



Economic Activity Report

Q1 2024



Employment¹

	Q3 2023	Q3 2022	Y-o-Y % Change
Commerce City			
Businesses	1,868	1,819	2.7%
Weekly Wage	\$1,363	\$1,406	-3.1%
Employment	33,239	33,198	0.1%
Metro Denver			
Employment	1,793,860	1,758,765	2.0%

Between Q3 2022 and Q3 2023, Commerce City reported modest employment growth of 0.1 percent, while average weekly wages fell 3.1 percent over the same period.

The number of businesses in Commerce City grew 2.7 percent between Q3 2022 and Q3 2023.

Across Metro Denver², employment grew 2.0 percent in Q3 2023 compared with the same period last year.

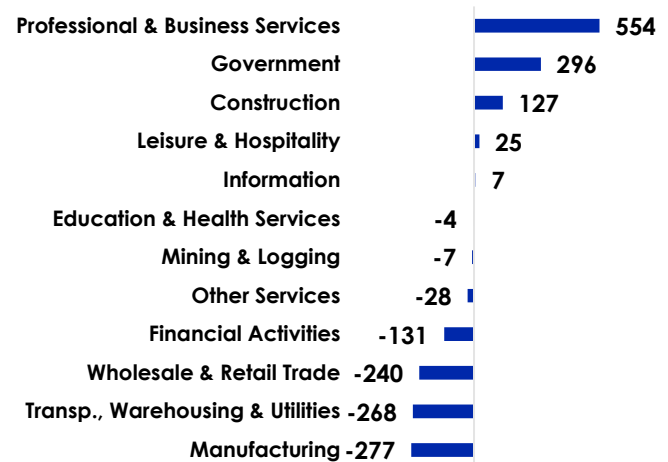
Seven of the 12 major industries in Commerce City reported declines in employment in the third quarter of 2023 compared to the same period in 2022.

The largest percentage decrease was reported in Financial Activities (-10.5 percent), followed by Manufacturing (-9.9 percent) and Wholesale & Retail Trade (-4.6 percent).

Professional & Business Services reported the largest percentage increase in employment of 21.2 percent, followed by Information (+19.2 percent) and Government (+13.8 percent).

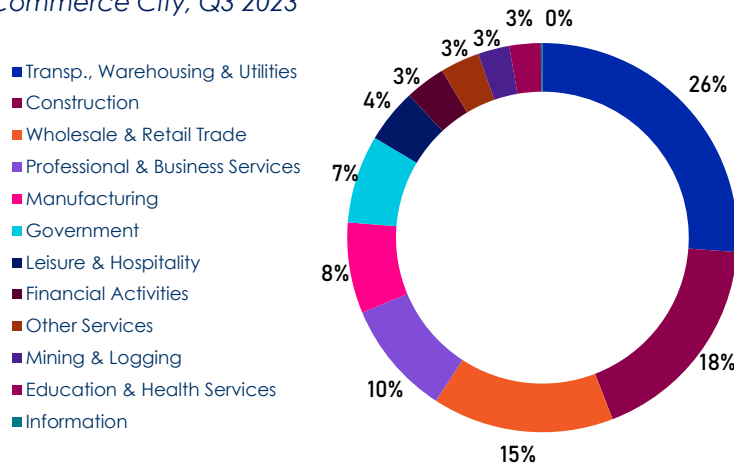
Year-Over-Year Employment Change

Commerce City, Q3 2023



Commerce City Employment Composition

Commerce City, Q3 2023



More than 44% of all employees in Commerce City work in either Transportation, Warehousing, & Utilities, or Construction.

Professional & Business Services reported the largest increase in its share of jobs, rising 1.7 percentage points to nearly 10 percent of Commerce City employment.

¹Source: Colorado Department of Labor and Employment, Labor Market Information, Quarterly Census of Employment and Wage (QCEW)

² Metro Denver includes Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, and Jefferson counties.

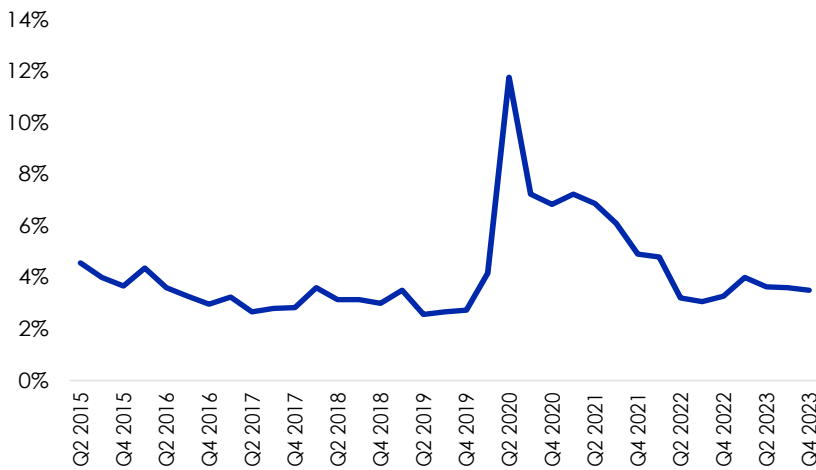
Labor Force and Unemployment³

Commerce City reported an unemployment rate of 3.5 percent in the fourth quarter of 2023, up 0.2 percentage points from the same time in 2022, but down 0.1 percentage point from the previous quarter.

In Adams County, the unemployment rate rose 0.3 percentage points to 3.4 percent.

	Labor Force		Unemployment Rate	
	Q4 2023	Yr/Yr % Change	Q4 2023	Q4 2022
Commerce City	31,216	0.7%	3.5%	3.3%
Adams County	284,232	0.9%	3.4%	3.1%
Metro Denver	1,909,178	1.1%	3.2%	2.7%
Colorado	3,242,917	1.6%	3.2%	2.8%
U.S. (000s)	167,471	1.9%	3.5%	3.3%

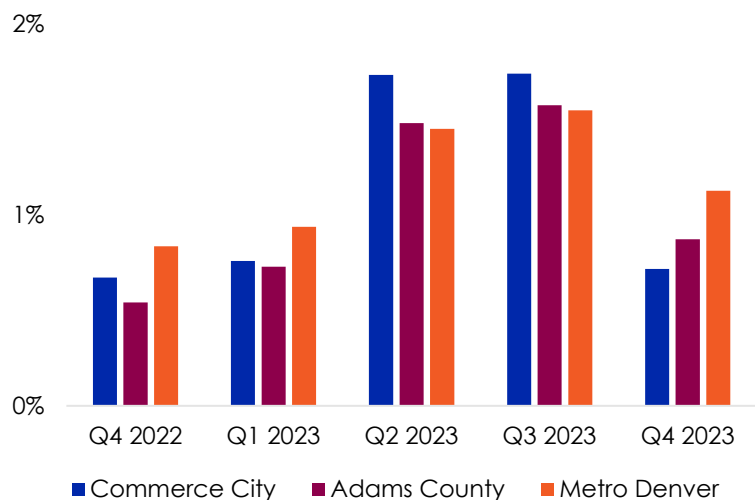
Commerce City Unemployment Rate



Unemployment rose over the year in Commerce City, reflecting both the larger regional and national employment environment. The increase is driven in Commerce City by an increase in the number of people looking for work in the area. The current unemployment rate of 3.5 percent is the lowest rate Commerce City has reported since Q4 2022.

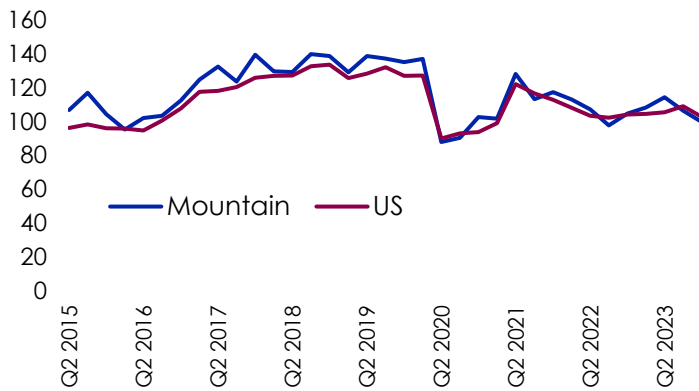
Labor Force Growth Rate

Between Q4 2022 and Q4 2023, the labor force in Commerce city grew at a rate of 0.7 percent, a slower rate compared with Adams County (+0.9 percent) and Metro Denver (+1.1 percent). Commerce City's labor force contracted over the quarter, falling 0.9 percent between Q3 and Q4 2023.



³ Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics (LAUS)

Consumer Confidence Index⁴



Colorado's Mountain Region reported a 4.9 percent decrease in Consumer Confidence from Q4 2022 to 2023. The U.S. Index fell 1.4 percent during the period.

The Conference Board recession predictor has been forecasting a recession since early 2022.

Retail sales in Commerce City fell 11.8 percent between the fourth quarters of 2022 and 2023, up from a 21.8 percent decrease in Q3.

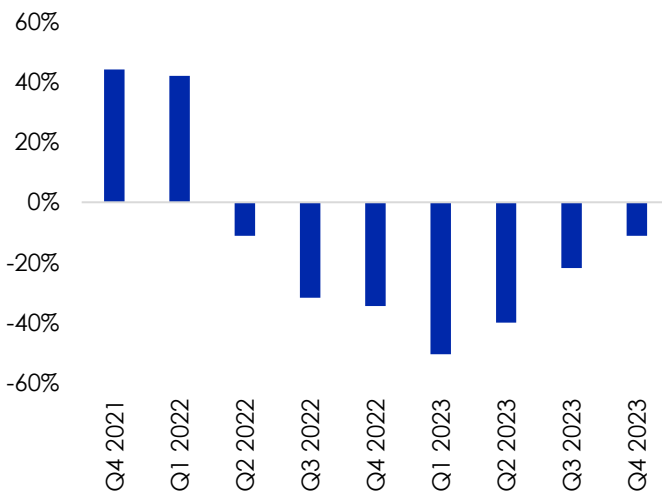
Adams County reported nearly \$8.4 billion in retail sales in the fourth quarter of 2023, down 18.5 percent from the same time last year. Last quarter, retail sales in Adams County fell 11.7 percent.

Total Retail Sales⁵ (\$000's)

	Q4 2023	Q4 2022	Yr/Yr % Change
Commerce City	\$1,020,209	\$1,147,108	-11.1%
Adams County	\$8,366,924	\$10,271,543	-18.5%
Metro Denver	\$47,713,634	\$49,309,744	-3.2%

Commerce City

Year-Over-Year Change



Commerce City retail activity made up 12.2 percent of Adams County's total retail activity in Q4 2023, up from 11.5 percent in Q3.

Retail sales in Commerce City grew sharply in 2021 and in the first quarter of 2022. That trend has since reversed, and retail activity in Commerce City has now fallen for seven consecutive quarters and has fallen below 2019 levels.

⁴ Source: The Conference Board

⁵ Source: Colorado Department of Revenue

Existing Home Sales⁶

Commerce City reported 225 detached home sales in the fourth quarter of 2023, down 5.5 percent from the same quarter last year. Attached home sales fell 64.8 percent, or by 35 sales.

Detached home prices in Commerce City fell 0.7 percent from Q4 2022 to Q4 2023, or an average decrease of \$3,591. Attached homes sold for an average of \$21,253 less in Q4 of 2023 compared to the same quarter last year, a decline of 5.0 percent.

Home sales fell in both Adams County and Metro Denver over the period. Detached home prices fell in Adams county but rose in Metro Denver, driven by an increase in detached home prices.

	Commerce City	Adams County	Metro Denver ⁷
Home Sales			
<i>Detached</i>			
Q4 2023	225	1,178	6,143
Q4 2022	238	1,240	6,704
<i>Attached</i>			
Q4 2023	19	256	2,603
Q4 2022	54	344	28,25
Average Price			
<i>Detached</i>			
Q4 2023	\$537,077	\$552,254	\$732,832
Q4 2022	\$540,668	\$558,475	\$706,806
<i>Attached</i>			
Q4 2023	\$399,620	\$391,179	\$476,261
Q4 2022	\$420,873	\$400,555	\$473,301

Commerce City Residential Units Permitted⁸

	Single-Family Detached	Condos & Townhomes	Multi-Family	Total Units
Q4 2023	195	55	152	402
Q4 2022	71	0	0	71
Yr/Yr % Change	174.6%	-	-	252.1%

The average apartment rental rate in Commerce City rose 7.9 percent between the fourth quarters of 2022 and 2023, while the vacancy rate rose by 0.4 percentage points. Vacancy rates were also up compared to the 3.4 percent vacancy rate reported last quarter in Commerce City.

Apartment vacancy rates increased in both Adams County and Metro Denver, rising 0.6 percentage points and 0.2 percentage points, respectively. Apartment rental rates rose 2.7 percent in Adams County over the year and rose 1.7 percent in Metro Denver.

Commerce City issued permits for 124 more units for single family detached homes in Q4 2023 compared to the same quarter in 2022. The average valuation rose 7.6 percent to \$402,319 per single family detached unit. The average valuation for Condos/Townhomes was \$314,608 in Q4 2023, and \$230,891 per Multi-Family unit.

Average Apartment Rents and Vacancy⁹ Fourth Quarter 2023

	Vacancy Rate	Average Rent
Adams County	6.1%	\$1,725
Commerce City	4.2%	\$1,705
Metro Denver	5.8%	\$1,870

⁶ Source: Denver Metro Association of Realtors (DMAR)

⁷ 11-County Metro Denver Region includes Adams, Arapahoe, Boulder, Broomfield, Clear Creek, Denver, Douglas, Elbert, Jefferson, and Park Counties

⁸ Source: Commerce City Development Center, Building Permits and Fees.

⁹ Source: Denver Metro Apartment Vacancy and Rent Survey

Commercial Real Estate¹⁰

No commercial space was built between the fourth quarters of 2022 and 2023. While CoStar reclassified some industrial building space between warehouse and other building types, the total year-over-year supply was unchanged.

The **vacancy rate** for all types of industrial space in Commerce City fell from Q4 2022 to Q4 2023. The Warehouse vacancy rate fell 0.1 percentage point, while vacancies for all other industrial space fell 12.4 percentage points.

The average **lease rates** in Commerce City became more expensive for all use types in Q4 2023 apart from other industrial space. The largest increase was 24.0 percent in the retail market, followed by warehouse (+5.1 percent), and office space (+4.0 percent).

Commercial Vacancy and Lease Rates by Property Type¹¹

		Total Existing Square Footage		Vacancy Rate		Avg Lease Rate (per sq. ft.)	
		Q4 2023	Q4 2022	Q4 2023	Q4 2022	Q4 2023	Q4 2022
Office	Commerce City	543,794	543,794	2.4%	0.8%	\$29.54	\$28.40
	Metro Denver	204,185,799	203,512,688	13.6%	12.2%	\$31.28	\$31.01
Retail	Commerce City	1,771,235	1,771,235	2.7%	2.7%	\$23.67	\$19.09
	Metro Denver	181,387,222	180,336,646	4.0%	3.9%	\$21.30	\$20.22
Flex	Commerce City	243,189	243,189	-	-	-	-
	Metro Denver	49,453,966	48,227,169	6.8%	7.5%	\$16.21	\$13.52
Industrial	Commerce City						
	Warehouse Distribution	8,926,863	8,926,863	4.7%	4.8%	\$11.69	\$11.12
	Other Industrial	5,742,776	5,733,576	11.0%	23.4%	\$10.33	\$10.68
	Metro Denver						
Warehouse Distribution	154,688,452	152,722,764	4.9%	4.6%	\$10.88	\$9.88	
Other Industrial	92,791,449	91,146,254	6.7%	6.1%	\$10.81	\$10.56	

¹⁰ Source: Costar Realty Information, Inc.

¹¹ Note: Vacancy rate and average lease rate are for direct space only (excludes sublet space). Industrial, flex, and retail lease rates are triple-net. Office rates are full-service.

Nonresidential Construction¹²

There were 12 nonresidential buildings permitted during the fourth quarter of 2023 that will add over 311,000 square feet of commercial space valued at more than \$77 million to Commerce City. The largest project is a 265,982-square-foot Cold Storage Distribution Facility.

Commerce City Commercial Building Permits Issued, Q4 2023		
Project Description	Valuation	Total Square Feet
Cold Storage Distribution Facility	\$42,620,604	265,982
6450 York St (7 Buildings)	\$22,957,611	6,663
Ditch Witch of the Rockies (PEMB)	\$9,463,157	27,492
Dollar Tree (core and shell)	\$900,000	9,990
Ziggis Coffee	\$600,000	624
Coffee Shop at 103rd	\$600,000	624

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¹² Source: Commerce City Development Center, Building Permits and Fees.