

BEST-PERFORMING CITIES 2026:

Resilience in a Cooling Economy

EXECUTIVE SUMMARY



Metropolitan areas (or “metros” or “cities”) continue to be the country’s economic engine. In 2024, the US economy remained on a path of steady growth amid slowing inflation. In metropolitan areas, real gross domestic product (GDP) grew in aggregate by 3.0 percent, which accounted for 94.3 percent of the nation’s growth. Given the centrality of cities to the country’s prosperity, the Best-Performing Cities (BPC) index provides an objective, quantitative evaluation of the performance of 411 metropolitan areas, which policymakers, businesses, and researchers can use to develop long-term economic strategies that deliver persistent and equitable growth.

The BPC index is composed of 13 metrics related to short- and long-term trends in the labor market, performance of high-tech industries, and shared access to economic opportunities. This report and online tool can be used to draw insights about the strengths and weaknesses of individual cities, as well as larger regional and national trends.

The highlights from the 2026 BPC rankings are as follows:

- **Fayetteville-Springdale-Rogers, AR**, gains six positions to become the best-performing large metropolitan area, extending its steady rise in the rankings since 2020. This metro has risen to the top because of its thriving labor market anchored by Walmart and several other Fortune 500 companies, along with a robust high-tech sector and excellent housing affordability.
- **St. George, UT**, is the best-performing small metropolitan area, landing in the top position for the first time after finishing in the top five every year since 2016. From 2019 to 2024, St. George experienced the second-highest job growth in the country and the fastest-growing high-tech sector.
- Among large metros, the Carolinas remain one of the nation’s hottest regions. North Carolina boasts three of the top 15 best-performing large cities, and all five of South Carolina’s large metros rank in the top quartile. For small cities, Idaho continues its dominant run, with three of the top 10 small metros hailing from the Gem State.
- Housing affordability has declined in the vast majority of US metros over the past decade, with this trend accelerating since the COVID-19 pandemic. Taming the cost of living is becoming critical for cities to sustain high performance. Among the cities that grew fastest in the early 2010s, housing affordability was a strong predictor of how well they were able to sustain that growth in more recent years.

- Although overall job growth in metropolitan areas was sturdy in 2024, this growth was concentrated in lower-paying sectors such as education and health services. The three highest-paying sectors—information, financial services, and professional and business services—recorded negative national job growth in 2024. The loss of jobs in high-paying sectors was especially pronounced in the Midwest and New England regions.

Best-Performing Large City: Fayetteville–Springdale–Rogers, AR

Fayetteville–Springdale–Rogers, AR, tops the list of large cities this year, after finishing in the top 15 large cities every year since 2021. This metro's labor market has been among the strongest in the nation for several years. This year, Fayetteville–Springdale–Rogers ranked 13th or above in every one of our labor market performance metrics, finishing fourth in one-year wage growth and 10th in short-term job growth.

The metropolitan area's economy is fueled by the presence of Walmart headquarters, which employs more than 20,000 workers, as well as the headquarters of Fortune 500 companies JB Hunt and Tyson Foods. Fayetteville–Springdale–Rogers also hosts the state's flagship University of Arkansas, supplying the area with a steady stream of highly skilled labor. In addition to its traditional industries, the metro has a strong and growing high-tech sector, anchored by its management of companies industry. One potential weakness of Fayetteville's high-tech sector is its reliance on just a few industries, with the metro ranking 113th among large cities in the number of high-tech industries with a location quotient (LQ) above one.

Unusual for a fast-growing city, Fayetteville–Springdale–Rogers has excelled at providing affordable housing for its residents, ranking 15th among large cities in our affordability metric. The metro's housing affordability has benefited from a booming construction sector, whose employment grew by an astounding 49.7 percent from 2019 to 2024. One area of concern for the metropolitan area, however, is its income inequality, which has ticked up in recent years and ranks 132nd among large cities in this year's ranking. Nevertheless, with its dynamic labor market, relatively large supply of affordable housing, and attractive location nestled within the Ozark Mountains, Fayetteville–Springdale–Rogers looks poised to continue attracting new residents in the years to come.

Table 1. Tier 1 Large Cities

	2025 Rank	2024 Rank	Change
Fayetteville–Springdale–Rogers, AR	1	7	6
Huntsville, AL	2	4	2
Charleston–North Charleston, SC	3	11	8
Boise City, ID	4	10	6
Raleigh–Cary, NC	5	1	-4
Provo–Orem–Lehi, UT	6	15	9
Salt Lake City–Murray, UT	7	3	-4
Orlando–Kissimmee–Sanford, FL	8	17	9
Austin–Round Rock–San Marcos, TX	9	6	-3
Olympia–Lacey–Tumwater, WA	10	8	-2
Wilmington, NC	11	13	2
Arlington–Alexandria–Reston, VA–WV	12	n/a	n/a

Source: Milken Institute (2026)

Best-Performing Small City: St. George, UT

St. George, UT, is the best-performing small city, after finishing as runner-up in last year's rankings. St. George has consistently ranked in the top five among small cities every year since 2016. The metro has one of the nation's hottest labor markets, ranking second, seventh, and fifth in five-year job growth, one-year job growth, and short-term job growth (July 2024 to June 2025), respectively.

St. George is situated next to the beautiful Pine Valley Mountains, offering excellent recreational opportunities for both tourists and residents. As such, leisure and hospitality, along with education and health care, have driven a large share of the metro's recent growth. However, St. George has achieved outstanding growth across its economy, outpacing the aggregate national five-year employment growth in every major economic sector. Although St. George's high-tech concentration is still relatively low, ranking 105th among small cities, its high-tech growth from 2019 to 2024 was the highest in the country.

The metro's housing supply has struggled to keep pace with its population growth, despite St. George's booming construction sector. However, the metro performs well in our other metrics of access to economic opportunities, ranking in the top quartile of small cities in broadband access and community resilience. Further, St. George's income inequality has fallen in recent years, with its Gini index ranking improving by 87 spots from last year. As an area of weakness, the metro faces long-term environmental challenges due to water shortages and high wildfire risk. Managing these issues while addressing housing affordability will be key in sustaining the metro's outstanding performance.

Table 2. Tier 1 Small Cities

	2025 Rank	2024 Rank	Change
St. George, UT	1	2	1
Idaho Falls, ID	2	3	1
Kenosha, WI	3	n/a	n/a
Bend, OR	4	4	0
Pocatello, ID	5	31	26
Helena, MT	6	n/a	n/a
Coeur d'Alene, ID	7	7	0
Logan, UT-ID	8	48	40
Midland, TX	9	5	-4
Auburn-Opelika, AL	10	10	0

Source: Milken Institute (2026)

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