

Pueblo as Part of the Front Range Ecosystem?

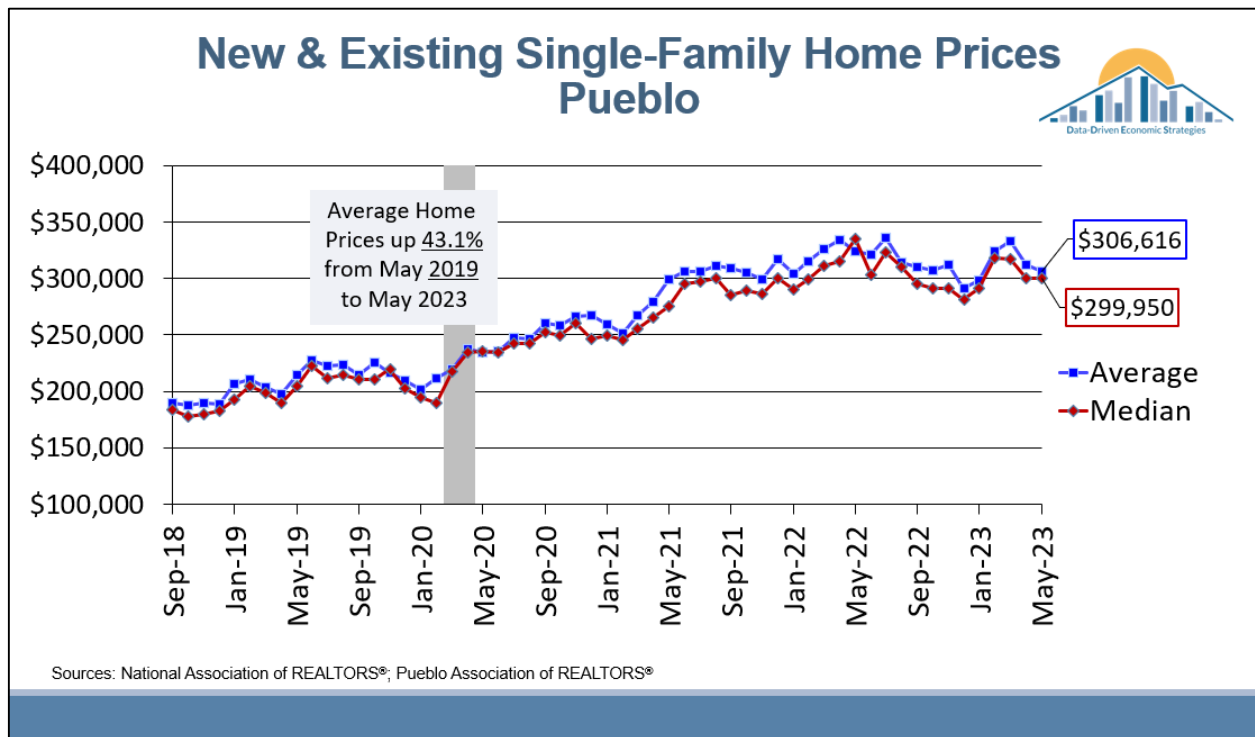
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Having grown up in the Washington D.C. area, the notion of a mega city with many satellite cities is very familiar to me. Back then, urban sprawl meant individuals and families moving further and further away from their workplace in order to afford a home. Today, I would argue that is even easier for many office-based jobs as most employers are accommodating remote work.

Looking south, there is a similar trend for Colorado Springs workers to live in Pueblo. Ask anyone in Pueblo about housing affordability, and they will likely cite the monthly economic report my office produces for them that shows the average home price has increased 43% comparing May of this year to May 2019. Those reports can be found on the City of Pueblo website:

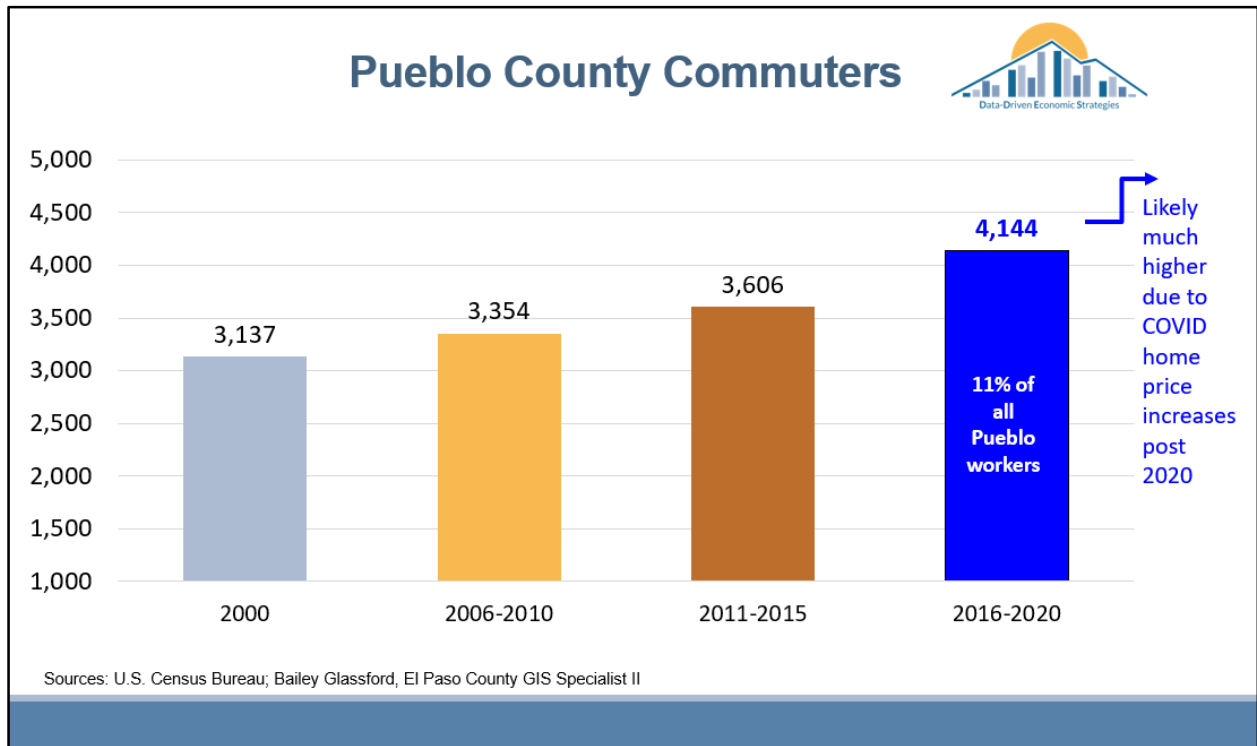
<https://www.pueblo.us/2820/Economic-Dashboard>.



Similarly, their housing affordability index, which shows the proportion of median priced homes affordable to the median household income, has fallen from 94% in 2012 to 46% affordable in 2022.

Nonetheless, the average home price in Pueblo for both new and existing homes is currently \$306,000 while the average home price in Colorado Springs is \$536,000. A new or existing home in Colorado Springs costs on average \$230,000 dollars more than a home in Pueblo. Interestingly, you could buy an average-priced home in Colorado Springs for \$230,000 in 2012 and in Pueblo as recently as June of 2020.

This chasm in home prices between Pueblo and Colorado Springs is much of the reason that many Colorado Springs workers are now living in Pueblo.



Much like many Denver workers are living in Colorado Springs, and much like Washington DC went from being one city to many cities making commute times unbearably long. Yes, remote and hybrid work can mitigate this, but it's often service-based workers who have in-person jobs like fire fighters, police and teachers who need lower-priced homes.

For Pueblo residents, more home buyers have translated to higher prices. However, I will say that Pueblo in many ways reminds me of Colorado Springs when I moved here nine years ago. Pueblo's job growth has been robust since 2014 as shown on their economic dashboard, it has a high proportion of resident 25 and older with some college or an associate degree, which is enough for many of today's good-paying jobs, and some exciting opportunities to revitalize its manufacturing sector with the roughly \$500 billion in federal investments for infrastructure and reshoring of advanced manufacturing. Businesses, like individuals, are attracted to lower cost cities, and this could be their comparative advantage.

In sum, if Pueblo capitalizes on its strengths, and can also keep commercial and residential real estate affordable, it too could become part of the Front Range ecosystem of thriving economies.

Tatiana Bailey is Executive Director of Data-Driven Economic Strategies (DDES). An abridged video with this information recently aired on The Economic Update with Tatiana Bailey on Fox21 and can be found on their website or at ddestrategies.org.