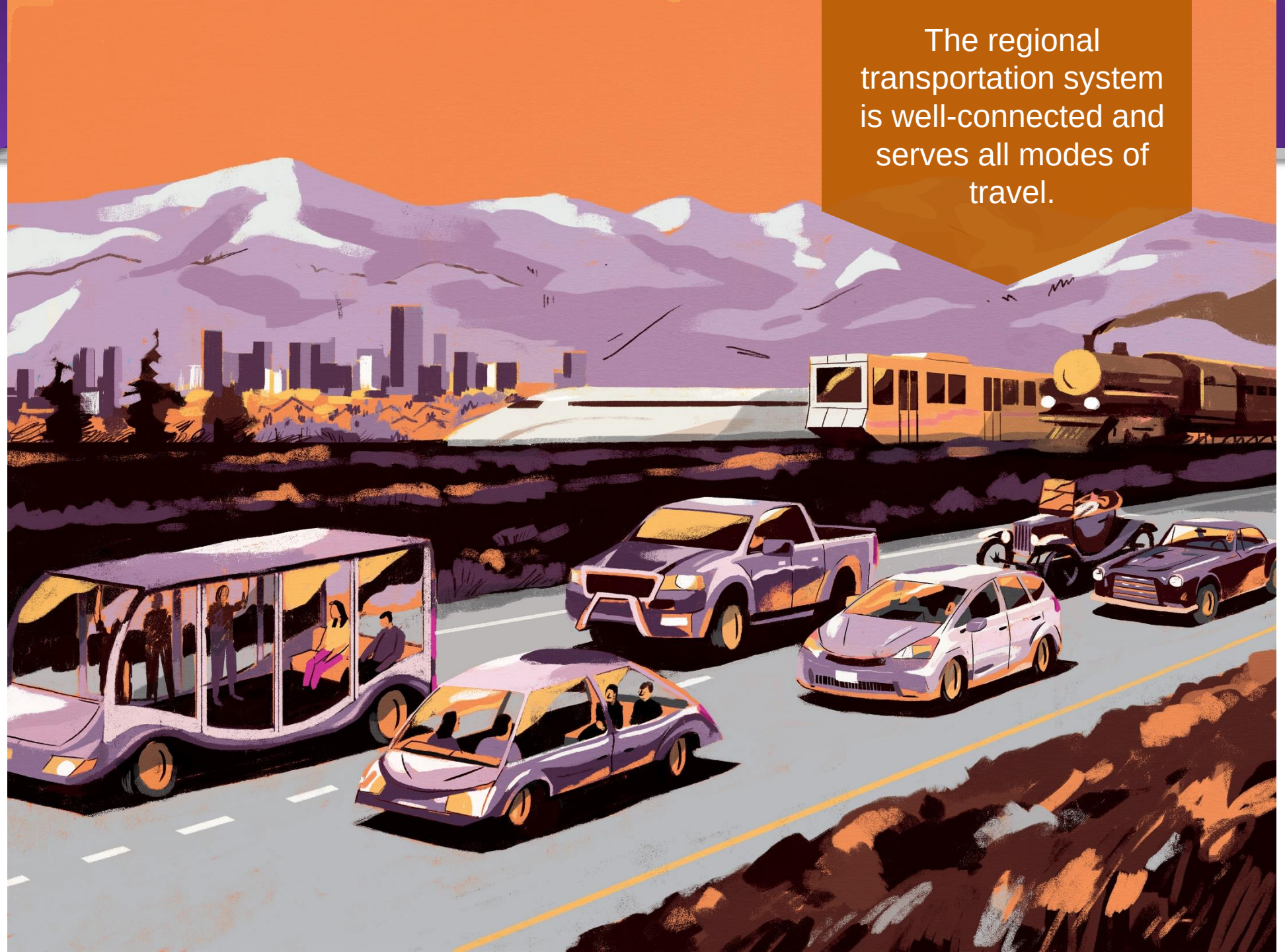
Things to keep in mind

- Metro Vision is the **shared guiding vision** of the DRCOG Board of Directors *and* a set of outcomes, objectives and voluntary initiatives for our many partners to consider

- Metro Vision is **aspirational, long-range and regional** in focus – it should not be thought of as a policy document

- Implementation success is dependent on many partners, contributing through **different pathways and at different speeds**

The regional transportation system is well-connected and serves all modes of travel.

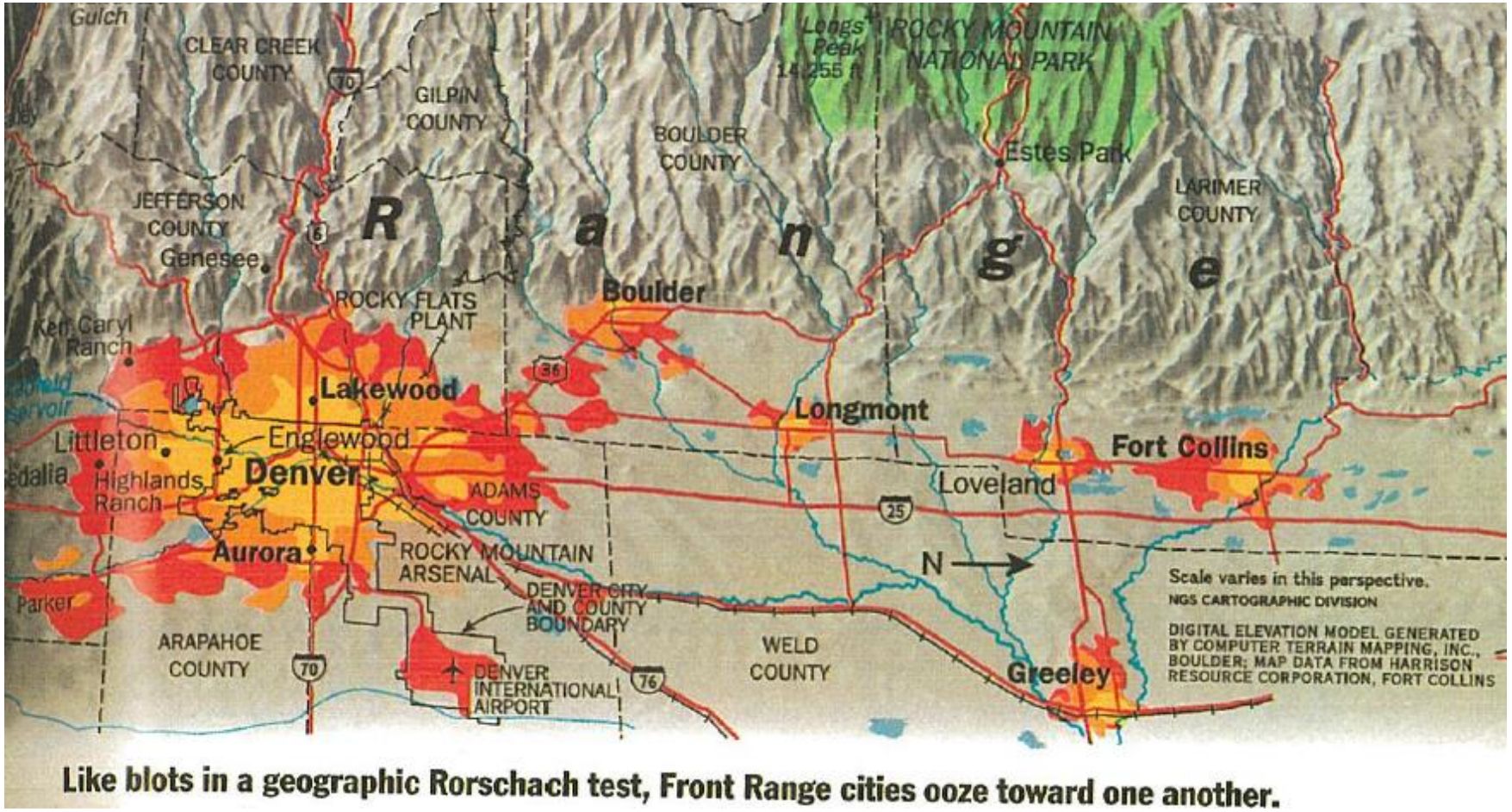


Investments in infrastructure and amenities allow people and businesses to thrive and prosper.

The region is comprised of diverse, livable communities.

GROWTH IN THE DRCOG REGION

National Geographic: November 1996



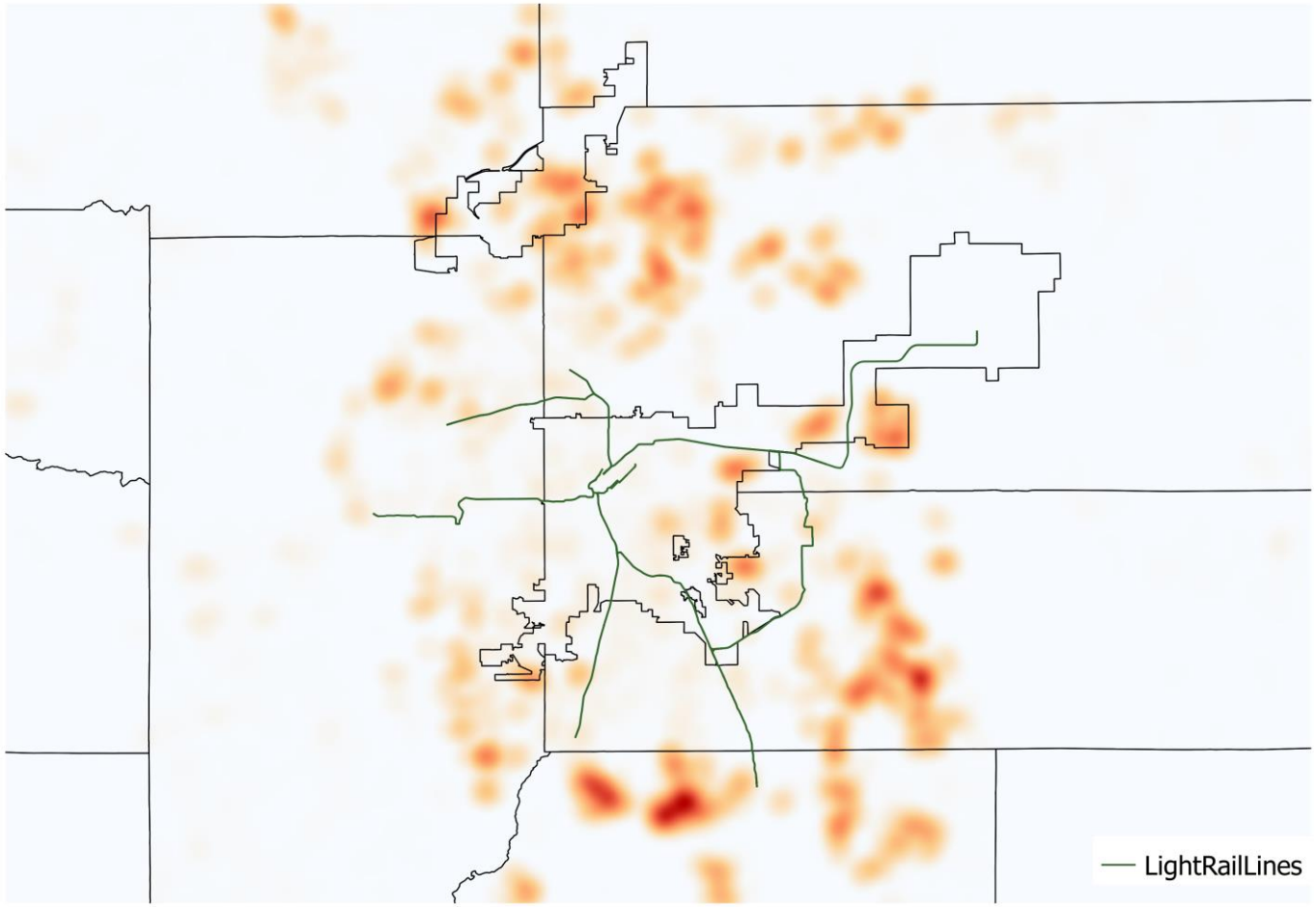
Like blots in a geographic Rorschach test, Front Range cities ooze toward one another.

Our growth strategy simplified…

Manage urban extent

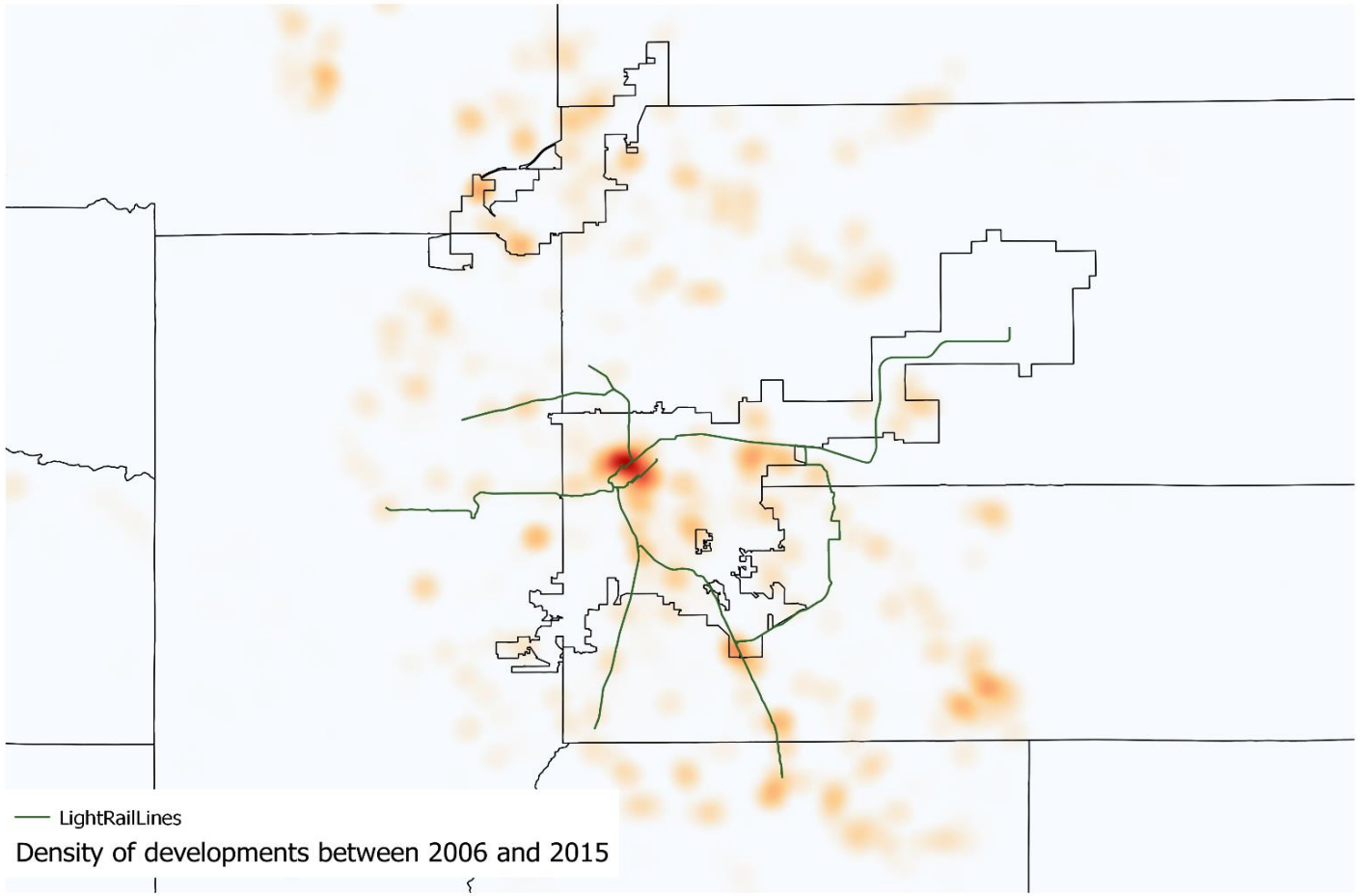
Urban intensification

Past housing dynamics: New residential units (1996-2005)



Source: DRCOG Master Housing data.

Current housing dynamics: New residential units (2006-2015)



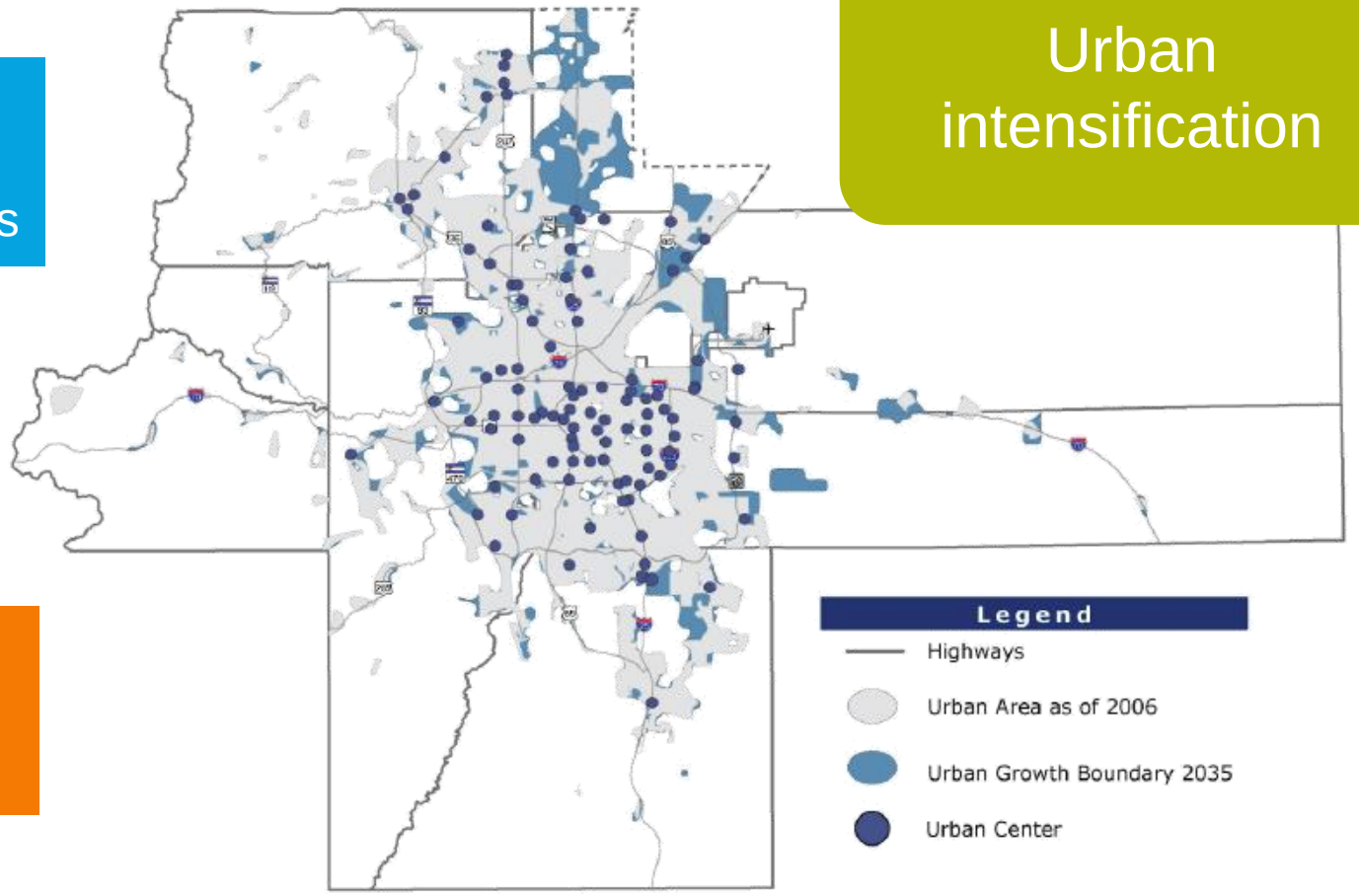
Source: DRCOG Master Housing data.

Urban centers

104
Urban Centers

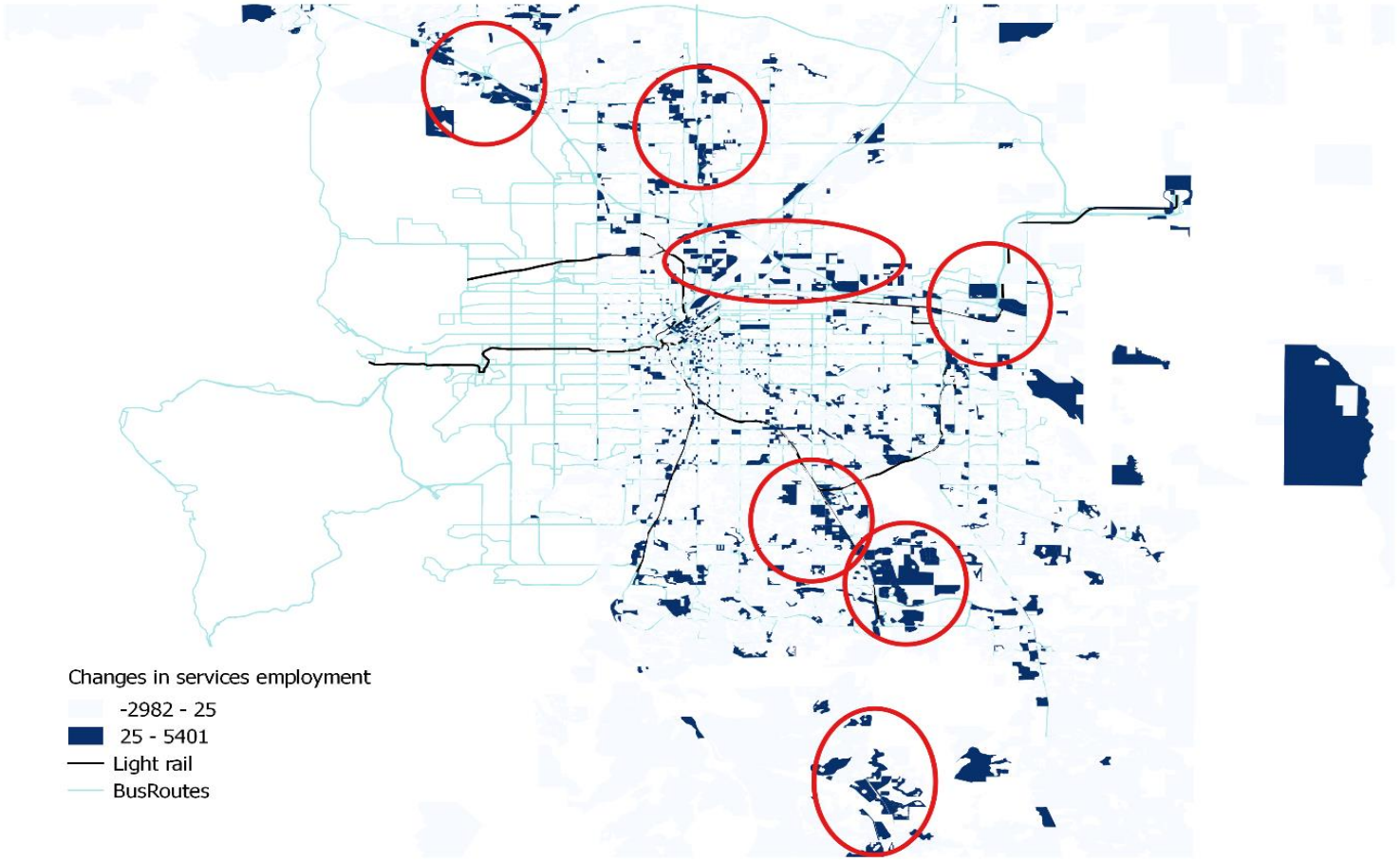
Identified By

25
Local Gov’ts



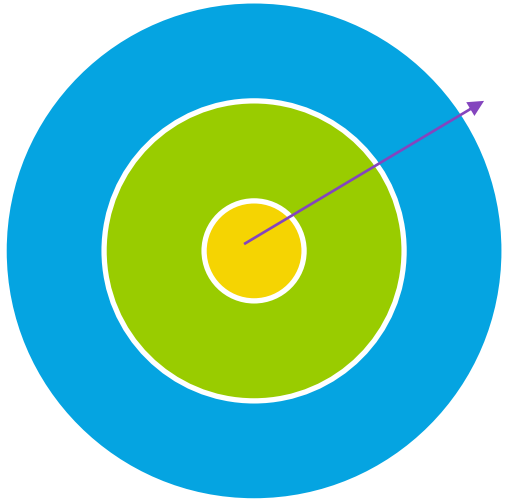
Urban intensification

Growth in service sector has occurred in high density areas



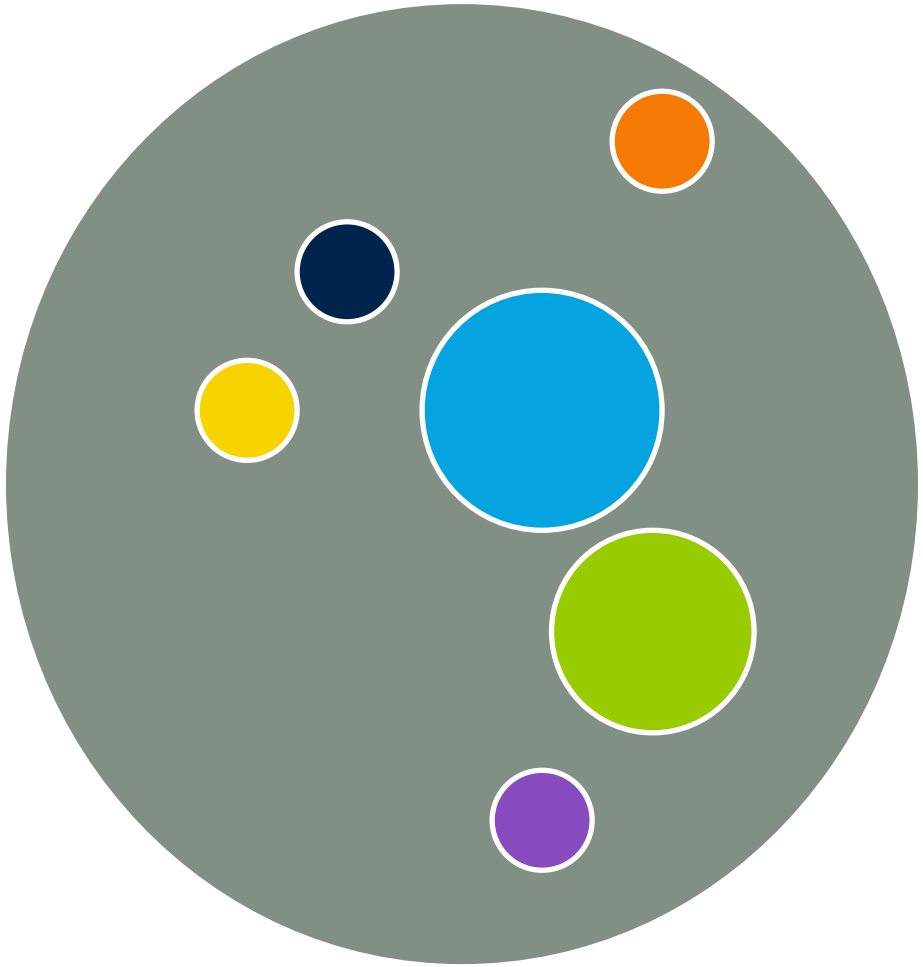
Job decentralization at first glance…

Distance to Union Station	Growth 2009-2014 Share	Rate
0 to 5 miles	13.0%	7.0%
5 to 10 miles	31.9%	16.0%
10 to 20 miles	34.1%	15.0%
Over 20 miles	21.0%	16.7%
Overall	100.0%	13.5%

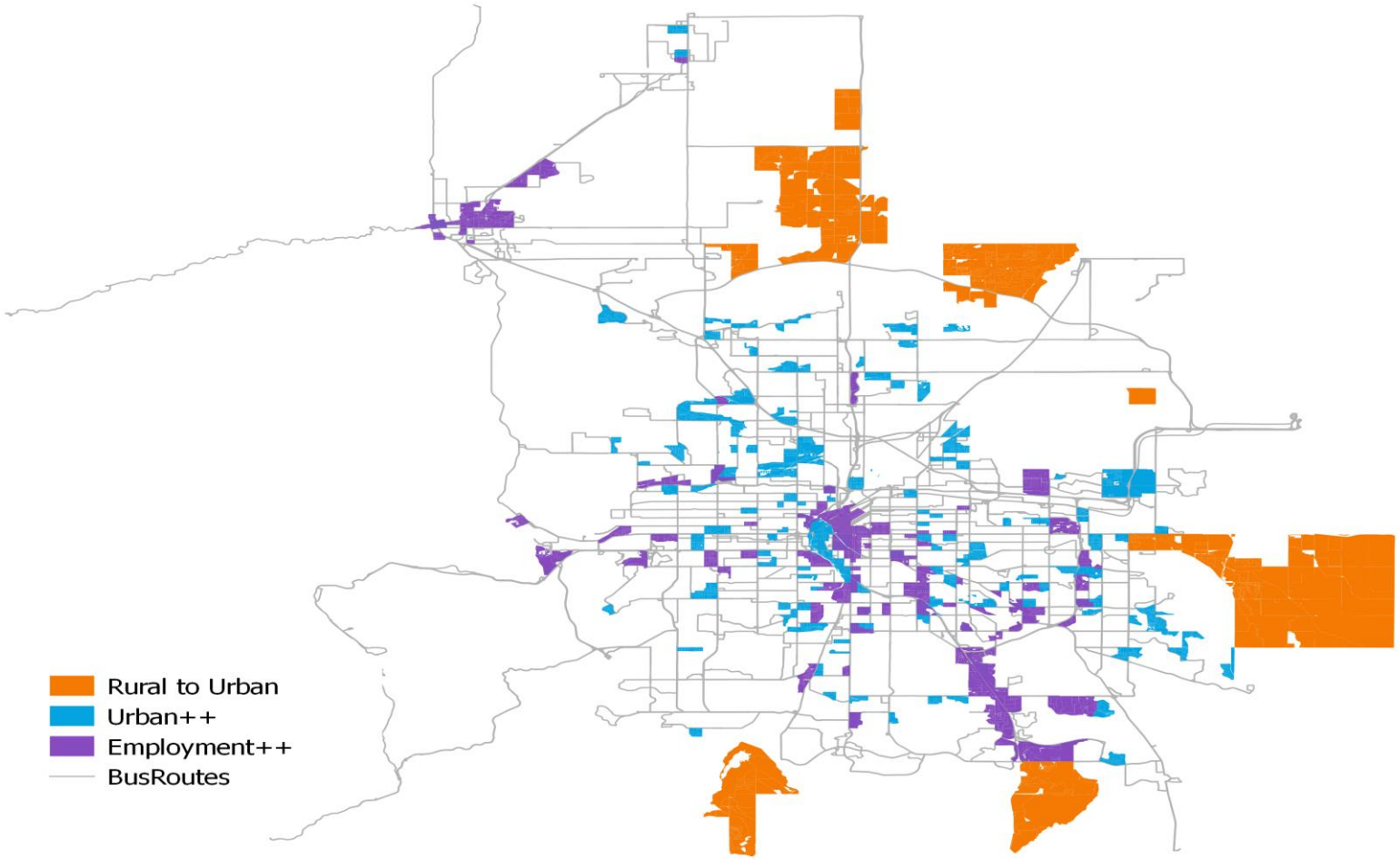


…is actually job poly-centralization

Example employment concentrations	Growth 2009-2014	
	Share	Rate
Boulder Centers (Downtown, University Hill, BVRC)	3.3%	12.8%
Central Business District	5.6%	7.4%
Cherry Creek / Glendale	2.8%	24.6%
DIA	1.7%	17.6%
Federal Center	2.9%	39.0%
Fitzsimons Aurora	6.1%	56.8%
Highlands Ranch	1.0%	16.6%
Ridgegate	0.6%	82.2%
Stapleton	4.2%	23.4%
Tech Center / I-25 Corridor	9.7%	14.2%
US 36 / Interlocken	2.6%	22.6%



A region in transition (2015-2040)



Increasing orientation to transit locations

Population	2010	2040	Change
Regional Total	2,850,000	4,270,000	50%
1 Mile of Station	230,000	870,000	273%
Station Area Share	8%	20%	

Employment	2010	2040	Change
Regional Total	1,600,000	2,340,000	46%
1 Mile of Station	410,000	960,000	133%
Station Area Share	26%	41%	

THE REGION IS AGING

Older Adults: An Economic Boon

- The 65-plus population is the only age group for which per capita consumption has grown from 2005 to 2014, despite the Great Recession
- Older adults' income sources and spending patterns are often unaffected by economic turbulence
- Older adults spend more of their incomes on local goods and services, supporting local businesses and the region's economy

60-plus Population (2015 - 2040)

County	2015	2040	% Change
Adams	70,918	170,423	140%
Arapahoe	112,823	225,988	100%
Boulder	60,261	114,535	90%
Broomfield	11,360	25,503	124%
Clear Creek	2,678	2,939	10%
Denver	109,128	186,884	71%
Douglas	50,694	131,853	160%
Gilpin	1,418	1,850	30%
Jefferson	125,494	205,689	64%
DRCOG Region	544,774	1,065,664	96%

75-plus Population (2015 - 2040)

County	2015	2040	% Change
Adams	18,816	63,285	236%
Arapahoe	30,091	93,285	210%
Boulder	15,286	49,475	224%
Broomfield	3,254	9,747	200%
Clear Creek	517	1,315	154%
Denver	30,857	70,461	128%
Douglas	10,772	50,608	370%
Gilpin	191	797	317%
Jefferson	33,671	98,638	193%
DRCOG Region	143,455	437,611	205%

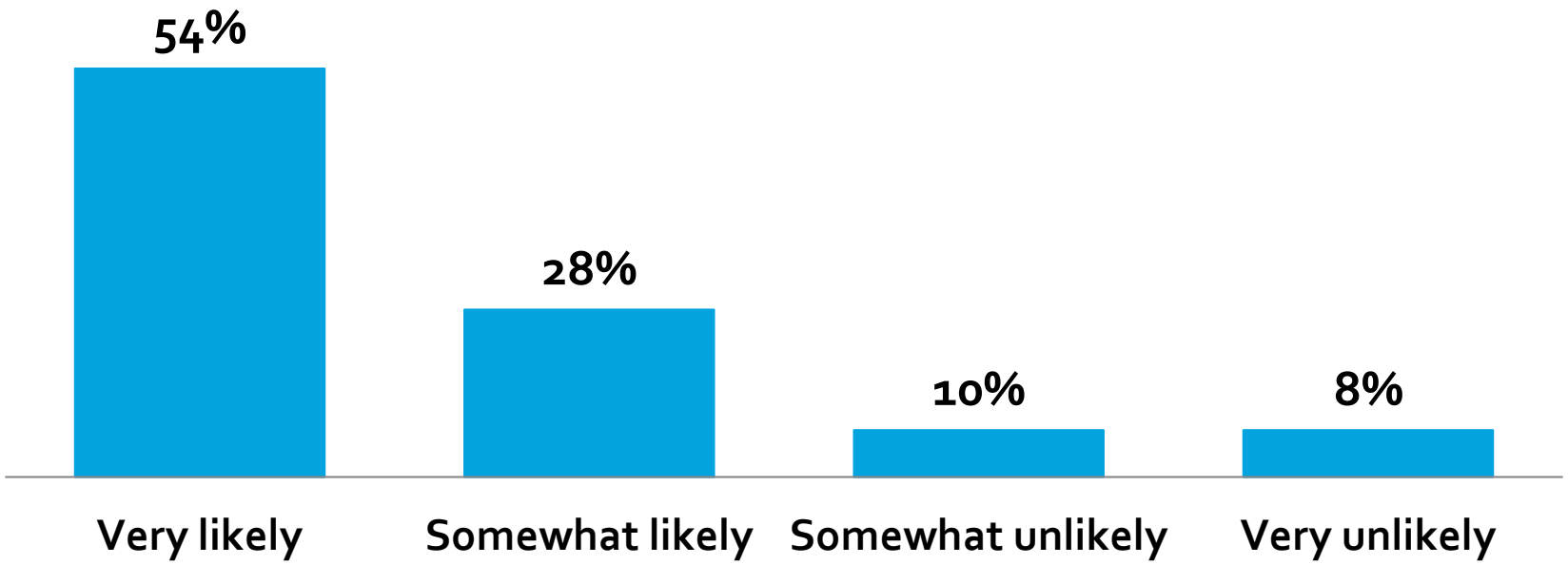
Leading 5-Year Cohort Growth
Denver Region (2015 – 2040)

5-Year Cohort	% Change (2015-2040)	Rank
75 to 79	257%	1
90+	219%	2
85 to 89	205%	3
80 to 84	204%	4
70 to 74	88%	5
65 to 69	40%	6

Rooted & Staying Put

Community Assessment Survey of Older Adults: 2016

How likely are you to remain in your community throughout retirement?



52% have lived in their community for more than 20 years

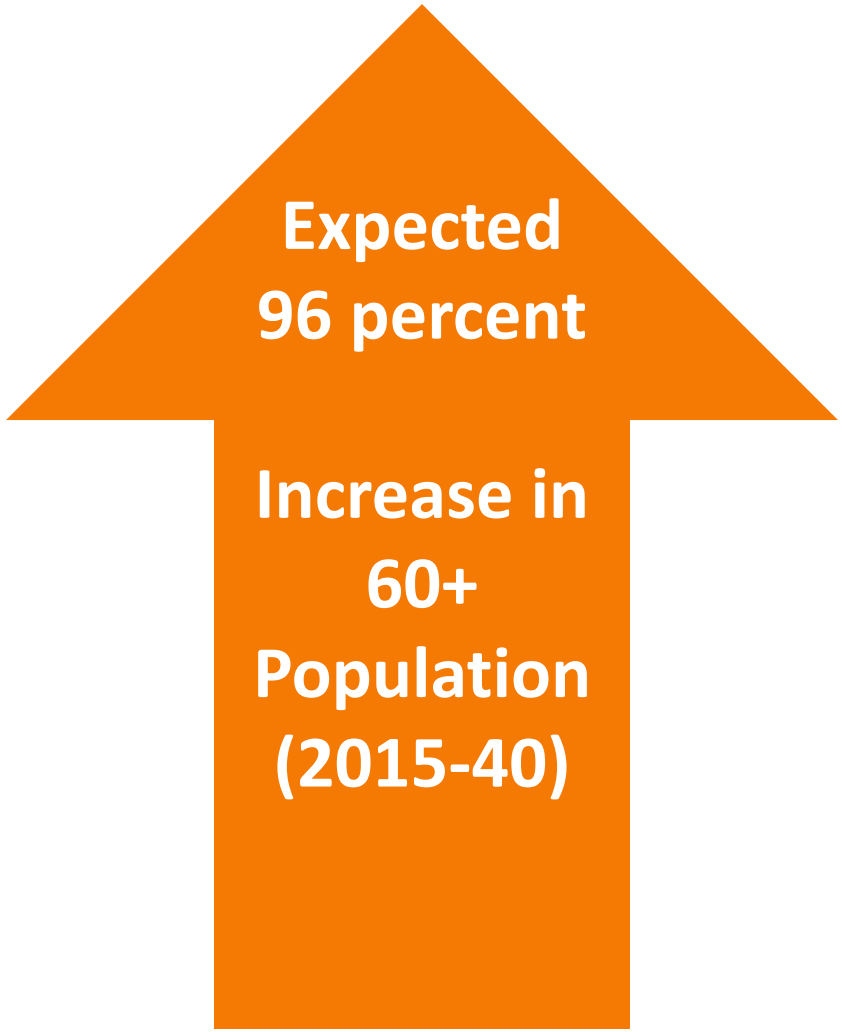
DRCOG Area Agency on Aging

*Helps people **age better***

- Provides **information** and **services**
- **Funds** community services
- **Identifies** and **fills gaps** in services and **plans** for future needs
- **Advocates** on behalf of older adults and their caregivers

Our motivation:

Resources are not keeping pace with need

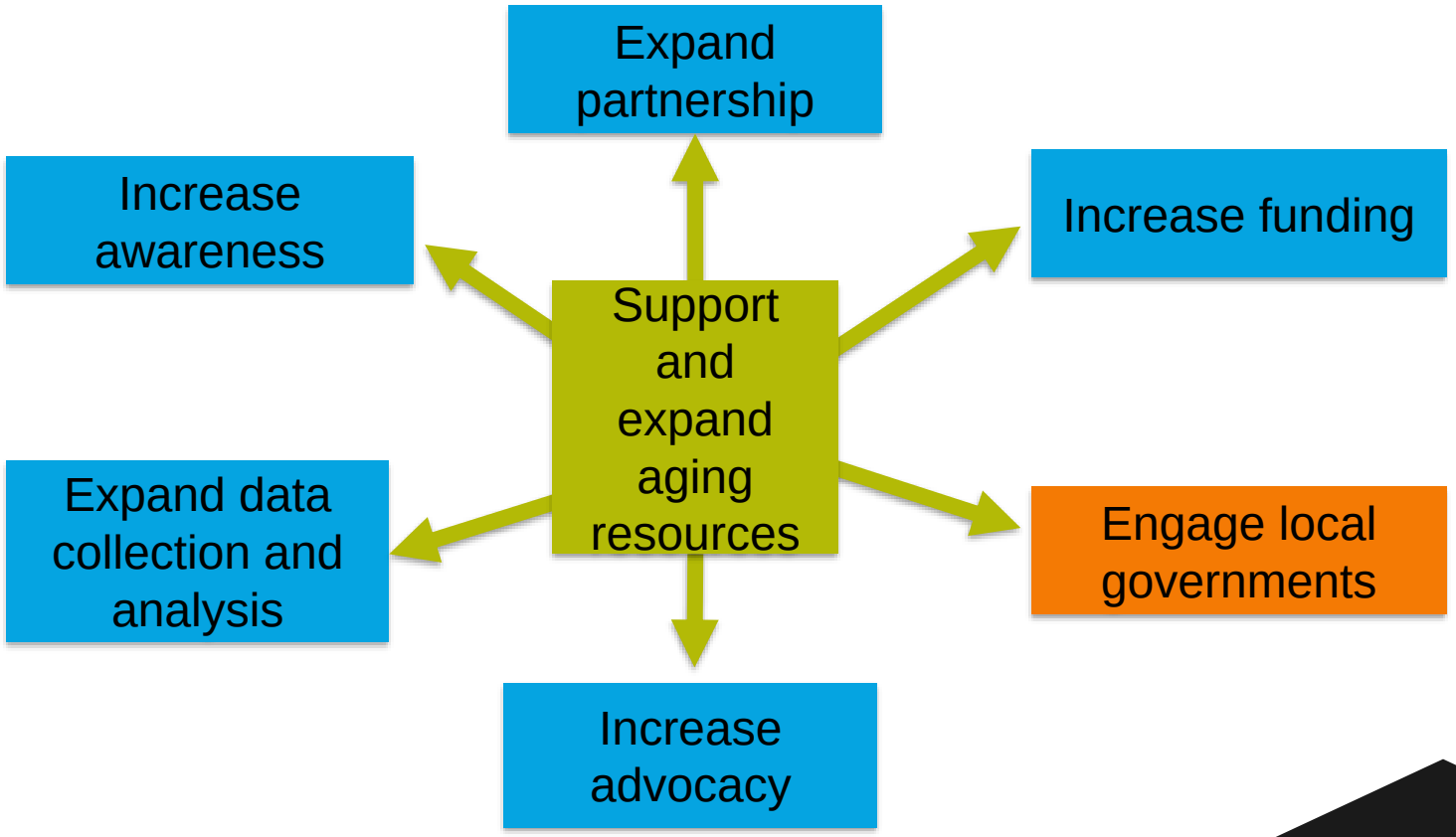


- DRCOG's federal funding for older adult services essentially flat (FY14-18)
- Federal / State* share of DRCOG's AAA funding:

	FY14	FY18
Federal	52%	43%
State	48%	57%

** Increasing state funding (General Fund appropriation for "State Funding for Senior Services") has involved significant legislative efforts over many years.*

Our motivation (cont.):
Need for multi-pronged approach



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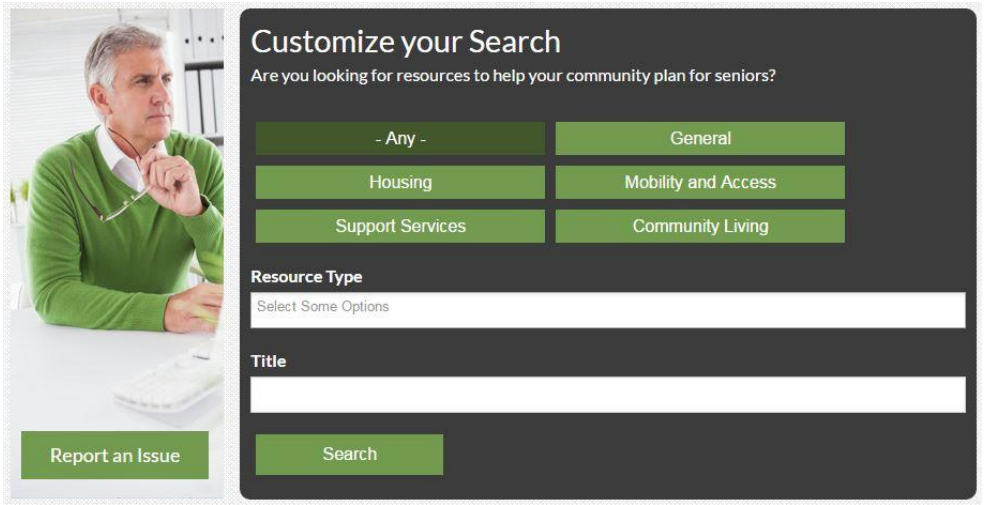
DENVER REGIONAL COUNCIL OF GOVERNMENTS

Boomer Bond – engaging local governments



- A community assessment tool to facilitate local dialogue and identify priorities
- A comprehensive inventory to assist with the future development of policies, plans and strategies.

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