2025 Commerce City Housing Needs Assessment

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Commerce CITY

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Table of Contents

List of Figures

List of Tables

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Executive Summary

The 2025 Commerce City Housing Needs Assessment (HNA), prepared by Matrix Design Group, Inc. (Matrix), provides a comprehensive evaluation of current housing conditions, needs, and opportunities across the city. Matrix was retained in December 2024 to complete this update in compliance with Colorado Senate Bill 24-174, which requires municipalities with populations exceeding 1,000 to conduct housing needs assessments every six years. This legislation establishes a consistent framework for assessing local housing supply, affordability, and displacement risk statewide, ensuring that communities like Commerce City base policy decisions on current and data-driven insights.

The assessment combines rigorous quantitative analysis with robust community engagement to provide a multidimensional understanding of Commerce City's housing landscape. The quantitative component examines demographic and economic trends, housing inventory and market conditions, affordability gaps, and current and future housing needs. These analyses were supplemented by extensive community engagement, with targeted outreach to residents at risk of housing instability or displacement, who are often underrepresented in traditional planning processes. The findings form a comprehensive foundation for identifying the city's most pressing housing challenges and informing future strategies for expanding housing options, improving affordability, and enhancing neighborhood stability throughout Commerce City. The key takeaways are summarized below.

Demographic Trends

- Commerce City's population grew from just over ***16,000*** in 1980 to nearly ***67,500*** in 2023 and is projected to exceed ***100,000*** by 2040.
- Commerce City's rapid growth requires ***proactive*** and ***inclusive*** housing strategies. Commerce City's population is expanding quickly, and planning must keep pace to avoid affordability challenges and overcrowding.
- Growth has ***outpaced*** the state overall, driven by the city's relative affordability and proximity to major job centers.
- Commerce City's ***median age of 34*** drives demand for starter homes, family-sized units, and rentals, while a slowly aging population underscores the need for accessible, age-friendly housing. Although seniors make up just 8% of residents, many experience ambulatory or cognitive disabilities.
- Commerce City is notably ***more racially and ethnically diverse than the region,*** highlighting the need for culturally responsive housing strategies, including multigenerational housing, larger family-oriented units, and expanded access to homeownership to preserve the City's diversity.
- Household composition in Commerce City remains more family-centered than in Adams County or Colorado, with an ***average household size of 3.15*** and nearly four-in-five households classified as families. While larger homes and family-oriented amenities remain important, a gradual decline in household size signals rising demand for smaller, more flexible housing options.
- ***Nearly 80% of Commerce City households own their homes.*** While homeownership is integral to building intergenerational wealth, the high ownership rate also suggests a potential shortage of rental housing that could limit mobility and affordability for new and lower-income households.

- Only ***about one-in-four adults holds a bachelor's degree,*** roughly half the statewide rate. Ensuring that housing remains attainable for moderate-income and blue-collar workers will be critical to maintaining economic balance and community stability.

Economic Trends

- Buoyed by in-migration of higher-income homeowners, Commerce City's median household income has risen sharply in recent years, ***reaching $107,000 in 2023*** and allowing the typical household to ***afford about $2,700 in monthly housing costs.***
- However, income gains have been ***concentrated among homeowners,*** while renters' earnings have stagnated. The most recent data indicate that the median owner-occupied household earns $126,000 annually, compared to $55,000 for renters.
- Traditional affordability standards suggest that the median owner-occupied household can support up to $3,159 in monthly housing costs, more than double the sum that the median renter can afford ($1,400). This growing disparity implies that many renters have been left behind amid the city's economic expansion.
- Roughly ***one-in-ten Commerce City residents lives below the federal poverty line*** ($31,200 for a family of four in 2023), resulting in a local poverty rate of 9.6%. These households face significant challenges in securing stable housing and limited access to mortgage credit.
- Commerce City's economy remains ***rooted in blue-collar industries,*** with Transportation, Warehousing, and Utilities employing more than one-fifth of the city's 30,000 workers, followed by Construction and Manufacturing at 12% each. While these sectors provide stable employment, they typically offer modest wage growth, reinforcing the need for workforce housing affordable to moderate-income earners.
- Regional forecasts suggest the labor market will shift toward higher-skill, service-oriented sectors such as Professional, Scientific, and Technical Services in the coming years.
- Commerce City's May 2025 unemployment rate of 4.8% was ***slightly above the statewide average and represented an increase from prior years.*** Expanding affordable rental options is particularly critical to helping households weather income disruptions during economic fluctuations.
- While business openings continue to outpace closures, the rise in business shutdowns between 2019 and 2024 signals ***shifting consumer bases and potential displacement pressures*** within the local economy.
- In 2022, nearly 33,000 workers commuted to Commerce City, whereas about 29,000 residents commuted elsewhere for work. Only about 3,000 residents both lived and worked within city limits, illustrating Commerce City's dual identity as ***both a regional employment hub and a bedroom community.***
- Since 2016, ***inflation-adjusted aggregate and per capita sales tax revenues have increased dramatically*** in Commerce City, signaling long-term economic strength. Yet this growth may also signal shifting consumer patterns associated with gentrification or displacement, particularly when accompanied by changing demographics and accelerated redevelopment in established neighborhoods.

Housing Inventory

- From 2010 to 2016, housing production lagged population growth, contributing to overcrowding and affordability pressures. Since 2017, however, construction has surged, expanding the housing inventory to ***22,808 units by 2023.***
- ***Nearly 80% of Commerce City's housing consists of single-family detached homes***—far exceeding the regional average. This limited diversity constrains options for renters, first-time buyers, seniors, and lower-income residents, who rely on more affordable and flexible choices such as ADUs, townhomes, and multifamily housing.
- Census tract–level analysis indicates that the most diverse housing mix is concentrated along the primary north–south corridor between I-76 and the Rocky Mountain Arsenal National Wildlife Refuge, which includes the ***central neighborhoods of the city's historic core.*** These areas are thus better positioned to meet evolving housing preferences and household needs.
- Building permit data from 2022 to 2024—the clearest indicator of near-term supply—shows ***that roughly 80% of 2,300 new permitted units were single-family detached homes,*** mirroring the city's existing housing profile.
- The city's housing stock is ***relatively new overall,*** with the median owner-occupied home built in 2005. Newer homes offer clear advantages in energy efficiency and maintenance costs.
- However, ***rental units tend to be older, with 30% predating 1970,*** compared to just 18% of owner units. While these older rentals provide naturally occurring affordable housing (NOAH), they require continued investment to maintain safe and livable conditions.
- Vacancy rates fell sharply from 6% in 2010 to below 1% by 2016 as construction lagged, then gradually rebounded to 6.5% by 2023 with the delivery of new units.
- ***Only one-third*** of vacant homes were available for sale or rent; the rest were sold or rented but not yet occupied, seasonal units, or homes in foreclosure, under repair, or otherwise off the market. This composition suggests that the recent rise in vacancies may partly reflect affordability pressures, household consolidation, or delayed mobility as housing costs continue to outpace income growth.

Housing Market Trends

- Even with real median home prices falling from a 2022 peak of nearly $625,000 to about ***$506,000,*** homeownership remains out of reach for most households. Buying a median-priced home now requires an income of ***roughly $170,000***—far above the city's median—underscoring the need for more attainable ownership options.
- Single-family detached homes, Commerce City's dominant product, sell for ***more than $100,000 above attached options*** like townhomes and condos, narrowing attainable paths to homeownership and highlighting the need for a more diverse housing stock.
- In July 2025, a median-priced home carried an estimated $2,692 mortgage payment at a 7% rate—***nearly $1,000 more than at 3%*** in 2020. These elevated borrowing costs have slowed demand and mobility, further limiting access for moderate-income households.
- ***Only 3% of homes sold in 2024 and 2025 were affordable to households earning $100,000***, the city's approximate median income, compared to more than 80% affordable to households

earning $200,000 or above. This indicates a significant shift in who can feasibly purchase homes locally.

- As affordability eroded and interest rates climbed, home sales slowed markedly. Compared to 2022, the median time on market has ***increased nearly tenfold, while supply has more than doubled.***
- The median mortgaged homeowner spent about ***$2,390 on total monthly housing costs in 2023,*** but new buyers face even higher payments under current interest rates (over 6% as of November 2025), widening generational divides between established homeowners and recent entrants.
- Typical ***asking rents in Commerce City now exceed $2,800 per month.*** The roughly $120,000 income required to afford a typical unit is more than twice the median renter income of about $55,000—a gap driven in large part by the city's dominance of single-family rentals.
- ***Even smaller units are out of reach*** for many renters, highlighting the importance of creating a more balanced market through increased supply. Median one-bedroom rent is $1,853 per month, requiring roughly $74,000 in annual income, while the median two-bedroom rent of $2,372 translates to an income requirement of approximately $95,000.
- Current rental listings illustrate the ***depth of the affordability crisis.*** No available units were affordable to households earning $30,000, and affordability remained extremely constrained at higher income levels, with fewer than 1% affordable at $50,000 and just 12% at $75,000.
- In recent years, median rent in Commerce City ***has risen at six times the rate of median renter household income,*** far outpacing statewide trends and raising the risks of cost burden, overcrowding, and displacement.

Housing Problems

- Renter affordability pressures are acute: in 2023, ***57% of renter households were cost burdened,*** including one-third who spent at least half their income on housing. These high burdens strain household budgets and increase the risk of instability and displacement.
- Homeowners also face vulnerability despite reductions in the cost-burdened rate over time. As of 2023, ***27% of mortgaged homeowners spent at least 30% of household income on monthly costs,*** leaving a sizeable subset of households exposed to financial strain amid rising costs and interest rates.
- ***Overcrowding occurs at more than twice the statewide rate,*** reflecting Commerce City's larger household sizes and a mismatch between available housing and the needs of multigenerational and family households.
- Homelessness has increased across the Denver Metro region, driven in part by rising housing costs. The 2024 PIT count recorded ***14,281 individuals experiencing homelessness,*** with unsheltered numbers more than doubling since 2018. Although added shelter capacity contributed to the rise, PIT's limitations mean overall housing instability is likely far higher.
- A meaningful share of households report substandard conditions, including incomplete kitchens, inadequate plumbing, or reliance on non-standard fuels. Incomplete plumbing alone occurs at ***more than twice the countywide rate.*** These deficiencies signal gaps in housing quality and highlight the need for continued investment in safe, livable homes.
- ***Displacement risk is most pronounced in the central neighborhoods within Commerce City's historic core,*** where older housing stock, lower household incomes, and higher rent burdens

intersect with other proxies for displacement risk, including elevated rates of overcrowding, single-parent households, and limited English proficiency.

- The findings reinforce Commerce City's long-standing ***"tale of two cities" dynamic,*** where newer, higher-income northern neighborhoods contrast with legacy southern areas facing continued affordability and reinvestment challenges.

Current and Projected Housing Needs

- Although the city's overall balance between jobs and housing units has improved recently, the jobs-to-housing ratio has worsened for lower-income earners. In 2023, there were 1.5 total jobs per housing unit, ***but 7.7 jobs paying under $35,000 per affordable unit,*** indicating growing competition for limited affordable housing and longer, more expensive commutes for the city's essential workforce.
- Commerce City has an ***estimated housing shortfall of 6,255 units,*** including 4,758 ownership units and 1,497 rentals. Lower-income households face significant gaps, and without additional supply, cost burdens and overcrowding are likely to intensify.
- Expanding affordable housing production will be critical to mitigating displacement risk and meeting the city's ***projected cumulative need of 8,113 units by 2033.***
- Accessible and visitable housing remains a key long-term priority. Approximately 2,468 units ***(about 11% of the city's total housing stock)*** should meet accessibility or visitability standards to support residents with mobility limitations and an aging population.
- Supportive housing needs are modest but essential. ***An estimated 65 units, or roughly 0.3% of Commerce City's housing stock,*** are needed to ensure long-term stability for its most vulnerable populations.

Community Engagement

- Residents, particularly those most vulnerable to displacement, expressed deep frustration with housing quality and rising costs. Many described paying ***high rents for units plagued by issues*** such as mold, pests, and broken appliances, underscoring widespread concerns about habitability and landlord accountability.
- Community input revealed ***strong demand for affordable, workforce, senior, and family-oriented housing.*** Participants emphasized the need for diverse, smaller-scale housing types—including accessory dwelling units (ADUs), duplexes, and cottage courts—that can support multigenerational households and offer more attainable options within existing neighborhoods.
- Survey responses reinforced these themes. The respondent pool, composed disproportionately of lower-income renters, reported ***high rates of cost burden and difficulty meeting basic expenses,*** illustrating how affordability challenges are directly shaping residents' day-to-day lives.
- Stakeholders identified ***multiple structural barriers*** to affordability. High land and construction costs, restrictive zoning regulations, and limited local incentives were cited as key constraints, pointing to the need for zoning modernization, expanded financing tools, and stronger housing preservation initiatives.
- Local employers and the City's Economic Development staff highlighted housing affordability as a workforce challenge. Employers noted that high housing costs and long commutes ***hinder***

employee recruitment and retention, and that while the City historically has had the ***competitive advantage of having high housing attainability,*** maintaining this advantage through increasing the diversity of housing options, and generally increasing affordable homeownership opportunities, is crucial.

Preliminary Recommendations

This report also outlines preliminary policy and program recommendations to address the city's housing challenges. These strategies can be further explored, refined, and expanded through the Housing Action Plan.

- Expand and preserve affordable, workforce, and senior housing through ***layered funding strategies.*** By aligning local financial tools with state and federal programs, Commerce City can leverage broader resources to sustain long-term affordability and address unmet housing needs across income levels.
- Refine financing mechanisms to ensure both feasibility and impact. Thoughtfully calibrated ***linkage fees, tax increment financing (TIF), and other funding tools*** can balance the dual goals of promoting affordability while maintaining an attractive environment for private investment.
- Encourage mixed-income development through targeted incentives. ***Sliding-scale height bonuses and flexible parking reductions*** can improve project viability, enabling developers to integrate affordable units into market-rate projects while supporting compact, efficient land use.
- Accelerate the delivery of affordable housing by improving administrative processes. ***Streamlined permitting and review procedures, paired with selective fee relief,*** can reduce time and costs for qualifying projects, providing predictability and improving financial feasibility.
- Use ***publicly owned land as a catalyst*** for equitable growth. Strategic land donations, discounted sales, or long-term leases can reduce development costs while guiding affordable and mixed-use projects to locations that support transit access and neighborhood vitality.
- Preserve and improve existing housing stock. Expanding funding for ***rehabilitation programs, enforcing stronger property maintenance standards, and holding landlords*** accountable for habitability can protect residents from displacement and extend the lifespan of naturally affordable homes.
- Promote housing stability through ***strengthened tenant protections.*** Enhanced anti-retaliation measures, proactive education, and multilingual outreach can ensure that renters understand their rights and have access to the resources needed to maintain safe, stable housing.
- ***Foster partnerships*** that expand local housing capacity. Collaborating with employers, nonprofit housing organizations, and community land trusts can diversify the City's approach to affordable housing production and preservation while extending the reach of local resources.
- The City's Land Development Code was updated in 2025 with the goal of encouraging more diverse and attainable housing opportunities by allowing smaller lots and a broader range of housing types. To better advance this goal, the City should ***evaluate its effectiveness and identify opportunities for further refinement***.

Introduction

Commerce City is a rapidly growing community within the Denver metropolitan area that has experienced substantial change over the past two decades. Once characterized primarily by its industrial base and working-class neighborhoods, the city has evolved into one of the fastest-growing communities in Colorado, driven by regional population growth, new residential construction, and proximity to major employment corridors. Yet this growth has also underscored a persistent "tale of two cities" dynamic: while new master-planned neighborhoods in the northern portions of the city have attracted higher-income households and significant investment, older neighborhoods in the historic southern core continue to face limited housing reinvestment and heightened affordability challenges. This dual reality frames many of the city's contemporary housing issues, ranging from affordability and condition disparities to concerns about displacement and equitable access to opportunity.

The *2025 Commerce City Housing Needs Assessment* (HNA), developed by Matrix Design Group, Inc. (Matrix), provides a comprehensive evaluation of existing conditions, current and projected needs, and emerging challenges across the city's diverse neighborhoods. It also offers preliminary policy and programmatic recommendations to advance affordability, stability, and opportunity across all segments of the housing market. Matrix was retained in December 2024 to conduct this assessment, which updates and expands upon the city's previous HNA completed in 2018. The 2018 study identified several persistent challenges, including rapid population growth, a shortage of affordable units, and increasing cost burdens among renters and homeowners. It also emphasized the importance of local policy coordination to balance economic development with housing affordability. The 2025 update builds upon those findings, offering more recent data, refined analytical methods, and an enhanced integration of community perspectives to inform policy development and implementation.

This update was completed in accordance with Colorado Senate Bill 24-174, which requires municipalities with populations of 1,000 or more to conduct a housing needs assessment at least once every six years. The legislation establishes a statewide framework for identifying housing gaps and advancing locally tailored, data-driven solutions aligned with regional and state housing goals. The insights from the HNA will directly inform the forthcoming Housing Action Plan, which will outline a more detailed implementation framework for expanding affordability, preserving existing housing, promoting equitable growth, and strengthening community stability across all parts of Commerce City.

Methodology

The *2025 Commerce City HNA* combines quantitative analysis with qualitative community input to provide a comprehensive understanding of housing conditions, needs, and challenges. The methodology aligns with the Colorado Department of Local Affairs (DOLA) needs assessment guidelines, ensuring consistency with state standards and compliance with SB 24-174.

The quantitative analysis employed a comparative framework, evaluating Commerce City's demographic, economic, and housing trends relative to the peer jurisdictions of Westminster, Thornton, and Brighton, as well as Adams County and the State of Colorado. These peers were selected to provide meaningful context for benchmarking Commerce City's housing dynamics. Each community shares a similar geographic setting within the north Denver metropolitan area, as well as comparable population growth rates, development pressures, and economic profiles. While the analysis situates Commerce City within a broader local context, this study is not a regional housing needs assessment; rather, it is designed to highlight Commerce City's unique position within the regional housing landscape.

This assessment integrates multiple federal, state, local, and proprietary sources to construct a comprehensive picture of housing conditions, affordability, and needs in Commerce City. The analysis relies on the most current data available, though specific reference periods differ across datasets depending on release schedules and reporting standards.

Key data sources include:

- ***American Community Survey (ACS):*** Administered by the U.S. Census Bureau, the ACS is a foundational source of demographic, social, economic, and housing data at multiple geographic levels. Estimates are developed using probability sampling and statistical weighting to ensure representativeness across communities. This assessment primarily uses the 2023 five-year ACS, which covers the period from 2019 to 2023, while incorporating data from the 2018 five-year ACS (2014–2018) to provide a longitudinal view of local trends. When discussing five-year ACS data, this report references only the year featured in the title of the survey. Importantly, ACS data are not merely reported as standalone descriptive statistics. Rather, the estimates serve as inputs for many of the analyses presented in this report. Figures such as housing gaps and affordability shortfalls were derived by integrating ACS estimates with other sources and applying additional methods.
- ***State Demography Office (SDO):*** Historical and current estimates of total households, population, housing units, and average household size were provided by the SDO. These estimates were also used to adjust ACS population and household counts for consistency across data sources and to reflect the most current totals.
- ***Bureau of Labor Statistics (BLS):*** Local labor force and employment data were supplied by the Local Area Unemployment Statistics (LAUS).
- ***Colorado Department of Labor and Employment (CDLE):*** Long-term employment projections for the Denver-Aurora Metropolitan Statistical Area (MSA) were furnished by the CDLE.
- ***Longitudinal Employer-Household Dynamics (LEHD):*** Commuting flow data were used to evaluate the relationship between jobs and housing across geographies, based on estimates from the U.S. Census Bureau's LEHD program.
- ***Colorado Secretary of State:*** The Business Entities in Colorado database was used to analyze commercial activity in Commerce City, specifically business closures.
- ***City of Commerce City:*** The Community Development Department provided data on permitting activity, providing insight into recent, ongoing, and future residential construction activity.
- ***Zillow***
  - *Zillow Observed Rent Index (ZORI):* This proprietary metric measures changes in asking rents over time across the full rental market, not just professionally managed multifamily units. By capturing listings from a wide range of landlords and housing types, ZORI offers a broad and timely measure of rental market trends.
  - *Zillow Rental Listings:* Zillow's rental market overview data provided a snapshot of asking rents by unit type across the rental market. These data offer additional context on price variation not captured by index-based measures such as ZORI.
- ***Redfin:*** Aggregate data from Redfin were used to analyze trends in the for-sale housing market, including median home prices, sales volume, and time on market.
- ***Adams County Assessor:*** Parcel-level transaction data from the Adams County Assessor complemented the Redfin data by offering property-specific insights into recent sales activity.

- ***HUD Point-in-Time (PIT) Count:*** The annual PIT count, conducted in accordance with U.S. Department of Housing and Urban Development (HUD) guidelines, provided a snapshot of sheltered and unsheltered homelessness across the region.
- ***Colorado Department of Revenue:*** Taxable sales data were used to compute changes in sales tax revenue over time.

In addition to its comprehensive quantitative analysis, the assessment draws upon a robust community engagement campaign designed to capture the lived experiences of Commerce City residents, including those most at risk of housing instability or displacement. Community engagement activities included a bilingual resident survey; a bilingual employer survey; three open houses; two targeted engagement events; and ten stakeholder interviews with developers, service providers, and community advocates. In addition, City staff attended two "SpeakUp" Commerce City events to present and engage on the same materials that were shared at the open houses. The quantitative and qualitative findings provide a multidimensional understanding of Commerce City's housing challenges, forming the basis for the HNA's strategic recommendations.

Demographic Trends

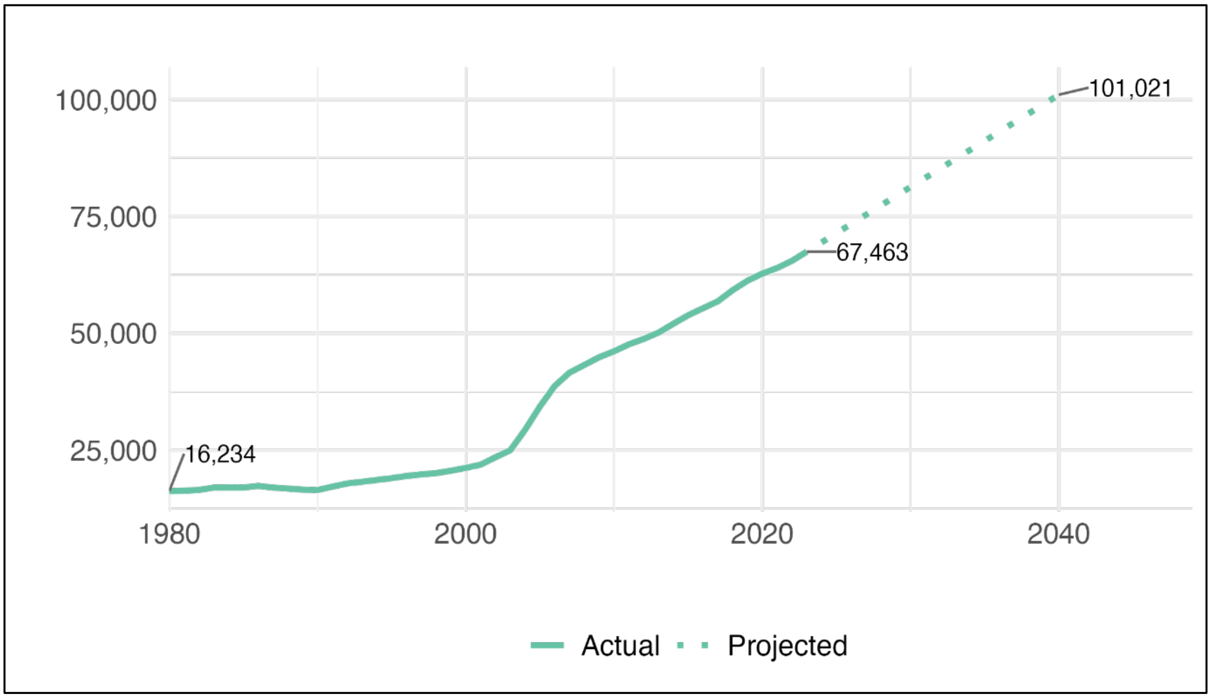
Commerce City's demographic profile reflects both the city's rapid growth and its evolving social and economic character. Over the past four decades, the city has transformed from a small community into a mid-sized municipality, driven by regional job growth, housing availability, and large-scale development. Recent patterns highlight a community that remains relatively young, with a large share of children and families, yet is gradually aging in line with national trends. Commerce City also stands out for its racial and ethnic diversity, particularly its large Latino population. While educational attainment has improved modestly, levels remain below the region and state, a sign of the city's working-class roots. At the same time, rising homeownership, sustained household growth, and the prevalence of disabilities among older residents underscore the importance of ensuring housing options that are affordable, accessible, and adaptable to shifting needs. Taken together, these demographic dynamics illustrate the need for balanced housing strategies that support family households, accommodate an increasingly diverse population, and prepare for continued growth while addressing affordability concerns.

Population

Commerce City has undergone a dramatic transformation over the past four decades, evolving from a small community of just 16,234 residents in 1980 to a mid-sized city of ***67,463 by 2023*** (see Figure 1). Growth accelerated sharply in the early 2000s, when the population expanded by ***84% between 2002 and 2008,*** a surge tied to regional job creation, housing availability relative to Denver, and large-scale residential development on previously undeveloped land. Since then, the pace of expansion has moderated but remained strong, with steady year-over-year gains reflecting Commerce City's growing appeal as a more affordable alternative for prospective homeowners within the Denver metropolitan area. Assuming recent trends persist, the population is projected to reach ***101,021 by 2040.*** This trajectory underscores the need for significant additional housing capacity, not only to accommodate new households but also to ensure that growth does not exacerbate existing affordability challenges or overcrowding pressures.

FROM 2010 TO 2023, COMMERCE CITY'S POPULATION GREW BY 46%, APPROXIMATELY TRIPLE THE STATEWIDE GROWTH RATE.

Figure 1. Actual and Projected Population in Commerce City, 1980-2040



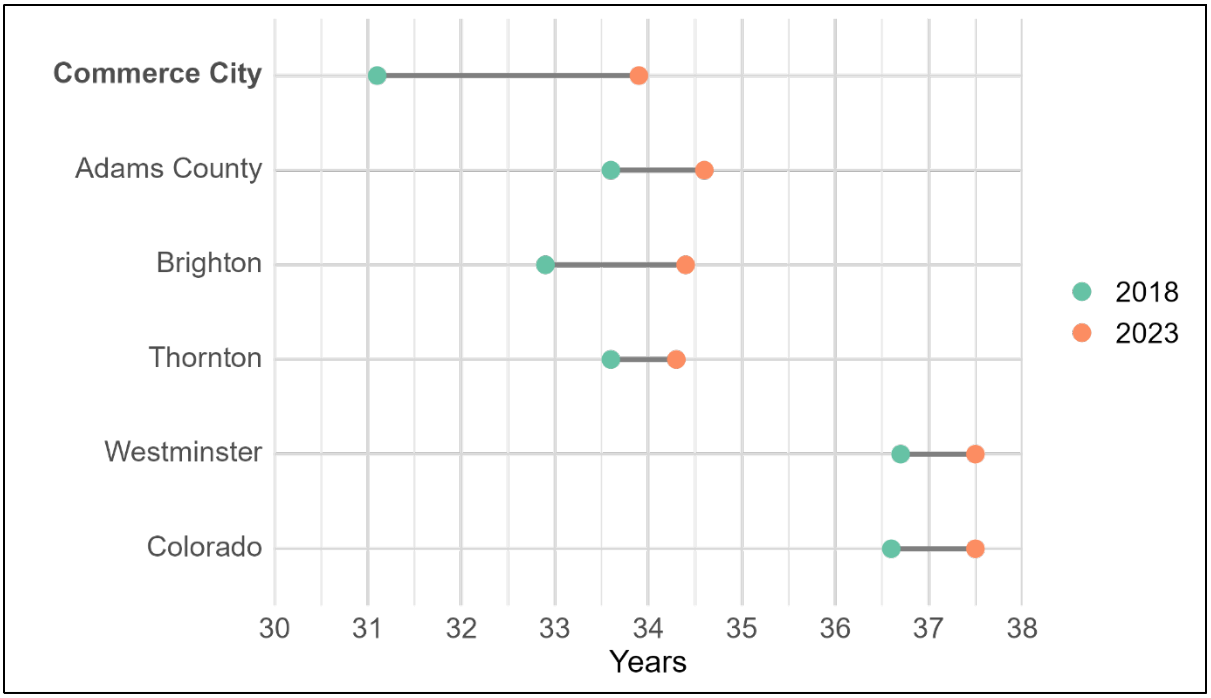
Source: Colorado State Demography Office; Matrix Design Group, Inc.

Note: Population projections were developed using an exponential smoothing model, a time series forecasting technique that assigns greater weight to more recent observations while still accounting for historical trends.

THE MEDIAN COMMERCE CITY RESIDENT IS NEARLY FOUR YEARS OLDER THAN THEIR STATEWIDE COUNTERPART.

Commerce City remains a relatively young community, though it has experienced noticeable aging in recent years (see Figure 2). The median age increased from ***31.1 in 2018 to 33.9 in 2023,*** consistent with broader trends. Nonetheless, Commerce City residents are younger than their counterparts in nearby communities, especially Westminster, whose median age rivaled the statewide figure of 37.5 in 2023. The findings carry dual implications for housing demand. On the one hand, Commerce City's youthful population supports continued demand for starter homes, rental housing, and family-oriented units. On the other hand, the steady rise in median age signals that older households will become an increasingly important segment of the housing market. This mirrors broader national patterns shaped by declining birth rates and an aging Baby Boomer generation, suggesting that over the coming decade, local housing strategies will need to balance the needs of younger households with expanding demand for age-appropriate and accessible housing options.

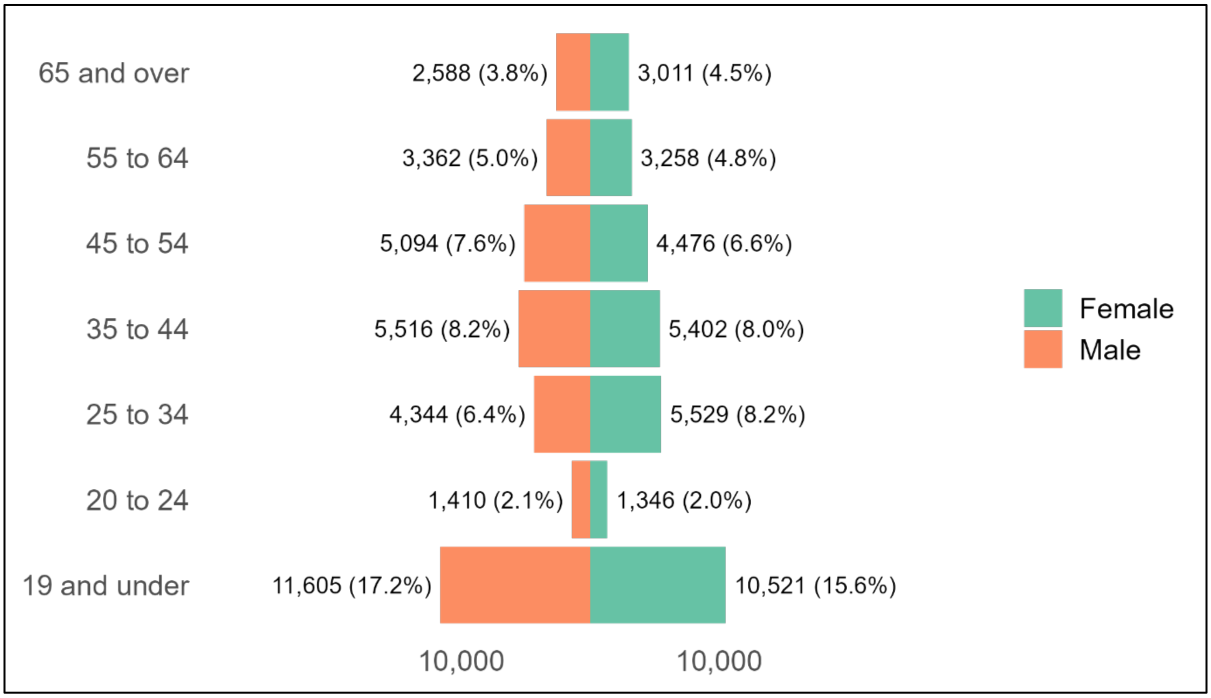
Figure 2. Median Population Age, 2018 & 2023



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

The age pyramid for Commerce City further highlights the city's relatively ***young population profile,*** displaying male and female population estimates across each age range (see Figure 3). The largest segment is residents 19 and under, with more than 22,000 children and teens calling the city home. Young adults aged 20 to 34 comprised nearly one-fifth of the population, while 30% fell between the ages of 35 and 54. Older adults represented a smaller share, with about 10% between 55 and 64 and 8% age 65 and over. The findings point to ***strong near- and medium-term demand for family housing and amenities that serve children,*** as well as housing that supports young adults entering the labor force and forming households.

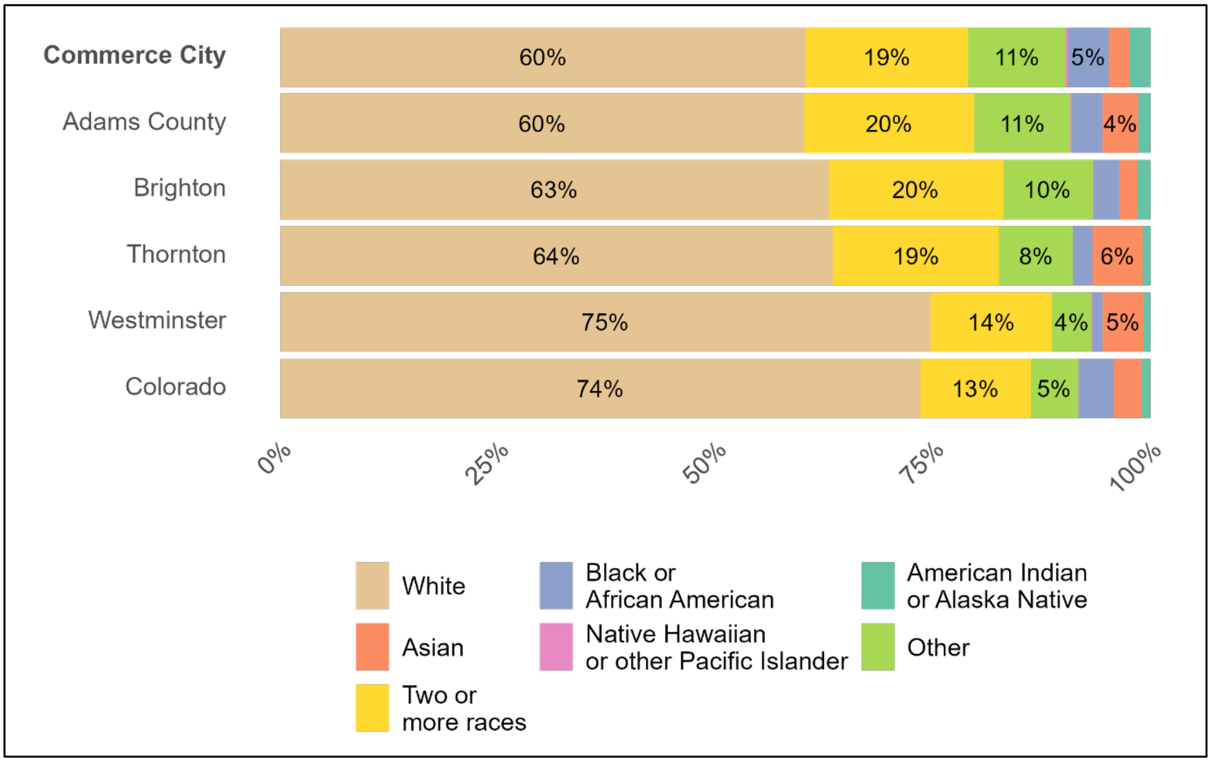
Figure 3. Population by Age and Sex in Commerce City, 2023



Source: Colorado State Demography Office; Five-Year American Community Survey; Matrix Design Group, Inc.
Note: ACS estimates of population by age and sex were proportionally scaled to match the State Demography Office's total 2023 population estimate for Commerce City.

Figure 4 shows that Commerce City is notably more racially diverse than Colorado as a whole. 60% of residents identified as white, compared to 74% statewide. Commerce City also has a smaller white population than Brighton, Thornton, and Westminster. Those identifying as "two or more races" or "other" represent the next largest categories, together accounting for nearly 30% of the city's population. Hispanic and Latino residents commonly select these categories, since Hispanic origin is classified as an ethnicity rather than a race. About 5% of residents identified as Black or African American. These patterns are important for understanding housing demand, as research shows that Black households generally enter homeownership later in life than white households and continue to experience lower ownership rates overall.[1]

Figure 4. Population Racial Makeup, 2023



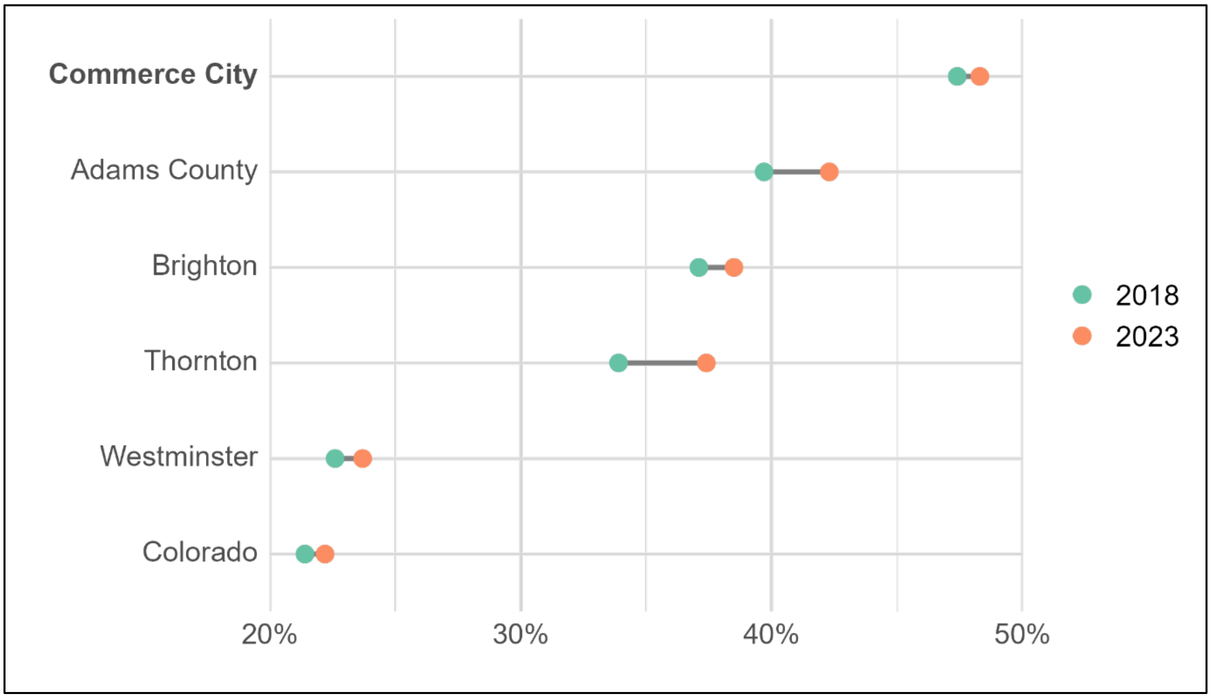
Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Note: In U.S. Census and ACS data, Hispanic or Latino is classified as an ethnicity, not a race. Individuals identifying as Hispanic may be of any race.

[1] Urban Institute, *Explaining the Black-White Homeownership Gap*, 2021, https://www.urban.org/sites/default/files/publication/101160/explaining_the_black-white_homeownership_gap_2.pdf

Figure 5 presents data on the relative size of the Latino population. It demonstrates that 48% of Commerce City residents identified as Hispanic or Latino as of 2023, virtually unchanged from the rate observed five years earlier. This share is more than double the statewide average of 22% and represents the largest Latino population among the jurisdictions examined by a sizeable margin. Such a large Latino presence underscores the importance of culturally responsive planning that recognizes multigenerational living patterns, larger household sizes, language access, and barriers to homeownership and affordability.

Figure 5. Hispanic or Latino Share of the Population, 2018 & 2023

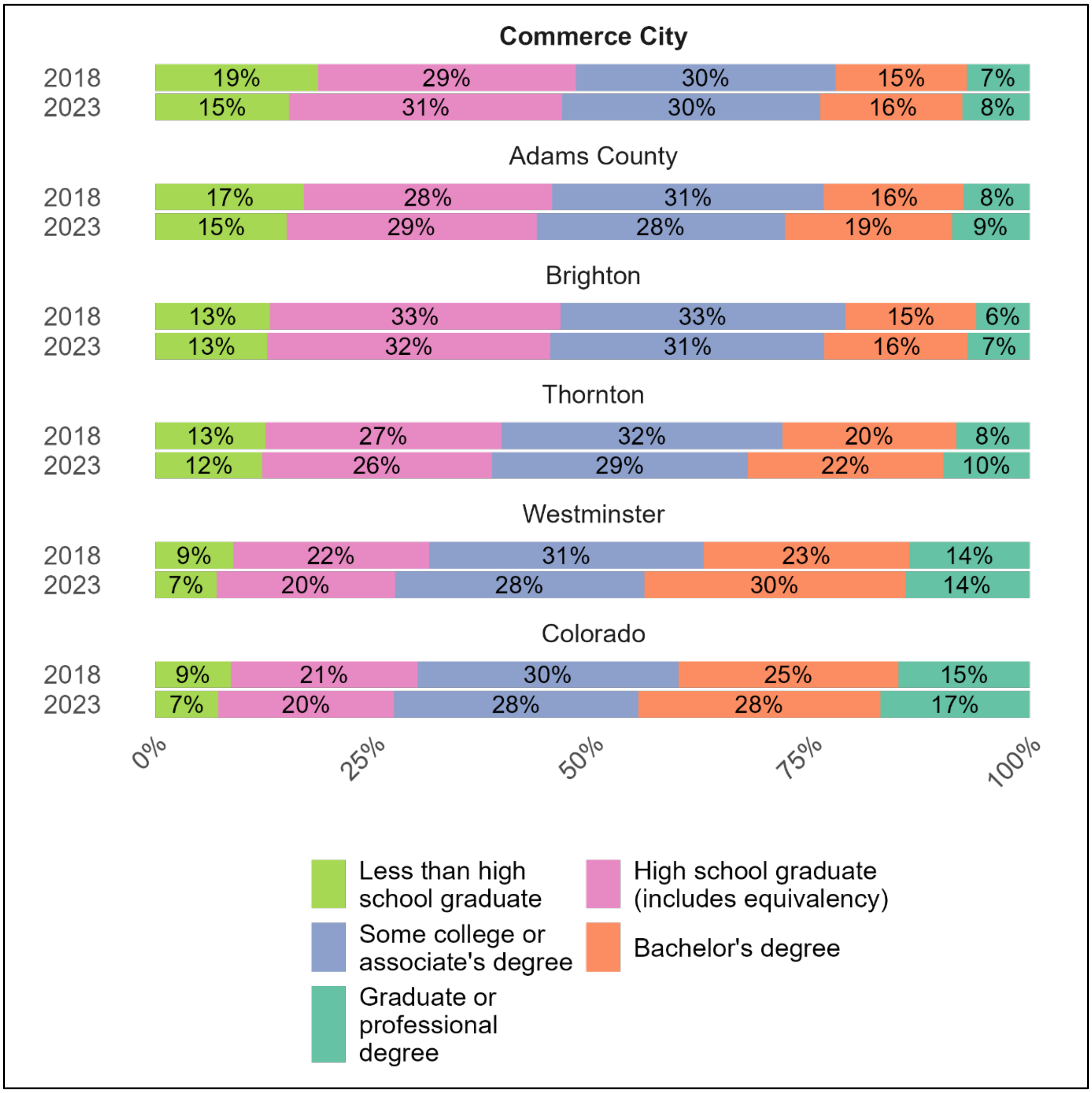


Source: Five-Year American Community Survey; Matrix Design Group, Inc.

COMMERCE CITY'S SIZEABLE HISPANIC POPULATION STEMS FROM HISTORIC MIGRATION FOR RAIL, AGRICULTURAL, AND INDUSTRIAL JOBS, REINFORCED BY STRONG FAMILY AND CULTURAL NETWORKS.

As Figure 6 shows, educational attainment in Commerce City has improved modestly in recent years. The share of residents aged 25 and older with a bachelor's degree rose from ***22% in 2018 to 24% in 2023,*** yet the city continues to trail Adams County and neighboring communities. The gap is especially pronounced compared with Westminster and the state overall, where the percentage of adults with a bachelor's degree or higher nearly doubled the rate in Commerce City. These differences are a product of the city's historically working-class roots, where growth was fueled by industry, logistics, and blue-collar employment that provided stability without requiring higher education.

Figure 6. Population Educational Attainment, 2018 & 2023

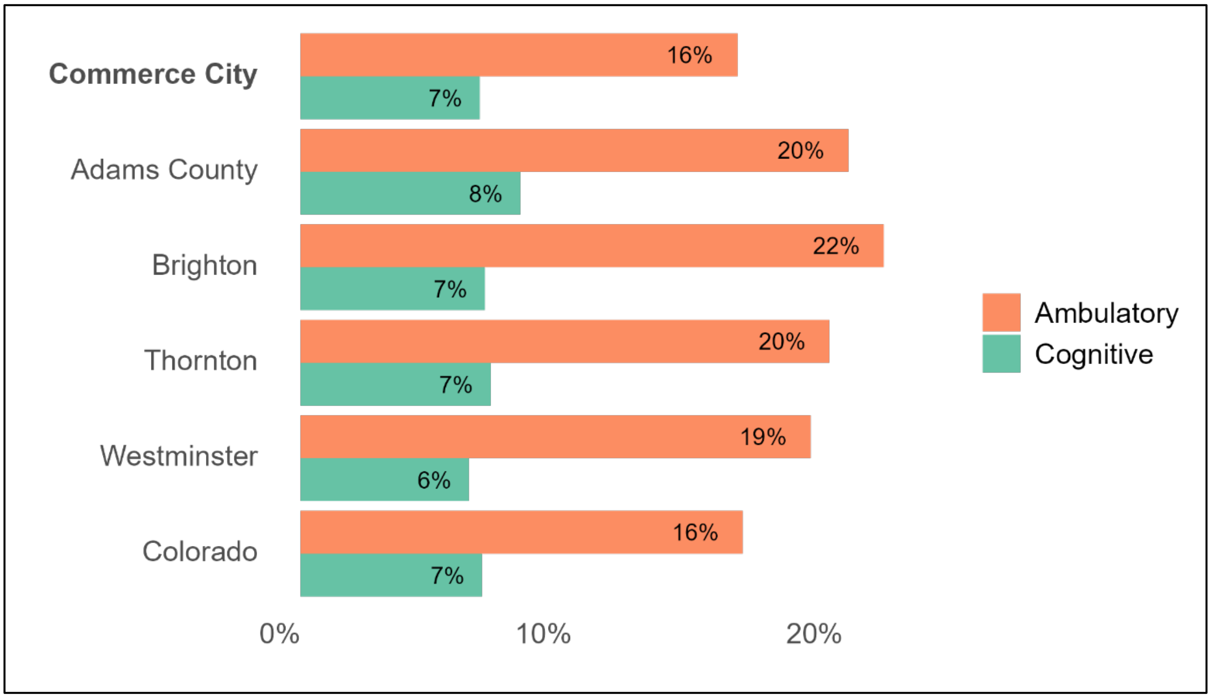


Source: Five-Year American Community Survey; Matrix Design Group, Inc.
Note: Rates are for the 25-years-and-over population.

Figure 7 highlights the prevalence of disabilities with direct implications for housing need among Commerce City residents age 65 and over. Ambulatory disabilities, defined as serious difficulty walking or climbing stairs, were reported by ***16%*** of residents, ***more than twice*** the share affected by cognitive disabilities, which include difficulty remembering, concentrating, or making decisions (7%). These rates mirror those observed statewide, though ambulatory disability appears less common than in several nearby communities. In absolute terms, about 2,496 residents were impacted by a cognitive disability, including 341 seniors, while 2,579 reported an ambulatory disability, including 837 seniors. The prevalence of these conditions among elderly residents highlights the need for accessible housing design, supportive services, and senior-friendly community infrastructure.

AMONG COMMERCE CITY RESIDENTS OVERALL, THE COGNITIVE AND AMBULATORY DISABILITY RATES WERE BOTH 4%.

Figure 7. Disability Rates among 65-Years-and-Over Population, 2023



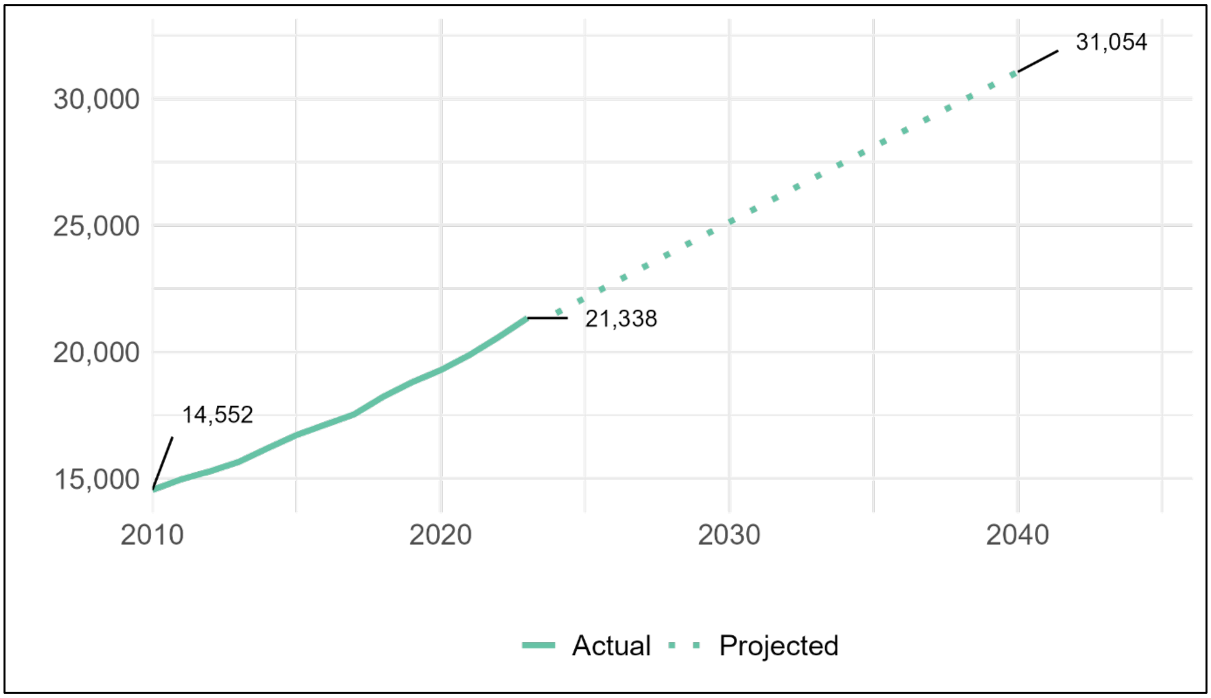
Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Note: An ambulatory disability refers to a mobility limitation resulting from a physical condition, injury, illness, or age. A cognitive disability refers to a physical, mental, or emotional condition that negatively impacts a person's ability to concentrate, remember, or make decisions.

Household Characteristics

Figure 8 illustrates Commerce City's rapid household growth over the past decade. In 2010, the city was home to roughly ***14,552 households.*** By 2020, that number had risen to ***19,286,*** equal to a 33% increase. Growth has continued in recent years, with the addition of ***another 2,052 households*** through 2023, bringing the total to 21,338. Based on anticipated population growth, the city could surpass 25,000 households by 2030 and 31,000 households by 2040. This sustained growth trajectory reinforces the importance of long-term planning to accommodate future demand for housing, infrastructure, and services.

Figure 8. Actual and Projected Households in Commerce City, 2010-2040

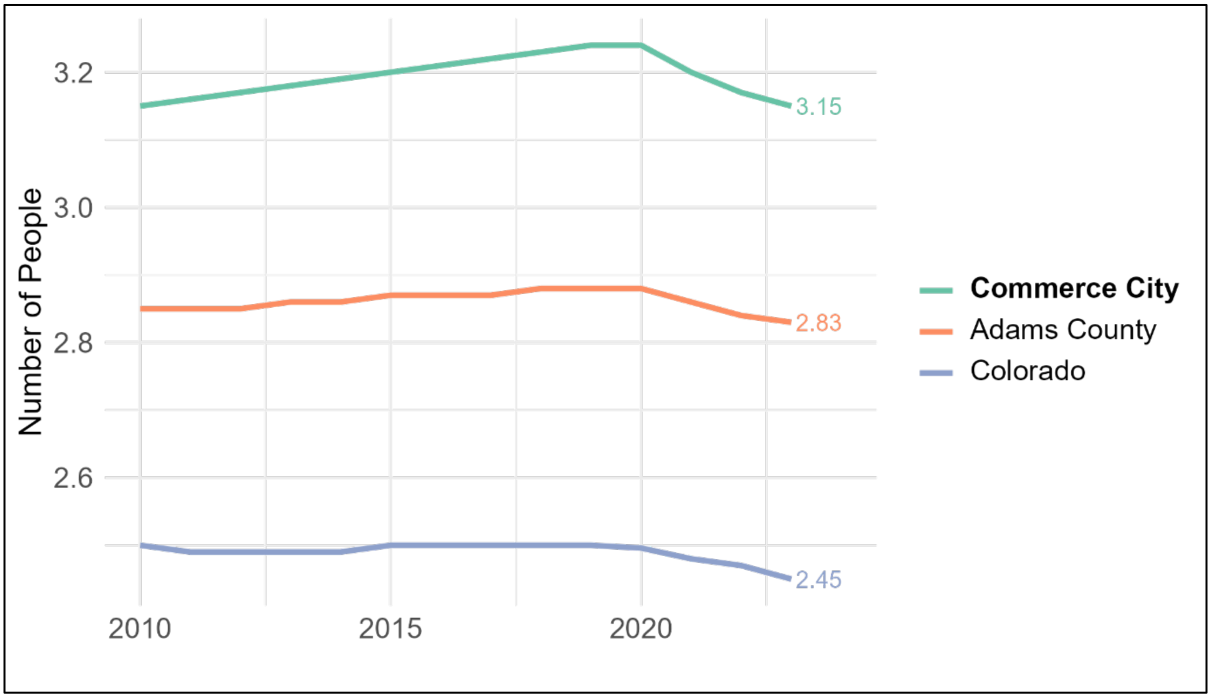


Source: Colorado State Demography Office; Matrix Design Group, Inc.
Note: Household projections were calculated by dividing projected population totals by projected average household size for each year. Average household size projections were developed using historical trends and extended using a linear model that reflects the observed decline in household size over time. This method allows the projected number of households to account for both population growth and expected changes in household formation patterns over time.

FROM 2010 TO 2023, COMMERCE CITY HOUSEHOLDS INCREASED BY 47%, COMPARED TO 19% STATEWIDE.

Figure 9 presents data on average household size. As of 2023, the average Commerce City household had 3.15 people, ***notably higher*** than the averages for Adams County (2.83) and Colorado overall (2.45). Commerce City's larger household sizes are partly tied to its demographic composition, as Latino households are more likely to include children and extended family members than the population overall. At the same time, average household size has declined in recent years—from 3.24 people in 2020—due to broader trends such as lower birth rates and shifts in family formation. These patterns have direct implications for housing demand: while the need for larger, family-sized units remains strong, declining household sizes are likely to increase demand for smaller homes over time.

Figure 9. Average Household Size, 2010–2023

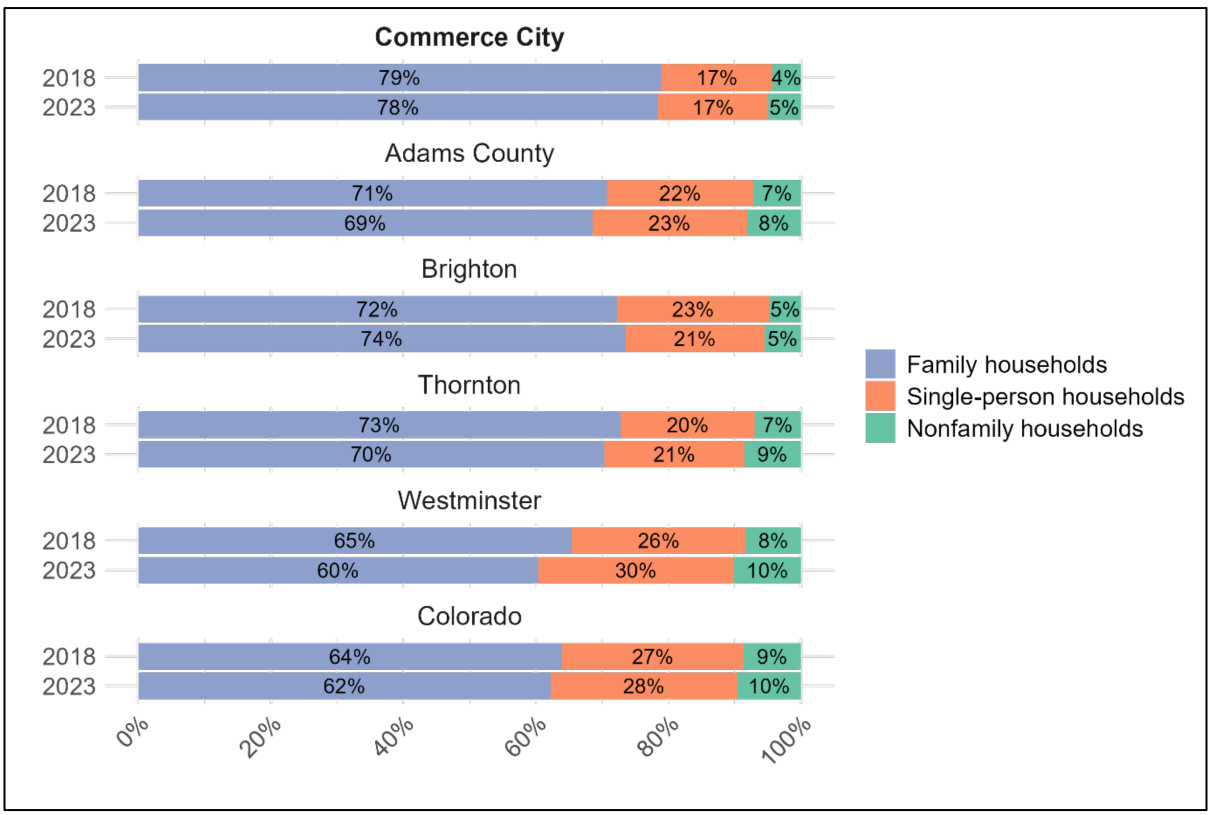


Source: Colorado State Demography Office; Matrix Design Group, Inc.

Family households have consistently accounted for ***nearly 80%*** of all households in Commerce City (see Figure 10). This share is markedly higher than in Adams County, the three peer communities, and Colorado overall, where nonfamily and single-person households represent a larger portion of the housing landscape. The predominance of family households underscores the importance of providing housing options that can accommodate children and multigenerational living arrangements, while the relatively smaller share of single-person and nonfamily households indicates comparatively lower demand for smaller units such as studios and one-bedroom apartments.

COMMERCE CITY'S HIGHER SHARE OF FAMILY HOUSEHOLDS ALIGNS WITH ITS LARGER AVERAGE HOUSEHOLD SIZE, INDICATING A COMMUNITY WHERE FAMILY-ORIENTED LIVING ARRANGEMENTS ARE MORE COMMON THAN IN COLORADO OVERALL.

Figure 10. Household Type Distribution, 2018 & 2023

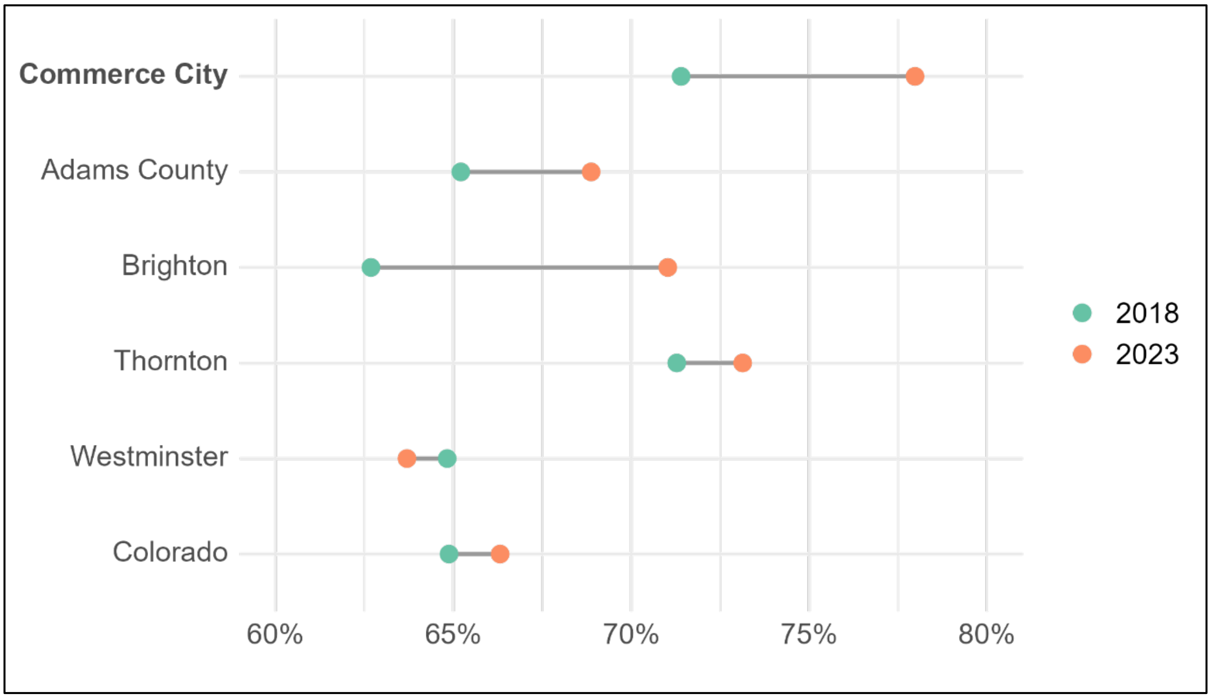


Source: Five-Year American Community Survey; Matrix Design Group, Inc.
Note: Family households are defined as those in which the householder is related to at least one other occupant by birth, marriage, or adoption. Nonfamily households primarily consist of roommates and unmarried partners.

Housing Tenure

Commerce City's homeownership rate has risen notably in recent years, increasing ***from 71% in 2018 to 78% in 2023*** (see Figure 11). While the trend suggests access to homeownership's wealth-building benefits has broadened, it is important to interpret the data with caution, as American Community Survey estimates are based on five-year samples that span periods of significant change. Much of this timeframe was characterized by historically low mortgage interest rates, which expanded access to homeownership, while the COVID-19 pandemic also reshaped housing markets by fueling demand for larger homes and suburban living. Much of this wealth-building accrued to newer residents purchasing homes in the northern parts of the city, where incomes are already higher, rather than to long-standing households with lower incomes in the core city. Commerce City's homeownership rate exceeded those of Adams County, Colorado overall, and the three peer communities. Although high ownership levels support household wealth creation and stability across generations, they may also signal ***limited rental options,*** reducing flexibility for younger households, lower-income residents, and new arrivals seeking to enter the housing market.

Figure 11. Homeownership Rate, 2018 & 2023



Source: Five-Year American Community Survey; Matrix Design Group, Inc.
Note: Households, rather than individuals, are the unit of analysis.

COMMERCE CITY'S HOMEOWNERSHIP RATE HAS CLIMBED FASTER THAN IN THE REGION OVERALL, SUPPORTED BY MORE AFFORDABLE HOUSING RELATIVE TO DENVER AND STRONG DEMAND FOR SUBURBAN-STYLE HOMES THAT ATTRACT FAMILIES AND FIRST-TIME BUYERS.

Key Findings and Implications

- Commerce City's population surged from 16,234 in 1980 to 67,463 in 2023, with projections reaching 101,021 by 2040. As demand intensifies, planning for new housing development will be essential to preventing affordability crises and overcrowding.
- Commerce City has seen more pronounced growth than the state overall, highlighting the city's role as an affordable alternative within the metro area.
- The population's relatively young age profile (median age: 33.9) sustains strong demand for starter homes, family-sized units, and rental housing serving younger households entering the workforce and forming families. However, population aging underscores the importance of balancing current demand for family homes with expanding needs for age-appropriate, accessible housing.
- While only 8% of residents were 65 and over, 16% of seniors report ambulatory disabilities and 7% have cognitive disabilities. As the aging wave intensifies, investment in accessible design, universal visitability standards, and supportive housing infrastructure will become more imperative.
- Commerce City is significantly more racially and ethnically diverse than the surrounding region. Its demographic composition indicates increased need for multigenerational living spaces, larger units, language-accessible homebuying processes, and targeted affordability interventions to overcome historical homeownership barriers facing Latino and Black households.
- Household composition in Commerce City is more family-oriented than the region or state. Average household size (3.15 people) substantially exceeds county (2.83) and state (2.45) levels, while nearly 80% of households are family households. Although the findings suggest strong demand for larger homes, child-friendly amenities, and neighborhood infrastructure such as schools and parks, declines in average household size over time indicate an increased need for smaller unit types.
- The homeownership rate climbed from 71% in 2018 to 78% in 2023. While high ownership supports wealth-building, this dominance may indicate insufficient rental supply.
- Only 24% of adults hold bachelor's degrees, roughly half the rate in Westminster and statewide. This educational profile highlights the need for housing that serves moderate-income earners in logistics, industry, and blue-collar sectors, not just higher-wage professionals, to maintain workforce housing alignment and prevent displacement of the essential workers who have built the community.

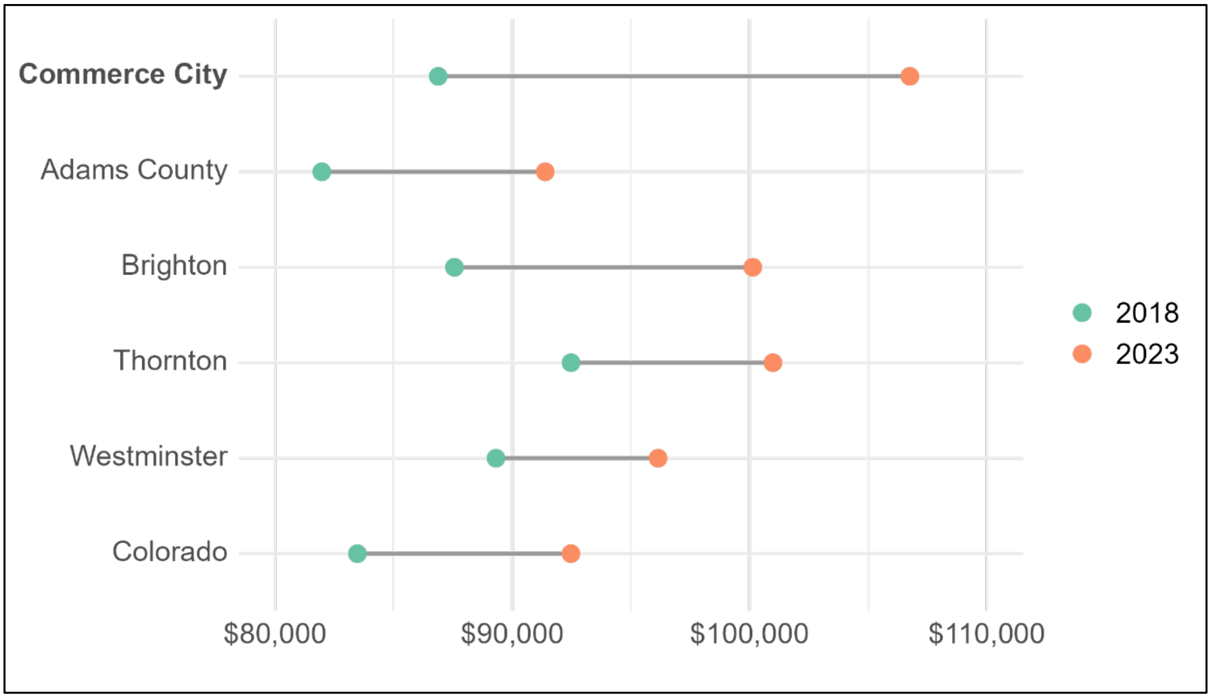
Economic Trends

Commerce City's economic landscape has evolved in ways that mirror its rapid population growth and rising housing pressures. Median household income has grown sharply in recent years, outpacing nearby communities and the state overall, but the gains have been confined to homeowners. Similarly, poverty rates have declined, although rates remain higher than nearby communities such as Thornton and Westminster. The city benefits from a strong base in transportation, construction, and manufacturing, yet a smaller presence of higher-paying professional and service sectors limits opportunities for wage growth. Regional employment forecasts suggest continued expansion in knowledge-based and health-related industries. Labor force dynamics further highlight Commerce City's dual role as both a residential community and employment center, with large inflows and outflows of commuters shaping local demand for housing. Finally, fiscal and business indicators, such as sales tax revenues and business turnover, provide additional context for understanding displacement risk, as rapid shifts in revenues or rising closure rates can signal pressures on both households and local enterprises.

Household Income

Median household income in Commerce City has risen sharply in recent years, even after controlling for inflation. The typical household's earnings climbed from ***$86,876 in 2018 to $106,756 in 2023,*** an increase driven by both regional economic expansion and the city's growing homeowner base. By 2023, Commerce City's median income outpaced that of Adams County, each of the three peer communities, and Colorado overall, underscoring its strong relative economic position. Under the conventional affordability benchmark that households should spend no more than 30% of income on housing, the typical Commerce City household could support ***monthly housing costs of approximately $2,669.*** Despite robust growth in median income, these gains have not extended to all residents, leaving many households vulnerable to rising housing costs.

Figure 12. Median Household Income, 2018 & 2023



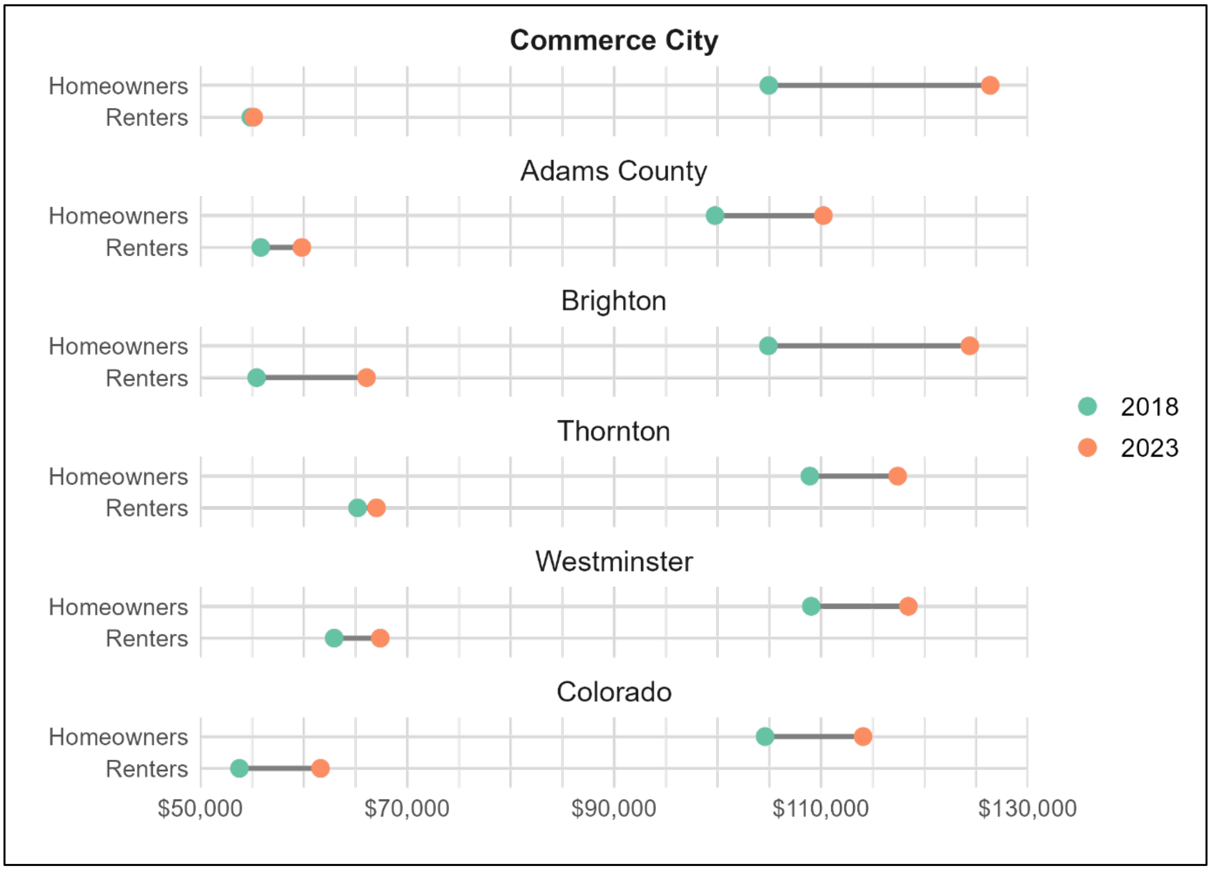
Source: Five-Year American Community Survey; Bureau of Labor Statistics; Matrix Design Group, Inc.
Note: Values were adjusted for inflation to constant 2023 dollars.

OVER THE OBSERVED PERIOD, COMMERCE CITY'S REAL MEDIAN INCOME GREW BY 23%, MORE THAN DOUBLE THE STATEWIDE RATE OF 11%.

STAGNANT RENTER INCOMES ARE PARTICULARLY CONCERNING GIVEN THAT RENTS ARE MORE SENSITIVE TO FLUCTUATIONS IN THE HOUSING MARKET AND LESS PREDICTABLE THAN OWNERSHIP COSTS.

Overall household income levels obscure the fact that recent gains have been ***concentrated among homeowners*** (see Figure 13). Inflation-adjusted median homeowner income rose from $104,958 in 2018 to $126,362 in 2023, in part due to the in-migration of higher-income households. While other nearby areas also experienced homeowner income growth, the scale of Commerce City's increase sets it apart. By contrast, renter households have seen little progress: median renter income remained ***essentially flat*** at roughly $55,000 over the same period. At that level, the typical renter could afford no more than about $1,379 in monthly housing costs under the 30% affordability benchmark. Renter incomes in Commerce City also lagged behind those in peer communities such as Westminster, Brighton, and Thornton, where median renter earnings approached $70,000 annually. This widening disparity highlights the uneven distribution of economic gains and, relatedly, the affordability pressures disproportionately faced by renter households.

Figure 13. Median Household Income by Tenure, 2018 & 2023

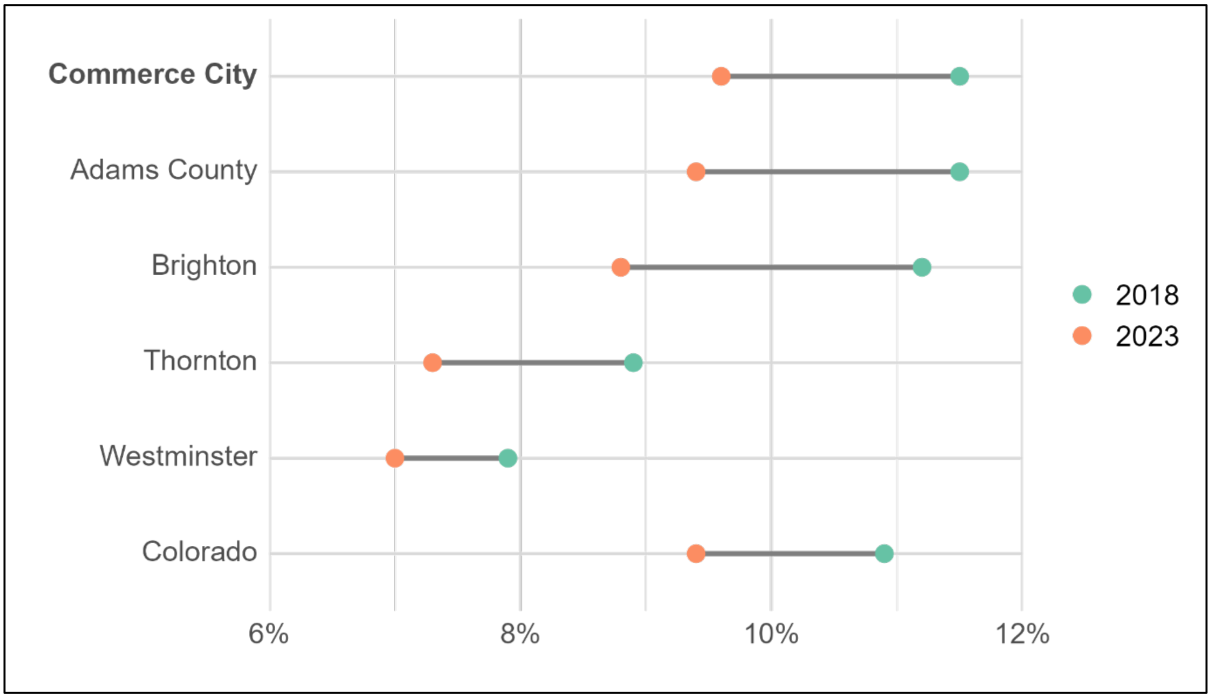


Source: Five-Year American Community Survey; Bureau of Labor Statistics; Matrix Design Group, Inc.
Note: Values were adjusted for inflation to constant 2023 dollars.

Poverty

Poverty rates across the region generally declined between 2018 and 2023, indicating broader improvements in economic conditions following the Great Recession. In 2023, Commerce City's individual poverty rate stood at ***9.6%,*** slightly higher than that of peer communities such as Thornton and Westminster. For context, the federal poverty threshold for a family of four was approximately $31,200 in 2023. Households living near or below this threshold face particular challenges securing stable housing, as limited incomes restrict their ability to afford rising rents or qualify for mortgage financing.

Figure 14. Individual Poverty Rate, 2018 & 2023



Source: Five-Year American Community Survey; Matrix Design Group, Inc.
Note: Individual poverty status is based on family income relative to federal poverty thresholds, which vary by family size and composition. For reference, the poverty threshold for a family of four was $25,701 in 2018 and $31,200 in 2023.

Employment and Commuting Patterns

Commerce City's ***industrial and logistical roots*** are evident in the composition of its workforce. As Table 1 demonstrates, 22% of its 30,408 workers were employed in Transportation and Warehousing, and Utilities, making it the largest sector by total employment. Construction and Manufacturing also represent significant sources of employment, with each accounting for 12% of the local workforce. Collectively, the two highest-paying sectors in Adams County (Information and Public Administration) made up only 4% of total employment in Commerce City. This sectoral composition reveals both strengths and challenges: the city benefits from a strong employment base tied to goods movement, infrastructure, and building trades, but the relatively small presence of higher-paying professional and service sectors limits opportunities for wage growth and may reinforce existing gaps in educational attainment and housing affordability.

Table 1. Composition of Commerce City's Workforce by Sector, 2023

Sector	Employment	
Information	399	1%
Public Administration	1,171	3%
Finance and Insurance, and Real Estate and Rental and Leasing	1,621	5%
Manufacturing	3,945	12%
Professional, Scientific, and Management, and Administrative and Waste Management Services	2,916	9%
Agriculture, Forestry, Fishing and Hunting, and Mining	528	2%
Wholesale Trade	1,974	6%
Construction	4,079	12%
Transportation and Warehousing, and Utilities	7,470	22%
Educational Services, and Health Care and Social Assistance	3,123	9%
Other Services, Except Public Administration	1,629	5%
Retail Trade	2,941	9%
Arts, Entertainment, and Recreation, and Accommodation and Food Services	2,098	6%
Total	**30,408**	**100%**

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

Note: Sectors are sorted in ascending order based on median earnings for Adams County as reported in the 2019–2023 ACS five-year estimates. Percentages may not sum precisely to 100% due to rounding. Estimates are based on location of employment, regardless of where workers reside.

Employment data for Commerce City residents highlight the diversity of sectors in which people work (see Table 2). Note that the estimates capture both residents who work within Commerce City and who commute elsewhere for work. The highest-earning sector for residents was Finance and Insurance, and Real Estate and Rental and Leasing, which typically paid over $82,000 annually and employed about 7% of residents. Other more lucrative industries include Agriculture, Forestry, Fishing and Hunting, and Mining as well as Public Administration, with median earnings near $80,000, though together these sectors employed a relatively small share of residents. By contrast, the largest employment bases were in Educational Services, and Health Care and Social Assistance ($51,702) and Construction ($64,037), which together accounted for roughly one-third of residents. This composition underscores the dual nature of Commerce City's labor force: while many households depend on access to regional job centers, employment opportunities within the city itself remain more limited. Additionally, the earnings data indicate that across most sectors, ***a single income is generally insufficient to afford housing costs.***

Table 2. Resident Civilian Employment by Sector in Commerce City, 2023

Sector	Employment		Median Annual Earnings
Finance and Insurance, and Real Estate and Rental and Leasing	2,151	7%	$82,539
Agriculture, Forestry, Fishing and Hunting, and Mining	631	2%	$79,814
Public Administration	1,855	6%	$79,718
Manufacturing	2,602	9%	$70,311
Professional, Scientific, and Management, and Administrative and Waste Management Services	3,299	11%	$69,306
Construction	4,275	14%	$64,037
Transportation and Warehousing, and Utilities	3,190	10%	$61,435
Wholesale Trade	1,286	4%	$61,143
Educational Services, and Health Care and Social Assistance	5,638	19%	$51,702
Information	648	2%	$51,250
Other Services, Except Public Administration	1,337	4%	$42,396
Retail Trade	3,496	11%	$37,393

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

Note: Estimates are based on workers' place of residence, regardless of where they are employed.

Table 3 presents existing and projected employment for the Denver–Aurora Metropolitan Statistical Area, illustrating the regional economic shifts that will shape opportunities for Commerce City residents. The largest projected 2024-to-2034 growth is expected in ***Professional, Scientific, and Technical Services*** (43%), followed by Health Care and Social Assistance (25%), Transportation and Warehousing (25%), and Management of Companies and Enterprises (24%). By contrast, industries anticipated to see the steepest declines include the Federal Government (-36%), Public Administration (-20%), and Agriculture, Forestry, Fishing, and Hunting (-14%). Although these projections are only available at the regional level and do not represent Commerce City specifically, they provide ***valuable context*** for understanding the employment landscape in which residents participate.

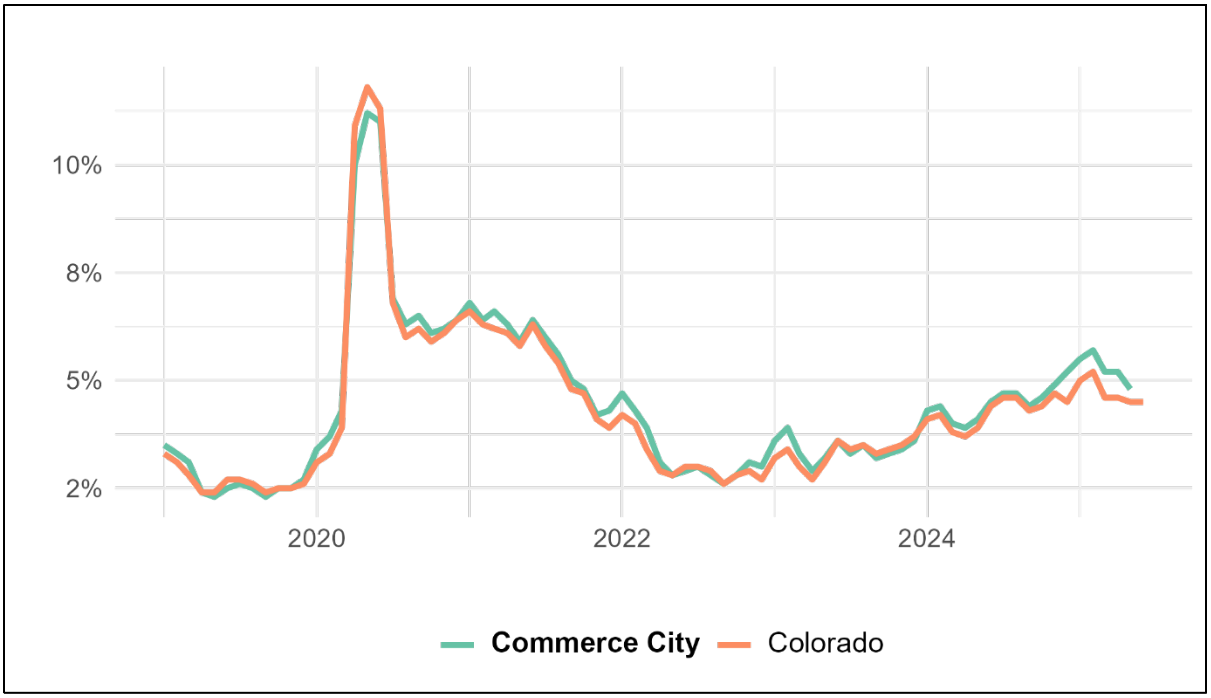
Table 3. Existing and Projected Employment Composition by Industry in the Denver-Aurora MSA, 2024 & 2034

Industry	Total Employment		Percent Change
	2024	2034	
Professional, Scientific, & Technical Services	182,428	261,575	43%
Health Care & Social Assistance	199,509	249,897	25%
Accommodation & Food Services	143,786	163,998	14%
Retail Trade	137,609	148,533	8%
Educational Services	121,189	141,739	17%
Construction	105,405	128,612	22%
Admin & Support & Waste Management & Remediation	97,435	104,886	8%
Transportation & Warehousing	76,365	95,178	25%
Wholesale Trade	78,464	93,701	19%
Finance & Insurance	77,901	84,238	8%
Other Services (except Public Administration)	73,421	79,676	9%
Local Government	60,012	65,737	10%
Manufacturing	66,726	62,954	-6%
Information	49,231	50,640	3%
Management of Companies & Enterprises	36,591	45,212	24%
Real Estate and Rental & Leasing	37,947	42,907	13%
Arts, Entertainment, & Recreation	30,549	36,257	19%
Federal Government	29,256	18,817	-36%
Public Administration	21,354	17,163	-20%
Mining	7,770	7,528	-3%
Utilities	4,384	4,149	-5%
Agriculture, Forestry, Fishing & Hunting	3,307	2,859	-14%

Source: Colorado Department of Labor and Employment; Matrix Design Group, Inc.

Monthly unemployment rates in Commerce City have fluctuated considerably in recent years (see Figure 15). Prior to the onset of the pandemic, unemployment generally ranged between ***2% and 3%,*** before spiking to 11% in June 2020 amid COVID-19 lockdowns. The rate subsequently declined rapidly, stabilizing between ***3% and 4%*** through much of 2022 and 2023. More recently, unemployment rose again in 2024 and 2025, reaching ***4.8% in May 2025.*** Commerce City has typically posted a slightly higher unemployment rate than Colorado overall. Joblessness is an important indicator to monitor, as elevated unemployment increases household financial stress, raises the risk of cost burden or displacement, and reinforces the importance of maintaining a stock of affordable rental housing that can accommodate residents during downturns.

Figure 15. Unemployment Rate, January 2019–May 2025

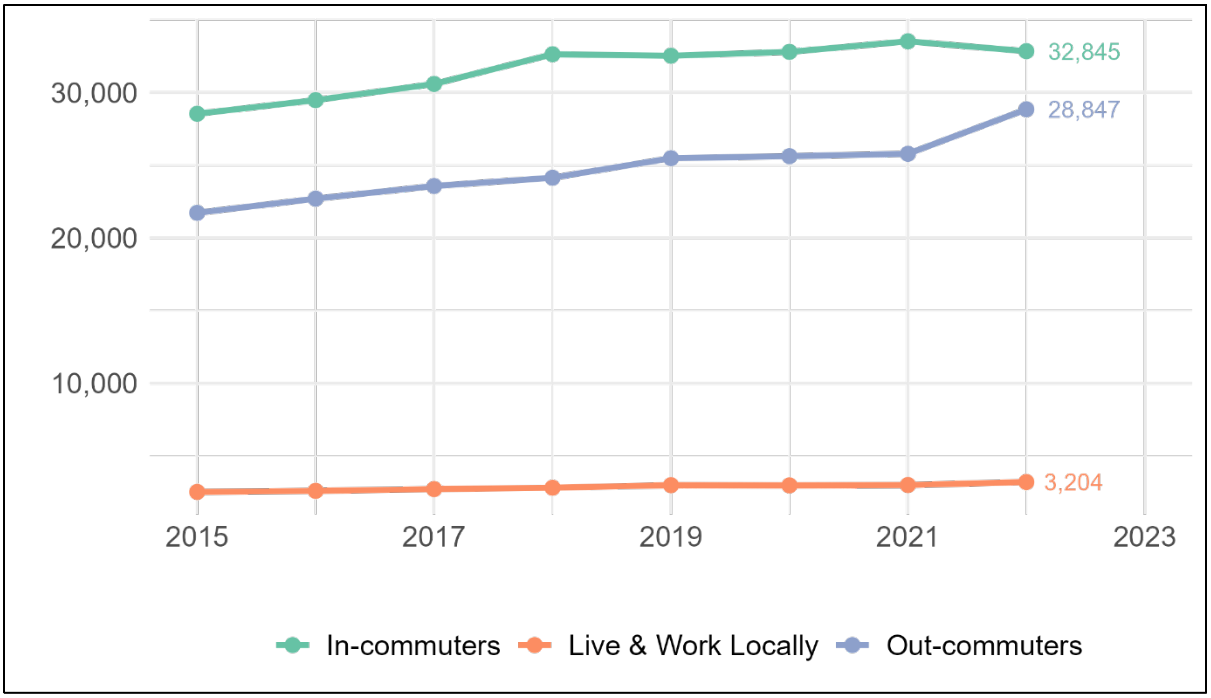


Source: Bureau of Labor Statistics; Matrix Design Group, Inc.

Note: Unemployment rates shown pertain to the civilian non-institutional population aged 16 and over and are not seasonally adjusted.

Commuting patterns further illustrate Commerce City's role as both a job center and a residential community. In 2022, nearly 33,000 workers commuted into the city for employment, up from 28,540 in 2015. In-commuters have historically outnumbered out-commuters, though this gap has narrowed: in 2022, 28,847 residents commuted elsewhere for work, reducing the ***in-commuter to out-commuter ratio from 1.31 in 2015 to 1.14 in 2022.*** This shift suggests that a ***growing share*** of Commerce City residents are working outside the city, a trend consistent with rising homeownership rates and income levels, as many higher-earning households are employed in job centers such as Denver rather than locally. Despite these flows, only about 3,200 workers both live and work in Commerce City, suggesting continued reliance on the broader regional economy.

Figure 16. Commerce City Commuting Patterns, 2015–2022



Source: Longitudinal Employer-Household Dynamics; Matrix Design Group, Inc.
Note: *In-commuters* are workers who live outside the area but commute in for work. *Out-commuters* are residents who live in the area but commute elsewhere for employment. These patterns help illustrate the local balance between housing and jobs.

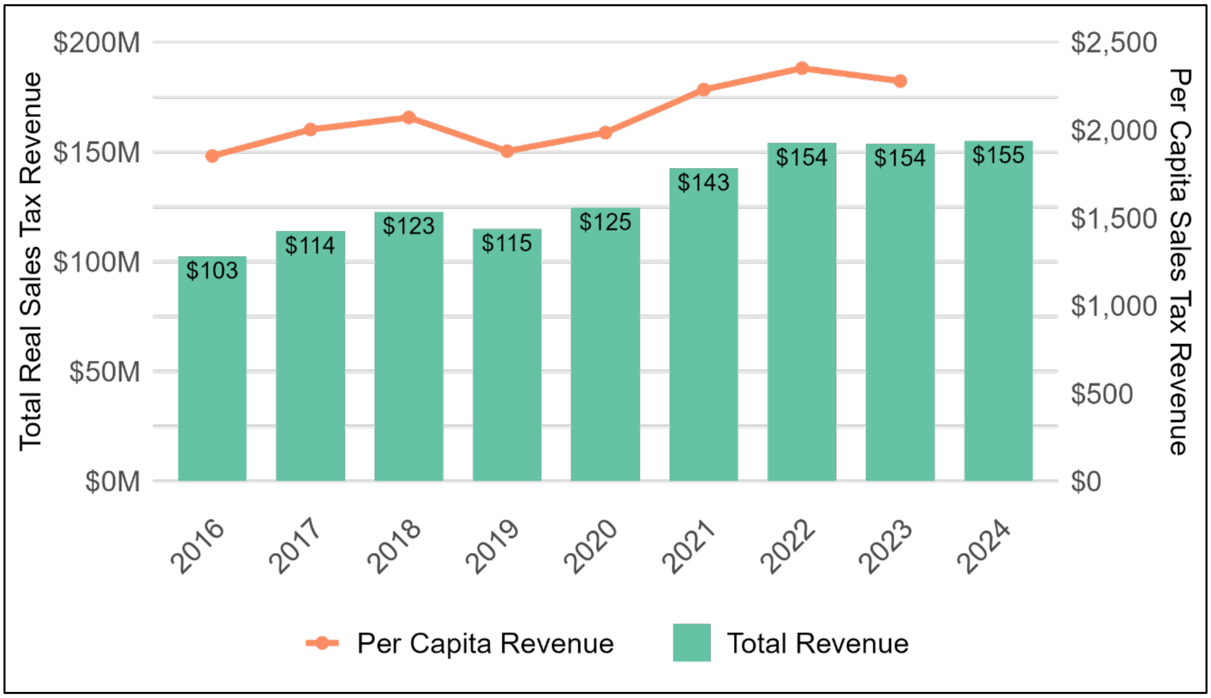
COMMERCE CITY DRAWS A LARGE IN-COMMUTER POPULATION, HIGHLIGHTING A MISMATCH BETWEEN WHERE PEOPLE WORK AND WHERE THEY CAN AFFORD TO LIVE.

Commercial Vitality

Figure 17 presents data on total and per capita sales tax revenue in Commerce City from 2016 to 2024. Inflation-adjusted sales tax revenues in Commerce City have grown considerably over the past decade. Between 2016 and 2019, total revenues increased ***from $103 million to $115 million,*** while per capita revenues fluctuated modestly, rising from ***$1,852 to $1,879.*** Revenues then surged from $125 million in 2020 to $143 million in 2021 and $154 million in 2022, reflecting the post-pandemic boom in consumer spending, before ***leveling off*** in 2023 and 2024. On a per capita basis, growth since 2019 has been more pronounced, with revenues reaching ***$2,279 by 2023.*** Sales tax collections provide an important lens into local economic activity and potential displacement risk. ***Rapid changes in revenues***—whether sharp declines tied to affordability pressures or sharp increases reflecting in-migration of higher-income households—may signal shifts in the community's consumer base. Stable, gradual growth is more consistent with a balanced, sustainable housing market. At the same time, the confounding effects of COVID-19 warrant caution in interpreting these patterns.

SUDDEN INCREASES IN REVENUES MAY RESULT FROM WEALTHIER HOUSEHOLDS REPLACING LONG-TIME RESIDENTS, WHILE DECLINES MAY INDICATE AFFORDABILITY CHALLENGES OR OUT-MIGRATION.

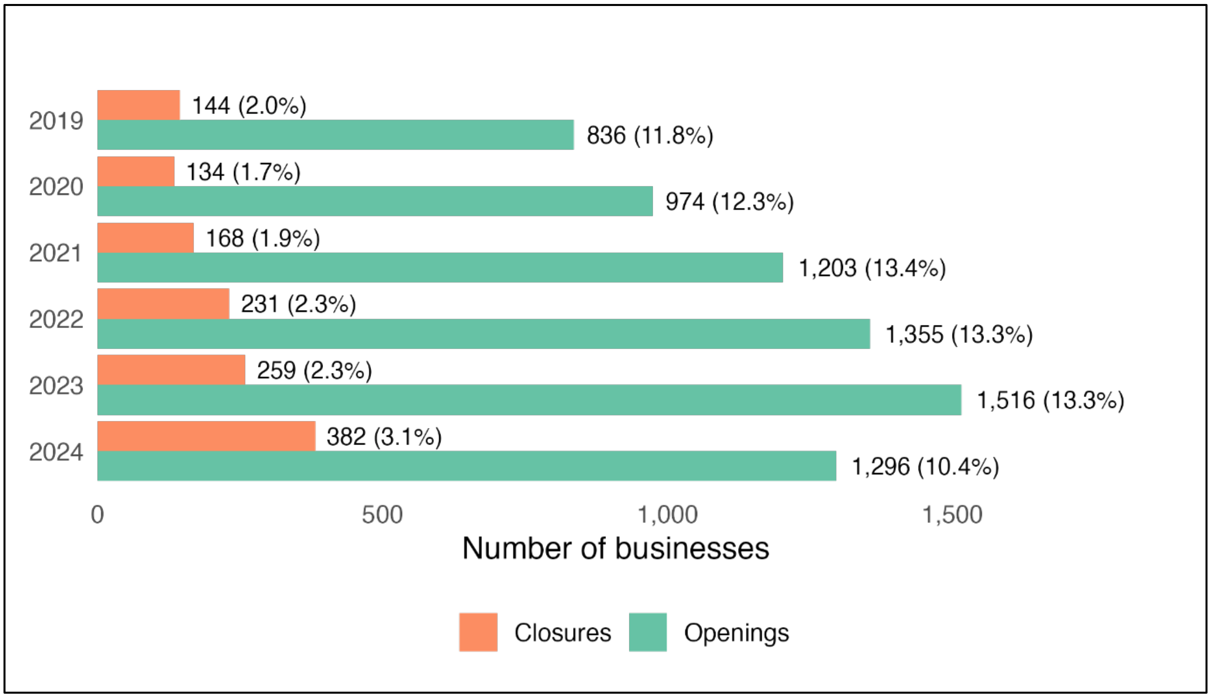
Figure 17. Commerce City Real Sales Tax Revenue, 2016–2024



Source: Colorado Department of Revenue; Colorado State Demography Office; Matrix Design Group, Inc.
Note: Values were adjusted for inflation to constant 2024 dollars. A population estimate for 2024 was unavailable at the time of writing, so a 2024 per capita estimate is not provided.

Business dynamics also provide insight into local economic stability and potential displacement pressures. In 2024, Commerce City recorded 382 business closures, accounting for about ***3.1% of all businesses*** (see Figure 18). Notably, this represented ***an increase*** from 2% in 2019. Nonetheless, closures were ***far outnumbered*** by the 1,296 business openings in 2024, which accounted for 10.4% of all establishments. Business closures can signal shifting consumer bases and affordability challenges, particularly when long-standing local enterprises struggle to remain viable as demographics and spending patterns change. In this way, closures serve as an ***indirect indicator of displacement risk,*** even when overall business activity continues to expand.

Figure 18. Business Openings and Closures in Commerce City, 2019–2024



Source: Colorado Secretary of State Business Entities in Colorado; Matrix Design Group, Inc.
Note: Values in parentheses indicate the percent of active businesses that opened or closed during the year.

AS THE COLORADO DEPARTMENT OF LOCAL AFFAIRS HAS ACKNOWLEDGED, BUSINESS CLOSURES ARE OFTEN A SIGN OF SHIFTING CONSUMER BASES, RISING RENTS, OR CHANGING NEIGHBORHOOD DEMOGRAPHICS—FACTORS THAT MAY ALSO BE RELATED TO THE DISPLACEMENT OF RESIDENTS.

Key Findings and Implications

- Median household income rose dramatically from $86,876 (2018) to $106,756 (2023) after adjusting for inflation. Under standard affordability guidelines, the typical household could support approximately $2,669 in monthly housing costs.
- Income gains have been heavily concentrated among homeowners, whose median income increased from $104,958 to $126,362, partly due to in-migration of higher-earning households. Renter incomes remained essentially flat at $55,000, supporting only $1,379 in monthly housing costs and lagging significantly behind renters in Westminster, Brighton, and Thornton (near $70,000). This widening gap reveals that renters have largely been excluded from Commerce City's rising prosperity, intensifying affordability pressures for the households who can least absorb rising housing costs.
- Commerce City's poverty rate of 9.6% is comparatively high. With nearly one-in-ten residents falling below the poverty line ($31,200 for a family of four), many households face severe constraints on both rental affordability and mortgage qualification.
- Commerce City's employment base reflects its industrial character: 22% of the city's 30,408 workers were employed in Transportation, Warehousing, and Utilities, with Construction and Manufacturing each accounting for 12%. Meanwhile, higher-paying sectors like Information and Public Administration represented only 4% of local jobs. This concentration in blue-collar industries provides employment stability but limits wage growth opportunities, reinforcing the need for workforce housing that serves moderate-income earners. Across most sectors, a single income typically proves insufficient to afford housing.
- According to regional employment projections through 2034, strong growth is anticipated in Professional, Scientific, and Technical Services; Health Care; and Transportation and Warehousing. Conversely, the Federal Government, Public Administration, and Agriculture, Forestry, and Fishing sectors are expected to face the steepest declines. For Commerce City residents, this suggests increasing opportunities in high-skill and service-oriented industries, but also the need to adapt to a shifting labor market where traditional public-sector and resource-based jobs may become less reliable.
- The latest recorded unemployment rate for Commerce City was 4.8% in May 2025, slightly above the statewide average and the city's levels in prior years. Affordable rental stock that can accommodate households experiencing job loss or reduced income is particularly critical during economic downturns.
- Business closures increased from 2019 to 2024, though openings continue to far exceed closures. While net business activity remains positive, rising closures can signal shifting consumer bases and affordability challenges, particularly when long-standing local enterprises struggle as demographics and spending patterns change.
- Nearly 33,000 workers commuted into Commerce City in 2022, while 28,847 residents commuted elsewhere for work. The in-commuter to out-commuter ratio has narrowed over time, indicating that a growing share of residents—likely higher earners—work outside the city in job centers like Denver. Only about 3,000 workers both live and work locally, revealing Commerce City's dual role as both a bedroom community and employment hub.
- Annual inflation-adjusted sales tax revenues grew from $103 million in 2016 to $154 million in 2022 before leveling off, with per capita revenues rising from $1,852 to $2,279. The post-2019 surge was likely the product of both pandemic consumer spending patterns and in-migration of

higher-income households. While stable revenue growth is a key indicator of economic health, rapid changes can signal displacement risk and changes in the community's consumer base.

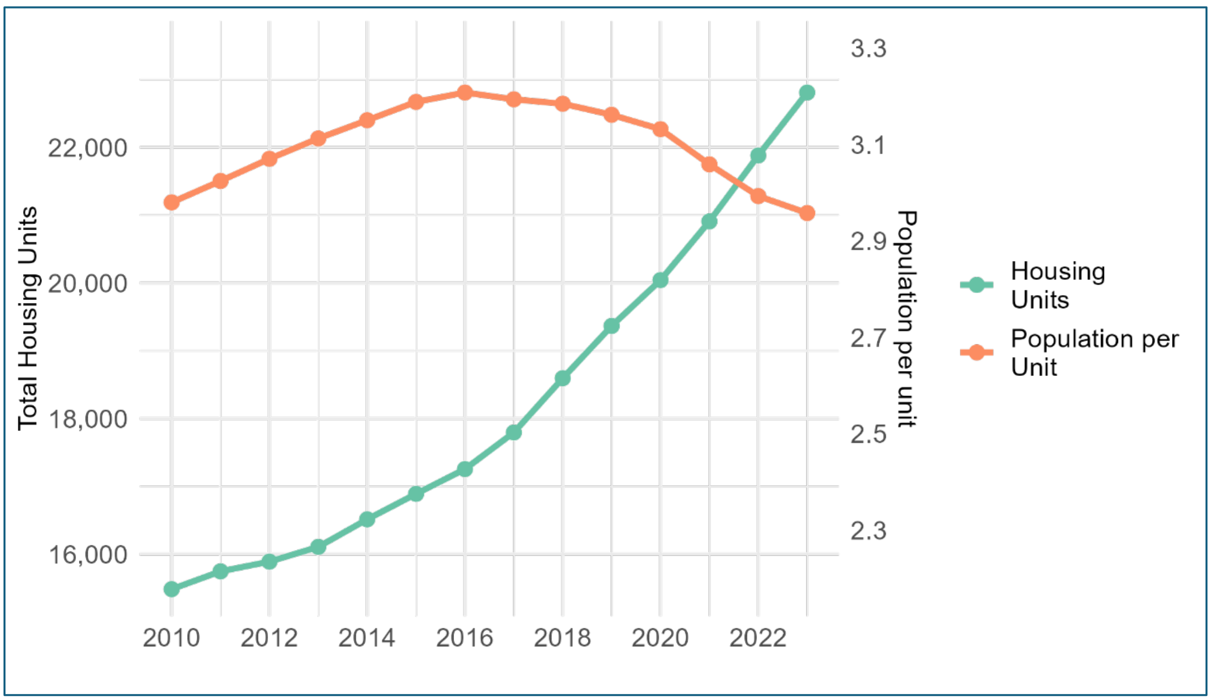
Housing Inventory

Commerce City's housing inventory is estimated to include nearly 23,000 units. Following a period of lagging construction between 2010 and 2016, when population growth far outpaced new housing, development accelerated sharply starting in 2017, helping to rebalance supply and demand. However, this growth has largely reinforced a low-density development pattern, with single-family detached homes representing nearly 80% of the city's homes—a far higher share than the regional average. The city's rental stock is notably older, and multifamily units account for a small share of the development pipeline, raising concerns about long-term maintenance and preservation. While vacancy rates have risen to 6.5%, only about one-third of the city's unoccupied units are actually available for rent or sale, suggesting that the effective supply is far more constrained than the headline rate implies. Altogether, the data portray a housing stock that has modernized rapidly, yet continues to be dominated by single-family detached housing and constrained by an aging rental base.

Development Trends and Diversity

Figure 19 tracks the relationship between housing unit growth and people per unit over time, providing insight into the balance between development patterns and population growth. Between 2010 and 2016, Commerce City experienced relatively slow housing development in the aftermath of the Great Recession, with the number of housing units increasing only modestly from 15,484 to 17,255. During the same period, the average population per ***unit rose from 2.97 to 3.21,*** indicating that household sizes were increasing as new construction lagged behind population growth. This dynamic indicates tight housing conditions in which limited supply forces more people into existing units, contributing to overcrowding and affordability pressures. Beginning in 2017, however, residential construction ***accelerated,*** and by 2023 the housing stock had expanded to ***22,808 units.*** As new supply came online, the average population per unit fell to below its 2010 level, suggesting that recent development has ***helped realign supply and demand,*** alleviating pressure on existing units and supporting healthier housing market conditions.

Figure 19. Housing Unit Growth and Population per Unit in Commerce City, 2010–2023



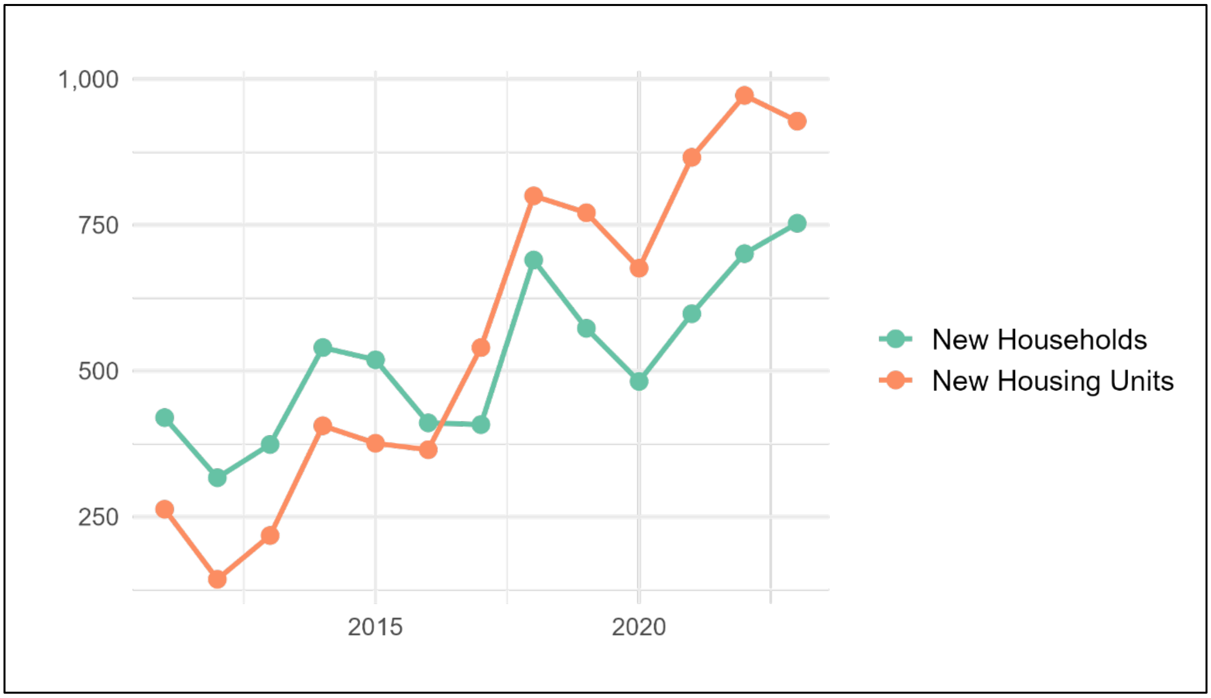
Source: Colorado State Demography Office; Matrix Design Group, Inc.

Note: Population per housing unit is calculated using total population rather than household population, as the measure is intended to reflect all residents, including those living in group quarters, relative to the total housing stock, not just occupied units.

AFTER YEARS OF LAGGING SUPPLY, ACCELERATED CONSTRUCTION SINCE 2017 HAS HELPED PLACE THE MARKET ON A MORE STABLE FOOTING.

Figure 20 reinforces the trends highlighted in the preceding analysis by tracking the year-over-year relationship between new households and new housing units from 2010 to 2023. Between 2010 and 2016, Commerce City consistently added more households than units, resulting in a ***cumulative shortfall of 810 housing units*** relative to household growth. This imbalance signaled a sharp mismatch between new supply and demand. Shortly thereafter, however, the pattern reversed, with new construction regularly outpacing household formation. From 2017 to 2023, the city ***added 1,348 more units than households,*** a clear indication that accelerated development has begun to close the earlier supply gap and create healthier conditions in the local housing market. These changing dynamics, however, do not imply that Commerce City faces no housing gaps in its overall stock, as illustrated in the section on ***Current and Projected Housing Needs.***

Figure 20. Net Household and Housing Unit Growth in Commerce City, 2011–2023



Source: Colorado State Demography Office; Matrix Design Group, Inc.

Commerce City's housing stock is overwhelmingly dominated by single-family homes, a pattern that extends across both the rental and owner markets (see Table 4). Among the city's 4,699 renter-occupied units, ***nearly half*** (49%) were single-family detached homes, and another 15% were single-family attached units such as townhomes. Larger multifamily buildings with 10 or more units accounted for just 21% of rentals, while the remainder were located in smaller multifamily properties or mobile homes and other structures. As expected, the ownership stock is even more single-family oriented. Of the city's 16,639 owner-occupied units, ***87% were single-family detached homes,*** and 9% were single-family attached. This composition has important implications for affordability and access. While single-family dominance supports opportunities for family households and contributes to high homeownership rates, it also means that residents seeking ***lower-cost entry options,*** such as condos or duplexes, face more limited options. More generally, the relative scarcity of higher-density housing may constrain affordability for renters and first-time buyers.

Table 4. Housing Stock Composition in Commerce City, 2023

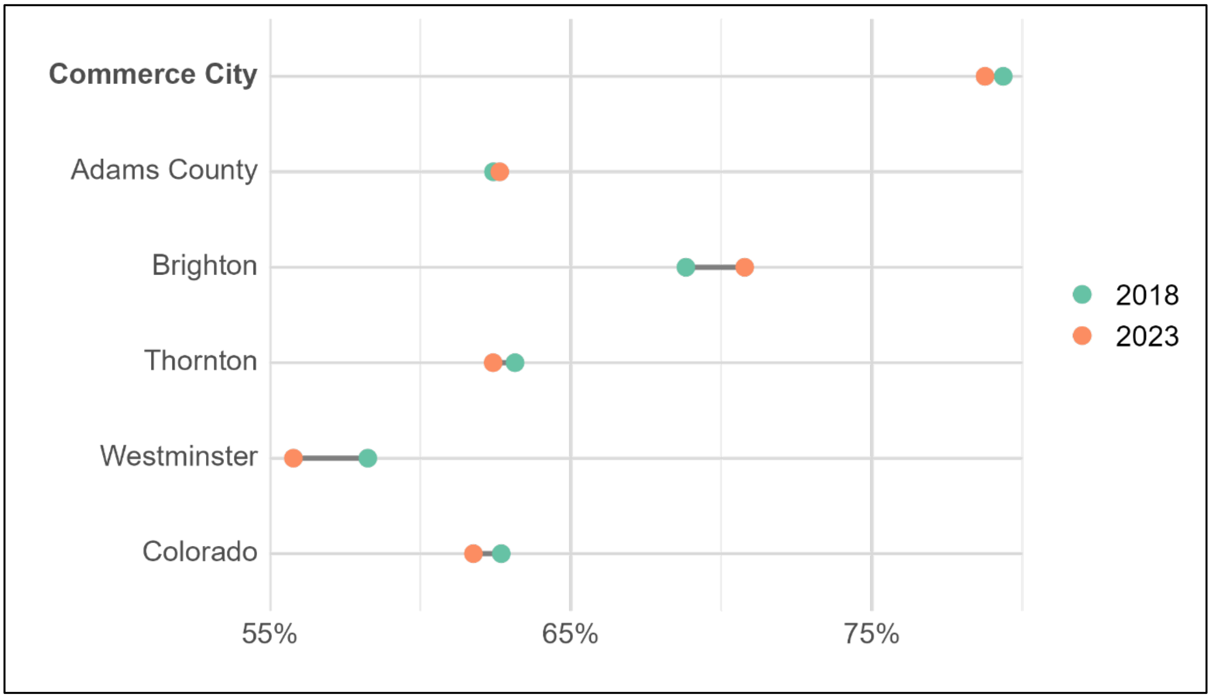
Unit Type	All Units		Owner-occupied Units		Renter-occupied Units	
Single family, detached	17,962	79%	14,543	87%	2,296	49%
Single family, attached	2,278	10%	1,448	9%	703	15%
Multifamily, 2–4 units	532	2%	100	1%	403	9%
Multifamily, 5–9 units	369	2%	133	1%	205	4%
Multifamily, 10+ units	1,159	5%	50	0%	984	21%
Mobile home or other	507	2%	366	2%	108	2%
Total	**22,808**	**100%**	**16,639**	**100%**	**4,699**	**100%**

Source: Five-Year American Community Survey; Colorado State Demography Office; Matrix Design Group, Inc.
Note: Totals may not sum precisely due to rounding. Estimates of housing units by type were derived from the 2023 five-year ACS and then proportionally scaled to match total housing unit figures published by the Colorado State Demography Office. "All Units" includes vacant units, which is why the total exceeds the combined count of "renter-occupied" and "owner-occupied" units.

WITH NEARLY TWO-THIRDS OF RENTALS AND ALMOST ALL OWNERSHIP HOUSING IN SINGLE-FAMILY HOMES, COMMERCE CITY'S LIMITED HIGHER-DENSITY STOCK RESTRICTS AFFORDABLE OPTIONS FOR RENTERS AND FIRST-TIME BUYERS.

Commerce City's housing stock is notably ***more homogenous*** than that of neighboring communities, with nearly 80% of units classified as single-family detached homes (see Figure 21). By comparison, the share of single-family detached units has ranged between 56% and 63% in Adams County overall, Thornton, Westminster, and Colorado statewide. Even Brighton, which also has a relatively high share of single-family detached homes, reported just 71% in 2023, well below Commerce City's rate. Commerce City's heavy reliance on single-family detached housing leaves ***fewer options for renters*** and those seeking alternative housing types, such as townhomes, duplexes, or multifamily apartments. As the community grows, diversifying the housing stock will be critical to meeting the needs of a broader range of households and sustaining affordability across income levels.

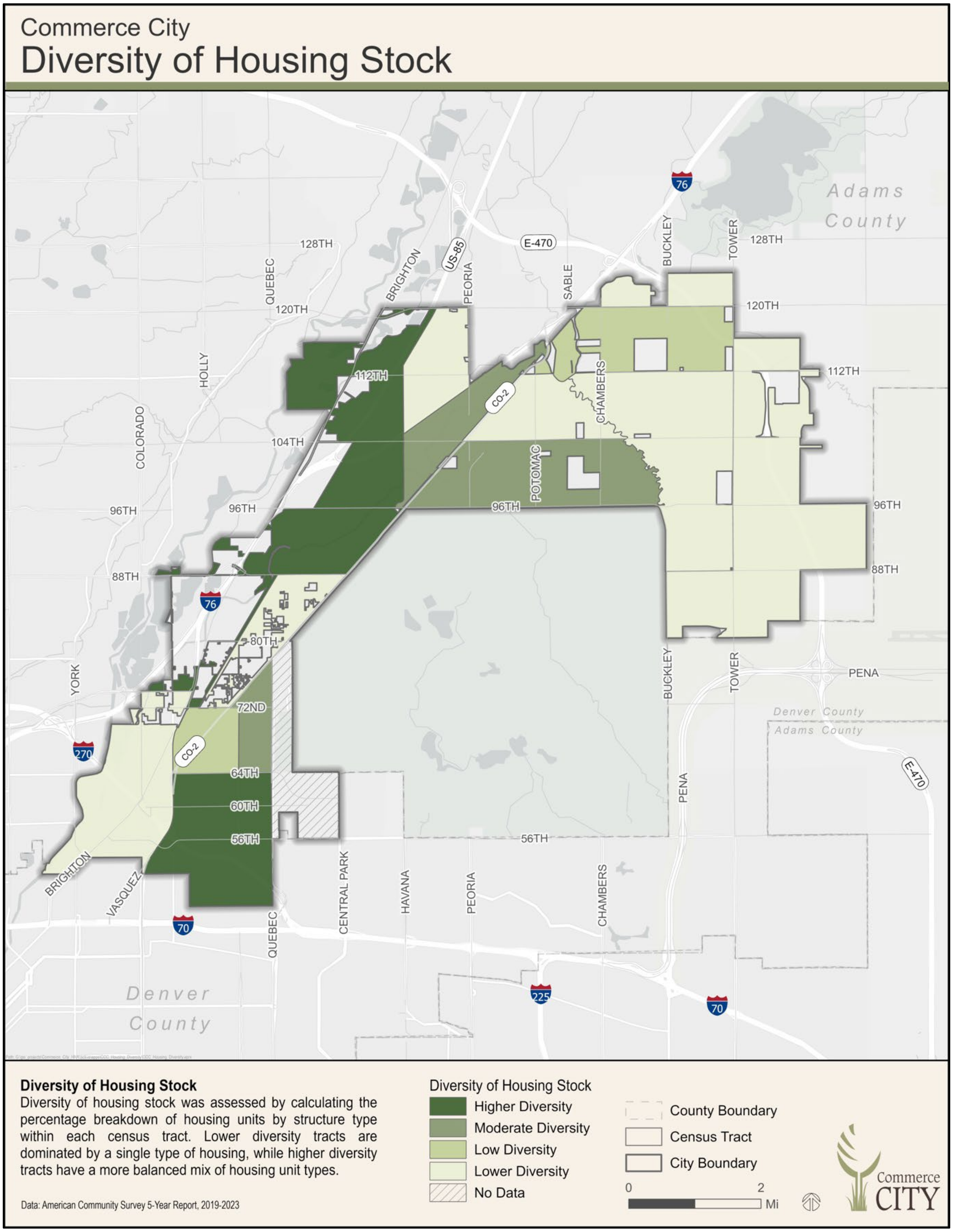
Figure 21. Single-Family Detached Share of Housing Stock, 2018 & 2023



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

Figure 22 maps housing diversity across Commerce City using an index that evaluates how balanced the mix of housing types is within each census tract. The measure was constructed using the Shannon index, a widely applied metric in the social sciences that captures both the number of housing types present and how evenly units are distributed across those categories. Darker tracts feature a broader mix of housing options—such as single-family detached homes, townhomes, and apartments—while lighter tracts indicate concentrations of just one housing type, most commonly single-family housing. The map shows that the most diverse housing mix is clustered along the primary north–south corridor between I-76 and the Rocky Mountain Arsenal National Wildlife Refuge, encompassing the ***central neighborhoods of the city's historic core.*** By contrast, low-diversity tracts are scattered throughout the city, consistent with Commerce City's reliance on low-density, single-family housing, but are especially prevalent in the northern neighborhoods characterized by newer, master-planned subdivisions. These geographic patterns have important implications: areas with higher diversity are better positioned to support ***live-work*** dynamics, provide housing choices for a wider range of household types, and adapt to shifting demand, while less diverse areas may offer stability but limit flexibility for renters, young households, and aging residents seeking alternatives to detached homes.

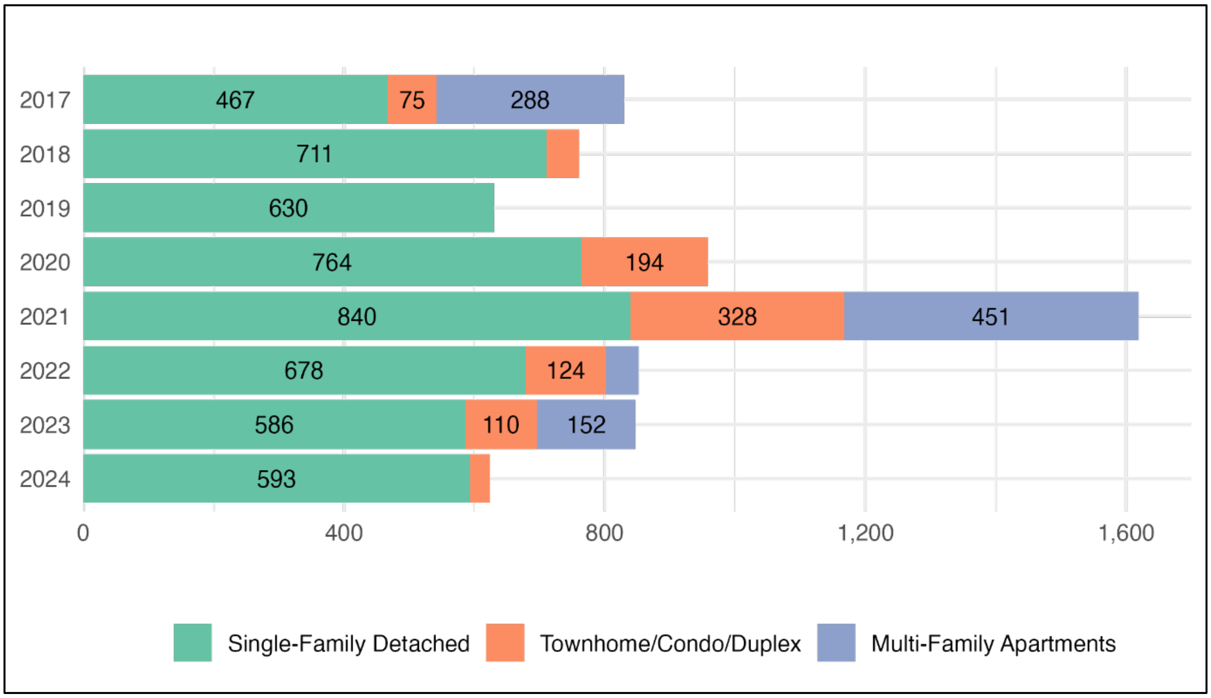
Figure 22. Housing Diversity Index by Census Tract, 2023



Building permit activity in Commerce City between 2017 and 2024 reveals both periods of diversification and a strong reassertion of single-family dominance (see Figure 23). A broader mix of housing types entered the pipeline in 2017, 2021, and 2023, when single-family detached homes accounted for 56%, 52%, and 69% of permits, respectively. However, the more recent period from 2022 to 2024 likely provides the clearest picture of the city's near-term housing pipeline, as these approvals are the units most likely to be completed and available to the market in the coming years. During this three-year span, ***80% of the 2,324 permitted units*** were single-family detached homes—a share nearly identical to that observed in the latest ACS data on the city's existing housing stock. These trends suggest that despite episodic efforts to expand the mix of housing, Commerce City's residential landscape is poised to remain ***heavily weighted*** toward single-family development.

WITH 80% OF RECENT PERMITS FOR SINGLE-FAMILY DETACHED HOMES, COMMERCE CITY'S PIPELINE OFFERS LIMITED OPTIONS FOR THOSE SEEKING ALTERNATIVE HOUSING TYPES.

Figure 23. Permits Issued for New Construction in Commerce City, 2017–2025

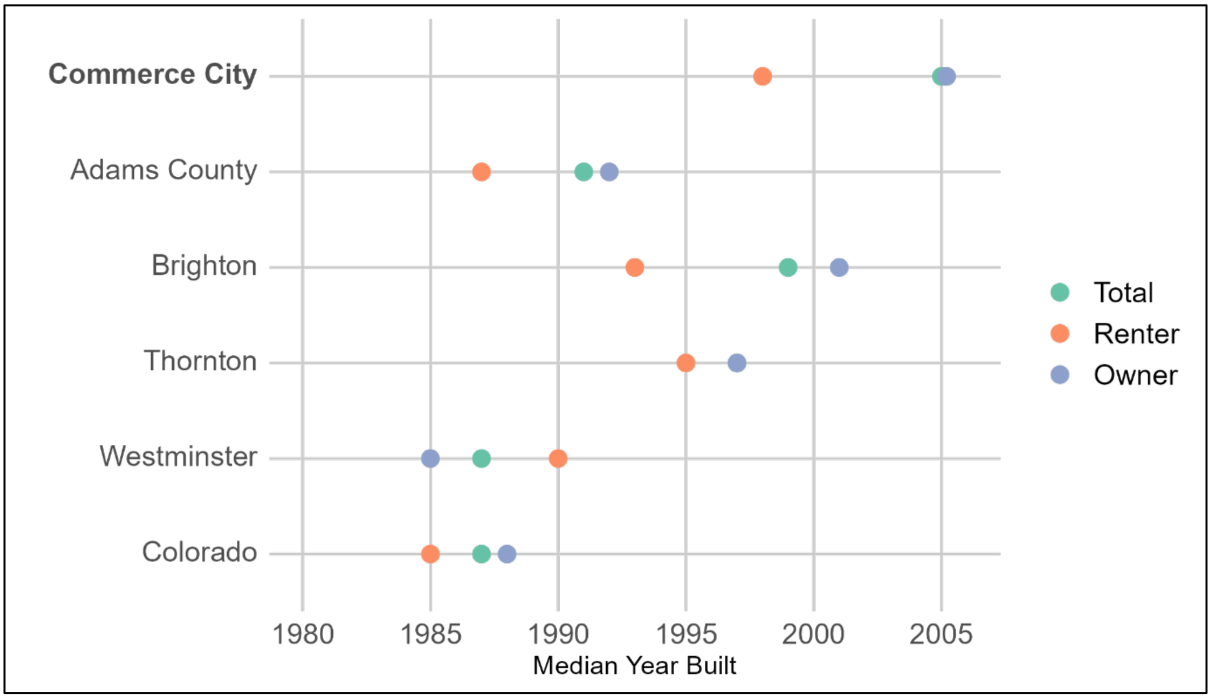


Source: City of Commerce City; Matrix Design Group, Inc.

Housing Stock Age

Commerce City's housing stock is relatively new compared to the region overall, though the city's renter-occupied units are significantly older than its owner-occupied units (see Figure 24). Commerce City's median rental unit was constructed in 1998, ***seven years before its median owner-occupied unit.*** Overall, Commerce City's stock is significantly newer than that of nearby communities, including Westminster (1987), Adams County as a whole (1991), Thornton (1997), and Brighton (1999). This relatively young housing supply provides advantages in terms of energy efficiency and reduced maintenance needs, yet the older rental stock underscores the importance of maintenance and preservation strategies to ensure quality and livability, particularly for low-income households.

Figure 24. Median Age of Housing Stock by Tenure, 2023



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

NEWER HOMES GIVE COMMERCE CITY AN EDGE ON ENERGY EFFICIENCY, YET ITS AGING RENTAL STOCK REMAINS A KEY VULNERABILITY FOR LOW-INCOME HOUSEHOLDS.

Table 5 further demonstrates that Commerce City's rental housing stock is notably older than its owner-occupied stock. About ***30% of the city's 4,699 renter-occupied units*** were constructed before 1970, whereas the same was true for only ***18% of its 16,640 owner-occupied homes.*** While these older properties may provide naturally occurring affordable housing (NOAH), their age raises concerns around long-term preservation and ongoing maintenance needs. Between 1970 and 1999, 21% of rental units were added, compared to just 8% of the ownership stock. Since 2000, the for-sale market has seen a ***much greater share*** of new construction, with 42% of owner units built in the 2000s and another 31% since 2010. This imbalance illustrates the limited pace at which new rental housing has been introduced in Commerce City.

Table 5. Age Distribution of Commerce City's Housing Stock, 2023

Year Built	All Units		Owner-occupied Units		Renter-occupied Units	
Pre-1970	4,813	21%	2,976	18%	1,426	30%
1970s	862	4%	409	2%	400	9%
1980s	896	4%	538	3%	333	7%
1990s	866	4%	527	3%	246	5%
2000s	8,892	39%	7,060	42%	1,317	28%
2010s	5,561	24%	4,251	26%	965	21%
2020s	917	4%	879	5%	12	0%
Total	**22,808**	**100%**	**16,640**	**100%**	**4,699**	**100%**

Source: Five-Year American Community Survey; Matrix Design Group, Inc.
Note: Totals may not sum precisely due to rounding. Estimates of housing units by type were derived from the 2023 five-year ACS and then proportionally scaled to match total housing unit figures published by the Colorado State Demography Office. "All Units" includes vacant units, which is why the total exceeds the combined count of "renter-occupied" and "owner-occupied" units.

Table 6 presents the distribution of Commerce City's housing stock by number of bedrooms, illustrating that ***large and moderately sized homes dominate the inventory.*** A plurality of units (44%) contained three bedrooms, consistent with the housing stock's single-family orientation. Four-bedroom homes, though roughly half as common, comprised the second-largest category, followed by two-bedroom units (19%). Studios and one-bedroom homes together accounted for only 6% of all units, compared to 9% with five or more bedrooms, underscoring the limited availability of smaller housing options. Even among renter-occupied units, two- and three-bedroom homes were most prevalent, collectively representing 71% of the rental inventory. This composition suggests a housing stock that may be less aligned with the needs of smaller households and the broader trend toward declining household size.

Table 6. Composition of Commerce City's Housing Stock by Bedroom Count, 2023

Bedroom Count	All Units		Owner-occupied Units		Renter-occupied Units	
Zero	195	1%	32	0%	104	2%
One	1,172	5%	219	1%	743	16%
Two	4,381	19%	2,273	14%	1,638	35%
Three	9,997	44%	7,732	46%	1,687	36%
Four	5,038	22%	4,494	27%	433	9%
Five or more	2,024	9%	1,889	11%	94	2%
Total	**22,808**	**100%**	**16,640**	**100%**	**4,699**	**100%**

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

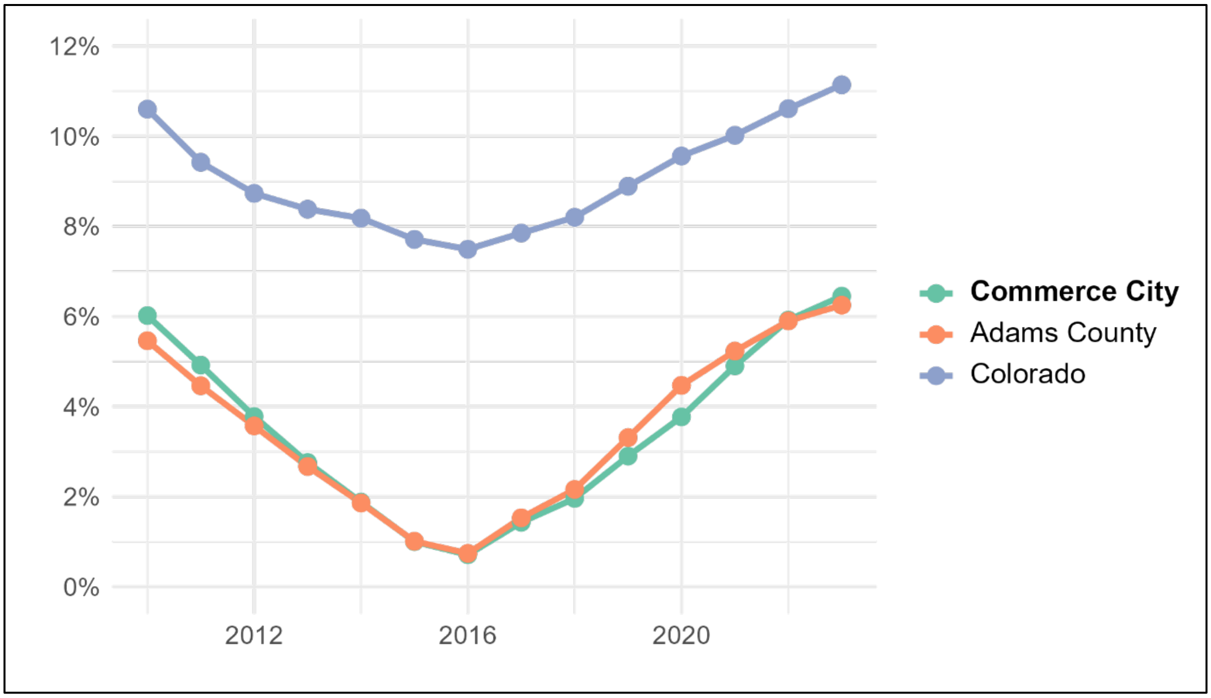
Note: Totals may not sum precisely due to rounding. Estimates of housing units by type were derived from the 2023 five-year ACS and then proportionally scaled to match total housing unit figures published by the Colorado State Demography Office. "All Units" includes vacant units, which is why the total exceeds the combined count of "renter-occupied" and "owner-occupied" units.

Vacancies

AFTER PLUNGING BELOW 1% DURING THE MID-2010S, COMMERCE CITY'S VACANCY RATE HAS REBOUNDED TO 6.5%—A LEVEL CONSISTENT WITH HEALTHIER HOUSING MARKET CONDITIONS.

Vacancy rates in Commerce City have fluctuated considerably over the past decade (see Figure 25). Between 2010 and 2016, as housing development slowed following the Great Recession, Commerce City's vacancy rate declined from about ***6% to below 1%,*** indicating ***extremely tight*** market conditions. Since then, new construction has helped vacancy rates gradually recover, reaching ***6.5% in 2023***—just above the 2010 level. Importantly, the data presented here are based on a broad definition of vacancy. This definition captures not only units available for rent or sale, but also short-term rentals, second homes, abandoned properties, and other unoccupied units. For context, housing economists typically view a vacancy rate of around 5 to 7% as "healthy," since it allows households to move without undue difficulty and helps moderate price pressures. Commerce City and Adams County have consistently reported lower vacancy rates than Colorado overall, in part because state-level figures are elevated by short-term rentals and second homes concentrated in mountain resort communities.

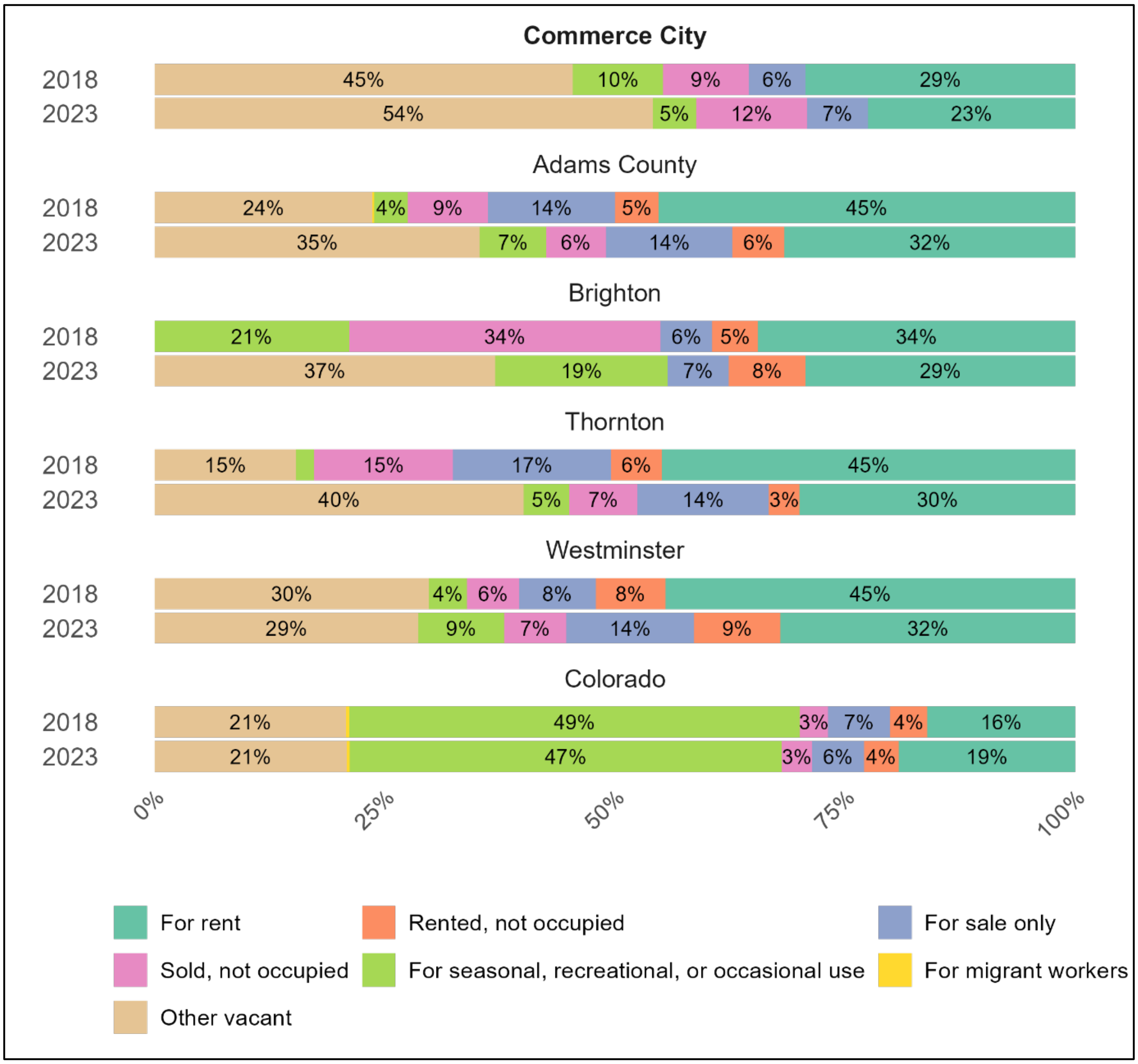
Figure 25. Vacancy Rates, 2010–2023



Source: Colorado State Demography Office; Matrix Design Group, Inc.

Figure 25 provides data on the composition of Commerce City's vacancies. An ***unusually high share*** of vacant units were classified as "other vacant" in both 2018 and 2023—a category that often captures homes under repair, in foreclosure, abandoned, or otherwise uninhabitable. In 2023, 54% of all vacant units in Commerce City fell into this category, far exceeding the share in Adams County (35%), Colorado overall (21%), and nearby peers such as Brighton, Thornton, and Westminster (29%–40%). By contrast, only 5% of vacancies were reserved for seasonal, recreational, or occasional use, indicating a ***limited presence*** of second homes or short-term rentals, particularly in comparison to the state overall. Critically, ***just one-third*** of unoccupied units in Commerce City were actually available for sale or rent, meaning that while headline vacancy rates have risen in recent years, the supply of homes truly accessible to households remains far more constrained.

Figure 26. Composition of Housing Vacancies, 2018 & 2023



Source: Five-Year American Community Survey; Matrix Design Group, Inc.
Note: The "other vacant" category refers to units that are not listed for sale or rent and do not fall into standard vacancy classifications. It often includes homes under repair, in foreclosure, abandoned, or otherwise uninhabitable.

Key Findings and Implications

- Between 2010 and 2016, Commerce City added housing units slowly while average population per unit rose from 2.97 to 3.21, indicating that construction lagged behind population growth. This dynamic created tight housing conditions in which limited supply forced more people into existing units, contributing to overcrowding and affordability pressures that likely affected quality of life and household stability.
- Since 2017, residential construction accelerated dramatically, expanding the housing stock to 22,808 units by 2023 and bringing population per unit below 2010 levels. This recent development surge has helped realign supply and demand, creating healthier market conditions after years of cumulative undersupply.
- From 2010 to 2016, Commerce City consistently added more households than housing units. However, the pattern reversed from 2017 to 2023, when the city added 1,348 more units than households. This surplus has begun closing the earlier supply gap.
- Nearly 80% of Commerce City's housing stock consists of single-family detached homes, far exceeding regional levels. This extreme homogeneity limits housing choices for renters, first-time buyers, young households, seniors seeking to downsize, and lower-income residents who typically find more affordability in higher-density housing.
- Geographic analysis reveals that census tracts with broader mixes of housing types are concentrated in the central neighborhoods of the historic core and other neighborhoods along the primary north–south corridor between I-76 and the Rocky Mountain Arsenal National Wildlife Refuge, while low-diversity tracts dominated by single-family detached housing are scattered throughout the city. Areas with higher diversity are better positioned to support live-work dynamics, provide choices for varied household types, and adapt to shifting demand.
- Building permit data from 2022 to 2024—the clearest indicator of near-term supply—shows that 80% of 2,324 permitted units were single-family detached homes, nearly identical to the existing stock composition. As such, the residential pipeline suggests Commerce City's housing landscape will remain heavily weighted toward single-family development, potentially perpetuating affordability constraints and limited options for renters and moderate-income buyers.
- Commerce City's housing stock is relatively new overall (median owner unit built in 2005), providing advantages in energy efficiency and reduced maintenance costs compared to nearby communities. However, the median rental unit was built seven years earlier, and 30% of rentals predate 1970, compared to just 18% of owner units. While aging properties may serve as NOAH, they require ongoing maintenance investments to ensure quality and livability for low-income households.
- Vacancy rates fluctuated dramatically from 6% (2010) to below 1% (2016) as post-recession construction stalled, creating extremely tight market conditions. Recent development pushed vacancies back to 6.5% in 2023. However, only about one-in-three unoccupied units were actually available for sale or rent, and some of the increase may also have resulted from affordability pressures as households double up or delay moves because available units are out of reach.

Housing Market Trends

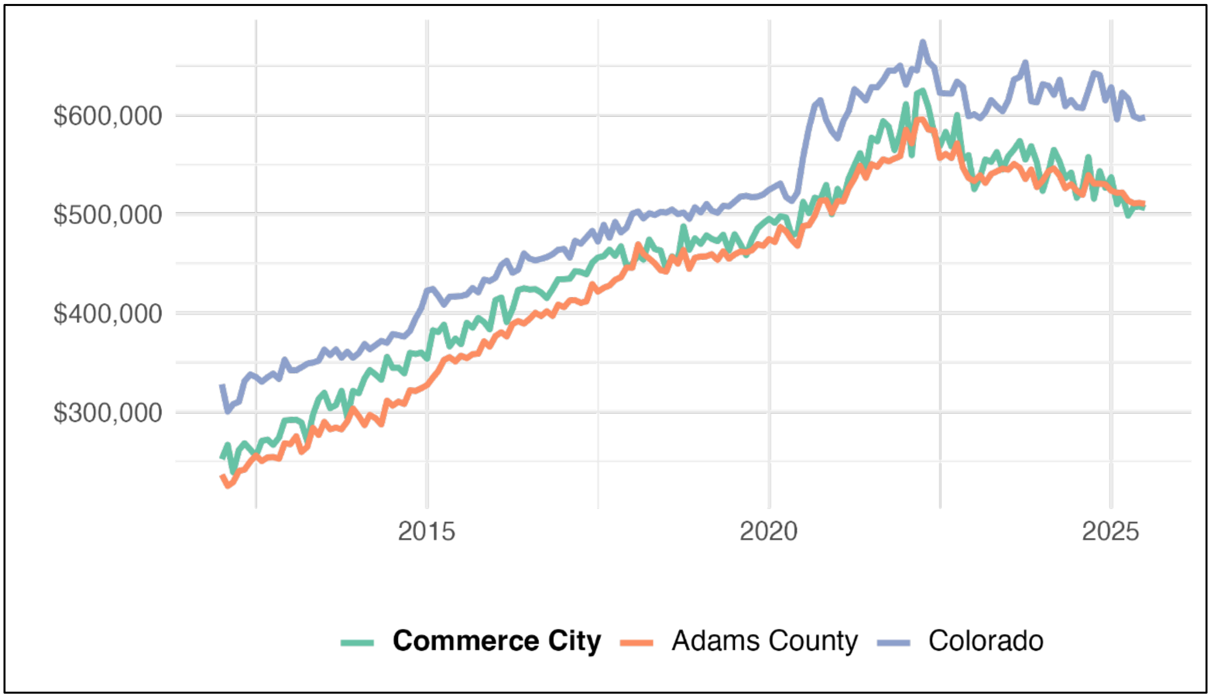
The housing market in Commerce City has experienced dramatic shifts over the past decade, shaped by rising home values, volatile interest rates, and mounting affordability pressures for both owners and renters. Home prices nearly doubled in the years following the Great Recession and surged to unprecedented highs during the pandemic, before moderating in response to higher borrowing costs. Even so, single-family detached homes continue to command a steep premium over attached housing, limiting entry points for first-time buyers and households with moderate incomes. Affordability gaps have widened as required incomes to purchase or rent typical units have outpaced what many households earn, often constraining mobility and rendering households cost burdened. At the same time, the rental market has grown increasingly challenging: rents in Commerce City remain higher than in nearby communities, while renter incomes have stagnated, creating a wide gap between what households earn and what is needed to afford the median rental. Collectively, these trends point to a market that has become less accessible over the long term, even as recent cooling has eased conditions slightly.

Homeownership Market

Even when accounting for inflation, home values have appreciated significantly over the past decade. In January 2012, the real, seasonally-adjusted median price in Commerce City stood at $252,186. Reflecting the housing market's post-recession recovery, prices had ***nearly doubled*** by 2019. The onset of the pandemic coincided with a surge in demand fueled by historically low mortgage rates, causing the adjusted median price to ***peak at nearly $625,000*** in April 2022. Since then, rising interest rates have eroded affordability, curbing demand and contributing to a price correction. By July 2025, the median price had declined to ***$505,797,*** a trend that closely mirrors broader trends. However, prices remain well below the statewide median of $597,695, which is driven upward by expensive markets such as Aspen, Boulder, and Vail.

Fluctuations in mortgage interest rates have had a profound impact on affordability. At the July 2025 median sale price of $505,797, a household purchasing with 20% down on a 30-year fixed loan at a 7% interest rate would face an ***estimated monthly mortgage payment of $2,692.*** By contrast, the same home purchased under identical terms in July 2020, when average rates were closer to 3%, would carry a monthly payment of ***just $1,706.*** This nearly $1,000 difference illustrates how interest rates directly shape purchasing power: when rates fall, buyers can afford more expensive homes for the same monthly cost, often contributing to higher sale prices; when rates rise, the opposite occurs, with elevated borrowing costs dampening demand and placing downward pressure on prices. Accordingly, economists typically describe the relationship between interest rates and real home prices as ***inverse.***

Figure 27. Real Median Home Sales Price by Month, Jan. 2012–July 2025

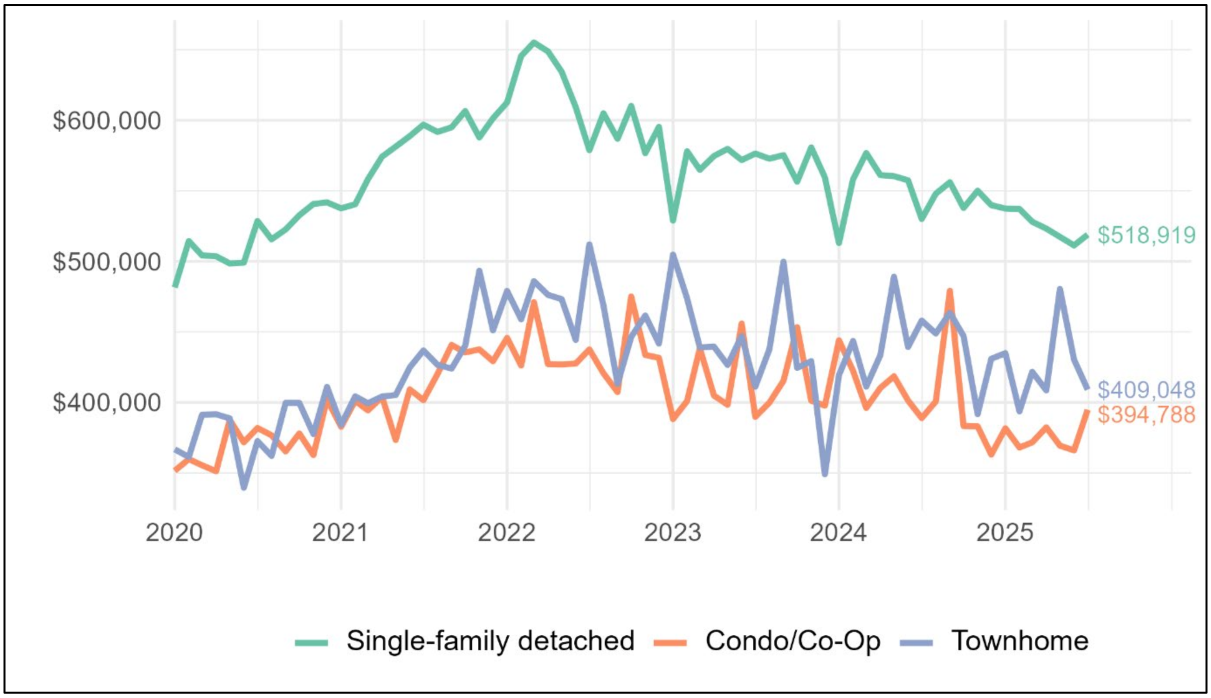


Source: Redfin; Matrix Design Group, Inc.

Note: Median home sale prices were adjusted for seasonal fluctuations and for inflation using the Consumer Price Index for All Urban Consumers (CPI-U) from the U.S. Bureau of Labor Statistics, retrieved from the Federal Reserve Bank of St. Louis FRED database. All values are expressed in constant July 2025 dollars.

Figure 28 illustrates the premium that buyers typically pay for single-family detached housing in Commerce City. As of July 2025, the median single-family detached home sold for $518,919—***more than $100,000 above*** the median sale prices for condos/co-ops and townhomes. While prices for these attached housing types appear lower, the data series is more volatile given the limited number of sales in many months. Single-family detached prices themselves have moderated since peaking in spring 2022 at approximately $650,000, but they remain significantly higher than lower-density alternatives, reinforcing the affordability challenges for households seeking ownership opportunities in the city.

Figure 28. Real Median Home Sale Price by Home Type in Commerce City, Jan 2020–Jul 2025

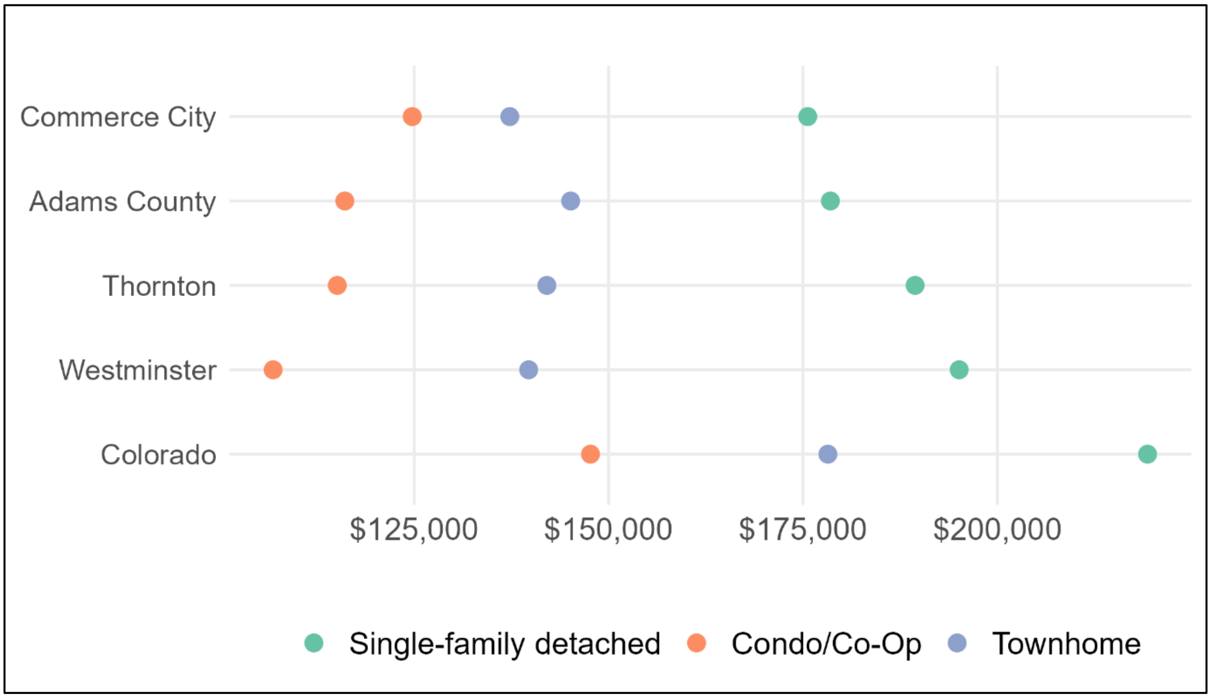


Source: Redfin; Matrix Design Group, Inc.
Note: Median home sale prices were adjusted for seasonal fluctuations and for inflation using the Consumer Price Index for All Urban Consumers (CPI-U) from the U.S. Bureau of Labor Statistics, retrieved from the Federal Reserve Bank of St. Louis FRED database. All values are expressed in constant July 2025 dollars.

EVEN AFTER MODERATING FROM 2022 PEAKS, SINGLE-FAMILY HOMES REMAIN FAR MORE COSTLY THAN ATTACHED HOUSING.

Figure 29 compares the household income needed to purchase a typical home across different unit types. Using the standard rule that households should spend no more than one-third of their gross annual income on a home's price—a widely accepted standard in housing needs assessments—median prices in the first seven months of 2025 translate into required incomes of roughly ***$175,610*** for a single-family detached home, ***$137,296*** for a townhome, and ***$124,748*** for a condominium or co-op unit.[2] By comparison, Commerce City's most recent overall median household income estimate was $106,756, meaning that even accounting for likely income growth since the time of data collection, the most affordable home types remain out of reach for the typical household. The gap is even wider for renter households, who need to earn ***more than double*** their 2019–2023 median income to afford even the typical condo. These affordability gaps are not unique to Commerce City: similar patterns appear in Thornton, Westminster, and statewide, where particularly high incomes are necessary to afford single-family detached homes. The findings underscore a fundamental mismatch between prevailing home prices and household incomes, with implications for ownership opportunities and housing stability.

Figure 29. Income Required to Afford Median Price by Housing Type, Jan–Jul 2025



Source: Redfin; Matrix Design Group, Inc.

Note: Similar breakdowns are unavailable for Brighton. Affordability is based on the conventional three-times-income rule. Values reflect weighted medians constructed from monthly data on sales and median home prices. Home sale prices were adjusted for seasonal fluctuations and inflation using the Consumer Price Index for All Urban Consumers (CPI-U) from the U.S. Bureau of Labor Statistics, retrieved from the Federal Reserve Bank of St. Louis FRED database. Data cover period from January 2025 to July 2025. All values are expressed in constant July 2025 dollars.

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[2] The "three times income" rule is a longstanding affordability standard precisely because it captures typical borrowing conditions across decades and is conservative enough to account for interest rate increases. While rates are higher than in the recent past, today's levels remain broadly consistent with the long-term historical average, reinforcing the continued relevance of this benchmark.

As Figure 30 illustrates, the geographic distribution of home prices strongly reinforces the "tale of two cities" narrative. The geographic units are census block groups, which usually contain between 600 and 3,000 residents. Median home prices in the census block groups encompassing the central neighborhoods of the historic core ***fall below $437,500.*** In contrast, the newer northern neighborhoods feature substantially higher values, with median prices ***exceeding $515,000.*** This spatial divide highlights the contrast between Commerce City's ***established but more affordable core*** and rapidly growing northern subdivisions characterized by ***newer, higher-value housing.*** These patterns are indicative of both the progress and the inequities that have emerged as Commerce City's housing market has evolved over the past two decades.

Figure 30. Median Home Sale Price by Block Group, Jan 2024–Apr 2025

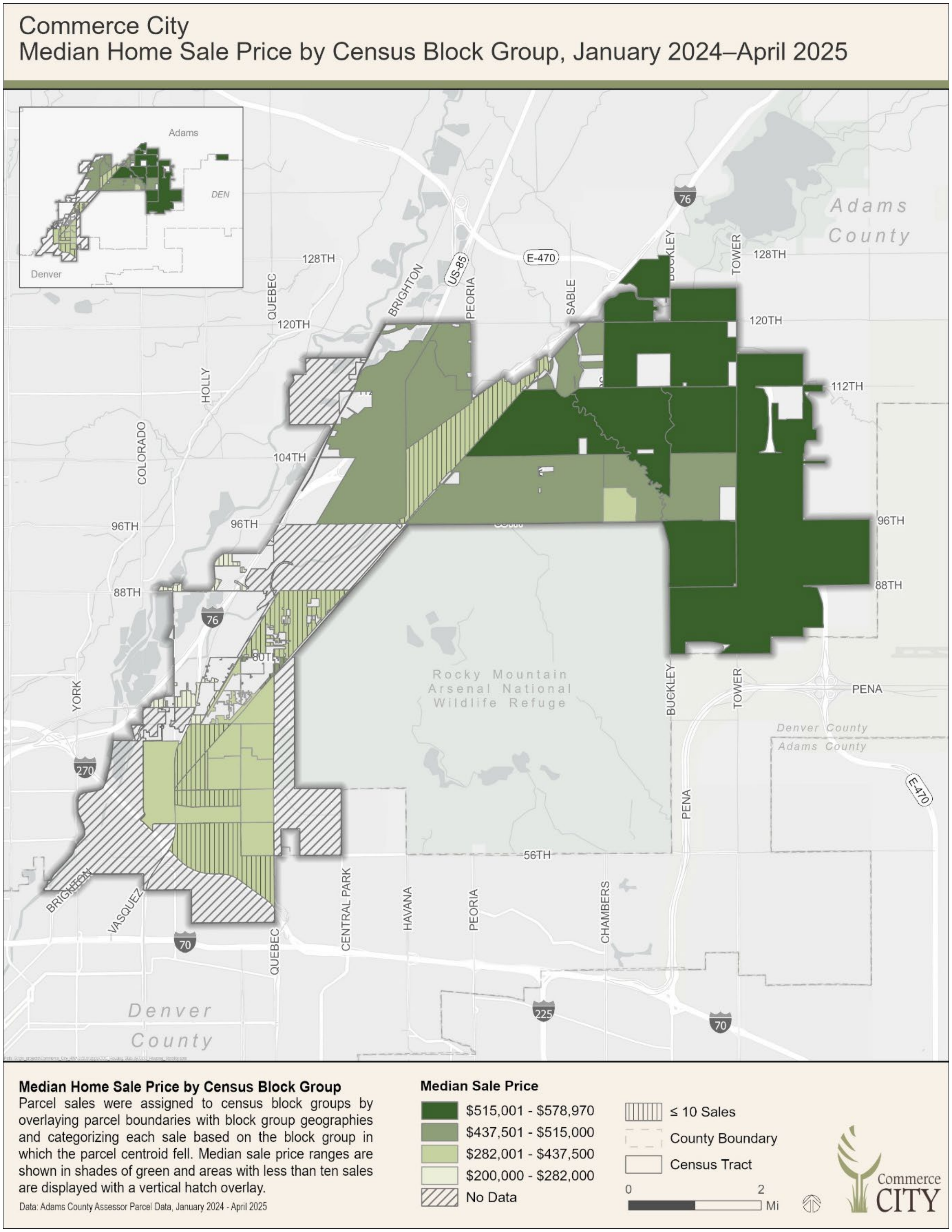
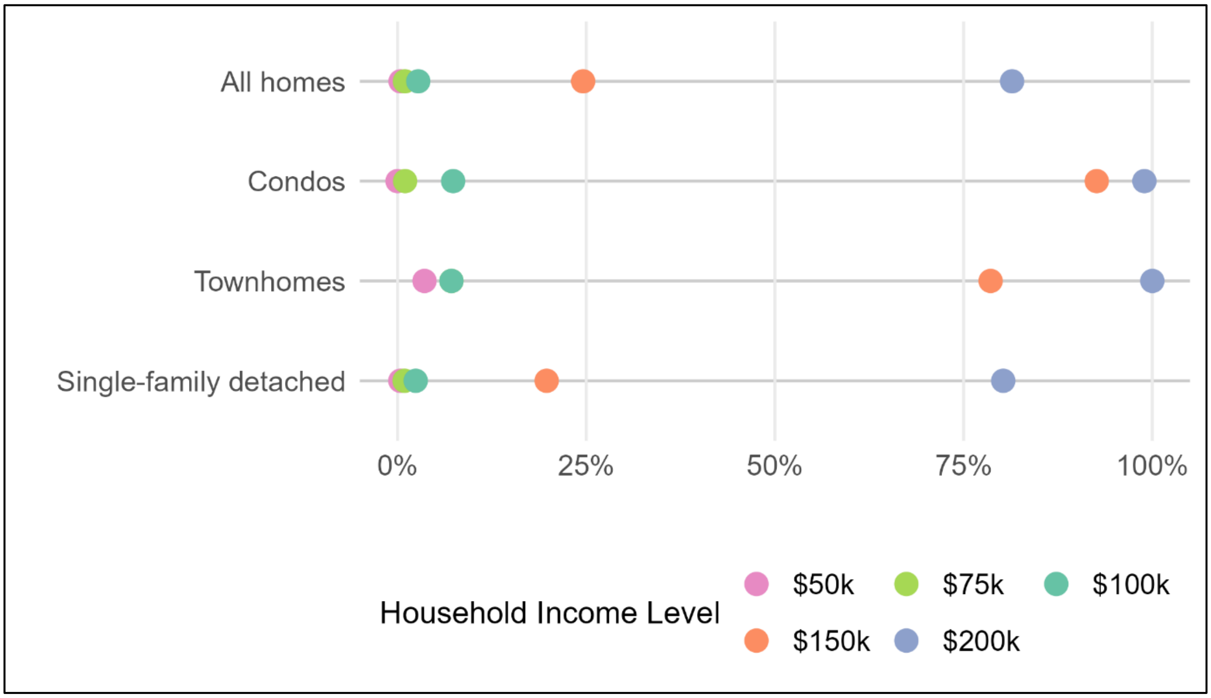


Figure 31 indicates the share of recent home sales affordable to various household income levels in Commerce City, based on the aforementioned "three times income" standard. The plot underscores the ***scarcity of options*** for lower- and moderate-income households. At the $50,000 income level, ***just 0.4%*** of all homes sold were affordable. This figure rises only to about 1% at $75,000 and 3% at $100,000, roughly the city's median household as of the most recent ACS. The market is more favorable at higher income levels, with 25% of homes affordable at $150,000 and 81% accessible at $200,000. While single-family detached homes dominate Commerce City's for-sale market, they remain less affordable at each income level compared to condominiums and townhomes.

Figure 31. Share of Affordable Home Sales by Household Income Level in Commerce City, Jan 2024–Apr 2025



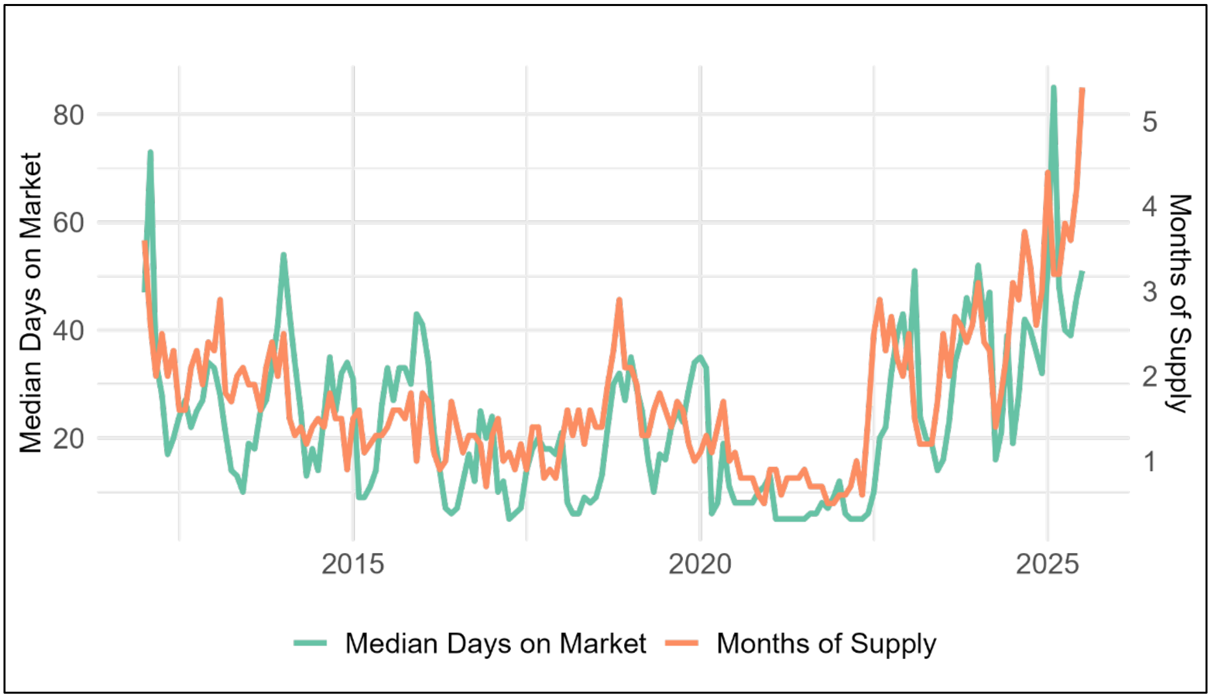
Source: Adams County Assessor's Parcel Data; Matrix Design Group

Note: The dots denote the percentage of affordable home sales at the corresponding household income level using the general rule that a home's sale price should not exceed three times annual income.

FEWER THAN 1 IN 30 HOMES SOLD IN COMMERCE CITY WERE AFFORDABLE TO HOUSEHOLDS EARNING $100,000, WHICH APPROXIMATES THE CITY'S MOST RECENT MEDIAN HOUSEHOLD INCOME.

As shown in Figure 32, market conditions in Commerce City have shifted noticeably as interest rates have climbed. In 2022, homes typically sold within about five days, indicating exceptionally strong demand and limited supply. By July 2025, however, the median days on market had ***lengthened to 51.*** These trends correspond closely with changes in the city's "months of supply," a measure that divides the number of active listings by the pace of recent monthly sales to estimate how long the current inventory would last if no new homes were added. Months of supply and median days on market are positively related, with rises in the former often predating increases in the latter. As of July 2025, Commerce City recorded ***5.4 months of supply—more than double*** the level seen three years earlier—suggesting the market has transitioned from extremely tight conditions toward a more balanced environment. At the same time, the slowdown is also a sign of limited mobility, as high prices and borrowing costs have sidelined many would-be buyers who find homeownership increasingly unaffordable.

Figure 32. For-Sale Market Dynamics in Commerce City: Median Days on Market vs. Months of Supply, Jan 2012–Jul 2025

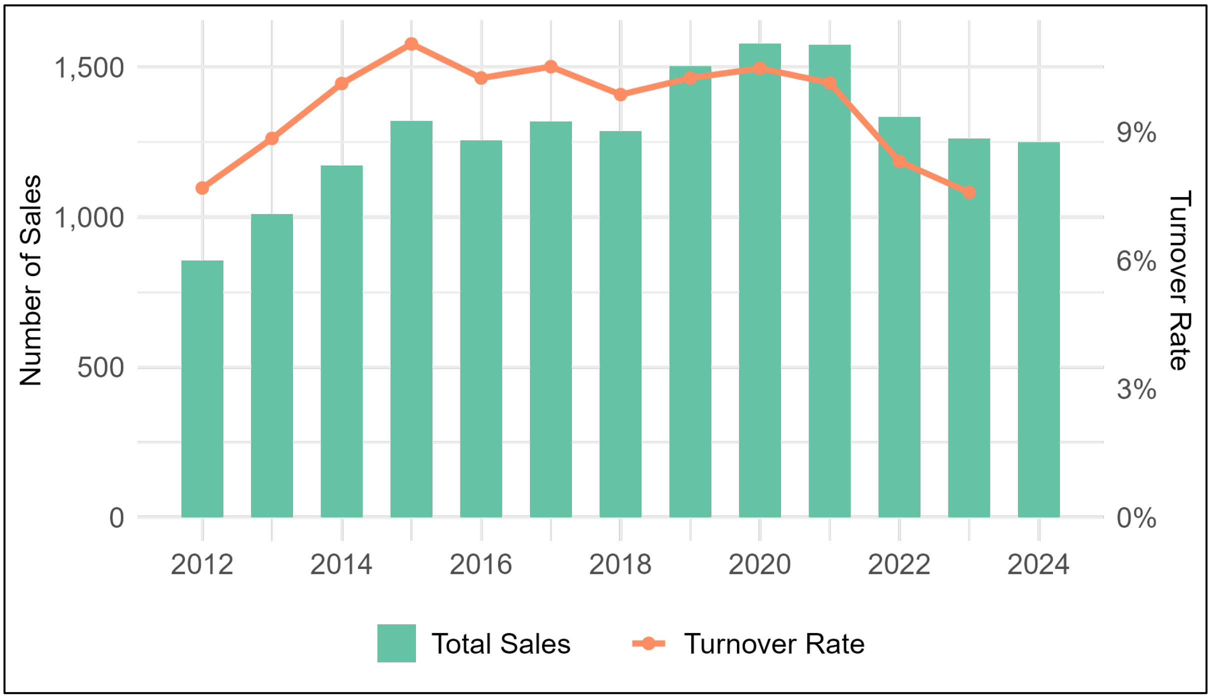


Source: Redfin; Matrix Design Group, Inc.

Note: *Median days on market* is the midpoint number of days that homes sold during a given month were actively listed before going under contract. *Months of supply* measures how long it would take to sell all homes currently on the market at the prevailing sales pace, assuming no new listings are added.

Figure 33 presents yearly home sales in Commerce City, shown as green bars, alongside the turnover rate, represented by the orange dotted line. The turnover rate is defined as the number of home sales in a given year divided by the total number of owner-occupied units, providing a measure of how frequently homes change hands. In 2012, just 856 sales occurred as the Great Recession's effects on the housing market lingered. Activity picked up in subsequent years, with 1,320 sales in 2015 and more than 1,500 sales annually from 2019 through 2021. Sales have since moderated, falling to ***1,249 by 2024.*** The turnover rate followed a similar pattern, consistently exceeding 10% between 2014 and 2021, before declining to around 8% in 2022 and 2023. These more recent trends align with broader market conditions, including ***higher interest rates*** and ***reduced mobility,*** which have slowed transactions across much of the region.

Figure 33. Home Sales and Turnover in Commerce City, 2012–2024



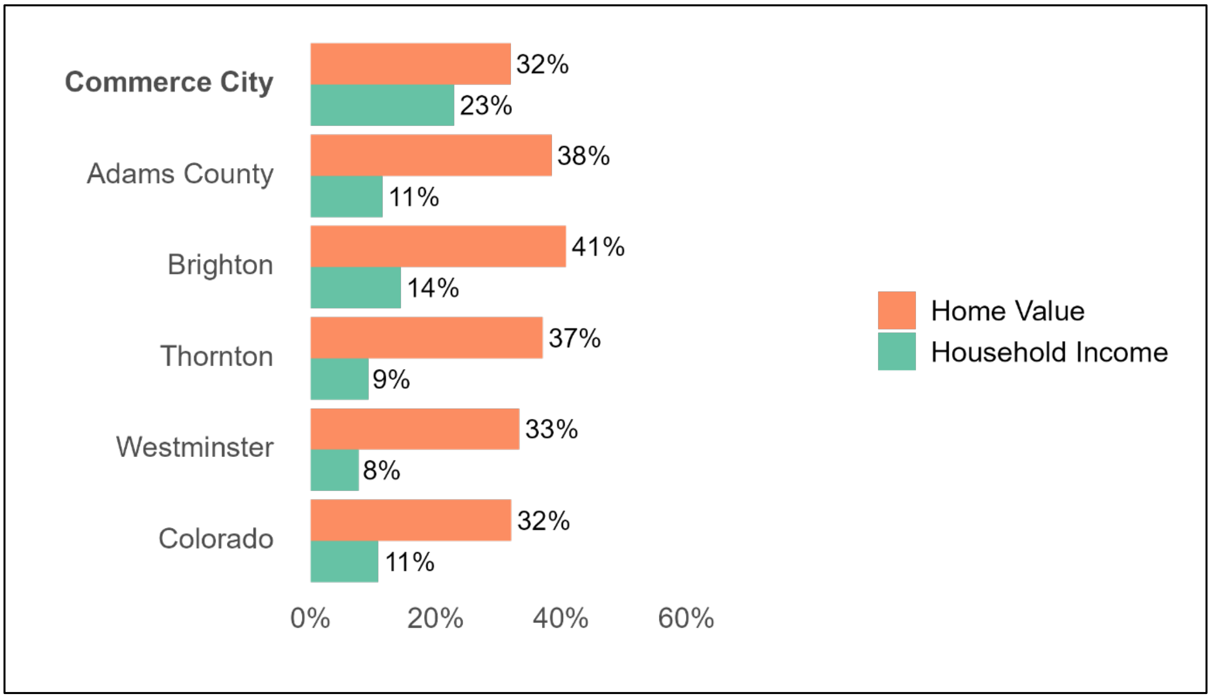
Source: Redfin; Colorado State Demography Office; Matrix Design Group, Inc.

Note: Turnover rate could not be computed for 2024 because total housing unit counts from the Colorado State Demography Office (SDO) were not yet available at the time of writing. The analysis relies on total occupied housing unit counts published by the SDO, with owner-occupied units estimated by applying tenure rates from the corresponding American Community Survey year.

LOWER TURNOVER RATES SIGNAL REDUCED MOBILITY, MAKING IT HARDER FOR FAMILIES TO UPSIZE, DOWNSIZE, OR RELOCATE WITHIN COMMERCE CITY.

Figure 34 compares home value appreciation to household income growth, offering insight into the extent to which rising housing costs have outpaced earnings. Between 2018 and 2023, home values in Commerce City rose significantly faster than household incomes, a pattern that resembles broader trends across Adams County and Colorado. In Commerce City, the ***median home value grew by 32%*** over this period, compared to ***a 23% increase in median household income.*** Much of the observed income growth likely resulted from in-migration of higher-earning households rather than broad-based gains among existing residents. While Commerce City faces a wide gap between home value appreciation and income growth, the disparity has been even greater in nearby communities such as Brighton, Thornton, and Westminster, where rapidly escalating housing prices have far outpaced income gains. These dynamics highlight a structural imbalance in the housing market that, if sustained, risks further excluding low- and moderate-income households from ownership opportunities.

Figure 34. 2018 to 2023 Relative Change in Real Median Home Value and Median Household Income

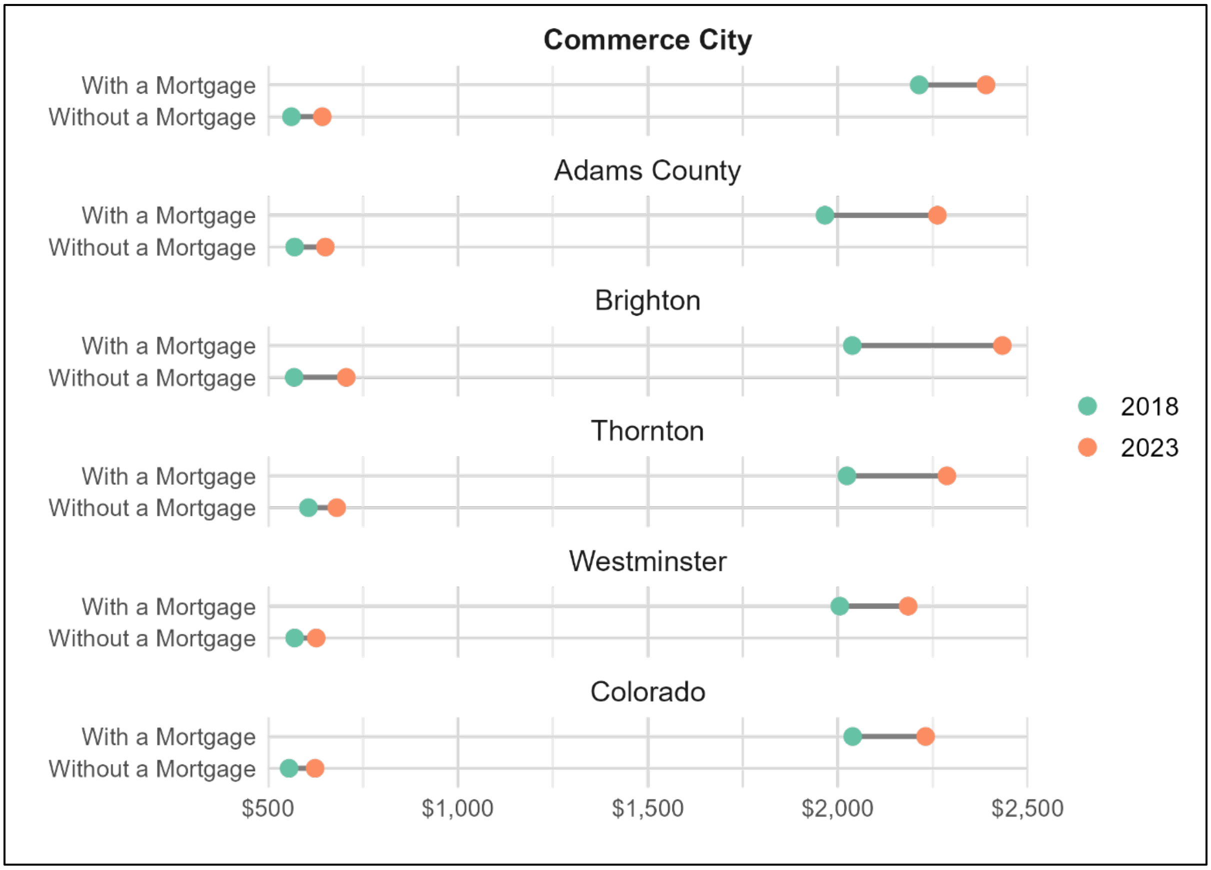


Source: Five-Year American Community Survey; Matrix Design Group, Inc.

RAPID HOME APPRECIATION HAS BOOSTED EQUITY FOR COMMERCE CITY OWNERS, THOUGH GAINS OUTPACE LOCAL INCOME GROWTH.

Inflation-adjusted median selected monthly owner costs—which encompass mortgage payments, property taxes, insurance, utilities, and related expenses—provide an important measure of the financial demands facing homeowners. These estimates pertain to ***the nearly 13,000 homeowners with a mortgage (equal to 81% of all owner-occupied households),*** meaning they include many owners who purchased their homes at lower interest rates and prices. In Commerce City, the typical homeowner with a mortgage ***paid $2,390 per month*** in 2023, a $176 increase from 2018 (see Figure 35). Notably, this is less than the mortgage payment alone for the typical home purchased today. Homeowners without a mortgage have also seen their costs increase, ***reaching $643*** in 2023. For context, the median mortgaged household required an annual income of $95,600 to limit monthly costs to less than 30% of income, the traditional affordability standard, while the median household without a mortgage needed to earn $25,720. Compared to neighboring communities, mortgagor costs in Commerce City are broadly in line with Brighton and slightly higher than levels observed in Adams County overall, Thornton, Westminster, and Colorado as a whole.

Figure 35. Real Median Monthly Homeownership Costs, 2018 & 2023

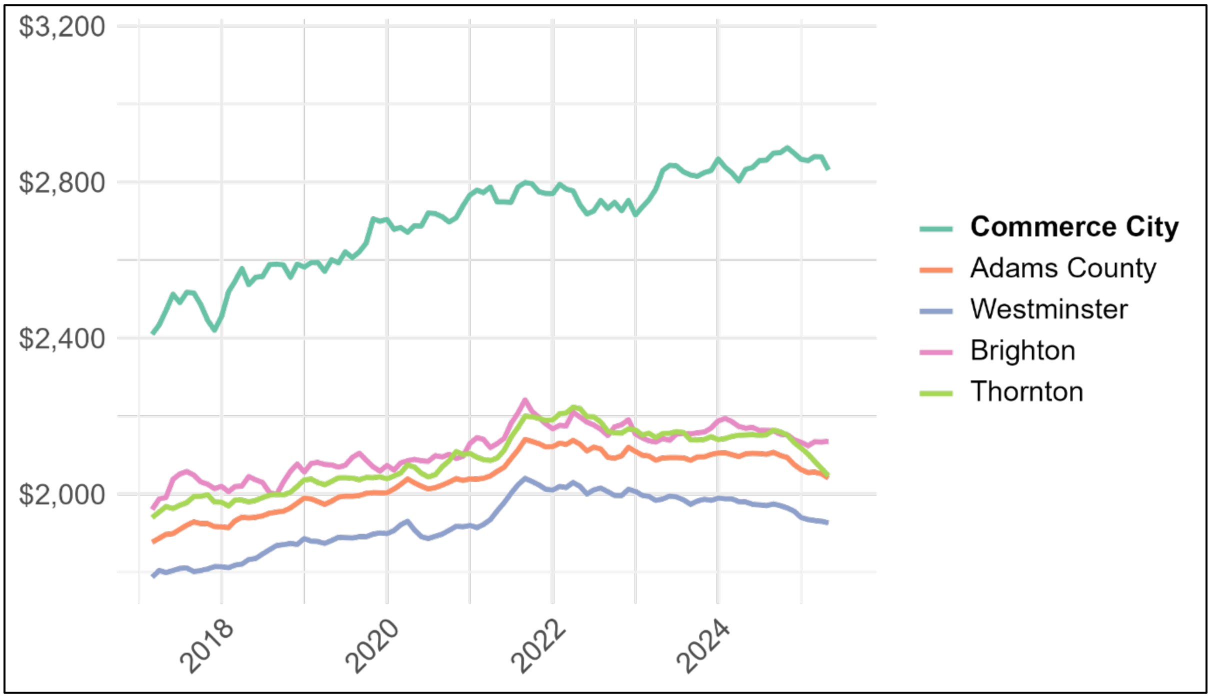


Source: Five-Year American Community Survey; Matrix Design Group, Inc.
Note: Ownership costs include the sum of payments for mortgages (both first and second), real estate taxes, insurance on the property, utilities (electricity, gas, water, and sewer), and, where applicable, monthly condominium fees, homeowners association (HOA) fees, and mobile home costs

Rental Market

The Zillow Observed Rent Index (ZORI) is a widely used measure of market rent conditions, calculated as the smoothed average of the 35th and 65th percentile of listed rents across all housing types, with adjustments to control for changes in housing quality, composition, and seasonality. Because it balances out extremes at the high and low ends of the market, ZORI is considered a robust indicator of typical rents over time. From March 2017 to May 2025, ZORI data show that Commerce City has consistently maintained ***significantly higher rents than neighboring communities,*** consistent with its heavily single-family-oriented housing stock. After adjusting for inflation and seasonality, typical rent in Commerce City was about $2,410 in early 2017 and rose to ***$2,831 by May 2025.*** Accounting for utilities, a household must earn $120,640 to afford the typical unit, far exceeding the median renter's household income as of the 2023 ACS ($55,154). By contrast, May 2025 rents were $2,041 in Adams County overall, $2,135 in Brighton, $2,046 in Thornton, and $1,930 in Westminster, highlighting the premium renters face in Commerce City's market.

Figure 36. Typical Real Asking Rent, Mar 2017–May 2025



Source: Zillow Observed Rent Index; Matrix Design Group, Inc.
Note: Matrix adjusted all historical rent values for inflation using the Consumer Price Index for All Urban Consumers (CPI-U), published by the U.S. Bureau of Labor Statistics. Each month's values were adjusted to March 2025 dollars. Rent values are based on Zillow's Observed Rent Index (ZORI), which estimates typical asking rents across a given geography, and are seasonally adjusted. ZORI is not a simple average or median. Instead, it is constructed from a filtered subset of rental listings, specifically those falling between the 35th and 65th percentile of the rental price distribution. This trimming helps remove extreme values and outliers. Zillow then applies a smoothed, repeat-rent framework, which tracks rent changes for the same properties over time while reducing short-term volatility. Properties with more consistent and complete listing histories are given more weight in the analysis. As a result, ZORI offers a stable, representative indicator of typical market rents over time. Utilities are excluded from ZORI.

Median gross rents in Commerce City vary considerably by unit size and type, but even smaller units require incomes above what many local renters earn (see Table 7). As of July 2025, the median rent across all one-bedroom units was $1,853, meaning a household income of over $74,000 was required for the unit to be considered affordable under the standard 30% threshold. Two-bedroom units typically rented for $2,372 per month, with a required annual income of nearly $95,000, while larger units commanded rents above $3,000, pushing income needs ***well over $100,000.*** Apartments are generally more affordable than single-family detached homes and townhomes, but rents at every level still demand incomes ***well above those earned by the typical Commerce City renter.*** Even assuming normal wage growth from the most recent ACS, these thresholds indicate that many renter households fall far short of the income needed to afford Commerce City rents.

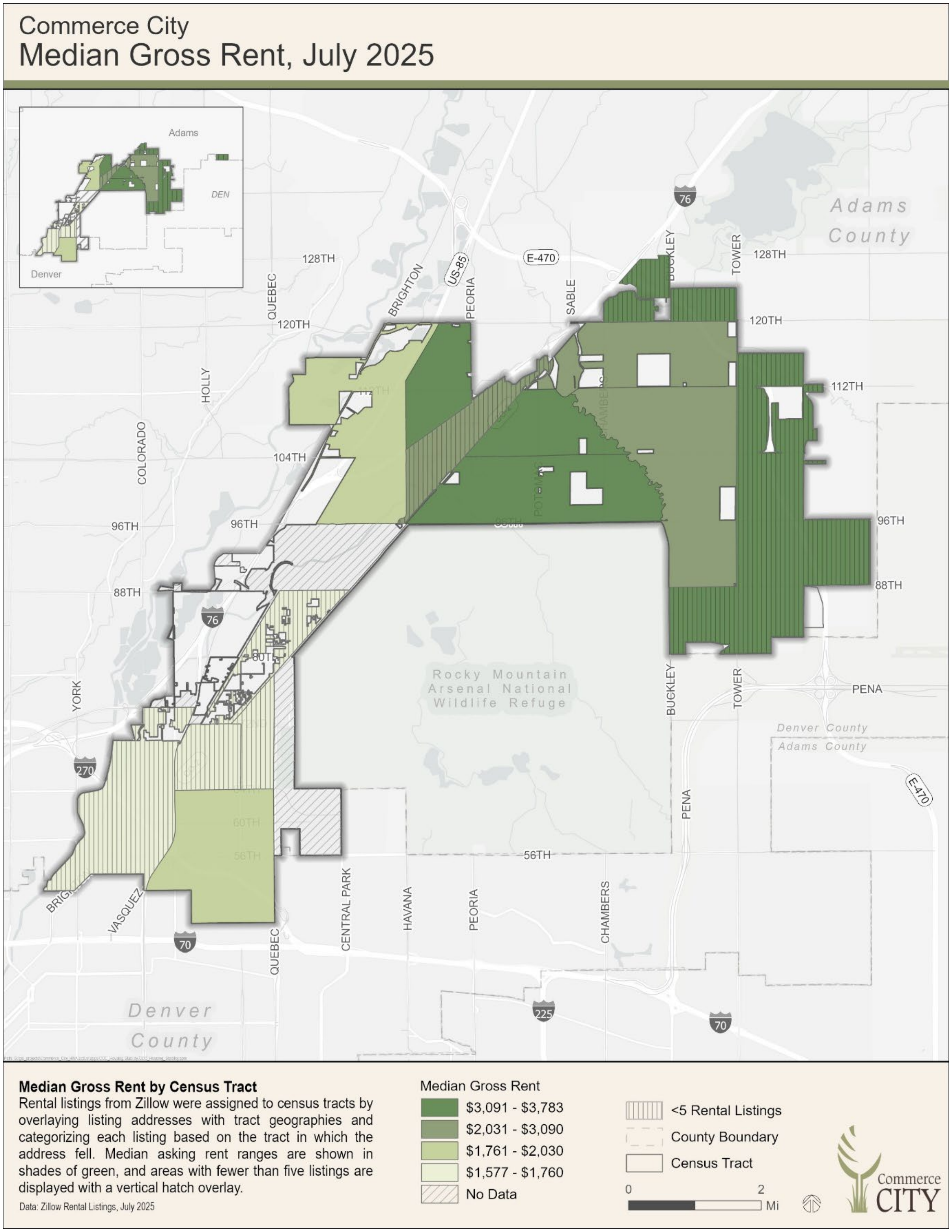
Table 7. Median Gross Rent by Unit Type and Bedroom Count in Commerce City, July 2025

	1 BR		2 BR		3 BR		4+ BR	
	Median Rent	Required Income	Median Rent	Required Income	Median Rent	Required Income	Median Rent	Required Income
All Units	$1,853	$74,120	$2,372	$94,880	$3,138	$125,520	$3,583	$143,320
Apartments	$1,858	$74,320	$2,365	$94,600	$2,740	$109,600	$3,582	$143,280
Single-Family Detached Homes	$1,577	$63,080	$2,865	$114,600	$3,240	$129,600	$3,606	$144,240
Townhomes	—	—	$2,300	$92,000	$3,035	$121,400	$3,128	$125,120

Source: Zillow; Apartments.com; Matrix Design Group, Inc.
Note: N=250. There were five or fewer observations for the following unit types, so estimates should be interpreted with caution: three-bedroom apartments, one- and two-bedroom single-family detached homes and two- and four-or-more bedroom townhomes. Values include utility costs, which were estimated using Five-Year 2023 Public Use Microdata Sample (PUMS) data from the U.S. Census Bureau. Matrix filtered the data to include only renter households in the region and calculated average monthly utility expenditures, including electricity, gas, water, and other fuels. These estimates were then adjusted to 2025 dollars using the Consumer Price Index (CPI) for Fuels and Utilities for U.S. Cities, published by the U.S. Bureau of Labor Statistics.

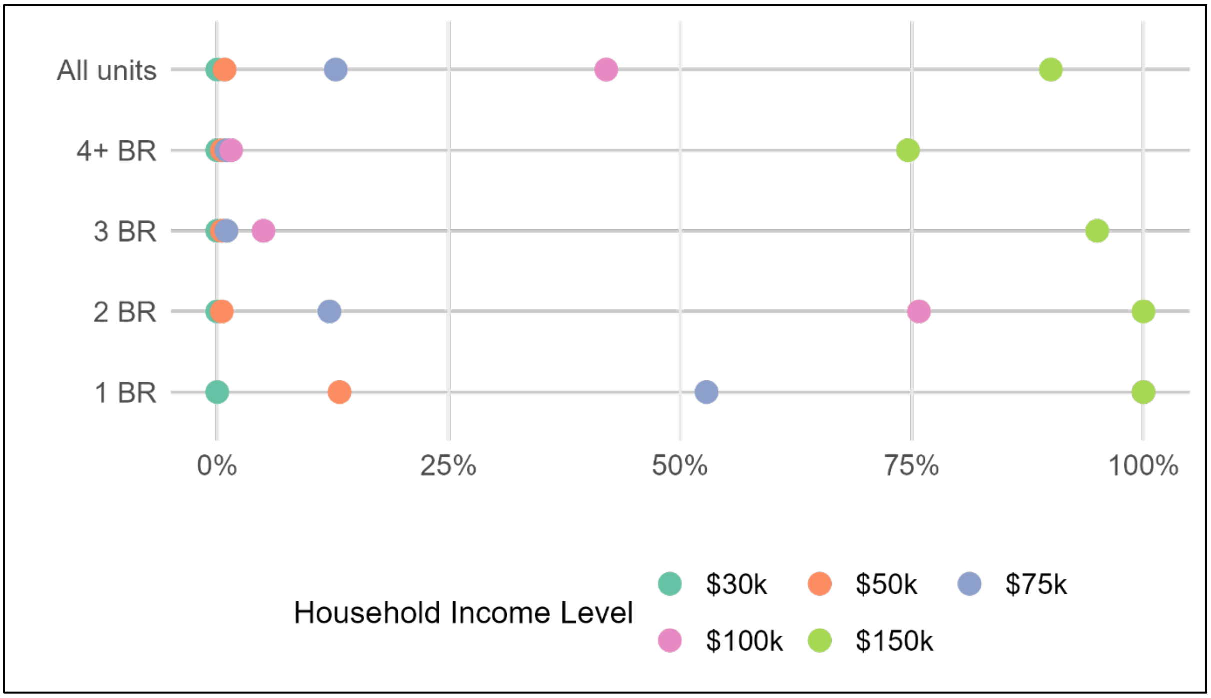
The rental market exhibits a similar spatial divide as the homeownership market (see Figure 37). In the central neighborhoods of the historic core—where the housing mix is older, more diverse, and includes a higher share of smaller multifamily structures—median rents ***fell below $1,760*** at the census tract level. These areas provide a comparatively affordable segment of the city's rental supply, even as demand has continued to rise. By contrast, rents in the northern part of the ***city routinely exceed $3,000,*** reflecting the prevalence of newly built, largely single-family rental homes and higher-cost suburban subdivisions. This stark gradient underscores the "tale of two cities" dynamic in Commerce City's rental market, shaped by differing housing types, development eras, and the escalating cost of newer suburban construction.

Figure 37. Median Gross Rent by Census Tract, July 2025



Data on rental listings from July 2025 show ***severe affordability constraints*** for lower- and moderate-income households in Commerce City. Applying the standard 30% income-to-rent ratio, no units—regardless of size—were affordable to households earning $30,000. At the $50,000 level, ***just 0.8%*** of all available rentals were affordable. The market is somewhat more favorable for households earning $75,000, who could afford 12% of rental listings. The city's rental market disproportionately serves higher-income households: 42% and 90% of available units were accessible to households earning $100,000 and $150,000, respectively. Yet even at the $100,000 income level, options remain limited for households seeking units with three or more bedrooms. The findings further highlight the challenges of Commerce City's rental landscape, which often forces households to choose between being cost burdened or living in overcrowded or substandard conditions.

Figure 38. Share of Affordable Rentals by Household Income Level in Commerce City, July 2025



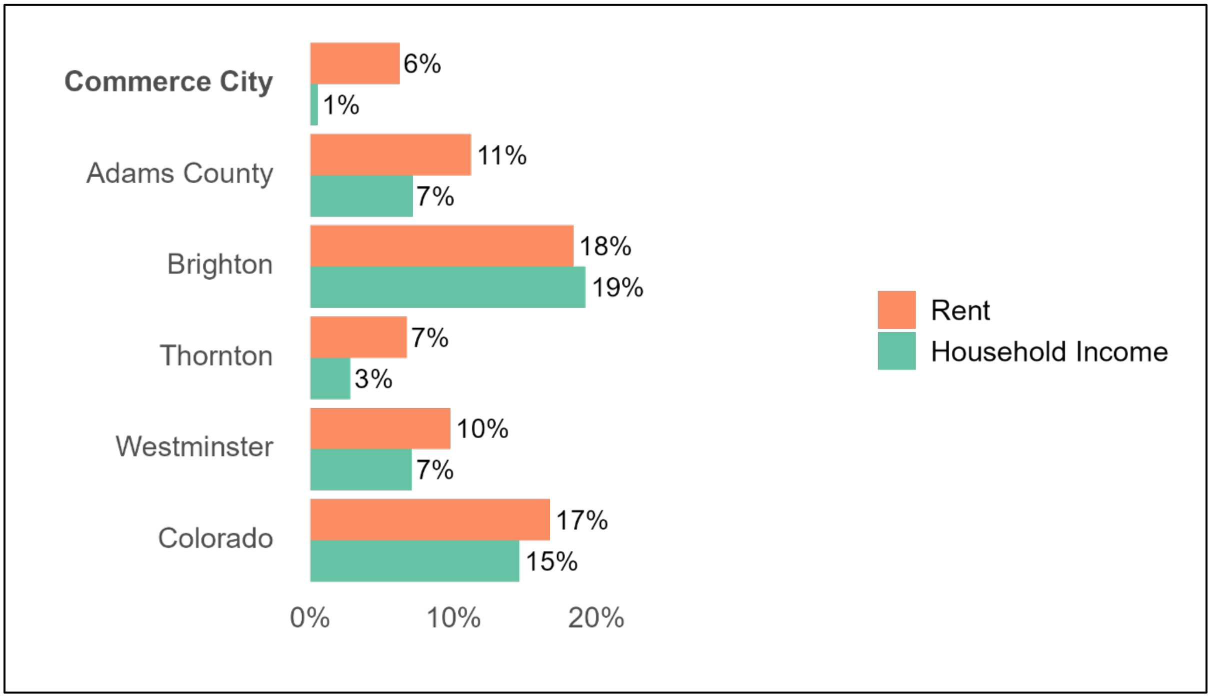
Source: Zillow; Matrix Design Group, Inc.

Note: The dots denote the percentage of affordable rental listings at the corresponding household income level using the general rule that a unit's rent and utility costs should account for less than 30% of a household's gross annual income.

COMMERCE CITY RENTERS FACE SHARPER AFFORDABILITY PRESSURES AS MODEST RENT GROWTH COLLIDES WITH STAGNANT WAGES.

Between 2018 and 2023, inflation-adjusted median gross rent in Commerce City rose by about 6%, according to ACS data. While the ACS provides the best available local estimates, these figures should be interpreted cautiously given the survey's sample size limitations at the city level. Over the same period, real median renter income in Commerce City showed almost ***no growth,*** meaning that even a ***modest increase in rents translated into growing affordability pressures***. In contrast, regional trends reveal both steeper rent growth and stronger income gains: Colorado's median rent rose by 17%, while renter incomes increased by 15%, keeping pace more closely. The mismatch between rent increases and wage growth was therefore ***particularly pronounced*** in Commerce City.

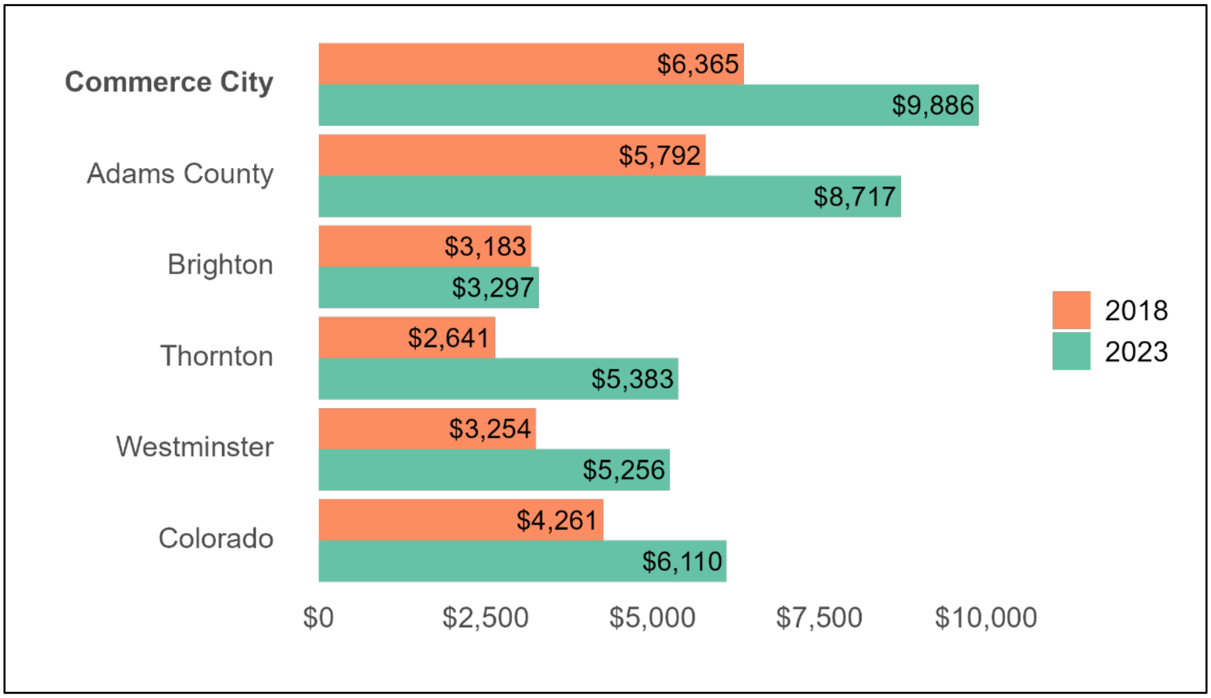
Figure 39. 2018-to-2023 Relative Change in Real Median Gross Rent and Real Median Renter Household Income



Source: Five-Year American Community Survey; Matrix Design Group, Inc.
Note: To ensure direct comparability between income and rent data, this analysis relies on ACS estimates of median gross rent. The most recent estimate ($1,626) is substantially lower than current market levels.

Figure 40 depicts the widening gap between what renter households in Commerce City earn annually and what is required to afford median gross rent under the standard 30% affordability rule. In 2018, the typical renter earned $6,365 less than the income needed to afford the median rent; by 2023, this shortfall had ***expanded to nearly $9,900.*** This trend illustrates how stagnant incomes, combined with rent increases, have placed mounting pressure on renters, though the magnitude of this gap may be understated due to both the ACS's lag in capturing current market conditions and reliance on sample-based estimates. The affordability gap in Commerce City is larger than that observed in Adams County overall, and especially when compared to nearby communities such as Brighton, Thornton, Westminster, or Colorado as a whole. As this gap grows, renters become more vulnerable to cost burdens or displacement.

Figure 40. Gap between Annual Income Required to Afford Median Gross Rent and Median Renter Household Income, 2018 & 2023



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

Note: Larger gaps indicate more severe affordability challenges. Required income calculations are based on the widely accepted standard that gross rent (which includes utilities) should represent no more than 30% of household income. To ensure direct comparability between income and rent data, this analysis relies on the ACS's most recent estimate of median gross rent ($1,626), even though it is substantially lower than current market levels.

COMMERCE CITY RENTERS NOW FACE NEARLY A $10,000 SHORTFALL BETWEEN WHAT THEY EARN AND WHAT IS NEEDED TO AFFORD MEDIAN RENT, THREATENING HOUSING STABILITY.

Key Findings and Implications

- Although Commerce City's median home price has fallen from its mid-2022 peak of nearly $625,000 to roughly $506,000, the typical home still demands an income of approximately $170,000—well above what most households earn.
- A median-priced home in July 2025 carried a $2,692 monthly payment at a 7% interest rate, almost $1,000 higher than the payment for an equivalently priced home at a 3% rate in 2020. Higher borrowing costs suppress demand and mobility, reinforcing barriers for moderate-income buyers.
- With single-family detached homes selling for over $100,000 more than townhomes or condos, Commerce City's ownership market is skewed toward higher-income households, despite its reputation as an affordable community within the Denver metro area. This constrains entry points for first-time buyers and households seeking more affordable options.
- Just 3% of 2024 and 2025 home sales were affordable to households earning $100,000, Commerce City's approximate median income, compared to 81% for households earning $200,000.
- Market activity has slowed as mobility has declined. Compared to 2022, homes currently linger nearly ten times longer on the market, and supply has more than doubled.
- After years of exceeding 10%, the turnover rate among owner-occupied homes fell to around 8% in 2022 and 2023, indicating fewer opportunities to buy.
- The median mortgaged household paid $2,390 in ownership expenses in 2023, but today's buyers face even higher costs, reinforcing generational divides between established owners and new entrants.
- Commerce City's typical rents now exceed $2,800, requiring an income of about $120,000 with utilities—more than double the median renter household income of roughly $55,000. Commerce City's single-family-dominated rental market has kept its rents consistently higher than those in the surrounding region.
- Even smaller units are out of reach for many renters. Median one-bedroom rent is $1,853, requiring about $74,000 in annual earnings. The median two-bedroom rent of $2,372 translates to an income requirement of roughly $95,000, while larger units demand six-figure earnings.
- Current rental listings highlight severe affordability gaps: no units were affordable at $30,000, fewer than 1% at $50,000, and only 12% at $75,000. Even households earning $100,000 struggled to access larger units, leaving the market heavily skewed toward higher-income renters
- From 2018 to 2023, median rent grew at six times the rate of median renter household income in Commerce City, whereas statewide growth was far more even.
- By 2023, the typical renter earned nearly $10,000 less than what was needed to afford median rent, a larger shortfall than in Adams County or neighboring cities. This widening gap heightens risks of cost burdens, doubling up, and displacement.

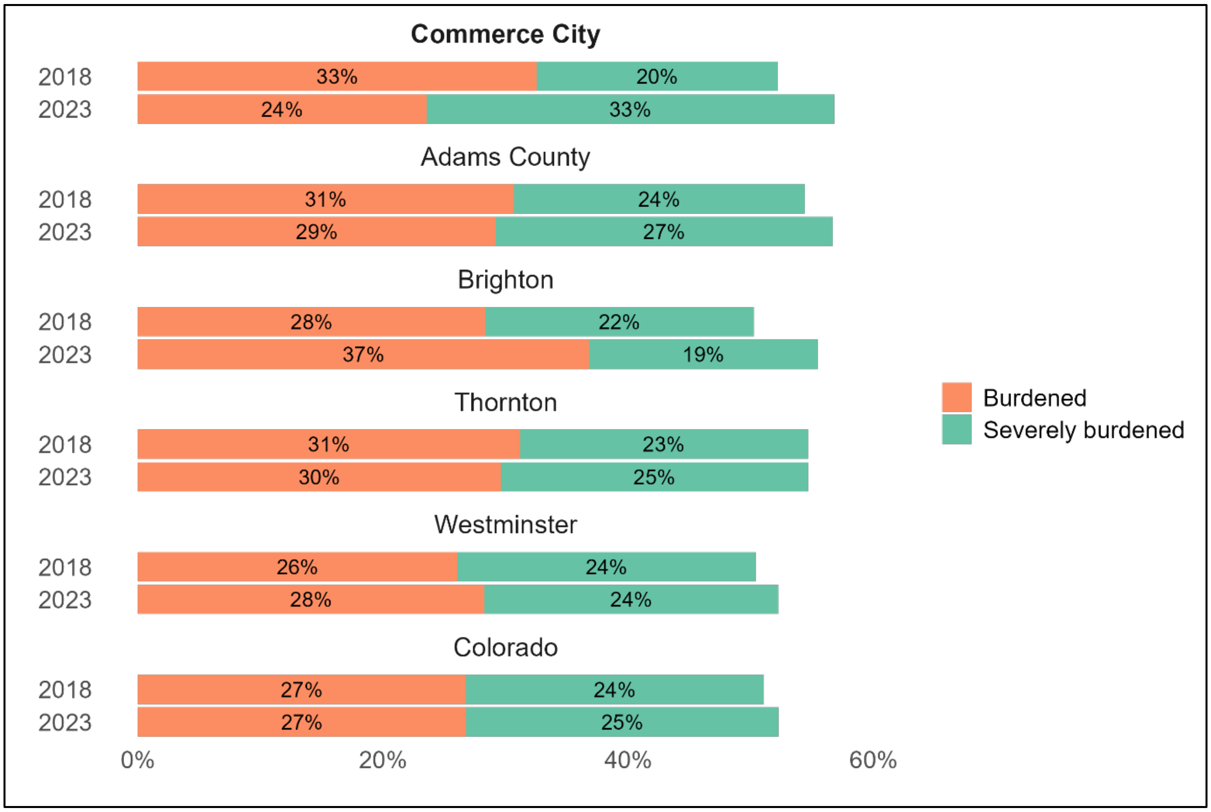
Housing Problems

This section highlights the multiple, often overlapping challenges facing households in Commerce City. Cost burden is widespread, particularly among renters, with more than half spending over 30% of their income on housing and seniors disproportionately affected. While cost burden is less common among homeowners, it remains an important stability concern. Beyond affordability, households also face issues of overcrowding and substandard housing, such as incomplete plumbing facilities and reliance on non-standard heating fuels. Homelessness has risen sharply across the Denver Metro region, with unsheltered populations more than doubling since 2018. Finally, displacement risk indicators reveal heightened vulnerabilities in southern Commerce City, driven by the convergence of lower incomes, aging housing stock, and higher renter concentrations.

Housing Cost Burden

Under conventional affordability guidelines, households that spend 30% or more of gross monthly income on housing costs (including rent or mortgage payments, utilities, insurance, and other fees) are considered cost burdened. Cost burden is especially acute among renters in Commerce City. In 2023, ***24% of renter households were cost burdened,*** spending between 30 and 49.9% of their income on rent, while ***another 33% were severely cost burdened,*** devoting half or more of their income to housing (see Figure 41). Together, this means that more than half of all renter households (57%) were paying more than the affordability standard for their housing. ***Seniors were disproportionately affected:*** fully 80% of renter households aged 65 and over were cost burdened, compared to 55% of renters under the age of 65. Overall rates have increased since 2018, when 53% of renters were cost burdened or severely cost burdened, consistent with intensifying affordability pressures. When households spend such large shares of their income on rent, they have fewer resources left for food, medicine, transportation, and other essentials, often forcing difficult tradeoffs that can compromise long-term stability and well-being. Comparable rates were observed across Adams County, Westminster, Brighton, Thornton, and the state overall, highlighting the broader affordability crisis facing renters across the region.

Figure 41. Renter Household Cost-Burdened Rates, 2018 & 2023

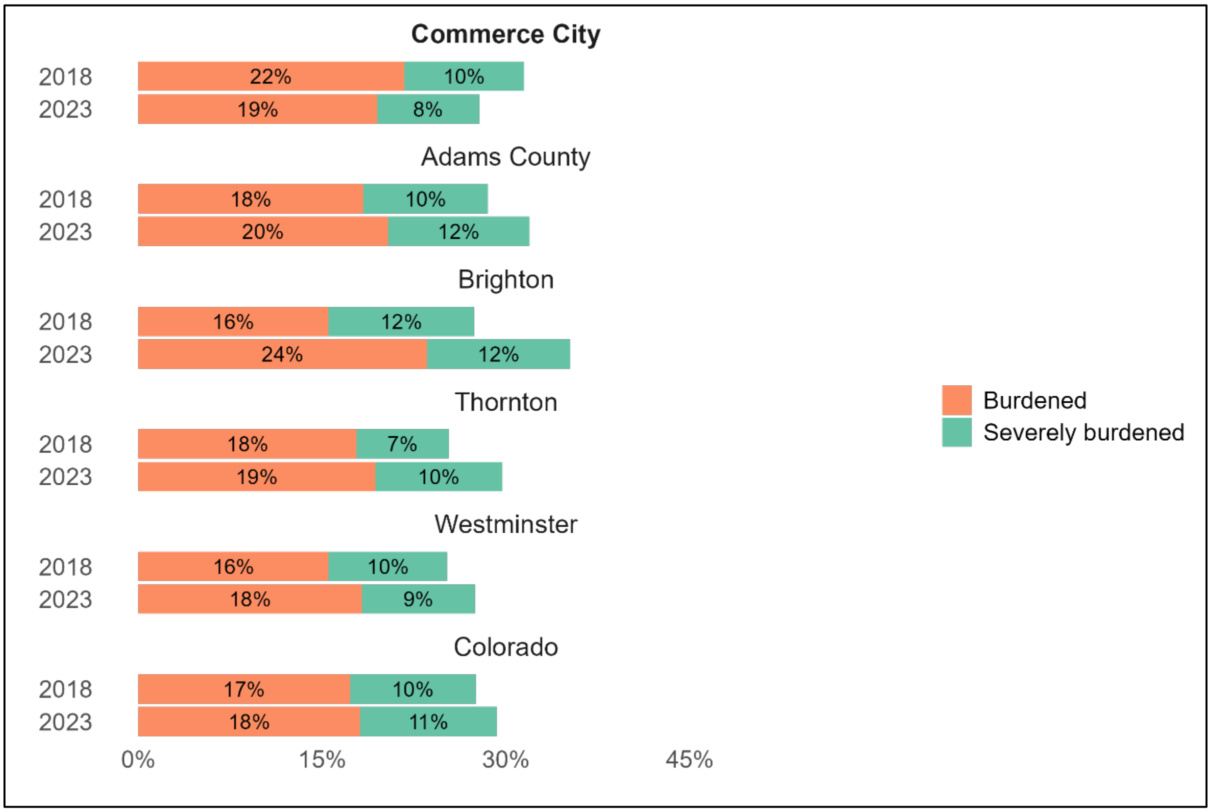


Source: Five-Year American Community Survey; Matrix Design Group, Inc.
Note: “Burdened” households spent from 30% to 49.9% of household income on gross rent, compared to 50% or more for “severely burdened” households.

AMONG BOTH MORTGAGED AND NON-MORTGAGED HOMEOWNERS, SENIORS WERE MORE LIKELY TO BE COST BURDENED (35%) THAN NON-SENIORS (23%), ILLUSTRATING THE FINANCIAL HARDSHIPS OFTEN FACED BY THOSE LIVING ON FIXED OR LIMITED INCOMES.

Although far less prevalent than among renters, affordability remains a challenge for mortgaged homeowners in Commerce City. In 2023, ***19% of owners with a mortgage were cost burdened, while 8% were severely burdened.*** Both rates represent a decline from 2018, though it is important to recognize that these differences may not be statistically significant. These rates are broadly consistent with those in Adams County, Westminster, Thornton, and Colorado overall. In Brighton, homeowner affordability challenges are more widespread, with 36% of mortgaged homeowners classified as burdened or severely burdened as of 2023. Monitoring homeowner cost burdens is important because they are closely tied to homeownership stability. Elevated housing costs heighten the risk of foreclosure or missed mortgage payments, particularly during economic downturns. In addition, households paying disproportionate shares of income toward housing costs have less disposable income available to spend in the local economy, constraining broader economic vitality.

Figure 42. Mortgaged Owner-Occupied Household Cost-Burdened Rate, 2018 & 2023

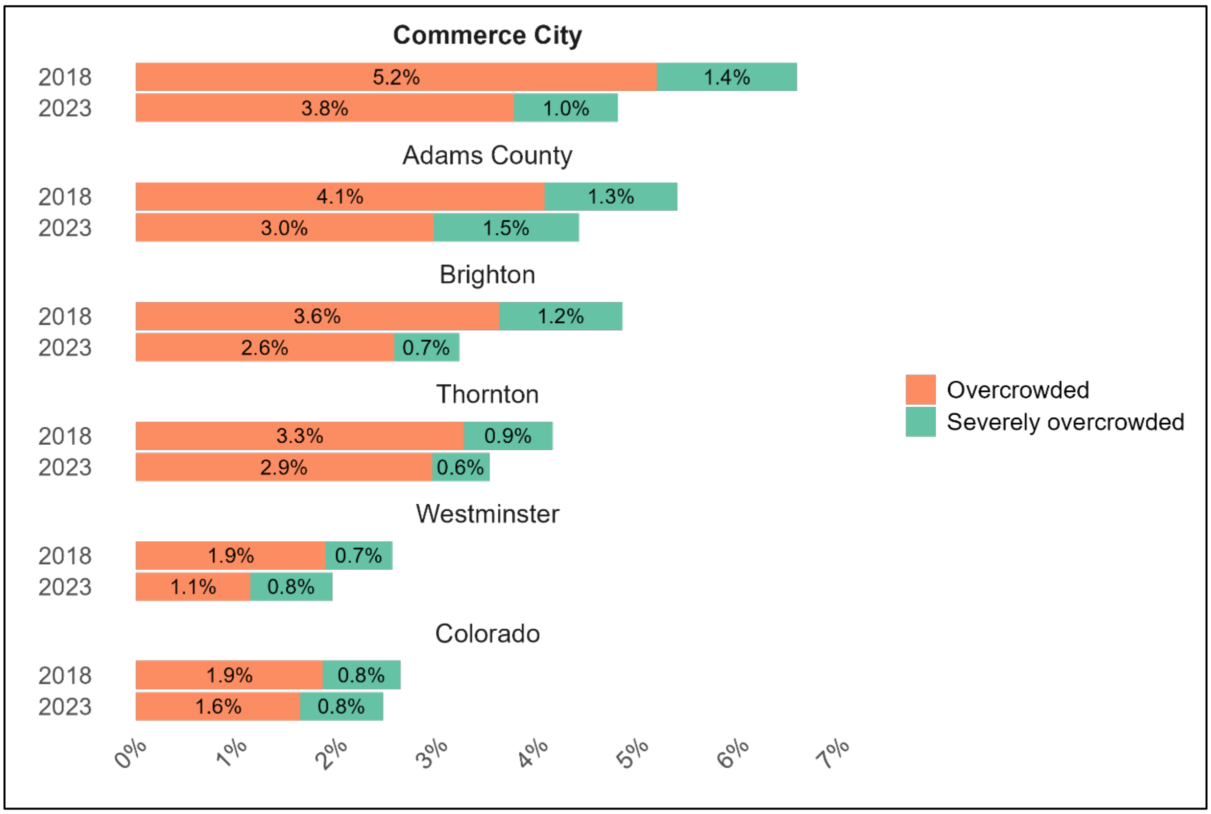


Source: Five-Year American Community Survey; Matrix Design Group, Inc.
Note: "Burdened" households spent from 30% to 49.9% of household income on total ownership costs, compared to 50% or more for "severely burdened" households.

Overcrowding

Household overcrowding remains a concern in Commerce City, though conditions have improved in recent years (see Figure 43). In 2023, 3.8% of households were overcrowded, with 1.01 to 1.5 people per room, and 1% were severely overcrowded, with more than 1.5 people per room. Both figures represent a decline from 2018, when 5.2% of households were overcrowded and 1.4% severely overcrowded. Still, ***overcrowding is far more common in Commerce City*** than in Colorado overall, where just 1.6% of households were overcrowded and 0.8% severely overcrowded. Overcrowding is associated with a range of negative outcomes, from higher risks of illness and stress to reduced educational performance among children and strains on family well-being.[3] It also signals that available housing supply is misaligned with the needs of larger households, forcing families into inadequate space that can undermine quality of life.

Figure 43. Overcrowding Rate, 2018 & 2023



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

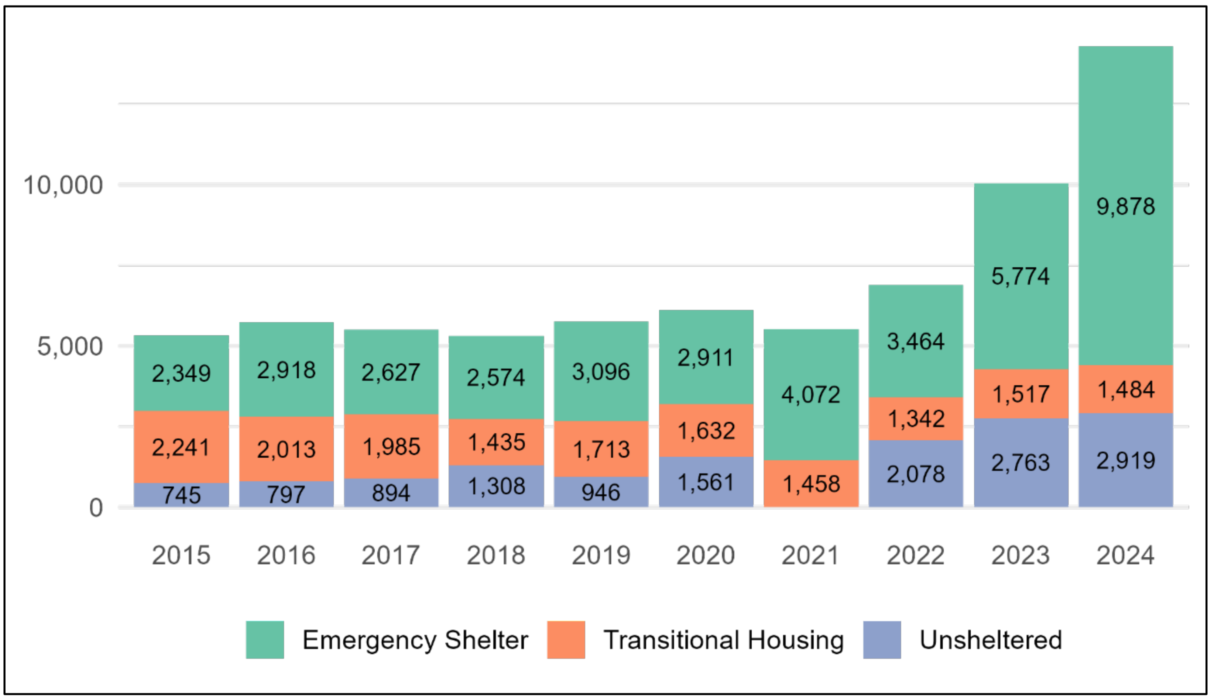
Note: "Overcrowded" households are defined as having between 1.01 and 1.50 occupants per room, while "severely overcrowded" households have 1.51 or more occupants per room. These thresholds are standard in housing research and widely used in federal, state, and local analyses to assess household living conditions.

[3] Solari, Claudia D., and Robert D. Mare. *Housing Crowding Effects on Children's Well-being.* Social Science Research, Vol. 41, Issue 2 (2012), pp. 464–476. PMID: 23017764.

Homelessness

Across the Metropolitan Denver Continuum of Care (CoC), which includes Commerce City, homelessness has risen dramatically in recent years. HUD's 2024 Point-in-Time (PIT) count identified ***14,281 individuals experiencing homelessness,*** 69% of whom were staying in emergency shelters rather than transitional housing or unsheltered locations. Marked increases in unsheltered homelessness over time have resulted in a population nearly twice as large as that residing in transitional housing. Over time, the transitional housing population has remained relatively stable, while the unsheltered population has surged, more than doubling since 2018 and nearly quadrupling since 2015. Much of the overall rise in homelessness has been concentrated in the emergency shelter population, suggesting that increased shelter capacity may explain part of the increase. It is important to note, however, that the PIT count has significant limitations: it does not capture people who are couch-surfing, living temporarily with friends or relatives, staying in hotels, or residing in vehicles, meaning the true scale of housing instability is likely higher.

Figure 44. Individuals Experiencing Homelessness by Shelter Type in Metropolitan Denver Continuum of Care, 2015–2024



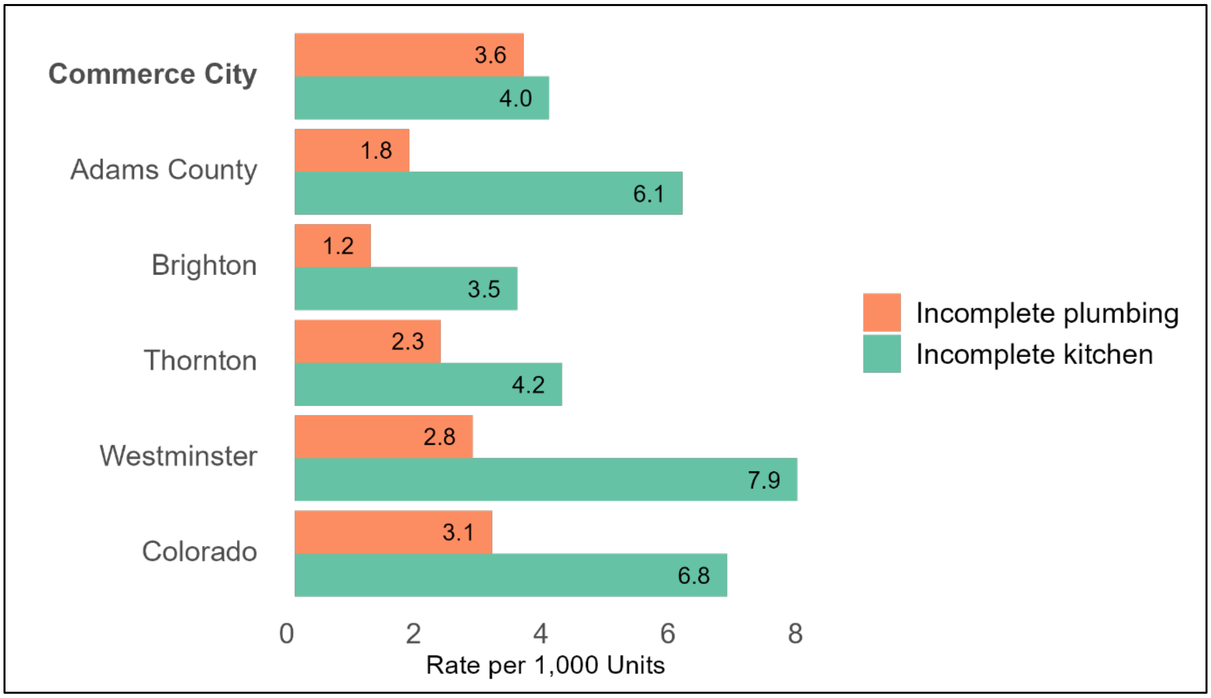
Source: Department of Housing and Urban Development Point-in-Time Count; Matrix Design Group, Inc.
Note: The Metropolitan Denver CoC encompasses Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, and Jefferson Counties. Data on unsheltered individuals are unavailable for 2021 due to the COVID-19 transmission risks associated with conducting an in-person survey.

IN 2024, CHILDREN UNDER 18 MADE UP 29% (4,071) OF THE HOMELESS POPULATION IN THE DENVER METRO COC, WHILE SENIORS ACCOUNTED FOR 3% (361). THESE VULNERABLE GROUPS HIGHLIGHT THE HUMAN TOLL OF THE REGION'S RISING HOMELESSNESS CRISIS.

Substandard Housing

Incomplete kitchen and plumbing facilities are standard measures of substandard housing, providing a window into the share of homes that lack basic amenities. In Commerce City, 3.6 per 1,000 housing units reported incomplete plumbing facilities—***twice the rate observed in Adams County*** overall and higher than in neighboring jurisdictions (see Figure 45). This elevated rate suggests a meaningful subset of households may face ongoing challenges related to habitability and health. By contrast, the rate of incomplete kitchen facilities in Commerce City (four per 1,000 units) was comparable to levels observed in Brighton and Thornton and notably below the rates reported in Adams County, Westminster, and the state as a whole. Overall, the data highlight the need to address substandard conditions alongside affordability challenges.

Figure 45. Prevalence of Incomplete Kitchen and Plumbing Facilities, 2023



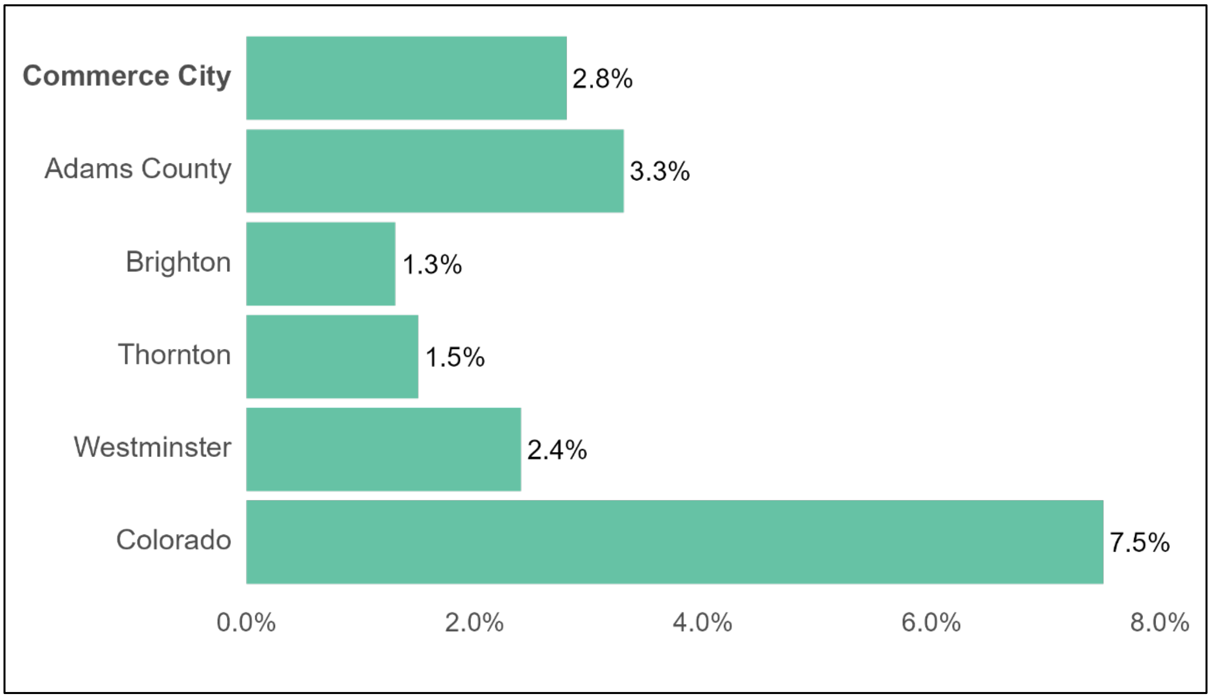
Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Note: The ACS defines incomplete kitchen facilities as housing units that lack a sink with a faucet, a stove or range, or a refrigerator. Incomplete plumbing facilities are defined as housing units that lack hot and cold running water, a flush toilet, or a bathtub/shower.

Figure 46 presents the share of housing units that relied on non-standard fuel sources, including bottled, tank, or LP gas; fuel oil or kerosene; wood; coal or coke; other unconventional fuels; or no fuel at all. These heating methods are often associated with substandard housing conditions because they tend to be less efficient, more expensive to maintain, and can pose safety and health risks relative to utility-supplied natural gas or electricity. Roughly 3% of housing units in Commerce City relied on non-standard fuel sources. Commerce City's reliance on such fuels was ***far lower than the statewide average*** of 7.5%, a figure that may be driven by Colorado's older and more rural housing stock. The city's rate was similar to countywide levels and Westminster, though non-standard fuel sources were even less common in Brighton and Thornton, where they occurred at roughly half the rate observed in Commerce City.

HOUSEHOLDS USING NON-STANDARD FUELS FACE HIGHER COSTS, LOWER EFFICIENCY, AND GREATER HEALTH AND SAFETY RISKS THAN THOSE WITH UTILITY-SUPPLIED ENERGY.

Figure 46. Share of Housing Units Relying on Non-Standard Fuel Sources, 2023



Source: Five-Year American Community Survey; Matrix Design Group, Inc.
Note: Non-standard fuel types include bottled, tank, or LP gas; fuel oil or kerosene; wood; coal or coke; other unconventional sources; or no fuel at all.

Displacement Risk

Figure 47 maps displacement risk across Commerce City using a composite index developed through principal components analysis (PCA). The index combines ten demographic, housing, and economic indicators identified by the Colorado Department of Local Affairs (DOLA) as being closely associated with displacement risk, such as disability rates, housing tenure, educational attainment, income levels, cost-burdened rates, and overcrowding. The map shows a clear spatial pattern: risk is ***concentrated in southern Commerce City, also known as the historic core,*** where older housing stock, lower incomes, and higher renter shares increase vulnerability to market pressures. By contrast, risk is lower in the northern parts of the city, where newer development, along with higher incomes and homeownership rates, provide greater stability. These patterns highlight the uneven nature of displacement risk within Commerce City and underscore the importance of targeted strategies that address the challenges faced by households in the central neighborhoods while maintaining affordability citywide.

Figure 47. Displacement Risk Index by Census Tract, 2023

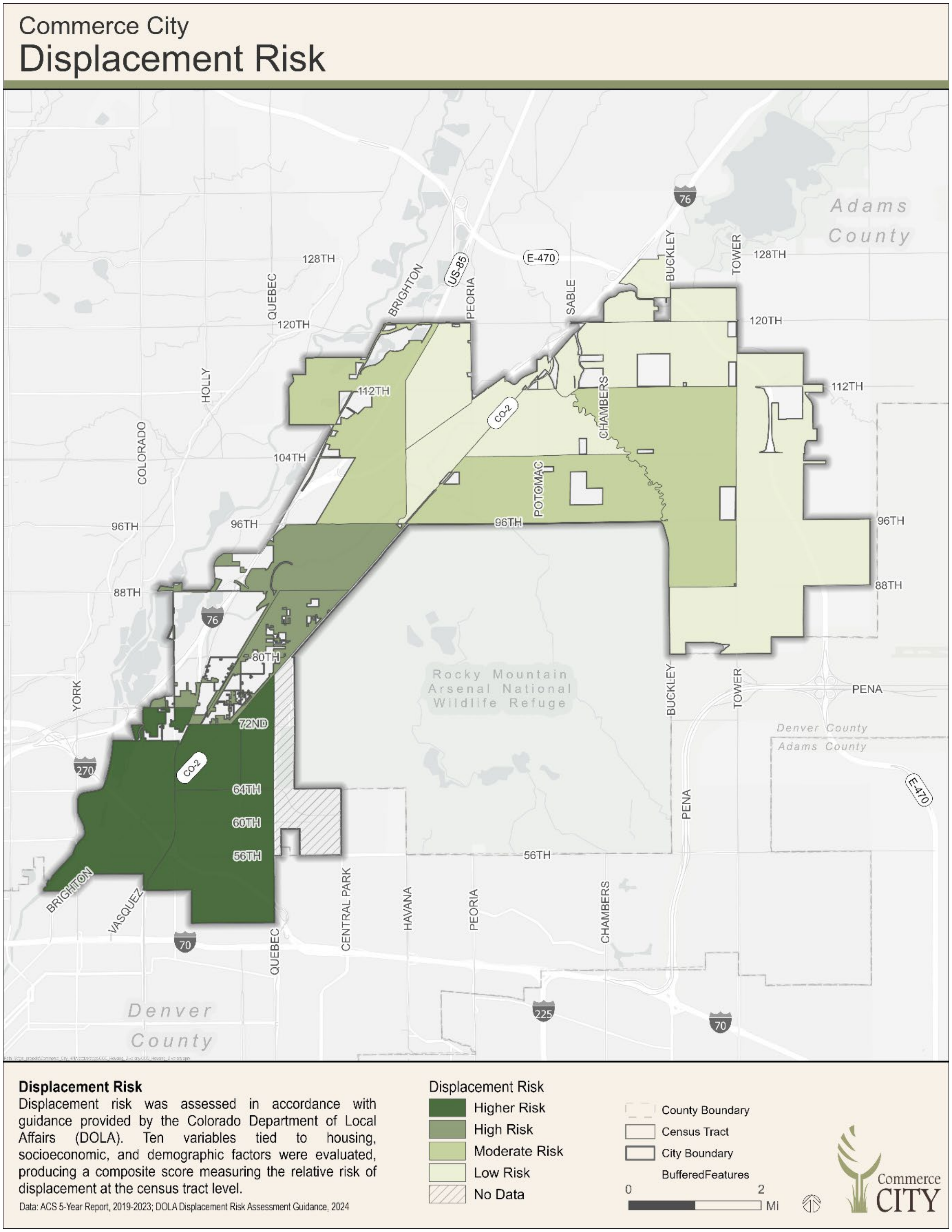


Table 8 presents several indicators of displacement risk identified by the Colorado Department of Local Affairs (DOLA), where higher values signal greater vulnerability. Commerce City stands out for having a relatively large minority population alongside an elevated share of single-parent households, both higher than the levels observed in Adams County and especially the state overall. In both Commerce City and Adams County, displacement risks are amplified by higher rates of overcrowding, lower educational attainment, and more households with limited English proficiency relative to the state average. Taken together, these factors highlight ***overlapping vulnerabilities*** that put many households at greater risk of displacement ***as housing costs and market pressures rise.***

Table 8. Key Displacement Risk Indicators, 2023

Metric (%)	Commerce City	Adams County	Colorado
Population with a Disability	11%	11%	11%
Overcrowded Households	5%	5%	2%
Racial or Ethnic Minority Population	59%	54%	34%
Housing Stock Built Before 1970	21%	23%	24%
Population with Limited English-Speaking Ability	5%	6%	3%
Single-Parent-Led-Households	11%	9%	7%
25-and-Over Population without a High School Diploma or Equivalent	15%	15%	7%
Cost-Burdened Households	68%	72%	67%
Renter Households	22%	31%	34%
Below 30% AMI Households	14%	17%	18%
Below 50% AMI Households	26%	32%	33%
Below 80% AMI Households	47%	55%	54%
Change in Median Gross Rent from 2018	6%	11%	17%
Change in Median Home Value from 2018	32%	38%	32%

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

Note: Due to data limitations, HUD's published FY 2023 median family income (MFI) for the area ($125,500) serves as a substitute for AMI.

Key Findings and Implications

- Renters face severe affordability pressures. In 2023, 57% of renter households in Commerce City were cost burdened, including one-third who were severely burdened (paying half or more of their income toward rent). This limits disposable income for essentials and increases housing instability.
- While homeowner cost burden has eased since 2018, it remains a concern: 19% of mortgaged households were cost burdened and 8% severely burdened in 2023, leaving many vulnerable to foreclosure or financial strain if conditions worsen.
- Seniors are especially vulnerable to affordability challenges. About 80% of senior renters aged 65 and over were cost burdened, while the same was true of more than one-in-three senior homeowners.
- Overcrowding in Commerce City occurs at more than twice the statewide rate, potentially indicating a mismatch between available housing supply and the needs of larger families.
- Homelessness has risen sharply across the Denver Metro region. The 2024 PIT count reported 14,281 individuals experiencing homelessness across the CoC, with unsheltered populations more than doubling since 2018. Increased shelter capacity explains part of the surge, but the true scale of housing instability is likely higher due to PIT count limitations.
- A meaningful share of Commerce City households face substandard conditions, including incomplete kitchens, inadequate plumbing, or reliance on non-standard fuels. Notably, incomplete plumbing was reported at more than twice the countywide rate.
- Displacement risks are concentrated in the central neighborhoods of the historic core, reinforcing the “tale of two cities” narrative. In these neighborhoods, factors associated with increased vulnerability—including older housing stock, lower incomes, and higher rent shares—intersect with elevated rates of single-parent households, overcrowding, limited English proficiency, and low educational attainment.

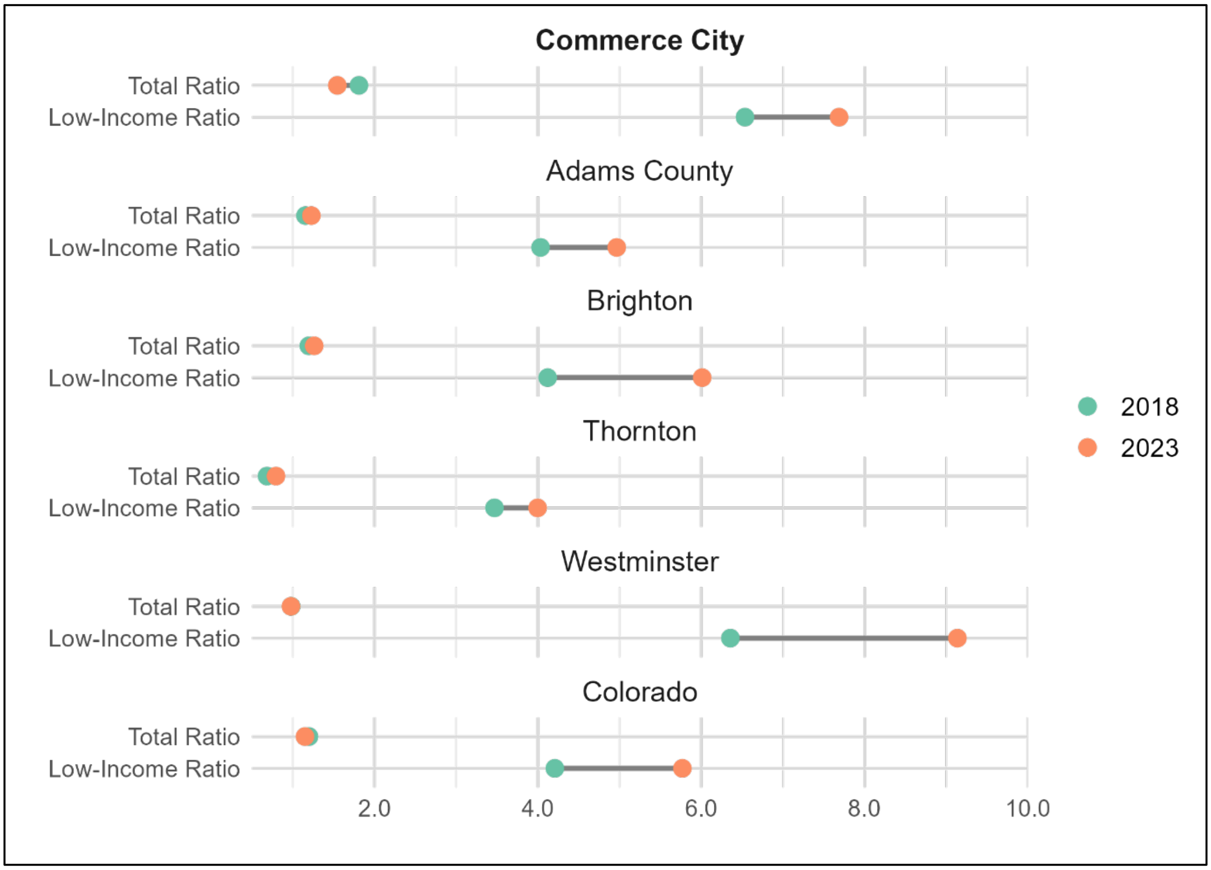
Current and Projected Housing Needs

This section evaluates Commerce City's capacity to meet the housing demands of its existing and future residents, highlighting ongoing imbalances between jobs, income levels, and housing availability. While the overall jobs-to-housing ratio has moved toward a healthier equilibrium in recent years, housing options for low-income workers remain scarce, contributing to longer commutes and heightened competition for limited affordable units. The city also faces significant needs for accessible and supportive housing, with estimates indicating that roughly 11% of the housing stock should be visitable or accessible and that about 65 supportive housing units are required to meet the needs of residents experiencing homelessness. Overall, the city faces an estimated shortfall of 6,255 units, nearly half of which should be affordable at the below 80% AMI level. The findings highlight the need for sustained, inclusive housing production that accomodates household growth while addressing affordability, accessibility, and stability for residents across the income spectrum.

Jobs-Housing Balance

In Commerce City, the ratio of jobs to housing units highlights both progress and persistent challenges in balancing employment growth with housing supply. Overall, the city had 1.8 jobs per unit in 2018, declining to 1.5 in 2023—a shift toward a ***healthier balance,*** as ratios slightly above 1.0 are considered optimal for aligning the number of jobs with available housing. (see Figure 48). Importantly, this metric offers insight into the extent to which workers may be forced to commute from outside the community. However, the situation has worsened for low-income workers (defined here as earning less than $35,000 annually). In 2018, there were ***6.5 low-income jobs for every affordable unit,*** a figure that rose to ***7.7 by 2023.*** This mismatch suggests that many low-income residents face limited housing choices near their workplaces, forcing them either to compete intensely for scarce affordable units, live in overcrowded conditions, or commute long distances. For context, Colorado overall reported 5.8 low-income jobs per affordable unit in 2023, slightly higher than the countywide ratio of 5.0. All peer communities, with the exception of Westminster, offered more housing relative to the size of their low-income workforce.

Figure 48. Jobs-to-Housing Ratio, 2018 & 2023



Source: Five-Year American Community Survey; Matrix Design Group, Inc.
Note: For the purposes of this analysis, a low-income job is defined as one with annual earnings below $35,000. An affordable housing unit is defined based on standard affordability benchmarks: for renters, gross rent must not exceed 30% of monthly income; for homeowners, the purchase price must not exceed three times annual income.

Accessible/Visitable and Supportive Housing Needs

As of 2023, Commerce City's total need for accessible and visitable housing is estimated at 2,468 units, representing ***roughly 11% of the city's total housing stock*** (see Table 9). This level of need underscores the importance of integrating accessibility considerations into future residential development as the city grows. Accessible and visitable units are designed to accommodate individuals with mobility limitations, typically featuring step-free entryways, wider interior passageways, and at least one usable bathroom on the main floor. Representing ***total need rather than unmet demand,*** the estimate accounts for shared living arrangements among individuals with disabilities and adds a modest vacancy buffer to support adequate housing availability.

Commerce City is also estimated to require ***approximately 65 supportive housing units*** (about 0.3% of the total stock) to meet the needs of its homeless population (see Table 9). Because homelessness data from the HUD PIT Count are reported only for the seven-county region, Commerce City's share was inferred by allocating the regional homeless population according to the city's share of households earning less than $25,000 annually. This approach assumes that the prevalence of homelessness is proportional to the concentration of very low-income households. To estimate supportive housing needs, we further assume that 30% of individuals experiencing homelessness require supportive housing, consistent with research indicating that roughly one-third of people experiencing homelessness face chronic conditions, disabilities, or other barriers that prevent housing stability without intensive, ongoing services.[4]

Table 9. Total Demand for Accessible/Visitable and Supportive Housing in Commerce City

Housing Type	Total Unit Demand	Percent of Total Housing Stock
Accessible/Visitable	2,468 units	11%
Supportive	65 units	0.3%

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

Note: Accessible and visitable housing unit needs were estimated based on the population with an ambulatory disability. To translate the number of individuals into unit needs, it was assumed that an average of 1.1 people with a disability would share each accessible unit, recognizing that some individuals live with family members or caregivers. To ensure a healthy level of availability and account for typical vacancy rates, a 5% vacancy buffer was applied. Because HUD Point-in-Time (PIT) data on homelessness are reported only for the seven-county region, Commerce City's share of supportive housing needs was estimated separately by allocating the regional homeless population according to the city's share of households earning below $25,000 annually. It was further assumed that 30% of individuals experiencing homelessness require supportive housing.

[4] U.S. Department of Housing and Urban Development. The 2023 Annual Homeless Assessment Report (AHAR) to Congress: Part 1 – Point-in-Time Estimates of Homelessness. December 2023. Available at: https://www.huduser.gov/portal/sites/default/files/pdf/2023-AHAR-Part-1.pdf

Existing Gaps

As Table 10 shows, Commerce City's renter- and owner-occupied households differ sharply in income composition, indicating a ***pronounced divide*** in housing affordability and access. More than one-in-three renter households earned below 30% of AMI, or roughly $37,650, while another 22% fell between 31% and 50% AMI. An additional 29% earned between 51% and 80% AMI, meaning that over four-in-five renter households (more than 80%) were classified as low income. In contrast, only 37% of owner-occupied households fell within low-income thresholds. A plurality of homeowners earned more than 200% AMI—equivalent to annual incomes exceeding $250,000—highlighting the city's significant economic polarization. This AMI distribution provides critical context for understanding the housing needs and affordability challenges facing existing residents.

Table 10. Households by AMI Tier, 2023

AMI Tier	Total Households		Owner Households		Renter Households	
Extremely Low Income (≤ 30% AMI)	3,193	15%	1,613	10%	1,580	34%
Very Low Income (31–50% AMI)	2,354	11%	1,341	8%	1,013	22%
Low Income (51–80% AMI)	4,457	21%	3,115	19%	1,342	29%
Moderate Income (81–120% AMI)	5,086	24%	4,511	27%	575	12%
Middle Income (120% AMI–200% AMI)	738	3%	716	4%	22	0%
Upper Income (201%+ AMI)	5,510	26%	5,343	32%	167	4%
Total Households	**21,338**	**100%**	**16,639**	**100%**	**4,699**	**100%**

Source: Five-Year American Community Survey; State Demography Office; Matrix Design Group, Inc.
Note: Totals may not sum precisely because of rounding. Due to data limitations, this analysis approximates AMI tiers using HUD's published median family income (MFI) for the area ($125,500).

Table 11 presents estimated housing needs for Commerce City as of 2023. The analysis was developed using several assumptions: that 0.5 units are needed for every overcrowded household, that "healthy" market-ready vacancy targets equal 5% for rentals and 2% for owner units, and that 25% of in-commuters would choose to live in the city if additional housing were available. Based on these parameters, Commerce City is currently estimated to need ***6,255 additional housing units,*** including 4,758 owner units and 1,497 rentals. Rental unit need is heavily concentrated at the lower end of the income spectrum, with 84% of the gap at below 80% AMI. These lower-income brackets account for a significant share (36%) of identified owner housing needs as well. The total need was distributed across income and tenure categories according to the existing composition of households, ensuring that estimates reflect Commerce City's socioeconomic and housing profile. The magnitude and distribution of these needs suggests that without targeted production of affordable units, Commerce City risks worsening cost burdens, overcrowding, and displacement.

Table 11. Existing Housing Needs in Commerce City, 2023

AMI Tier	Total Units		Owner Units		Renter Units	
Extremely Low Income (≤ 30% AMI)	964	15%	461	10%	503	34%
Very Low Income (31–50% AMI)	706	11%	383	8%	323	22%
Low Income (51–80% AMI)	1,319	21%	891	19%	428	29%
Moderate Income (81–120% AMI)	1,473	24%	1,290	27%	183	12%
Middle Income (120% AMI–200% AMI)	212	3%	205	4%	7	0%
Upper Income (201%+ AMI)	1,581	25%	1,528	32%	53	4%
Total Units	**6,255**	**100%**	**4,758**	**100%**	**1,497**	**100%**

Source: Five-Year American Community Survey; State Demography Office; Matrix Design Group, Inc.
Note: Totals may not sum precisely because of rounding. Due to data limitations, this analysis approximates AMI tiers using HUD's published median family income (MFI) for the area ($125,500).

Future Gaps

Looking ahead, Commerce City is projected to need a ***cumulative total of 8,113 housing units by 2033.*** This estimate reflects both current shortfalls as well as additional units required to accommodate projected household growth. The total need consists of 5,687 owner units and 2,426 rental units, with significant demand at the below 80% AMI level. Roughly 1,900 of the projected units are needed solely to accommodate new households anticipated over the next decade. Future needs were distributed across income and tenure categories based on the existing household composition. These projections underscore the urgency of sustained housing production that not only keeps pace with overall growth but also delivers units affordable to the households most in need.

Table 12. Future Cumulative Housing Needs in Commerce City, 2033

AMI Tier	Total Units		Owner Units		Renter Units	
Extremely Low Income (≤ 30% AMI)	1,366	15%	551	10%	815	34%
Very Low Income (31–50% AMI)	981	11%	458	8%	523	22%
Low Income (51–80% AMI)	1,758	21%	1,065	19%	693	29%
Moderate Income (81–120% AMI)	1,839	24%	1,542	27%	297	12%
Middle Income (120% AMI–200% AMI)	257	3%	245	4%	12	0%
Upper Income (201%+ AMI)	1,912	26%	1,826	32%	86	4%
Total Units	**8,113**	**100%**	**5,687**	**100%**	**2,426**	**100%**

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

Note: Totals reflect cumulative (i.e., existing and future) needs and may not sum precisely because of rounding. Due to data limitations, this analysis approximates AMI tiers using HUD's published median family income (MFI) for the area ($125,500).

Key Findings and Implications

- Despite improving overall, the jobs-to-housing ratio has worsened for lower-income workers in Commerce City. In 2023, there were 1.5 total jobs per housing unit—a relatively healthy balance—but 7.7 jobs under $35,000 per affordable unit. As competition for affordable units intensifies, more low-wage workers are pushed into long, costly commutes.
- Commerce City currently faces an estimated shortfall of 6,255 housing units, including 4,758 owner units and 1,497 rentals. There is a significant shortage of low-income housing, with 84% of rental needs and 36% of ownership needs below 80% AMI. Increased production of affordable units is key to mitigating displacement risk. By 2033, the total cumulative housing need is projected to reach 8,113 units.
- The city's total need for accessible and visitable housing is estimated at approximately 2,468 units, equivalent to 11% of its housing stock. This figure represents the overall level of housing that should be available—not an existing shortfall—and underscores the importance of integrating universal design features, such as step-free entryways and main-floor bathrooms, into new residential development to accommodate residents with mobility limitations and an aging population.
- Commerce City's total supportive housing need is estimated at 65 units, about 0.3% of the city's housing stock. This represents the total units required to adequately serve residents needing intensive services, rather than an unmet need.
- The city's housing needs are heavily skewed toward low- and moderate-income households. Without a deliberate focus on affordability, Commerce City risks widening economic divides and exacerbating cost burdens and overcrowding.

Community Engagement

Throughout the project timeline, robust community and stakeholder engagement ensured that feedback was gathered from Commerce City residents, housing developers and providers, and a wide range of other local stakeholders. Engagement efforts included ***two targeted outreach events (one in-person, one virtual), three open houses (two in-person, one virtual), a community questionnaire, a survey of local employers, and a series of ten stakeholder interviews. In addition, City staff solicited additional input at two "SpeakUp" Commerce City events***. To ensure accessibility, Spanish interpretation was provided at all public events, and both the resident and the employer survey were translated to Spanish.

Targeted Outreach Events

To ensure that the perspectives of residents most at risk of housing instability were meaningfully incorporated into the HNA, the project team facilitated two targeted engagement events: a pop-up event at *The Well*, which provides community meals and other services to low-income residents, on June 13 and a virtual focus group attended by low-income families on June 18. Both efforts were designed to reach households vulnerable to displacement, particularly lower-income residents and those with limited access to formal engagement channels. Traditionally, these groups are underrepresented in planning processes. Participants voiced clear frustration with the quality and cost of available rental housing, citing landlords who charge high rents for units in poor condition. Others emphasized a ***shortage of senior care and supportive living*** options. More broadly, participants emphasized that while finding housing in general can be difficult, securing affordable homes that are also safe and well-maintained poses an ***even greater*** challenge. Their feedback reinforced broader data findings showing that affordability challenges are compounded by ***quality and condition issues,*** especially for renters, and highlighted the importance of preserving and improving existing housing stock while expanding affordable and supportive housing options.

Community Open Houses and "SpeakUp" Events

From July through September, a total of six events were held where the project team presented key data findings, discussed residents' housing challenges and needs, and gathered feedback on potential policies and solutions. The open houses included an in-person event at the Bison Ridge Recreation Center, an in-person event at the Eagle Pointe Recreation Center (including a focus group discussion with residents), and a virtual open house. City staff also facilitated a pair of drop-in events through the "SpeakUp" Commerce City initiative. The Bison Ridge, Eagle Pointe, and virtual open house events included a Spanish-language interpreter and Spanish engagement materials to maximize resident and stakeholder participation.

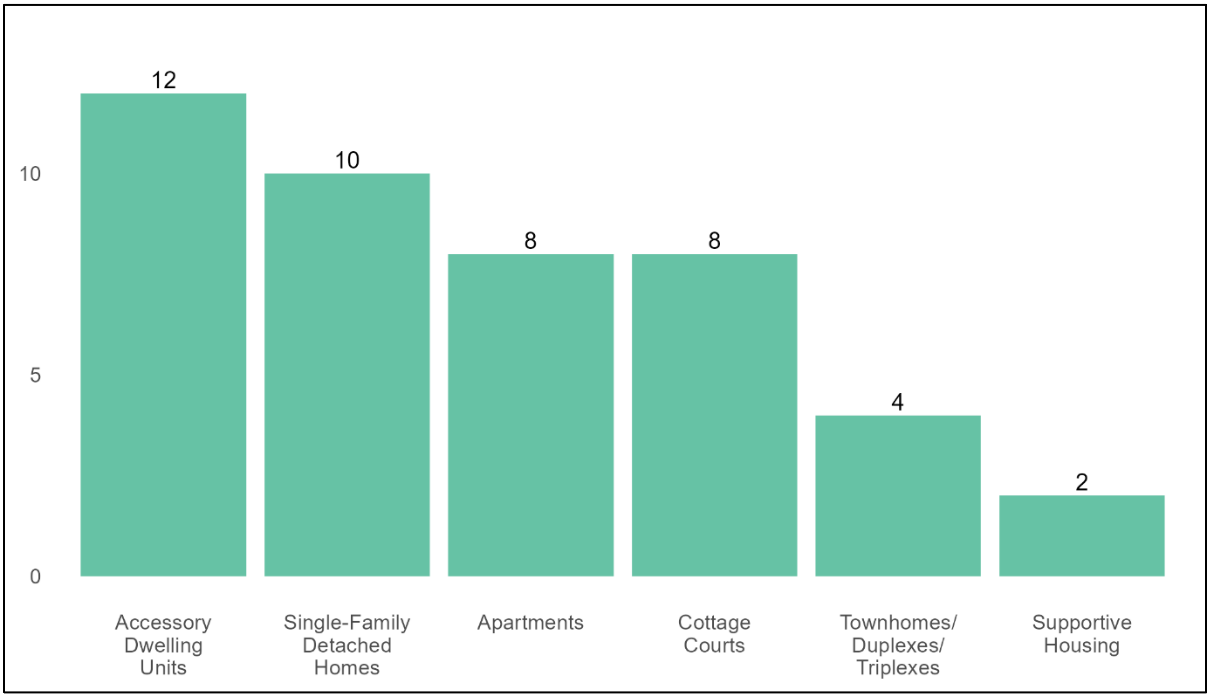
Key data presented at the open houses focused on Commerce City's demographics, income levels, housing market, and affordability. These forums provided residents an opportunity to explore the data, ask questions, and share their perspectives. Participants also engaged in two interactive activities: a visual preference exercise, where they identified the housing types they would most like to see in

Commerce City, and a questionnaire-style activity that asked them to indicate their level of support for 15 potential housing perspectives and policy solutions.

One of the visual preference boards is pictured in Figure 49, while Figure 50 aggregates the results of the visual preference exercise across the three events where it was offered. Residents were allowed to select multiple options, and a total of 44 votes were recorded. Accessory dwelling units and single-family detached homes emerged as the most preferred housing types, followed by apartments and cottage courts. In contrast, missing middle options and supportive housing received the fewest votes, indicating lower familiarity or comfort with these forms among respondents. Collectively, the results suggest strong community interest in traditional housing types, alongside opportunities for further education and engagement around alternative forms that could help broaden Commerce City's future housing mix. It is important to recognize that while the findings are informative, they reflect the perspectives of participants and may not be representative of all residents.

Figure 49. Sample Visual Preference Board

Figure 50. Visual Preference Exercise Results: Number of Votes by Housing Type



The housing perspectives exercise is depicted in Figure 51, while Table 13 presents the aggregated results from all events where the activity was offered. Residents expressed a strong need for more affordable, workforce, and senior housing options, both for ownership and for rent. Many also emphasized the need for housing that better supports families, including larger units and ***multigenerational*** living arrangements. Participants voiced ***widespread dissatisfaction with the quality*** of available housing, citing issues such as broken appliances, mold, pests, and other habitability concerns. Feedback underscored the limited availability of housing for lower-income residents and a need for more supportive housing options and attainable homeownership opportunities. Overall, there was broad support for policies to expand the city's housing supply through zoning updates that enable more ***flexible and mixed-use development,*** increased multifamily construction, and allowances for accessory dwelling units (ADUs). Residents also expressed interest in sustainable design practices and a stronger commitment to maintaining and improving housing quality across all income levels.

Figure 51. Housing Perspective Exercises

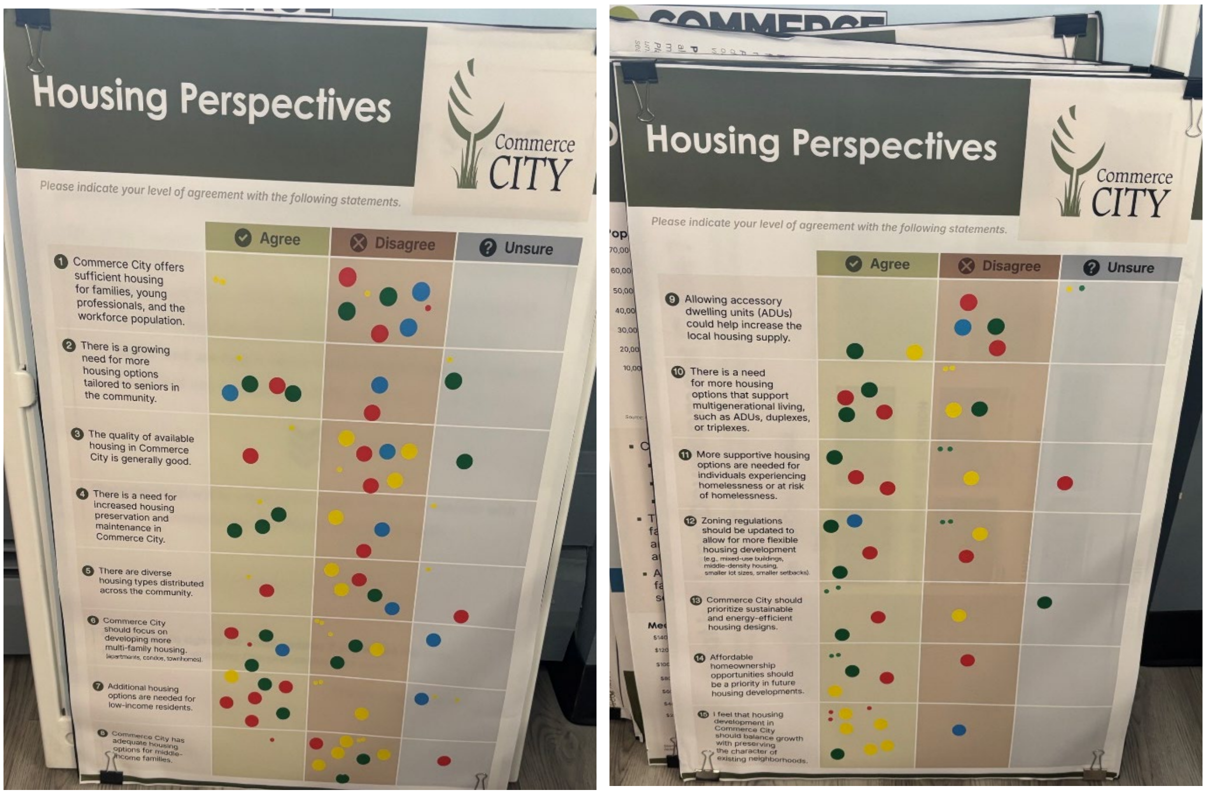


Table 13. Aggregated Results of Housing Preferences Exercises

Prompt	Agree	Disagree	Unsure/Neutral
"Commerce City offers sufficient housing for families, young professionals, and the workforce population."	8	9	2
"There is a growing need for more housing options tailored to seniors in the community."	23	2	2
"The quality of available housing in Commerce City is generally good."	3	15	10
"There is a need for increased housing preservation and maintenance in Commerce City."	5	3	2
"There are diverse housing types distributed across the community."	3	7	4
"Commerce City should focus on developing more multi-family housing."	18	8	2

"Additional housing options are needed for low-income residents."	32	3	3
"Commerce City has adequate housing options for middle-income families."	8	10	6
"ADUs could help increase the local housing supply."	4	4	3
"There is a need for more housing options that support multigenerational living, such as ADUs, duplexes, or triplexes."	9	4	2
"More supportive housing options are needed for individuals experiencing homelessness or at risk of homelessness."	6	3	2
"Zoning regulations should be updated to allow for more flexible housing development."	7	5	1
"Commerce City should prioritize sustainable and energy-efficient housing designs."	7	1	1
"Affordable homeownership opportunities should be a priority in future housing developments."	9	1	—
"I feel that housing development in Commerce City should balance growth with preserving the character of existing neighborhoods."	12	1	—

During the Eagle Pointe community open house, a small focus group discussion was held to gather deeper feedback from residents about local housing challenges. Participants emphasized the need for stronger tenant protections and greater accountability for landlords. Many described deteriorating housing conditions, citing issues that raise broader ***environmental justice*** concerns, such as broken appliances, lack of running water, mold, pests, and other health and safety hazards. Participants stressed the importance of increased code enforcement, regular inspections, and rental unit registration to improve oversight and ensure safe, habitable conditions for all residents.

Participants also highlighted the absence of ***rent stabilization*** and ***eviction protections,*** noting that these gaps have contributed to displacement and financial strain. To remain housed, they are forced to spend well beyond affordable thresholds and ***sacrifice essentials*** like food and medicine. Suggested solutions included enhanced tenant education, access to legal assistance for those facing unsafe conditions or retaliatory evictions, and better support in locating safe, affordable housing. Overall, participants emphasized a shortage of safe, accessible, and affordable homes, with the most acute need among households with very low or fixed incomes, including seniors.

Community Questionnaire

To gather input from Commerce City's residents, a bilingual community questionnaire was developed and distributed from March 2025 to late August 2025. The survey was promoted through multiple channels, including Commerce City's official social media platforms, local community organizations, and in-person outreach at community open house events.

While the survey provides valuable insight into residents' housing experiences and perceptions, its findings should be interpreted with caution due to important methodological limitations. Most notably, the survey relied on a convenience sample rather than a probability sample. In a probability sample, such as the U.S. Census Bureau's ACS, every household has a known and nonzero chance of selection, allowing results to be generalized to the broader population within a measurable margin of error. By contrast, a convenience sample depends on voluntary participation, meaning exposure to the survey and willingness to respond can vary across groups. As such, residents who are more engaged, available, or motivated to share their experiences tend to be overrepresented in convenience samples. While a probability-based survey would offer greater statistical representativeness, it was not feasible for this project given resource and time constraints. Nonetheless, the survey results offer meaningful qualitative and directional insights that help contextualize local housing challenges and community priorities.

The Commerce City resident housing survey collected 84 total responses from residents (67 English and 17 Spanish). Because the survey relied on a convenience sample rather than a probability sample, the results are not statistically representative of all Commerce City residents, and increasing the number of responses alone would not eliminate this limitation. Notably, the respondent pool skewed toward lower-income individuals and renters—groups that are often underrepresented in traditional surveys—offering a valuable perspective on housing challenges among more vulnerable residents. More specifically, 58% of respondents identified as renters, and 53% reported an annual household income below $50,000. More information on the residents' demographic and socioeconomic characteristics can be gleaned from the full survey results, which appear as a supplementary appendix. A synopsis of the key findings appears below.

Housing Affordability and Stability

- ***58%*** of respondents indicated they were "dissatisfied" or "very dissatisfied" with the overall affordability, quality, and availability of housing in Commerce City.
- ***55%*** expressed little or no confidence in their ability to cover their upcoming mortgage or rent payment.
- When asked which expenses their housing costs had prevented them from covering, the most frequently selected responses were saving for ***emergencies*** (22%), paying for ***medical care*** (19%), and paying off ***non-housing debt,*** such as credit cards or student loans (16%).
- When asked why they chose to live in Commerce City, respondents most frequently cited the city's ***relative housing affordability*** (26%).

Housing Choices and Preferences

- 67% noted it is "important" or "very important" for Commerce City to offer a ***wider variety*** of housing options, including duplexes, townhomes, and condos.
- When asked about preferred housing types, respondents showed strong interest in ***expanding housing choices,*** with the greatest interest in apartments (22%), single-family homes (15%), and senior living communities (12%).

Key Housing Concerns and Priorities

- When asked to identify Commerce City's most pressing housing issues, the most popular responses were rental affordability (16%), the age and condition of the housing stock (15%), and the lack of subsidized affordable housing (14%).

- 43% noted it was “difficult” or “very difficult” to locate their current housing.

Overall, the survey results demonstrate that while residents value Commerce City's affordability compared to other areas, current housing costs are straining household budgets and limiting residents' ability to build financial stability. A lack of affordable options, especially for low-income renters and seniors, and an aging and deteriorating housing stock pose continued challenges to Commerce City residents.

Stakeholder Input

During the course of this project, the project team met with various stakeholders, including non-profit housing organizations, local housing developers and providers, and governmental organizations. These stakeholders were interviewed and provided their input regarding housing strategies, barriers, and opportunities in Commerce City and the Denver metro region more broadly. The feedback received through these interviews helps to supplement the quantitative analysis. The stakeholders interviewed include the following:

- Commerce City Housing Authority
- Adams County
- Maiker Housing Partners (the Adams County housing authority)
- Growing Home (a non-profit supportive service provider)
- Mercy Housing Colorado (a non-profit affordable housing developer)
- Habitat for Humanity of Metro Denver (a non-profit affordable housing developer)
- Brother’s Development (a non-profit affordable housing developer)
- Nesbitt Development (an affordable housing developer)
- United For a New Economy (a non-profit housing policy and renter advocacy organization)
- Home Builders Association of Metro Denver (a trade association representing local developers)

What We Heard

Throughout the stakeholder engagement process, several major themes emerged reflecting shared priorities and concerns among participants. Discussions highlighted both systemic challenges and opportunities for action across the housing spectrum. These insights provide important context for shaping Commerce City’s housing strategies and policy recommendations.

Clear and concise timelines are vital for development success.

Developers noted that long permitting and review timelines ***kill many projects*** by increasing construction costs, delaying occupancy, and reducing the likelihood of receiving state and federal funding. Developers noted that any opportunity to ***streamline, clarify, or simplify*** the development process would drastically increase project viability, particularly for affordable housing developments. Potential improvements discussed included expedited permitting and review timelines for affordable developments, expanding the use of by-right/administrative approvals, and offering pre-approved design templates for housing types such as ADUs. In addition, developers noted that city-provided technical assistance (including early application/predevelopment assistance, funding sources identification and alignment, and help navigating permitting, zoning, and infrastructure concerns) would help to effectively plan and deliver a project.

There is a lack of attainable housing, for both rent and for ownership. Incentives and regulatory changes are needed to increase the supply of housing to accommodate Commerce City residents.

Every interviewee emphasized that Commerce City—and the Denver metro region more broadly—is experiencing a significant housing shortage, encompassing both affordable and available units for rent and for sale. Developers noted that rising land prices, high interest rates, escalating construction costs, labor shortages, and limited funding streams have made new housing development increasingly difficult, particularly for projects that include units affordable to lower-income households. Many interviewees also identified the city's current zoning regulations as a ***major barrier,*** restricting where new housing can be built and limiting the diversity of housing types that can be delivered. Stakeholders broadly agreed that updates to zoning are needed to support a wider range of housing options, including missing middle and higher-density development.

Furthermore, many interviewees suggested ***development incentives*** are needed to bridge the gap between what housing is needed and what developers can feasibly build. Development incentives discussed included public land donations, density bonuses, and modifications in development standards, as well as financial incentives such as fee reductions/waivers, tax abatement/deferrals, and low-interest loans to encourage and facilitate the creation of new affordable housing units.

NIMBYism and misconceptions around affordable housing is an ongoing challenge that must be confronted with education.

Many interviewees observed that NIMBYism remains a significant challenge in Commerce City, often driven by misconceptions about who lives in affordable housing and how such developments affect neighborhoods. Stakeholders emphasized that City staff can play a more proactive role in addressing these perceptions through targeted education and outreach. Suggested strategies included highlighting that affordable housing supports the community's own ***workforce***—such as teachers, nurses, and other essential workers—and demonstrating that well-designed housing of all types can ***enhance, rather than diminish,*** neighborhood quality and property values.

Increased knowledge-sharing and collaboration can facilitate new partnerships and successful development.

Interviewees from all sectors (non-profit housing advocates, housing developers, and government staff) noted that current efforts are disjointed across various sectors, and that sharing updated knowledge, data, and resources would be beneficial in developing new housing and assessing displacement risk through current housing stock and quality, rent changes and affordability, and property ownership and management data. Several interviewees suggested that a ***working group*** with housing stakeholders from across the region would help to align goals and efforts, facilitate new partnerships, and strengthen local housing efforts.

While new housing stock is needed, it should be the community's main priority to reject displacement of current homeowners and invest in salvageable and repairable existing housing stock.

Commerce City is home to many senior residents and multigenerational households, including families living in homes that have been passed down for generations. Residents take deep pride in their homes, and the replacement of older housing units can often displace long-time occupants. While continued development is necessary to meet growing demand, the community should place equal emphasis on preserving its existing housing stock through expanded ***home repair, rehabilitation, and preservation programs***. Such efforts can reduce displacement, maintain neighborhood stability, and help residents age in place with dignity.

Employer Survey and City Economic Development Feedback

A survey was distributed to local employers to better understand the housing challenges and needs of Commerce City's workforce, as well as to determine the impact of local housing needs on employee attraction and retention. Furthermore, the survey was structured to gauge support for potential housing solutions involving local businesses, including employer-assisted housing programs and public-private partnerships. This survey was published in the August and September editions of Commerce City's Economic Development Newsletter, published on City social media, and was emailed directly to many of the City's top employers.

The survey only received a few responses but still captured valuable feedback from several of the City's key employers. This feedback was supplemented with a discussion of housing and workforce issues with the City's economic development staff. A synopsis of the main takeaways is below.

- Employers generally like working in Commerce City due to its relatively strong local labor market, high land availability, and lower land costs.
- Employers noted that their employees face challenges related to housing affordability and availability, particularly in locations with access to goods, services, and employment opportunities.
- The most significant challenge identified was the length of employee commutes and the limited availability of transportation options, with some staff traveling more than an hour each way. In addition, it was emphasized that insufficient childcare options continue to negatively affect the City's workforce.
- City economic development staff noted that some retail, grocery, and restaurants have been hesitant to locate in the City due to there being a perceived lack of residential density (and thus, a lack of market demand) for such businesses.
- There was moderate interest in offering housing support or benefits if they helped with employee recruitment or retention, as well as partnering with nonprofits, housing developers, or local governments to address workforce housing.
- Employers noted that increasing affordable homeownership opportunities was crucial. Economic development staff noted that the City historically has had the competitive advantage of having high housing attainability, particularly in comparison to much of the Denver metro area, and it is important to continue to remain competitive in this regard. Staff noted that increasing the diversity of housing options is an important goal from a business attraction standpoint.
- Employers expressed mixed views on whether local businesses should play a more active role in helping employees and their families afford housing, with some agreeing that employers have a role to play and others viewing it as outside their responsibility.

Synopsis

- Residents, particularly those at risk of displacement, described widespread frustration with poor housing quality and rising rents, noting that many landlords charge high prices for units with issues such as mold, pests, and broken appliances.

- Strong demand emerged for affordable, workforce, senior, and family-oriented housing, including multigenerational and smaller-scale options such as ADUs and cottage courts.
- Survey responses echoed these themes, as the respondent pool was skewed toward lower-income renters who reported high cost burdens and difficulty covering basic expenses.
- Stakeholders cited high construction costs, restrictive zoning, and limited incentives as barriers to affordable development, emphasizing the need for zoning reform and stronger preservation efforts. However, comparatively lower land costs and higher land availability is seen as a driving factor for economic investment.
- Businesses have been hesitant to establish retail, grocery, and restaurant uses due to a perceived lack of households and insufficient local demand.
- Employers noted that housing costs and long commutes (partially driven by a lack of transit options) affect recruitment and retention and expressed some interest in employer-assisted or partnership-based housing solutions. Retaining attainable housing options is necessary to maintain Commerce City's competitive labor market advantage.

Preliminary Policy and Programmatic Recommendations

This section outlines preliminary recommendations for further exploration as part of the forthcoming Housing Action Plan, focused on expanding, preserving, and improving housing across income levels. It identifies local financial tools that can be coupled with state and federal resources. It then details development incentives, alongside expedited review, targeted fee relief, and public land strategies to improve project feasibility. Parallel recommendations focus on maintenance and preservation, stronger monitoring, compliance, and tenant protections, and expanded supportive housing and homelessness prevention. Finally, the section identifies partnerships and technical assistance (including employer-assisted housing), and outlines zoning and development standard changes to align regulations with the city's housing goals. The forthcoming Housing Action Plan will build upon these identified opportunities, providing a more prescriptive and implementation-focused framework for addressing Commerce City's housing challenges.

Local Financial Assistance

Local funding sources and financial incentives offer the most direct and locally responsive streams of funding to support the development and preservation of affordable, workforce, and senior housing. Such sources include grants/subsidies, loans, tax abatement, tax deferral, tax increment financing (TIF), and linkage fees. Each of these funding sources is outlined in further detail below.

Grants/Subsidies

Local grants and subsidies ***provide immediate financial support*** for projects without repayment obligations. Grants can fund or subsidize a range of development costs, including pre-development costs, construction, rehabilitation, and supportive services; operational subsidies can cover the difference between operating costs and rental income for affordable housing developments. This can enable projects that might otherwise be unfeasible due to high development costs and can support non-profit developers who have less capital. However, grants require continued local government funding and are not a sustainable long-term funding source if not coupled with other funding mechanisms.

Low-interest Loans

Low-interest local loans lower the cost of interest for developers, making projects more ***financially viable and attractive*** to other investors. Such loans include ***revolving loans,*** which provide a continuous stream of funding for eligible projects. As loans are repaid, the money is re-loaned to new projects, creating a cycle of funding. Low-interest loans are particularly helpful for mixed-income projects, with market-rate and affordable units. However, eligibility criteria need to be carefully structured so as not to exclude smaller or non-profit developers. In addition, this approach requires a high level of administrative effort and continued local government funding (including high initial investment in the case of revolving loans), and local governments bear the risk of default.

Tax Abatement

Tax abatement refers to a government-granted reduction or exemption from taxes, typically for a specified period. Tax abatement ***reduces ongoing property tax costs,*** improves a project's return on investment, and can be structured over many years, providing long-term financial relief. Tax abatement is particularly effective for projects with high initial costs; however, tax abatement reduces the City's tax revenue, which can negatively impact public services.

Tax Deferral

Tax deferral allows developers to ***delay tax payments*** to a future period, improving short-term cash flow. This is particularly advantageous for large-scale projects with long development timelines or during economic downturns when liquidity is critical. However, deferring payments also delays revenue to the city, which can temporarily limit funding for public services.

Tax Increment Financing (TIF)

Tax increment financing (TIF) is a tool that allows a municipality to designate a certain area to fund public improvements, such as infrastructure or new development, by using the future increase in property tax revenue generated within that district. TIF works by ***freezing the tax revenue*** in the district and then channeling any additional tax dollars generated by new investments or increased property values into a separate fund to pay for projects within the district. This approach can support affordable housing development by using TIF funds for gap financing for affordable housing projects, or by funding infrastructure improvements necessary to support new residential development.

The ***Commerce City Urban Renewal Authority*** (CCURA) currently utilizes TIF to improve slum and blighted areas, operating as a public-private partnership in which public investment is supported by TIF while the majority of the project is funded by the private sector. CCURA currently is involved in four urban renewal projects, including the Derby Downtown District, Victory Crossing, the Mile High Greyhound Park, and the City Plaza/Parkways Market shopping centers.

Linkage Fees

Linkage fees help account for the impact that new commercial, industrial, and office development can have on local housing costs. By assessing these fees, Commerce City can ensure that new development contributes to the creation and preservation of affordable housing, helping lower-wage workers secure housing within the community where they work. Typically charged on a per-square foot basis for eligible projects, linkage fees are collected by the city and deposited into a dedicated trust fund to support the ***construction, rehabilitation, and long-term maintenance*** of affordable units. Linkage fees are currently utilized successfully in several municipalities in Colorado. Three examples are detailed in Table 14.

Table 14. Linkage Fee Comparison by Development Type and Jurisdiction (Price per Square Foot)

Municipality	Office	Residential	Retail	Commercial	Industrial	Institutional	Lodging
Boulder, CO	$31.36	—	$20.91	—	—	—	—
Denver, CO	—	$5–7	—	$6–9	$2.50	—	—
Grand Junction, CO*	$5.50	—	$10	—	$1	$6.50	$4.50

Source: Matrix Design Group, Inc.

Note: *Approved April 2025 and set to take effect January 2026.

Notably, it is essential to balance affordable housing needs with the goal of attracting and retaining businesses. Linkage fees should be carefully considered and calibrated with local market conditions and broader economic development goals, to avoid deterring some commercial development or passing costs on through higher rents or reduced job creation. Furthermore, before linkage fee adoption, the city must conduct a nexus study to establish a legally defensible connection between the fee and the impact of development on affordable housing demand. Best practices suggest reviewing the ordinance periodically to account for inflation and economic shifts. For example, Cambridge, MA, indexes its linkage fee to the Consumer Price Index (CPI), although the fee is not reduced when the CPI declines. Such mechanisms help maintain the fee's real value over time while ensuring predictability for developers.

State (DOLA) Funding Opportunities

State-level funding sources, including those from the Colorado Department of Local Affairs (DOLA), are particularly suited to addressing the affordable housing challenges facing Commerce City. These programs, many of them newly established, reflect the state's intensified commitment to expanding housing access and affordability. By strategically leveraging these resources, local jurisdictions can support new housing across income levels and lay the groundwork for long-term community resilience and economic growth.

Housing Development Grant and Loan Fund Expansion

The ***Housing Development Grant (HDG)*** funds and ***Housing Development Loan (HDL)*** funds, administered by the Colorado Division of Housing (DOH), present significant opportunities for communities to enhance their affordable housing initiatives. HDG funding can be used to convert vacant commercial properties into affordable housing units, a cost-effective adaptive reuse strategy that aligns with the fund's eligible uses. HDG funding can also support improved data collection on local housing conditions and trends, as well as foreclosure prevention and emergency rental assistance programs that help stabilize and preserve housing for the city's most vulnerable residents. Additionally, the HDL could be utilized more extensively to support large-scale affordable housing developments through low-interest loans, addressing the increasing demand for rental units.

Proposition 123: State Affordable Housing Fund

In 2022, Colorado voters approved **Proposition 123**, creating the State Affordable Housing Fund (SAHF), a groundbreaking initiative designed to significantly boost affordable housing across the state. Funded by allocating 0.1% of existing state tax revenue, the SAHF is expected to generate ***up to $300 million annually.*** These funds are accessible to local governments, nonprofits, community land trusts, and private developers.

To qualify for funding, jurisdictions must pledge to increase their affordable housing inventory by ***3% annually*** over a three-year period and have a system that expedites the development review process (Fast Track Review Process) for affordable housing. Participating in this initiative unlocks substantial funding opportunities for initiatives such as land acquisition, rental and homeownership assistance, homelessness case management, and streamlining zoning and permitting processes to accelerate housing development. Commerce City has opted into Proposition 123 and the Housing Authority has already received millions in funding, including $4,750,000 in April 2025 to support 120 rental and homeownership units for The Foundry Project and $3,000,000 in October 2024 to support 120 units at The Vista at Greyhound Park.

Affordable Housing Tax Credit (AHTC)

Colorado's Affordable Housing Tax Credit (AHTC) functions similarly to the federal Low-Income Housing Tax Credit (LIHTC), and it can be paired with the federal credit to help finance the construction or rehabilitation of affordable rental housing. To be eligible, projects must meet income and rent restrictions, typically serving households earning 60% AMI or less. State credits for this program were ***increased significantly*** through 2031, presenting new opportunities to fund large-scale affordable housing developments.

Middle-Income Housing Tax Credit (MIHTC)

Launching in 2025, the **Middle-Income Housing Tax Credit (MIHTC)** program is a first-of-its-kind initiative in Colorado aimed at supporting the development of rental housing for households earning between ***80% and 140% of AMI.*** These households typically earn too much to qualify for programs like the Low-Income Housing Tax Credit (LIHTC) or the Affordable Housing Tax Credit (AHTC) yet still face significant difficulty affording market-rate rents. The MIHTC program will provide $5 million annually in 2025 and 2026, increasing to $10 million annually for the following three years. To ensure long-term affordability, all housing funded through MIHTC will be subject to a minimum ***15-year affordability period,*** helping to address the growing needs of Colorado's middle-income renters.

Private Activity Bonds

Private Activity Bonds (PABs) are tax-exempt municipal bonds that enable state and local governments to leverage private capital for public benefit projects, with affordable housing comprising ***over 90% of PAB utilization*** nationwide. States receive their federal allocation and subdivide it between state agencies (50%) and local governments (50%), typically using population-based formulas. The most powerful aspect of PAB financing for affordable housing lies in its automatic qualification for 4% Low-Income Housing Tax Credits (LIHTC) when bonds finance at least 25% of project development costs, resulting in PABs being used as the primary vehicle for accessing these credits.

Creation of Supportive Housing Program

The **Creation of Supportive Housing Program,** administered by DOLA, expands efforts to address homelessness and housing instability. This program provides grants and loans to nonprofit organizations, housing authorities, and private developers to develop supportive housing that integrates ***wraparound services,*** such as mental health care, case management, and employment assistance, for the region's most vulnerable populations.

Federal Funding Opportunities

A variety of federal programs can help support housing development; however, many of these funding sources have recently faced reductions, creating uncertainty nationwide. The City should closely monitor federal policy actions and court rulings affecting housing funds and be prepared to act quickly to allocate or secure resources when opportunities, such as the release of previously frozen funds, arise.

Low-Income Housing Tax Credit

The **Low-Income Housing Tax Credit** (LIHTC) incentivizes financing to rehabilitate or construct very low and low-income rental housing. A project must set aside a minimum percentage of units to be affordable to very low and low- income renters for at least 30 years in exchange for a reduction in federal tax liability over ten consecutive years. There are non-competitive credits (4 percent) meant to subsidize 30% of the low-income unit costs and competitive credits (9 percent) meant to subsidize 70%

of the low-income unit costs. Competitive credits are often awarded to developments with a ***higher percentage of set-aside low-income units.*** They are also often reserved for more pressing projects that address housing for specific vulnerable groups such as homeless individuals or people with special needs.

HOME Investment Partnership Program

The **HOME Investment Partnerships Program** (HOME) is the largest federal block grant designed exclusively to create and maintain affordable housing. Administered by the Department of Housing and Urban Development (HUD), HOME provides grants to states and localities to fund housing initiatives including ***building, buying, and rehabilitating*** affordable housing for rent or homeownership. In addition, the program can be used to provide direct rental assistance to low-income people.

Community Development Block Grant

The **Community Development Block Grant** (CDBG) HUD program provides annual grants to states, cities, and counties to support a wide range of community development activities, including housing initiatives, particularly for low- and moderate-income individuals and households. CDBG funds can support a wide range of housing activities, such as ***housing rehabilitation, homeownership assistance, site acquisition and predevelopment activities, and infrastructure improvements.*** However, the funds cannot be used directly for the construction of new housing. This program mandates that at least 70% of CDBG funds be used for activities that support the low- and moderate-income population; the program's flexibility and emphasis on lower-income populations makes it well-suited for promoting affordable housing projects.

Section 108 Loan Guarantee Program

The **Section 108 Loan Guarantee Program** is a HUD program that allows CDBG recipients to leverage their annual grant allocations for ***flexible financing*** for economic development, infrastructure, and housing projects. Housing-related activities that can qualify include housing rehabilitation and repair.

Emergency Solutions Grant Program

The **Emergency Solutions Grant Program** (ESG) is a HUD program that awards cities, counties, territories, and states grants to assist people with obtaining and maintaining ***permanent housing.*** The program funds various eligible activities, including outreach to those experiencing homelessness, prevention efforts, rapid re-housing assistance, improving emergency shelter conditions, and implementing Homeless Management Information Systems (HMIS).

Pathways to Removing Obstacles to Housing

Pathways to Removing Obstacles to Housing (PRO Housing) is an annual federal HUD grant to support communities that are working to ***eliminate barriers*** to affordable housing production and preservation. Grants of up to $10 million can be awarded to local governments for actions to further develop and implement housing policy plans, improve housing strategies, and facilitate housing production and preservation. The grant can fund amendments to current policies and codes, education and outreach activities, and demonstration projects, among other related activities. County governments, municipal governments, and metropolitan planning organizations are among those eligible to apply.

Development Incentives

Development incentives—including density/height bonuses, parking reductions, expedited permitting and review, fee relief, and public land donations/sales—are highly effective at encouraging the development of affordable, workforce, and senior housing. The provision of such incentives helps to reduce regulatory and administrative barriers, speed up timelines, and lower the cost of development, ultimately increasing the feasibility and sustainability of affordable and senior housing projects.

Density/Height Bonuses

Density/height bonuses are among the most common incentives that local governments provide for developers of affordable and workforce housing. When the number of units that can be built on a property is limited, whether it is maximum limit on the number of units that can be built on a property, floor area ratio (FAR), or through height restrictions, an additional bonus allowing increased density or height can be offered in exchange for providing affordable housing. This can make an affordable housing or mixed-income housing project that would ***otherwise be infeasible become more financially viable.*** Density bonuses bring additional rent from bonus units and increase the value of the property, which compensates for the loss in rent from sub-market rate units.

In the new 2025 Land Development Code, Commerce City does not impose density maximums or FAR requirements. Instead, other development standards (such as lot coverage and height), set the parameters developers use to determine the number of units for a project. Since the number of housing units that can be constructed is largely controlled by maximum height standards; a ***sliding scale height bonus*** is therefore recommended, offering increases in maximum allowable height for developments that provide affordable housing units. Notably, additional housing will increase building costs, along with requirements that scale up like parking and stormwater mitigation; it is important to ensure the provision of a height bonus is offered ***alongside other incentives*** to not act as a potential disincentive to development. Furthermore, some projects are limited in the amount of height they can add before needing to move to a more costly construction type, necessitating adequate calibration to local construction costs and market conditions. Lastly, ***additional density incentives*** could also be granted for developments that include age-restricted senior housing or advance other community development priorities as identified by the City.

This sliding scale height bonus should increase according to both the share of affordable units provided and the depth of affordability achieved. In this structure, projects offering a greater percentage of affordable units, and especially those serving lower-income households, would receive proportionally higher bonuses. Table 15 illustrates a model framework in which height bonuses increase along two dimensions: vertically, as the proportion of affordable units within a development rises, and horizontally, as those units serve households at lower income thresholds. The percentage bonuses represent the recommended increase to the current height maximums for qualifying developments.

Table 15. Model Height Bonus Matrix: Bonus Percentage by Property's Share of Affordable Units and Affordability Level

Percent Affordable Units	<30% AMI	30–50% AMI	50–80% AMI	80–120% AMI
10%	20%	15%	10%	5%
15%	40%	30%	20%	10%
20%	60%	45%	30%	15%
25%	80%	60%	40%	20%
30%	100%	75%	50%	25%

Source: Matrix Design Group, Inc.
Note: Bonus percentages represent the potential increase in maximum allowable height for projects meeting both the share and depth of affordability indicated.

Parking Reductions

Parking is often one of the most expensive components of housing development, particularly when structured, multi-level facilities are required. Reducing parking requirements can therefore help local governments ***lower development costs and promote housing affordability.*** Research consistently shows that lower-income households own fewer vehicles than higher-income households, even when accounting for household size.[5] Similarly, senior housing developments generate less parking demand than comparable non-age-restricted properties. The Institute of Transportation Engineers (ITE), for instance, recommends a ratio of just 0.4 spaces per unit for age-restricted housing, inclusive of residents, visitors, and employees. These observations provide justification for lowering parking requirements for affordable housing units and age-restricted units.

Reflecting recent state legislation and the City's proactive efforts, Commerce City has updated its 2025 Land Development Code to align with Colorado House Bill 24-1304, which prohibits minimum parking requirements for multifamily housing developments located within a quarter mile of designated transit stations. This reform enables more efficient use of land and encourages transit-oriented development by removing barriers to higher-density housing near transit.

For regulatory simplicity and greater impact, it is recommended that parking reductions be applied to an entire development rather than limited solely to affordable, TOD, or senior units, allowing projects that include a mix of unit types to benefit uniformly from the incentive. Table 16 illustrates how parking reductions could be structured on a sliding scale based on the share of units reserved at various AMI levels, with deeper affordability corresponding to greater reductions. Along with offsetting the costs of housing development, parking reductions ***increase the amount of developable land on a site, encourage efficient land use and the use of transit and active transportation modes, and potentially***

[5] Litman, Todd, 2022. Parking Requirement Impacts on Housing Affordability. Victoria Transport Policy Institute.

reduce traffic impacts on a neighborhood. Parking reductions should be voluntary and flexible, giving developers the option to participate based on project needs and market conditions.

Table 16. Model Parking Incentive Matrix by Affordability Level

<30% AMI	30–50% AMI	50–80% AMI	80–120% AMI	Parking Requirement Reduction
10% of units	20% of units	30% of units	40% of units	**20%**
15% of units	30% of units	45% of units	60% of units	**30%**
20% of units	40% of units	60% of units	80% of units	**40%**
25% of units or more	50% of units or more	75% of units or more	100% of units	**50%**

Source: Matrix Design Group, Inc.

Note: Each cell represents a qualifying condition: meeting any one of the listed thresholds would make a project eligible for the corresponding incentive.

A senior housing parking reduction should be permitted either as a stand-alone incentive or as a ***stackable bonus*** that combines with the existing sliding-scale reduction for affordable housing, enabling developments that meet multiple community goals to achieve greater overall benefit. For example, a project with a high share of affordable units could receive a base reduction of up to 50%, with an additional 20% reduction if at least 80% of units are reserved for residents aged 55 and older, or up to 25% if 100% of units are reserved for residents aged 62 and older. The total reduction would combine the applicable incentives, improving project feasibility while advancing City objectives related to affordability and ***aging in place.*** These bonuses can be applied together, recognizing the lower vehicle ownership rates typically observed among both seniors and lower-income households.

Expedited Review and Permitting

Timely approvals are critical to the success of affordable housing projects, particularly when state and federal funding cycles impose strict deadlines that can be jeopardized by delays. As required under Proposition 123, the City has committed to streamlining review and permitting processes to support affordable housing, ***helping ensure project viability, reduce administrative uncertainty, and lower development costs.*** The City's expedited review framework is intended to prioritize affordable housing over market-rate projects, providing a clear and consistent path for developers to bring units online more quickly.

In addition, the City has committed to improving predictability and efficiency in the development process and can build on this foundation by expanding tools such as pre-approved design plans (such as for ADUs) to further shorten timelines and improve consistency. Affordable, workforce, and senior housing developments are intended to be prioritized through expedited permitting and review processes, ensuring faster approvals than market-rate residential or non-residential projects. The City currently has a 3-2-1 review time line for all projects and permits (3 weeks for first round of review, 2 weeks for the 2nd, and 1 week for all subsequent reviews). Projects that provide the greatest community benefit, including those with deeper levels of affordability, should receive the highest level of priority.

Fee Relief

Commerce City currently charges a range of impact, review, permitting, and administrative fees during the development process. Exempting or reducing these fees for affordable housing projects can help lower development costs and improve project feasibility. The City could also consider targeted fee reductions for workforce and senior housing developments. In cases where fee administration contributes to processing delays, fee waivers may serve as an effective incentive by ***accelerating project approvals.*** However, development fees generally represent a small share of total project costs and are an important source of revenue for maintaining essential public services and infrastructure, particularly impact fees. As such, fee relief should be applied selectively to projects that deliver significant community benefit, with the City exploring mechanisms to offset forgone revenue, such as reimbursements from an affordable housing trust fund.

Publicly Owned Land Donation/Sales

Commerce City has a moderate amount of public/institutional land, both developed and undeveloped. Developed land may be underutilized, such as public parking lots with an overabundance of parking or vacant school district land, presenting opportunities for redevelopment or infill development. Affordable land, especially near key locations with access to goods, services, and other essential amenities, is generally in short supply in Commerce City, but the City can bridge this gap by providing developers with publicly owned land at low or no cost. Not only does this encourage affordable housing by lowering or mitigating land costs for developers, but it also allows the City to guide affordable housing development according to their community vision. Furthermore, such land donations or sales often have the highest ***long-term social return*** by maintaining affordability over time.

Housing Maintenance and Preservation

As noted during the community open houses and the focus group discussion, one of the city's greatest housing challenges and priorities is maintaining and preserving existing housing. Much of Commerce City's housing stock is aging and deteriorating, presenting a challenge to homeowners who wish to remain in their current housing but are facing issues that impact living conditions. Furthermore, many of the city's multi-family housing renters noted they were often faced with pest infestations, mold and other health hazards, broken appliances, a lack of running water, and other issues related to habitability. Residents reported that these issues often went unaddressed for extended periods, and some described facing threats of rent increases or retaliatory evictions when raising concerns. In addition to identifying funding sources for maintenance and preservation, the City can strengthen local support for these efforts by establishing more robust monitoring, compliance, and accountability standards for landlords who fail to meet basic habitability requirements.

Funding Sources for Maintenance and Preservation

The City currently has programs to help with home repairs, specifically for affordable housing. These programs include the following:

- The Advancing Commerce City Together (ACT) is a partnership with Habitat for Humanity of Metro Denver that provides affordable home repairs such as fencing, siding, windows, doors, roofing, electrical, sidewalks, and paint to improve safety and livability. This program targets households at or below 100% of AMI and aims to reduce the cost burden on homeowners.
- Commerce City's Community Development Block Grant (CDBG) funded Home Repair Programs administered through partnerships like Brothers Redevelopment. Programs available include Minor Home Repair, Home Rehabilitation, and Accessibility Modification programs that cover repairs to critical systems and accessibility upgrades with income eligibility requirements.

The City can further support homeowners by identifying and publishing funding sources for additional maintenance and preservation efforts, including funding for weatherization, home repair, energy efficiency upgrades, and lead abatement. Additional potential funding sources include the following:

- The Weatherization Assistance Program (WAP), administered by the Colorado Energy Office, provides grants for insulation, air sealing, window and door replacement, furnace repair, and other measures to improve energy efficiency for income-eligible households (up to 200% of the federal poverty level).
- The Colorado Housing and Finance Authority's (CHFA) Small-scale Housing Program and Housing Opportunity Fund (HOF) offer flexible gap financing (up to $1 million or $2.5 million for up to 19 units) for acquisition/rehabilitation, specifically for smaller buildings.
- The Equity program under Proposition 123 offers below-market equity investments for preservation of affordable housing, not only new construction. Commerce City could coordinate local projects to maximize access to these resources, which are not yet widely used for preservation locally.

Incentives for Maintenance and Preservation

The City can offer local incentives and assistance to support maintenance and preservation efforts, including financial incentives such as grants, low-interest loans, tax abatements, and tax deferrals. Technical assistance could involve connecting residents with qualified home renovators and repair organizations like Brothers Redevelopment and helping residents find suitable replacement housing. Additionally, the City should provide ***training for landlords and property managers*** on topics including inspection processes, housing rights, landlord-tenant law, and nuisance abatement.

Additionally, the City could consider adopting local preservation ordinances like ***right-of-first-refusal*** policies to give tenants or mission-driven organizations first opportunity to purchase affordable housing, helping prevent displacement and stabilize existing housing. The City might also explore establishing inclusionary zoning or linkage fee programs to create a dedicated local housing trust fund that would provide sustainable funding for housing preservation, rehabilitation, and down payment assistance.

Monitoring, Compliance, and Accountability

The City should explore ways to better monitor current and future housing units for code violations and issues related to habitability and safety. Such monitoring, compliance, and accountability systems ensure that housing standards are maintained, landlords operate responsibly, and residents have access to safe, decent housing. For instance, the City can explore transitioning from a purely complaint-based code enforcement model to a strategic, proactive approach that combines systematic inspections with responsive enforcement. This shift enables the City to identify and address housing issues before they become severe violations while reducing the burden on tenants to report problems.

Importantly, experience from related policy areas, such as residential energy efficiency and weatherization programs, suggests that owner engagement can be a key challenge in rental properties, where landlords may have limited incentives to proactively invest in property conditions. A more systematic inspection and compliance framework can help mitigate this challenge by establishing clearer expectations and accountability for property owners. Such an approach could mandate regular inspections of all rental properties within specific timeframes; this approach has proven successful in other jurisdictions, with Los Angeles' Systematic Code Enforcement Program inspecting over 90% of multifamily housing units and correcting over 1.5 million code violations between 1998 and 2005. Recognizing that the City is constrained in its ability to frequently inspect units, factors such as building age, landlord compliance history, and past violations can be incorporated to prioritize inspections. Real-time reporting dashboards can be used to provide key performance indicators, track compliance rates and patterns, and further increase transparency and accountability.

Lastly, the City can explore rental registration requirements, in which all landlords must provide the City with essential contact information, property details, and unit characteristics. Registration should be published online and should include, at minimum:

- Property owner and manager contact information;
- Number of bedrooms, bathrooms, and parking spaces;
- Square footage and property type designation;
- Rental pricing and tenant occupancy information.

Tenant Protections and Support

Comprehensive tenant protections are critical to maintaining housing stability and preventing displacement in Commerce City. These protections could encompass rent stabilization measures (as permitted by law), eviction prevention programs, and robust support systems that empower tenants to advocate for their rights and maintain safe, affordable housing.

Rent Control and Stabilization

House Bill 23-1115 in 2023 proposed a repeal of state prohibition on local rent control, allowing municipalities to implement rent stabilization measures with specific guidelines. Though this legislative change did not pass, City staff should monitor future efforts related to rent control and stabilization at the municipal level.

Eviction Prevention and Tenant Education Programs

Colorado recently passed House Bill 24-1098, ***establishing "just cause" eviction protections*** that require landlords to provide valid reasons for eviction filings. This legislation prohibits arbitrary evictions and requires 90 days' notice for lease non-renewals, significantly strengthening tenant security. Commerce City can build upon state requirements by establishing additional local protections as legally permissible, including extended cure periods for minor violations and enhanced notice requirements for specific circumstances.

The City should establish clear procedures for investigating retaliation complaints and provide tenants with accessible mechanisms to report suspected retaliatory actions, potentially including legal counsel. In addition, the City should explore publishing information on tenants' rights, including procedures for filing complaints and information on available emergency housing programs. This information should be widely distributed and available, not only as part of lease packets in collaboration with landlords and property managers, but also through partnerships with local nonprofits such as United for a New Economy to help share this information.

Document Access and Language Support

To build upon reducing barriers and promoting greater community trust, the City should focus efforts on ensuring tenants have access to information in multiple languages and culturally appropriate configurations. To reduce barriers and promote greater community trust, the City should:

- Make ***Spanish-speaking staff*** available during all tenant interactions.

- Partner with ***trusted local nonprofits and bilingual community navigators*** to provide tenant education, legal resource referrals, and mediation services, particularly for immigrant and mixed-status households hesitant to seek assistance directly from government channels.
- Encourage or require acceptance of alternative forms of identification, such as Individual Taxpayer Identification Number (ITIN) or foreign-issued ID, for City housing programs and any affordability/restriction compliance activities.
- Regularly ***translate all tenant-facing materials,*** including complaint forms, inspection notices, and legal resources into Spanish and other prevalent languages in the community, and proactively publicize these resources through community schools, health clinics, and local nonprofits working with immigrant families.

Housing and Human Services

Addressing homelessness and housing instability requires both expanded supportive housing options and stronger local prevention efforts. Commerce City plays an important role within the regional housing and human services network, yet gaps remain in providing sufficient supportive housing units and early-intervention resources for at-risk households. This section outlines strategies to expand supportive housing, strengthen local assistance capacity, and align with state and federal initiatives to prevent homelessness and promote long-term housing stability.

Denver Renewal Village

Renewal Village in Denver, opened in October 2024, is a converted hotel providing 215 units of permanent supportive and transitional housing for formerly homeless individuals. Residents benefit from onsite wraparound services, including case management, health and behavioral healthcare, substance use treatment, employment assistance, food service, and transportation. Adaptive reuse made the project faster and more cost-effective than new construction, with each permanent supportive unit capped at 30% of tenant income.

Supportive Housing and Homelessness Prevention

The City's involvement in the Metro Denver Continuum of Care ensures linkage to a broad network of housing and human services, including permanent supportive housing developments, outreach, and integrated social services. However, gaps remain in expanding affordable supportive housing units locally and improving data systems for eviction monitoring and early intervention. To advance housing stability, Commerce City should continue enhancing collaborations with county and regional partners while exploring additional investments in supportive housing expansions and ***more robust local assistance capacity for emergency rental aid applications.*** These efforts would align with state and federal funding priorities such as the Homelessness Resolution Program (HRP) and Homeless Prevention Activities Program (HPAP), increasing the City's ability to prevent homelessness and support vulnerable populations comprehensively.

Wraparound Service Housing

Commerce City has made recent strides with developments like the South Platte Crossing Apartments, a new 60-unit transit-oriented affordable housing community serving families earning between 30% and 80% of AMI, with 70% of units reserved for households at 50% or less. Located near public transit and municipal service hubs, this $28 million project integrates convenient access to health care, education, and social services, exemplifying how supportive housing can link residents to broader human service systems.

To further expand supportive housing, the City could pursue additional public-private partnerships that focus on creating new construction projects or rehabilitating existing buildings. Adaptive re-use of motels, commercial properties, or underutilized sites can provide cost-efficient opportunities for permanent supportive housing with on-site wraparound services such as case management, behavioral health support, and employment assistance. State-level initiatives like the Statewide Supportive Housing Expansion (SWSHE) Pilot Project demonstrate how coordinated funding streams, including Medicaid and housing vouchers, can be leveraged to scale supportive housing and sustain long-term services.

Local Assistance Capacity for Emergency Rental Aid

While programs like the Colorado Emergency Rental Assistance program (CERA) offer critical funding to prevent evictions, many residents face barriers navigating complex application processes. Commerce City can enhance housing stability by expanding local staffing resources and partnering with nonprofit organizations to provide hands-on assistance in finding and securing emergency housing aid. This includes outreach, eligibility screening, documentation support, and follow-up to ensure residents successfully apply and receive the aid they need to remain housed. Strengthening this local capacity increases program accessibility for households with limited internet access, language barriers, or limited familiarity with government assistance processes. Furthermore, as funding is exhausted for statewide programs, such as the Temporary Rental Assistance Grant (TRAG) and the Emergency Rental Assistance Program (ERAP), Commerce City can explore using local funds for emergency housing efforts.

Local Resources Dedicated to Affordable Housing Development

The Commerce City Housing Authority (CCHA) serves as the primary local agency responsible for affordable housing development and preservation. For example, CCHA has partnered on major developments including the 216-unit North Range Crossing affordable housing project, which utilized LIHTC funding, as well as 120 affordable units for sale at The Vista at Greyhound Park, in coordination with the Commerce City Urban Renewal Authority (CCURA). Maiker Housing Partners (formerly the Adams County Housing Authority) distributes housing choice vouchers, project-based vouchers, and emergency rental assistance throughout the county.

Additionally, the City leverages Community Development Block Grant (CDBG) funds to support a range of home repair initiatives. These include the Minor Home Repair Program, which is open to all city residents; the Home Rehabilitation Program, which is income-restricted and addresses larger-scale repairs; and the Accessibility and Visitability Program, which provides modifications that enhance accessibility and mobility. These programs are administered in partnership with Brothers Redevelopment through the Advancing Commerce City Together (ACT) Program.

Beyond these efforts, several nonprofit organizations play key roles in addressing housing and related needs. Mercy Housing operates multiple affordable housing communities serving low-income families and seniors, while ACCESS Housing and Family Promise of Greater Denver provide housing and supportive services to families experiencing homelessness. Growing Home complements these efforts by offering resources to households facing food and housing insecurity across the region.

Furthermore, local nonprofit real estate developers, such as the Urban Land Conservancy (ULC) and Habitat for Humanity of Metro Denver, who utilize community land trust (CLT) models to ensure continued affordability. In this model, the developer retains ownership of the land beneath the building for at least 99 years, preserving long-term affordability and providing functional ownership. This model has been successful throughout the city, as exemplified by a recent ULC project that created the South Platte Crossing Apartments, with 60 affordable apartments serving households earning 30% to 80% AMI located adjacent to the RTD N Line Commerce City/72nd Avenue Station.

Lastly, Commerce City can utilize state-level financing support for affordable housing development through the Colorado Housing and Finance Authority (CHFA). CHFA also offers homeownership support programs, including low-interest rehabilitation loans up to $10,000 for Commerce City homeowners.

Technical Assistance

Technical assistance is an underutilized but highly beneficial incentive for encouraging affordable housing development. Local developers and housing providers noted that any technical assistance to clarify, streamline, and facilitate the development process is a significant contributing factor to project viability. Potential technical assistance options are described below:

- Providing pre-approved construction plans for ADUs and common missing middle housing types can streamline the approval process by granting applicants by-right administrative approval. Notably, while pre-approved construction plans for missing middle housing types can ensure neighborhood compatibility, it is important to offer a range of different architectural choices to avoid monotonous designs.
- Identifying local, state, and federal sources of financial assistance to design, construct, and preserve affordable housing.
- Maintaining a publicly available inventory of developable parcels suitable for affordable housing development (including the potential for the use of publicly owned parcels), with key information such as assessed value, gross area, and existing infrastructure connections.
- Identifying qualified buyers and renters for designated affordable units to minimize vacancies and support project viability. This also benefits residents in finding housing in a timely manner.

Partnerships and Collaboration

Partnering with local employers, nonprofit housing developers and providers, and other housing stakeholders is a highly effective and often underutilized way for a city to create lasting affordable housing that supports low-income workers, seniors, and other vulnerable populations.

Employer-assisted Housing Initiatives

Employer input highlighted both the challenges local workers face in finding affordable housing and the opportunities for collaboration between the private and public sectors. While some local employers recognized housing affordability and long commutes as barriers that affect employee productivity, recruitment, and retention, some also expressed openness to exploring solutions in partnership with the City, nonprofits, or housing developers. These findings provide a foundation for considering employer-assisted housing initiatives in Commerce City, where programs that link employer investment with municipal support could help close critical gaps in workforce housing.

Employer-assisted housing typically involves public-private partnerships in which employers provide financial assistance to help their employees purchase or rent homes, typically through ***down payment assistance, closing cost help, or subsidized mortgages or rents.*** For employees, these supportive housing programs help overcome barriers to renting or buying a home in the community; for employers, these programs improve recruitment and retention, enabling workers to live near their jobs. These programs are particularly valuable for essential workers like service-sector workers, teachers, healthcare workers, first responders, and municipal employees who often cannot afford housing near their workplaces.

The University of Colorado Faculty Housing Assistance Program (FHAP) represents one of the most comprehensive employer-assisted housing initiatives in Colorado, offering loan options to support home purchases, including University-funded shared appreciation loans of up to $130,000 and guaranteed loans provided through a partnership with Elevations Credit Union. The program is need-based and designed to attract and retain faculty by improving housing affordability.

Furthermore, as demonstrated by Glenwood Spring's Employer-Based Rental Assistance Program, the most successful employer-assisted housing programs involve coordination between employers and local municipalities. For the employer, this contribution can be seen as an investment in worker attraction and retention; for the City, this program directly addresses concerns with workforce shortages and helps to increase community stability.

Glenwood Springs Employer-Based Rental Assistance Program

The City of Glenwood Springs launched an innovative Employer-Based Rental Assistance Pilot Program in January 2025, representing a direct municipal-employer partnership model. This program, targeting employees spending more than 30% of monthly income on rent, offers up to $1,000 per month in rental assistance, with assistance guaranteed for a year. Half of assistance funds come from the participating employer, and the City matches dollar for dollar with its Workforce Housing Fund.

Nonprofits and Other Housing Partners

Partnering with local nonprofits, community land trusts (CLTs), affordable housing developers, and housing advocacy organizations remains one of the most effective strategies for creating and preserving long-term affordable housing. In Commerce City, existing partnerships with organizations such as Habitat for Humanity of Metro Denver, Brothers Redevelopment, and other regional providers already support homeownership, rehabilitation, and housing preservation efforts. Looking ahead, the City can further strengthen collaboration with groups like Mercy Housing Colorado, Nesbitt Development, and emerging community land trusts to expand affordable rental and ownership opportunities. By aligning municipal resources with nonprofit expertise and private-sector capacity, Commerce City can more effectively deliver lasting affordability, preserve its existing housing stock, and meet the needs of its growing workforce.

Habitat for Humanity of Metro Denver has partnered with the City of Commerce City on an affordable home repair program as part of Commerce City's ACT Program (Advancing Commerce City Together), which uses federal funding to enhance community well-being through infrastructure and habitability improvements. Through this program, more than 30 homeowners are receiving critical home repairs in 2025, including repairing and replacing siding, windows, doors, roofing, electrical systems, among other improvements. To qualify, homeowners must have a household income at or below 100% of AMI.

Modernizing Zoning

The City recently underwent a modernizing process with its Land Development Code, with new code that establishes smaller required lot sizes, more diverse housing types, amongst other changes. This new code presents some of the most impactful opportunities to add new housing stock, particularly for more naturally affordable "missing middle" density housing types that can accommodate a wider range of options for families, seniors, and multigenerational households. It is imperative that the City focuses on rezoning the city into the new code, as well as monitoring its implementation and effectiveness and refining the code as needed. A multi-pronged approach consisting of utilizing these updated development standards, expanding the areas where alternative housing types and mixed-use projects are permitted, and strategically upzoning targeted locations will allow Commerce City to create new housing opportunities that better accommodate its growing population.

Such updated standards can promote affordable housing by increasing design flexibility and allowing developers to place more units on a site, improving project feasibility. In addition to increasing land use efficiency, they can ***enhance the pedestrian experience, create more engaging streetscapes, and support mixed-use, walkable development patterns.***

Further Steps to Promote Missing Middle Housing and ADUs

The City recently has taken steps to update its LDC standards to enable more missing middle housing, including ADUs.

For example, the City has ***increased by-right allowances for ADUs in single-unit detached neighborhoods and other missing middle housing types (e.g., stacked duplex, multiplex) in its residential zoning districts***. This is guided by planning policies and implementation priorities established in the Commerce City Comprehensive Plan. To build on the work of the new code and continue advancing housing policies of the Comprehensive Plan, the city could identify new ways to expand housing diversity in Single-Unit Dwelling District (R-1), such as duplexes, triplexes, and cottage court style housing. Similarly, higher density missing middle housing types, like townhomes and quadplexes/multiplexes could be explored in the City's Two-Unit Dwelling District (R-2) in accordance with the guidelines identified in the Comprehensive Plan. Such allowances should be promoted alongside design guidelines in tandem with housing types and neighborhood character to ensure such units can seamlessly blend in with existing traditional single-family neighborhoods.

Housing types that could be considered, consistent with the guidelines identified in the City's Comprehensive Plan, include:

- Duplex (Side-by-Side)
- Duplex (Stacked)
- Triplex
- Cottage Court/Courtyard
- Quadplex/Multiplex
- Townhome

Notably, missing middle housing types should abide by several design considerations and locational criteria to ensure compatibility within existing lower density neighborhoods. The design standards that should be considered include the following, at minimum:

- Allowance of certain housing types on corner lots;
- Building height limits;
- Modulation requirements, including stepbacks on upper stories and articulated massing to allow smooth transitions between varying densities;
- Façade design standards;
- Compatible roof form requirements;
- Building orientation considerations, prioritizing street-facing entrances and transparent ground-floor design;
- Privacy considerations, such as artificial and vegetative screening; and,
- Single stair egress requirements.

Mixed-use Development

Mixed-use development refers to development that contains a mix of residential and non-residential (often commercial) uses. Such developments encourage walkable, transit-supportive neighborhoods and improve residents' access to essential goods and services. Furthermore, mixed-use development can support local businesses while promoting efficient and sustainable land use.

Though Commerce City has promoted increased mixed-use development by updating LDC to create new mixed-use districts, market conditions have limited their adoption throughout the City. In order to increase the viability of such projects, the City can explore providing various financial and regulatory incentives, such as grants or loans, tax credits, priority review and permitting, and parking reductions; such incentives can be further tailored to only apply to mixed-use developments with a certain threshold of commercial or office uses (i.e., 5–10% of gross floor area), or developments that provide a modest affordable housing set-aside (i.e., 5–20% of total units, depending on the level of affordability).

Mixed-use development should be targeted toward areas with existing utility and infrastructure capacity that can accommodate relatively higher density development; priority areas should have public transit opportunities and proximity to existing goods and services. The City's Comprehensive Plan identifies several areas, including designated urban renewal areas, as locations for future mixed-use hubs, such as Derby, the Mile High Greyhound Park site, and Victory Crossing.

Targeted Upzoning

By allowing higher residential density in targeted areas, Commerce City can create new housing opportunities to meet the needs of its growing population and increasing demand for housing. In alignment with the Comprehensive Plan, the City should focus upzoning efforts on established priority areas such as transit-oriented development (TOD) corridors and catalytic redevelopment sites like Victory Crossing. These areas already have policy support for higher density residential and mixed-use development, positioning them as strategic locations for accommodating growth.

Consistent with the Comprehensive Plan's guidance, upzoning should be prioritized in locations with adequate infrastructure capacity and access to key amenities, including employment centers, grocery stores, and transit options. This approach supports the creation of vibrant, walkable neighborhoods with convenient connections to goods, services, and entertainment. In addition to Victory Crossing, the area surrounding Dick's Sporting Goods Park is identified as a promising candidate for targeted growth due to its existing activity and potential for residential and mixed-use development.

Any proposed upzoning outside these areas will be evaluated carefully for compatibility with the Comprehensive Plan and infrastructure readiness, with recommendations to update the Plan if emerging opportunities are identified.

Synopsis

- Combine local financial tools with state and federal funding to expand and preserve affordable, workforce, and senior housing.
- Calibrate linkage fees, TIF, and other financing mechanisms to balance affordability goals with market feasibility.
- Apply sliding-scale height bonuses and flexible parking reductions to improve project viability and encourage mixed-income development.
- Streamline permitting and review processes and offer selective fee relief to reduce costs and accelerate affordable housing delivery.
- Utilize publicly owned land through donation, discount sale, or long-term lease to support affordable and mixed-use development.
- Maintain and rehabilitate existing housing through expanded funding, proactive code enforcement, and stronger landlord accountability.
- Strengthen tenant protections, anti-retaliation procedures, and multilingual education to promote housing stability.
- Partner with employers, nonprofits, and community land trusts to expand affordable housing options and preserve long-term affordability.
- Focus on rezoning efforts to align with the City's updated code, incorporating more flexible development standards such as reduced setbacks and lot area requirements, as well as increased allowable lot coverage. Monitor implementation and effectiveness over time and refine these standards as needed.
- Enable lower density missing middle housing types in current Single-Unit Dwelling District (R-1), and higher density missing middle housing types in the current Two-Unit Dwelling District (R-2).
- Enable and promote mixed-use projects near transit, alongside possible incentives for affordable housing set-asides.
- Align financial incentives, zoning updates, and preservation strategies to build a balanced, inclusive, and sustainable housing market.

Full Survey Results

1. Do you currently live in Commerce City?
    a. Yes (90%)
    b. No (10%)
2. Have you recently left or been displaced from Commerce City?
    a. Yes (11%)
    b. No (89%)
3. What would have helped you stay in Commerce City?
    a. More affordable housing options (20%)
    b. More homeownership opportunities (20%)
    c. Better public safety (20%)
    d. Better schools (20%)
    e. More job opportunities nearby (0%)
    f. More shopping, dining, and entertainment options (0%)
    g. Better public transportation (20%)
    h. Other (please specify) (0%)
4. Why do you choose to live in Commerce City? (Check all that apply)
    a. I grew up here and consider Commerce City home (10%)
    b. To live near family or friends (19%)
    c. To be close to work (11%)
    d. Affordability of housing (26%)
    e. Quality of housing (5%)
    f. Access to job opportunities (1%)
    g. Quality of schools (1%)
    h. Safe neighborhoods (5%)
    i. Proximity to Denver and other metro-area amenities (13%)
    j. Community atmosphere and diversity (4%)
    k. Other (please specify) (4%)
5. What is your current housing situation?
    a. I rent my home or live in a home rented by another member of my household. (58%)
    b. I own my home or live in a home owned by another member of my household. (35%)
    c. Other (please specify) (6%)

6. If you are currently renting your home, do you plan to buy a home in Commerce City in the future?
    a. Yes, I plan to buy a home in Commerce City within the next two years. (8%)
    b. Yes, I plan to buy a home in Commerce City within the next three to five years. (1%)
    c. Yes, I plan to buy a home in Commerce City at some point, but I am not sure when. (12%)
    d. Yes, I want to buy a home in Commerce City at some point, but prices are too high. (3%)
    e. No, I plan to buy a home outside of Commerce City. (3%)
    f. No, I plan to continue to rent indefinitely, either in Commerce City or elsewhere. (41%)
    g. I am not a renter. (32%)
7. How long have you lived in your current housing?
    a. Less than one year (18%)
    b. 1 to 3 years (22%)
    c. 4 to 6 years (18%)
    d. 7 to 10 years (22%)
    e. More than 10 years (22%)
8. How difficult was it for you to locate housing in Commerce City?
    a. Very difficult (33%)
    b. Difficult (21%)
    c. Somewhat difficult (22%)
    d. Not difficult at all (25%)
9. How satisfied are you with the overall affordability, quality, and availability of housing in Commerce City?
    a. Very satisfied (5%)
    b. Satisfied (14%)
    c. Neutral (23%)
    d. Dissatisfied (32%)
    e. Very dissatisfied (26%)
10. How confident are you that you (or someone else in your household) will be able to cover your upcoming housing payment on time?
    a. Very confident (27%)
    b. Somewhat confident (14%)

c. Not so confident (32%)
d. Not at all confident (23%)
e. Don't know/does not apply to me (4%)

11. Have housing costs significantly hindered your ability to do any of the following (Check all that apply)?
    a. None of the above (6%)
    b. Pay off non-housing debt (e.g., credit cards or student loans) (16%)
    c. Save for retirement (14%)
    d. Save for emergencies (22%)
    e. Pay for medical care (19%)
    f. Pay for education (5%)
    g. Pay for childcare (6%)
    h. Pay for transportation (12%)
12. How important is it for Commerce City to offer a wider variety of housing options, such as duplexes, townhomes, and condos?
    a. Very important (54%)
    b. Important (13%)
    c. Somewhat important (20%)
    d. Not important at all (13%)
13. Which of the following housing types would you like to see Commerce City prioritize going forward (Choose no more than three responses)
    a. Apartments (22%)
    b. Condos (6%)
    c. Single-family homes (15%)
    d. Accessory dwelling units (3%)
    e. Duplexes, triplexes, and townhomes (8%)
    f. Courtyard homes (7%)
    g. Senior living facilities (12%)
    h. Tiny homes and manufactured/mobile homes (8%)
    i. Other (please specify) (20%)
14. If you are considering moving out of Commerce City, what would help you stay? (Check all that apply)
    a. More affordable housing options (23%)

b. More homeownership opportunities (12%)
c. Better public safety (5%)
d. Better schools (9%)
e. More job opportunities nearby (7%)
f. More shopping, dining, and entertainment options (10%)
g. Better public transportation (6%)
h. I am not considering moving out of Commerce City. (5%)
i. Other (please specify) (22%)

15. What do you see as Commerce City's top three most pressing housing issues (Choose no more than three responses)
    a. Lack of senior housing. (7%)
    b. Younger people cannot afford to buy homes. (10%)
    c. Lack of subsidized affordable housing. (14%)
    d. Homes are in poor condition or too old. (15%)
    e. More affordable homeownership options (e.g., townhomes, condos) are needed. (7%)
    f. Homelessness. (5%)
    g. Homes are far from work, school, or retail centers. (5%)
    h. Housing discrimination. (2%)
    i. Rent is unaffordable. (16%)
    j. There are not currently any pressing issues. (2%)
    k. Other (please specify) (17%)
16. What is your age?
    a. 19 or Under (0%)
    b. 20-24 (7%)
    c. 25-34 (7%)
    d. 35-44 (31%)
    e. 45-54 (16%)
    f. 55-64 (16%)
    g. 65+ (24%)
    h. I'd rather not answer (0%)
17. Within the past year, how much has your entire household earned in income?
    a. Less than $25,000 (21%)

   b. $25,000 to $49,999 (32%)
   c. $50,000 to $74,999 (9%)
   d. $75,000 to $99,999 (12%)
   e. $100,000 to $149,999 (9%)
   f. $150,000 to $199,999 (5%)
   g. $200,000 or more (2%)
   h. I'd rather not answer (11%)

18. How many people live in your household (including you)?
    a. One (22%)
    b. Two (30%)
    c. Three (12%)
    d. Four (25%)
    e. Five or more (7%)
    f. I'd rather not answer (5%)
19. What is the highest level of education you have completed?
    a. Less than high school (7%)
    b. High school diploma or equivalent (24%)
    c. Some college or associate's degree (22%)
    d. Bachelor's degree (24%)
    e. Graduate or professional degree (14%)
    f. I'd rather not answer (9%)
20. What is your race?
    a. White (39%)
    b. Black (9%)
    c. American Indian or Alaska Native (2%)
    d. Asian (0%)
    e. Native Hawaiian or Pacific Islander (0%)
    f. Other (33%)
    g. Two or more races (11%)
    h. I'd rather not answer (7%)
21. Are you Hispanic or Latino?
    a. Yes (52%)

b. No (39%)
c. I’d rather not answer (9%)