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DENVER METRO AREA IN PERSPECTIVE:

JOBS, RETAIL SALES, POPULATION GROWTH

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ABOUT COMMON SENSE INSTITUTE

Common Sense Institute is a non-partisan research organization dedicated to the protection and promotion of Colorado's economy. CSI is at the forefront of important discussions concerning the future of free enterprise and aims to have an impact on the issues that matter most to Coloradans. CSI's mission is to examine the fiscal impacts of policies, initiatives, and proposed laws so that Coloradans are educated and informed on issues impacting their lives. CSI employs rigorous research techniques and dynamic modeling to evaluate the potential impact of these measures on the economy and individual opportunity.

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CSI is committed to independent, in-depth research that examines the impacts of policies, initiatives, and proposed laws so that Coloradans are educated and informed on issues impacting their lives. CSI's commitment to institutional independence is rooted in the individual independence of our researchers, economists, and fellows. At the core of CSI's mission is a belief in the power of the free enterprise system. Our work explores ideas that protect and promote jobs and the economy, and the CSI team and fellows take part in this pursuit with academic freedom. Our team's work is informed by data-driven research and evidence. The views and opinions of fellows do not reflect the institutional views of CSI. CSI operates independently of any political party and does not take positions.

TABLE OF CONTENTS

About the Author.....	1
About Common Sense Institute	1
Teams & Fellows Statement.....	1
Introduction	3
Key Findings	4
Background	6
Job Growth in Denver Not as Fast as Other Metros	6
Denver MSA's Retail Sales Are Slowing and Falling as a Share of National Retail Sales	9
Comparing Denver MSA's Retail Sales to Comparable Metro Areas.....	10
Cost of Living in the Denver Metro vs. the U.S. City Average	11
Comparing the Cost of Living in Denver to Similar Metro Areas.....	11
Denver MSA's Population Growth Is Almost Twice That of Other Metro Areas	12
Comparing Denver MSA to Similar Metro Areas on the Population Front.....	13
Bottom Line.....	14

INTRODUCTION

Through the latter half of the 2010s and the earlier years of the 2020s, the Denver metro (Denver MSA) was a high-growth area, defined by booming job growth, explosive population growth, and strong growth in consumer activity. In 2025, that is no longer the case, at least at the Denver MSA level. A previous CSI study co-authored by CSI's urban development fellow, Kelly Brough, found that downtown Denver in 2024 faced high commercial property vacancy and reduced foot traffic as compared to years prior.ⁱ

The Denver MSA has passed from a destination metro to an average city in terms of growth indicators like jobs, retail sales, and population growth. This shows up when the perspective is relative to competitor cities and compared to national averages.

Denver MSA's share of national jobs is no longer growing, and its employment is not growing as fast as some competing cities. Denver MSA's share of national retail sales boomed in the 2010s, but has softened recently. The softening at the Denver MSA level has left a sizable gap in the City of Denver MSA's would-be revenue. Among similar metro areas, Denver MSA's retail sales have dropped the farthest. Meanwhile, consumer prices have risen faster than the national average and regional competitors.

Against these indicators, the Denver MSA may not, as it currently stands, be able to rely on in-migration for economic growth. Denver MSA's population growth is now similar to the national average, in sharp contrast to 2010s trends. Instead of leading comparable metro areas in population growth, it has fallen behind metro areas like Austin MSA, Portland MSA, Phoenix MSA, Salt Lake City MSA, and Seattle MSA.

To ensure that the Denver MSA continues to serve as an attractive destination for businesses and individuals, local leaders must remain aware of ongoing trends and be positioned to offer effective solutions.

This report aims to shed light on important trends in the metro area and provide insight into how managers in the Denver MSA could potentially address its most pressing issues.

KEY FINDINGS

- When comparing retail sales growth from the end of 2024 through the first quarter of 2025, **the Denver-Aurora-Centennial, CO metro area had the third-lowest retail sales growth rate across the reported 387 metro areas.** Retail sales were down 1.2%, 0.1 percentage points above the weakest metro area at -1.3% (Sioux Falls, SD). The average was +0.4% with the highest at 2.9%.
- Since 2004, population growth in the Denver MSA has far surpassed the average across other metro areas, rising 33% compared to 18% on average.
- In terms of jobs, retail sales, and population growth, the Denver MSA is about average. It has lost some steam as the cost of living has risen faster than in other metro areas.
- Among U.S. metro areas, the Denver MSA is the 17th largest job market in the nation. Its share of total jobs in all metro areas steadily grew over most of the last two decades, from 1.0% in 2004 to almost 1.18% in the fall of 2023.
- Since peaking at 1.18% in the fall of 2023, Denver MSA's share of total jobs across all metro areas in the U.S. has fallen to 1.16%. The difference between a 1.18% share and a 1.16% share may appear small, but it is equivalent to the Denver MSA missing nearly 27,000 jobs.
- A loss of 27,000 jobs is equivalent to the University of Denver, Lockheed Martin, the U.S. Department of Agriculture, Southwest Airlines, and United Airlines all leaving the Denver area.
- The Denver MSA's share of jobs is still above where it was just prior to the pandemic — the pandemic apparently drew workers to the Denver MSA at a higher rate than other metro areas — but Denver MSA's outperformance of other metro areas is no longer a foregone conclusion.
- As was the case with jobs, Denver MSA's share of consumer spending typically rose over most of the past two decades. In the past three years, however, consumption has shifted, with Denver MSA's retail sales share down from a high of 1.05% in June 2021 to 1.01% in March 2025.
- A 0.04% decline is equivalent to \$2.8 billion in sales annually.

- At \$145 million in sales tax revenue, a large portion of the “missing” retail sales across the Denver MSA would be in the City of Denver, enough to make a material difference in the City of Denver’s two-year budget shortfall of \$250 million.
- Looking at a comparison across competing metros, since the end of 2024 and the first quarter of 2025, the Denver MSA is an outlier, down \$228 million. Of the 12 comparable/competitive metros referenced in the report, the Denver MSA saw the largest drop.
- The only other comparable metro that saw a drop in retail sales was the Salt Lake City MSA, down \$33 million.
- One of the reasons for the Denver MSA’s weakening performance relative to other urban areas may be inflation. Prices in the Denver MSA have grown faster than in most other metro areas, although when comparing the Denver MSA’s cost of living to the 12 comparable/competing metro areas referenced in this report, the rise in the cost of living has been about average.

BACKGROUND

Every month, the U.S. Bureau of Labor Statistics (BLS) releases estimates of job gains and losses by U.S. metropolitan areas. The May 2025 release offers an opportunity to see how well the Denver MSA is doing compared to other major metropolitan areas. The U.S. Census Bureau also releases data on retail sales in U.S. metro areas every month, though there is a considerable four-month lag in this data. The following compares the Denver MSA's job trends to other cities, as well as consumer inflation and population growth.

Job Growth in Denver Not as Fast as Other Metros

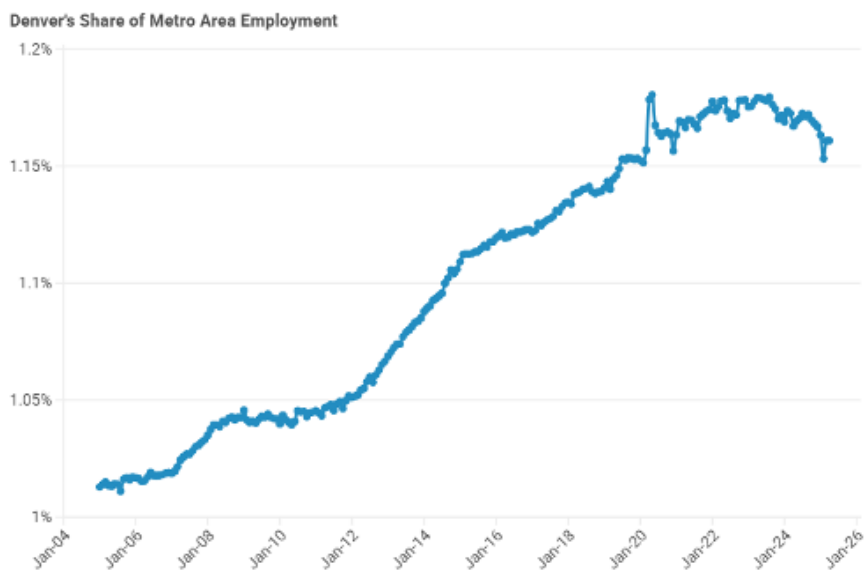
The Denver MSA experienced enviable job growth in the last two decades, but that has changed since 2023. Looking back to 2005, Denver MSA's job growth has been better than most U.S. metro areas. As of the first half of 2025, the Denver MSA has the 17th largest job market among metro areas.

As Figure 1 shows, in January 2005, the Denver-Aurora-Centennial metro area (Denver MSA) accounted for 1.013% of jobs in all U.S. metro areas.ⁱⁱ In May 2020, Denver MSA's share of metro area employment reached an all-time high of 1.181%. The increase in the share occurred in the early part of the 2020 pandemic. Ignoring the pandemic, Denver MSA's share of metro area jobs reached a non-pandemic peak of 1.1795% in August 2023.

As Figure 2 indicates, since August 2023, the Denver MSA's share of total metro area jobs has dropped lower,

FIGURE 1

Denver MSA's Share of Metro Area Employment



Source: Bureau of Labor Statistics, CSI Modeling and Analysis



sitting at 1.16% in April 2025, which is still well above the national average of 0.25% but not growing in share. The Denver MSA's share of jobs is still above where it was just prior to the pandemic — the pandemic apparently drew workers to the Denver MSA at a higher rate than other metro areas — but Denver MSA's outperformance of other metro areas is no longer a foregone conclusion. Indeed, over the past year and a half, the Denver MSA has been losing ground to other metro areas. There is no single reason for the change, but in the coming sections, CSI examines possible reasons for the shift.

COMPARING THE DENVER MSA TO COMPETING/SIMILAR METRO AREAS ON THE JOBS FRONT

Perhaps more important than Denver MSA's job growth compared to all other metro areas is how well the Denver MSA has done compared to other competing metro areas. The 12 competing metro areas were chosen either due to similarity in size, growth trends, geography, workforce makeup, or policy similarities. Figure 3 looks at job growth in the Denver MSA compared

FIGURE 2

Denver MSA's Share of Metro Area Employment

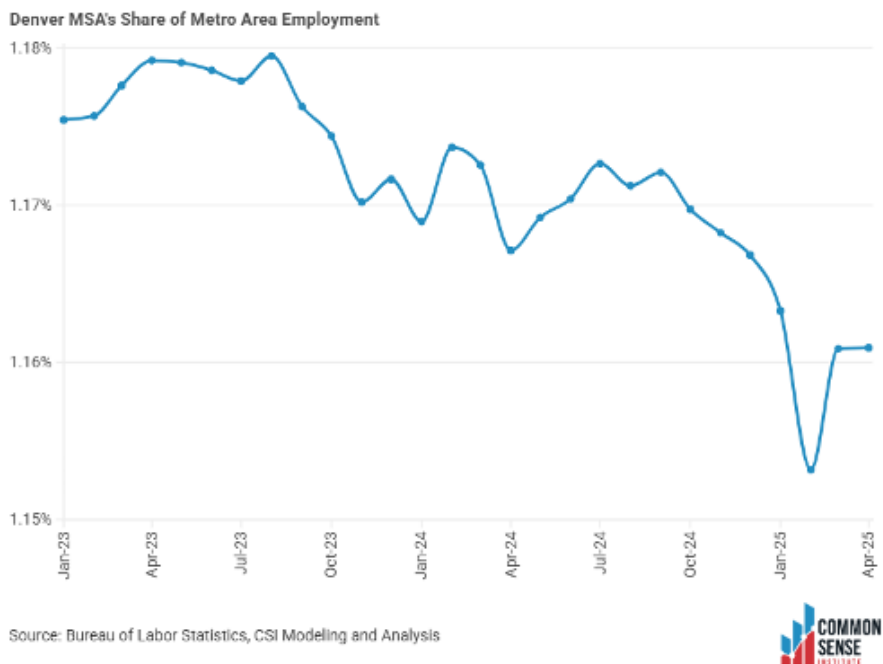
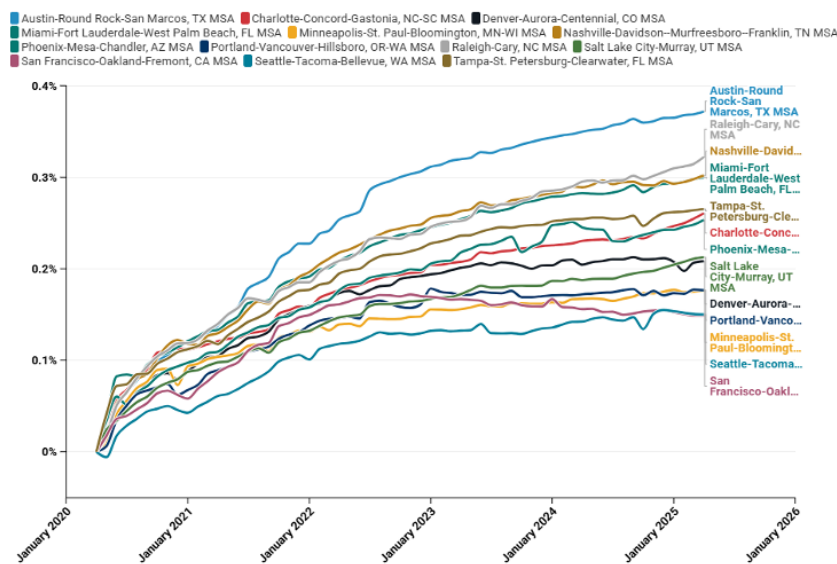


FIGURE 3

Percent Growth in Employment for Metro Areas Similar to or in Competition with the Denver MSA

The Denver MSA is middle of the pack among these seven metro areas. Since April 2020, the Denver MSA and the Salt Lake City MSA are running neck-and-neck in growth.



to these 12 since April 2020. Overall, the Denver MSA has been a middling performer — not as strong as the Austin, Raleigh, Nashville, Miami, Tampa, Charlotte, or Phoenix MSAs, but much better than San Francisco, Seattle, Portland, and Minneapolis MSAs. The metro area with which the Denver MSA is most closely aligned is the Salt Lake City MSA. Since April 2020, Salt Lake City has seen a 21.26% increase in employment. Denver MSA's job growth during the same period was 20.82%.

DENVER MSA'S RETAIL SALES ARE SLOWING AND FALLING AS A SHARE OF NATIONAL RETAIL SALES

As with jobs, retail sales in the Denver MSA over the last 20 years have been robust but started weakening in the early 2020s. As Figure 4 indicates, sales have grown in importance relative to other metro areas for the last two decades, but since June 2021, Denver MSA's sales have been softer than other metros.

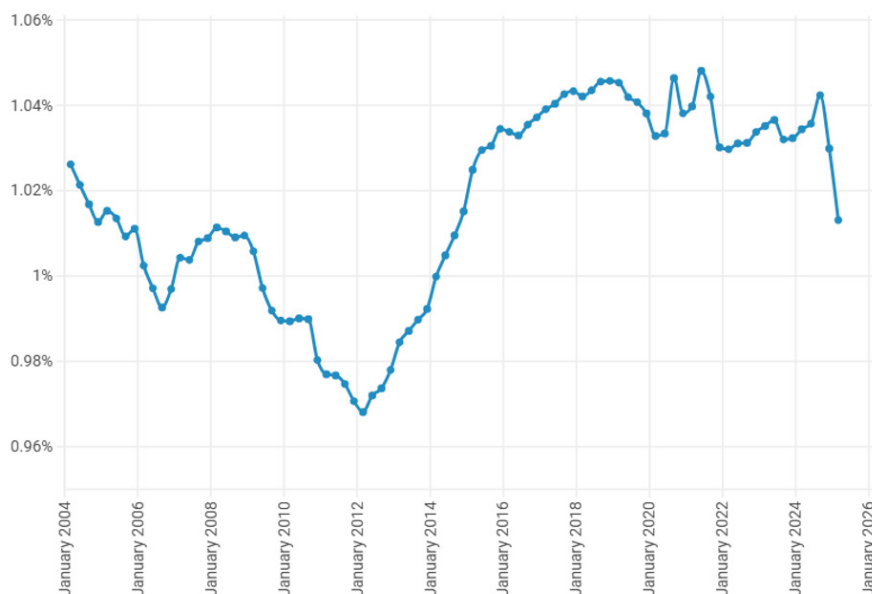
At their height, the Denver MSA's retail sales represented 1.05% of national sales. By March 2025, however, that dropped to 1.01% - on par with Denver MSA's share of national sales in early 2004. This drop in retail sales has both economic and budgetary consequences. If the Denver MSA's retail sales had maintained their 2021

level, they would have been \$2.8 billion more in 2025. This would have meant \$145 million in revenue to cities in the Denver MSA, of which the City of Denver is a significant member. A large portion of the \$145 million would have helped the City of Denver address its \$250 million budget shortfall in the next two years.

FIGURE 4

Denver MSA's Share of Metro Area Retail Sales Across the Nation

From January 2004 through 2011, Denver MSA's share of retail sales slowed. Then, from January 2012 through June 2021, Denver MSA's share rose to a high of 1.05%. Since then, retail sales in the Denver MSA have been weak relative to other metros, down to 1.01% through March 2025, slightly below the January 2004 value of 1.03%.



Source: U.S. Census Bureau, CSI Research and Analysis



Comparing Denver MSA's Retail Sales to Comparable Metro Areas

When comparing the Denver MSA to the 12 comparable metro areas outlined above, the Denver MSA is currently in the middle of the pack. As Figure 5 shows, the Denver MSA led in retail sales for some of 2021. It was in second or tied for second for most of 2022 and some of 2023, but then lost ground.

Looking at details by metro, since the end of 2024 and the first quarter of 2025, the Denver MSA is an outlier, down \$228 million (seasonally adjusted). Of the 13 metros, the Denver MSA saw the largest drop.

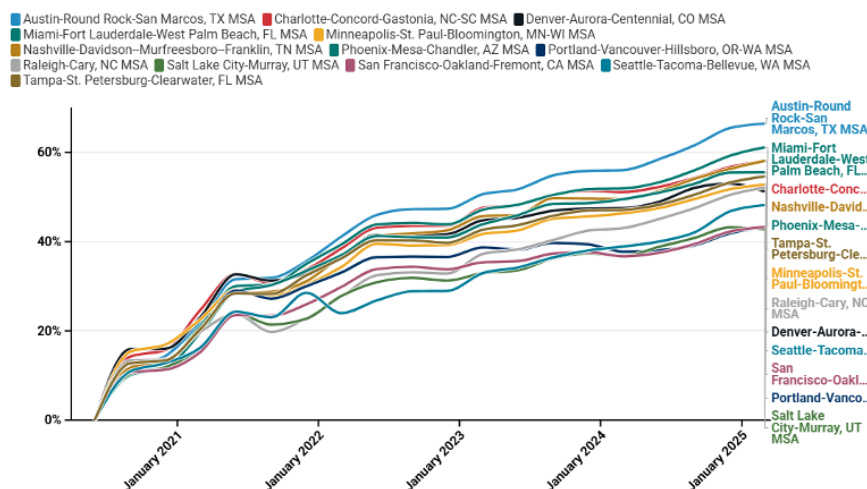
The only other comparable metro that saw a drop in retail sales was the Salt Lake City metro, down \$33 million. The largest gain occurred in the Miami MSA (+\$581 million), followed by the Seattle MSA (+\$579 million), San Francisco MSA (+\$254 million), Tampa MSA (+\$196 million), and Minneapolis MSA (+\$179 million).

When comparing retail sales growth from the end of 2024 through the first quarter of 2025, the Denver-Aurora-Centennial, CO metro area had the third-lowest retail sales growth rate (it was actually a decline) across the reported 387 metro areas. Retail sales were down 1.2% in the Denver MSA, 0.1 percentage points above the weakest metro area at -1.3% (Sioux Falls, SD MSA). The average was +0.4% with the highest at 2.9%.

FIGURE 5

Percent Growth in Retail Sales for Metro Areas Similar to Denver MSA

The Denver MSA is middle of the pack among these 13 metro areas. Since April 2020, the Denver MSA was running neck-and-neck with Phoenix, but 2025 year-to-date has pushed the Denver MSA to the bottom half behind Raleigh MSA and above Seattle MSA.

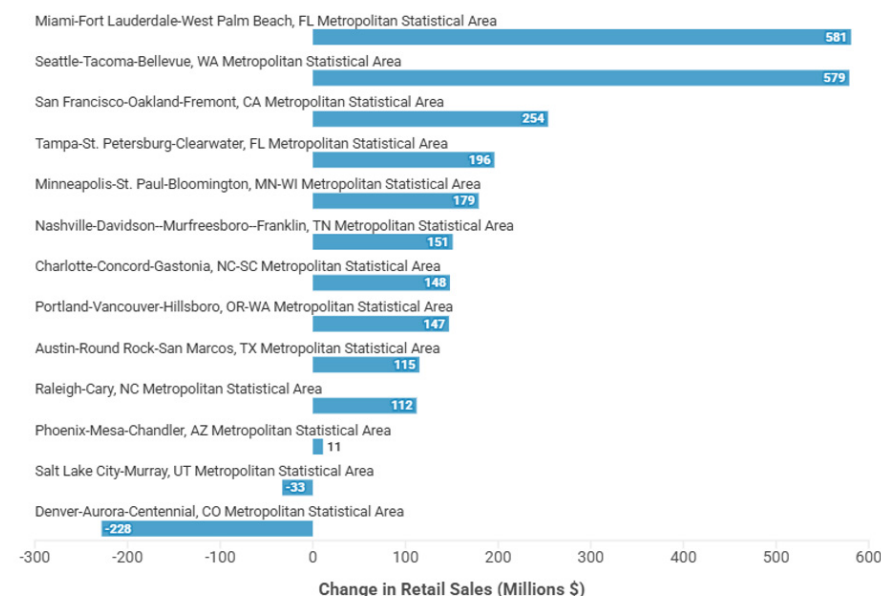


Source: U.S. Census Bureau, CSI Research and Analysis



FIGURE 6

Change in Retail Sales from Q4 2024 through Q1 2025



Source: U.S. Census Bureau, CSI Analysis



COST OF LIVING IN THE DENVER METRO VS. THE U.S. CITY AVERAGE

The cost of living in Denver has risen more sharply than elsewhere, a trend that began during its heavy population boom years in the mid-2010s. As Figure 7 shows, 2004-2013 consumer prices in the Denver MSA grew more slowly than the U.S. city average. Since 2014, however, prices in the Denver MSA have grown faster than the national average. Over the entire period, prices in Denver MSA have risen 79% compared to the U.S. city average of 72%.

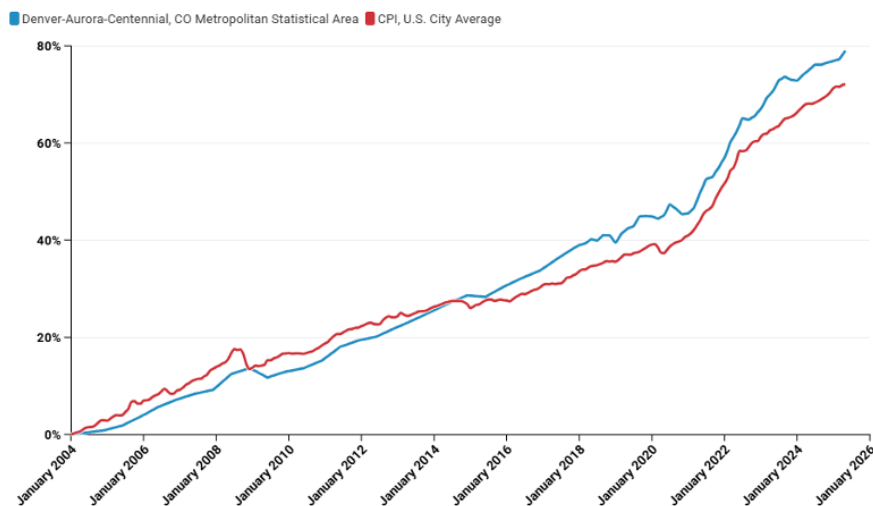
Comparing the Cost of Living in Denver to Similar Metro Areas

As measured by the consumer price index, the Denver MSA's cost of living is growing about average among the 13 metro areas. As Figure 8 shows, consumer prices in the Denver MSA are up 24% since April 2020. With 31% growth, the Tampa MSA had the highest increase in consumer prices. Austin, which has seen some of the fastest job growth over the last few years, saw prices rise at the slowest rate. That city's consumer price index was up just 17% over the last five years.

FIGURE 7

Percent Growth in Consumer Prices for the Denver MSA Relative to U.S. City Average

From January 2004 to 2013, prices in the Denver MSA rose slower than the national average. Since 2014, price have risen faster. Overall, since 2004, prices in the Denver MSA are up 79% compared to the U.S. city average of 72%.



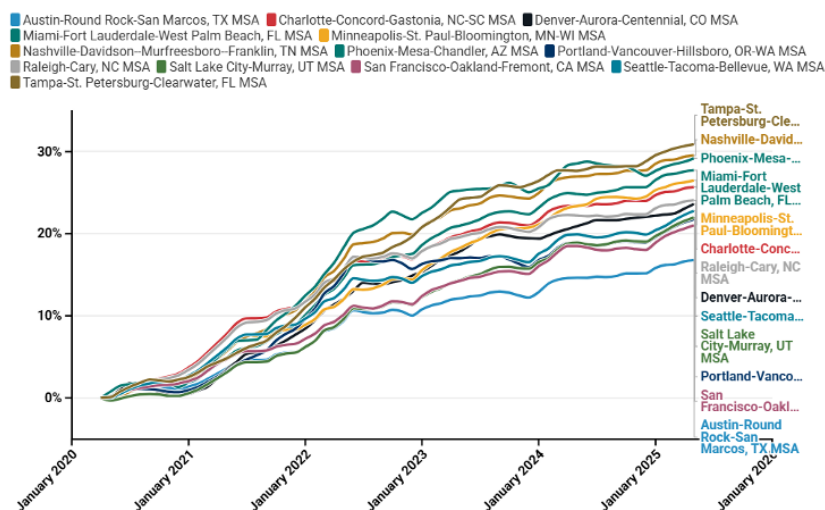
Source: Bureau of Labor Statistics, CSI Research and Analysis



FIGURE 8

Percent Growth in Consumer Prices for Metro Areas Similar/Competing to the Denver MSA

Since April 2020, prices in the Denver MSA are up 24%, placing it in the middle of these 13 metros.



Source: Bureau of Labor Statistics, CSI Research and Analysis



DENVER MSA'S POPULATION GROWTH IS ALMOST TWICE THAT OF OTHER METRO AREAS

While Denver MSA's population swelled in the last two decades, that growth has cooled.

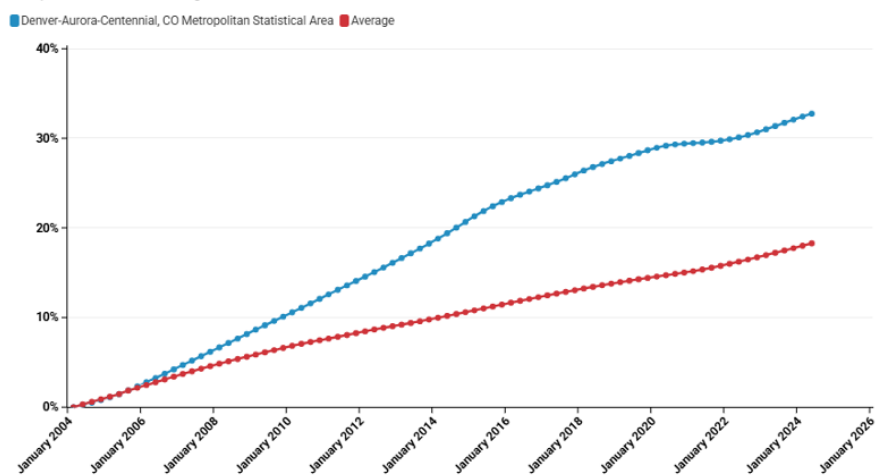
As Figure 9 shows, since 2004, population growth in the Denver MSA has far surpassed the average across other metro areas, rising 33% compared to an average of 18%.

As Figure 10 indicates, however, the growth differential between the Denver MSA and other metro areas has narrowed since the pandemic. Since 2020, population growth in the Denver MSA compared to the average across all metros is almost indistinguishable, with Denver rising 2.95% and all metros up 2.84%.

FIGURE 9

Percent Growth in Population for the Denver MSA Relative to U.S. City Average

From January 2004 Denver MSA's population has grown by almost double the average across other metro areas, up 33% compared to 18% on average.



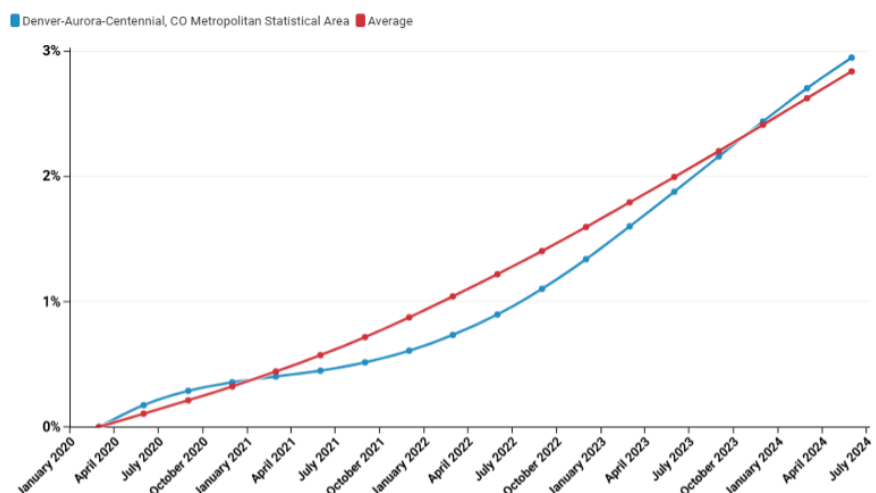
Source: U.S. Census Bureau, CSI Research and Analysis



FIGURE 10

Percent Growth in Population for the Denver MSA Compared to the Average of All Other Metros

Since January 2020, population in the Denver MSA is up 2.95%, slightly above 2.84% average of all metro areas.



Source: U.S. Census Bureau, CSI Research and Analysis



Comparing Denver MSA to Similar Metro Areas on the Population Front

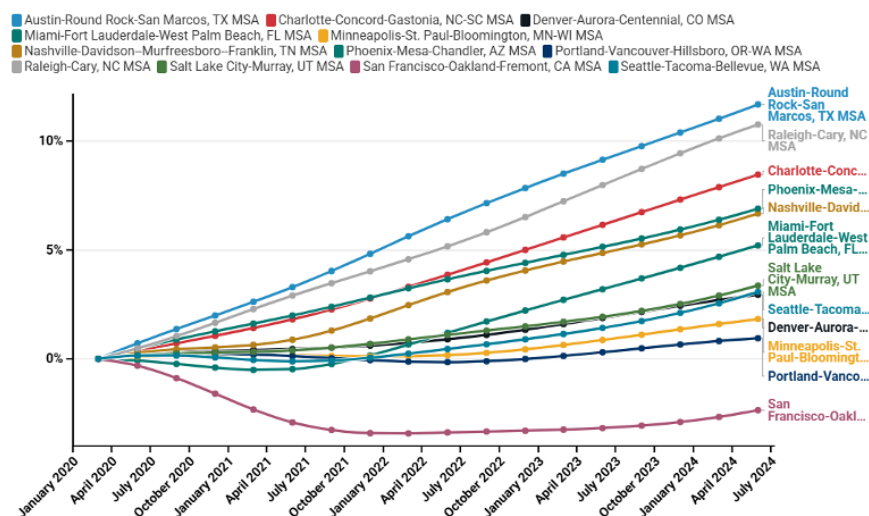
Among comparable/competing metros, Denver MSA's population is now growing at one of the slowest rates. As Figure 11 indicates, when examining Denver MSA's population growth between January 2020 and July 2024, the Denver MSA came in ninth place compared to the similar/competing cities mentioned in prior sections of this report. Austin MSA's population expanded 11.68% during that time period, while the San Francisco MSA saw a population decline of 2.35%.

The Denver MSA was running in the upper half for the first half of the period, but in recent months has lost ground to Miami MSA, Salt Lake City MSA, and Seattle MSA.

FIGURE 11

Percent Growth in Population for Metro Areas Similar to the Denver MSA

Since January 2020, population in the Denver MSA is up 3%, placing it lower half of these metros. In contrast, the Austin MSA, which has seen the fastest growth, is up 12%, while the San Francisco MSA is down 2%.



Source: U.S. Census Bureau, CSI Research and Analysis



BOTTOM LINE

In short, the Denver MSA is no longer the high-growth outlier it was throughout the 2010s and early 2020s. Once marked by surging jobs, population gains, and retail booms, the city has now settled into more average performance across several key growth indicators. Its share of national jobs and retail activity has slipped, prices have outpaced regional peers, and the influx of new residents has slowed. Competing metros like Austin, Phoenix, and Salt Lake City are pulling ahead. For the Denver MSA to remain a compelling destination for talent, investment, and opportunity, city leaders across the metro area must acknowledge the shift and respond with targeted, forward-looking strategies.

SOURCES

- i. The Road to Recovery: Downtown Denver
- ii. Bureau of Labor Statistics. Metropolitan Area Employment and Unemployment News Release. Accessed June 13, 2025.
<https://www.bls.gov/news.releasemetro.toc.htm>.