January 2015

2014 Best-Performing Cities

WHERE AMERICA'S JOBS ARE CREATED AND SUSTAINED

#1 SAN FRANCISCO

Ross DeVol, Minoli Ratnatunga,
and Armen Bedroussian

MILKEN INSTITUTE

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A nonprofit, nonpartisan economic think tank, the Milken Institute works to improve lives around the world by advancing innovative economic and policy solutions that create jobs, widen access to capital, and enhance health. We produce rigorous, independent economic research—and maximize its impact by convening global leaders from the worlds of business, finance, government, and philanthropy. By fostering collaboration between the public and private sectors, we transform great ideas into action.

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Executive Summary

The most dynamic U.S. metros hold the secrets to economic success: the crucial factors that help them thrive, grow, and prosper. Our annual Best-Performing Cities report delivers a fact-based, comprehensive evaluation system across metropolitan areas that relies upon job, wage, and technology trends shaping current and prospective pathways.

In the 2014 index, technology and shale energy remain the two overarching factors driving the performance of top metros. However, these cities also possess a variety of other positive traits that help explain their success. Several metros with dense urban areas, for example, have the innovation advantage: They are able to offset high costs, an unfavorable tax structure, and a burdensome regulatory environment thanks to the clustering of talent and technology in an entrepreneurial ecosystem. Silicon Valley **(SAN JOSE-SUNNYVALE-SANTA CLARA, CA), SAN FRANCISCO-SAN MATEO-REDWOOD CITY, CA,** and **SEATTLE-BELLEVUE-EVERETT, WA,** epitomize these research and innovation milieus. Meanwhile, another category of metros are technology centers that may not have the same concentration of such assets, but they strive to enhance them while providing a less onerous cost and regulatory burden. **AUSTIN-ROUND ROCK-SAN MARCOS, TX, PROVO-OREM, UT,** and **BOULDER, CO,** are prime examples. These tech centers benefit from an employment multiplier of close to 5 (meaning one tech position generates four other jobs), among the highest of all sectors.

Technological advances in horizontal drilling and hydraulic fracturing are altering the energy landscape of the United States. Few experts had anticipated the magnitude of the boom in shale oil and gas exploration and production occurring since 2007. Energy investment has claimed the largest share of GDP since the early 1980s. The U.S. is producing 4 million more barrels of oil per day than five years ago. The record gains in natural gas production have reduced prices, bestowing a huge cost advantage to energy-intensive manufacturing in the United States. This not only benefits oil drilling and service firms in urban areas closest to the shale deposits, but spurs demand for infrastructure investment, boosting construction and transportation as well as locally provided services. The swell of positive supply-chain effects is substantial. Smaller metros benefiting from shale energy include **FARGO, ND-MN,** and **VICTORIA, TX.** The leading center of North American energy, **HOUSTON-SUGARLAND-BAYTOWN, TX,** continues to accrue the economic gains. Going forward, recent declines in oil prices may alter the incentives for shale oil exploration, rendering some projects economically unviable as they wouldn't cover costs in some formations. If prices remain below $70 per barrel, this might moderate future advances.

Overall, here are some highlights from this year's Best-Performing Cities index:

- **SAN FRANCISCO-SAN MATEO-REDWOOD CITY, CA,** claimed the top spot among large metros. The professional, scientific, and technical services sector accounted for 45 percent of all jobs created over the five years ending in 2013—a stunning performance.
- Texas metros held five of the Top 10 positions among large metros as **AUSTIN-ROUND ROCK-SAN MARCOS, TX,** was barely edged out of first. A unique Texan combination of tech, energy strength, and a favorable business climate propelled these economies.

- California and Colorado each had four metros in the Top 25, matching their performances in the 2013 index.
- Technology centers captured 13 of the Top 25, with metros containing both creative- and scientific-based industries performing best.
- Seven metros made the Top 25 due to large gains in shale oil and gas exploration, associated infrastructure investment, and related activities.
- **FARGO, ND–MN,** was No. 1 among small metros. It benefited from North Dakota's shale oil boom and is home to regionally important banking, insurance, health-care, and education industries.
- **WEST PALM BEACH–BOCA RATON–BOYNTON BEACH, FL,** recorded the biggest increase, moving up 93 spots.

After a weak first quarter in 2014, U.S. economic growth recovered to average 4.2 percent in the second and third quarters. All signs point to further growth: lower household debt burdens, recovering house prices, falling oil prices, and higher business investment supported by large corporate balances. Additionally, improving labor markets and lower mortgage rates seem to be boosting housing markets. At a time of weakening growth in the BRIC countries (Brazil, Russia, India, and China), renewed risk of recession in the euro zone, and Japan's continuing attempt to recover after the increase in sales taxes this past spring, the U.S. seems to be resuming more of its traditional role as global growth engine. Real GDP appears poised to expand at an annual rate of 3 percent or better over the next few quarters.

Job growth has improved since the earlier stages of the recovery from the Great Recession. Since the start of 2014, monthly job gains have averaged 227,000—with upward revisions during the last several months, suggesting a stable pattern. An important milestone was achieved in the second quarter of 2014: All 8.7 million jobs lost during the recession were recovered. Businesses are laying off fewer workers, with the lowest four-week moving average of initial claims for unemployment insurance recorded in late September and early October since 1998. Another positive sign: Firms with fewer than 50 workers have created approximately 40 percent of all jobs during the past 12 months, slightly more than these firms' share of total employment.

2014 Best-Performing City

SAN FRANCISCO–SAN MATEO–REDWOOD CITY, CA, placed first in our Best-Performing Cities ranking, moving up from third in 2013. This is San Francisco's debut in the top spot. The city's economy is fed by the entrepreneurial ecosystem of social media and mobile apps, cloud-based software and storage, computer systems design, Internet publishing, clean tech, biotechnology, and medical research—in short, the creative and scientific economy. What propelled San Francisco above 2013 first-placer Austin, TX, was its No. 1 finish in wage growth over both the past five-year and one-year periods. The quality of the metro's tech-related jobs, as measured by high wages, is driving the growth. The metro's growth in technology-based GDP was second in the country over the last five years. Young, technology-skilled workers are flocking to the city. The high demand for these skills is driving up wages, and unemployment in these occupations has fallen below 2 percent. As of July 2014, the overall unemployment rate was down to 4.6 percent. Rapidly expanding startups—Dropbox, Uber, Quip, and an abundance of others—are hiring at a brisk pace and absorbing substantial office space. However, it's not just startups energizing growth; established tech firms such as Salesforce and Oracle are hiring at a rapid rate.

Biggest Gainers

Housing was the primary story behind the biggest gains in the 2014 index. Metros that experienced the largest contractions in housing markets during the Great Recession are stabilizing, and many are witnessing some degree of recovery. Florida and California, where the housing bust hit hardest, had the most metros in the Biggest Gainers category: California had eight and Florida had six. **LAS VEGAS–PARADISE, NV,** and several others fall into this category as well. Overall, **WEST PALM BEACH–BOCA RATON–BOYNTON BEACH, FL,** recorded the biggest increase, moving up 93 spots, closely followed by **MERCED, CA**.

Best-Performing Small City

FARGO, ND–MN, rose two places to finish No. 1 among 2014's best-performing small cities. The metro's diverse economy, along with its ability to capitalize on North Dakota's historic oil boom, has driven its recent success. The state's oil expansion has benefited many of Fargo's industries, especially construction and transportation, by bolstering the need for new infrastructure projects. Fargo's educated workforce and favorable business climate are other positive factors. The business expansion has created demand for housing, retail space, and health care, aiding its service sector. Insurance and banking services added jobs at a strong pace from 2008 to 2013. Over the same period, the health-care industry added over 3,000 jobs.

Table 1. Top 25 best-performing large cities

RANK ACCORDING TO 2014 INDEX			
Metropolitan statistical area (MSA)	**2014 rank**	**2013 rank**	**Change**
San Francisco–San Mateo–Redwood City, CA	**1**	3	2
Austin–Round Rock–San Marcos, TX	**2**	1	-1
Provo–Orem, UT	**3**	2	-1
San Jose–Sunnyvale–Santa Clara, CA	**4**	4	0
Raleigh–Cary, NC	**5**	13	8
Salt Lake City, UT	**6**	5	-1
Houston–Sugar Land–Baytown, TX	**7**	8	1
Fort Worth–Arlington, TX	**8**	16	8
Dallas–Plano–Irving, TX	**9**	7	-2
San Antonio–New Braunfels, TX	**10**	12	2
Seattle–Bellevue–Everett, WA	**11**	6	-5
Denver–Aurora–Broomfield, CO	**12**	15	3
Boulder, CO	**13**	9	-4
Greeley, CO	**14**	10	-4
Nashville–Davidson—Murfreesboro—Franklin, TN	**15**	14	-1
Portland–Vancouver–Hillsboro, OR–WA	**16**	21	5
Fort Collins–Loveland, CO	**17**	20	3
Laredo, TX	**18**	22	4
Lafayette, LA	**19**	24	5
Lubbock, TX	**20**	69	49
Baton Rouge, LA	**21**	76	55
San Diego–Carlsbad–San Marcos, CA	**22**	43	21
Charlotte–Gastonia–Rock Hill, NC–SC	**23**	27	4
San Luis Obispo–Paso Robles, CA	**24**	25	1
Grand Rapids–Wyoming, MI	**25**	48	23

Note: List includes metropolitan divisions, the smaller geographic areas within MSAs.
Source: Milken Institute

ON THE WEB

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Introduction

The Best-Performing Cities index was designed to measure objectively which U.S. metropolitan areas are promoting economic vitality based on job creation and retention, the quality of new jobs, and other criteria. The index shows where employment is stable and expanding, wages and salaries are increasing, and economies and businesses are thriving.

The goal is to help businesses, investors, industry associations, development agencies and government officials, academics, and public-policy groups monitor and evaluate the performance of metros where they work and do business relative to the rest of the country. The index also provides benchmarking data that can inform approaches to improving a region's performance. In addition, the index provides a tool for understanding consumer markets and business opportunities.

To sustain growth after emerging from the Great Recession, communities must look beyond recapturing what they lost. A shared strategic economic vision will help them focus on industry concentrations where they have a robust competitive advantage and have the best potential to expand their economies. Developing new industries and companies will also require fostering entrepreneurship and innovation. Communities that can best link education and training to employers' needs will be able to capitalize on their human capital and help their workforce access higher wage opportunities.

The 2014 index applies the methodology used previously. We employ the geographic terms and definitions used by the Office of Management and Budget. The OMB defines a metropolitan statistical area (MSA) as a region generally consisting of a large population nucleus and adjacent territory with a high degree of economic and social integration, as measured by community ties. With these parameters, the agency identifies 379 metropolitan statistical areas. County population growth accounts for the creation of new MSAs. If specific criteria are met, an MSA with a single nucleus and a population of 2.5 million or more is further divided into geographic areas called metropolitan divisions (MD), of which there are currently 29 in the country. For example, three metropolitan divisions (San Francisco–San Mateo–Redwood City, San Jose–Sunnyvale–Santa Clara, and Oakland–Fremont–Hayward) comprise the San Francisco–San Jose–Oakland MSA. We include the smaller MDs in the index to reflect more detailed geographic growth patterns.

An Emphasis on Outcomes

Table 2 shows the components used to calculate the Best-Performing Cities rankings. The index measures growth in jobs, wages, salaries, and technology output over five years (2008-2013 for jobs and technology output, and 2007-2012 for wages and salaries) to adjust for extreme variations in business cycles. It also incorporates the latest available year's performance in these areas (2012-2013 for jobs and technology output, and 2011-2012 for wages and salaries). In addition, it includes a measure of 12-month job growth (August 2013-August 2014) to capture recent momentum among metropolitan economies.[1]

Employment growth is weighted more heavily because of its critical importance to community vitality, as is growth in wages and salaries because it signals the quality of the jobs being created and retained. Other measures reflect the concentration and diversity of technology industries within the MSAs. High-tech location quotients (LQs), which measure the industry's concentration in a particular metro relative to the national average, are included to gauge an area's participation in the knowledge-based economy. We also measure the number of specific high-tech fields (out of a possible 22) whose concentrations in an MSA are higher than the national average. Best-Performing Cities is solely an outcomes-based index. It does not incorporate input measures (business costs, cost-of-living components, and quality-of-life conditions such as commute times or crime rates). These measures, although important, are prone to wide variations and can be highly subjective.

Table 2. Components of the Best-Performing Cities index

Component	Weight
Job growth (I=2008)	0.143
Job growth (I=2012)	0.143
Wage and salary growth (I=2007)	0.143
Wage and salary growth (I=2011)	0.143
Short-term job growth (Aug 2013-Aug 2014)	0.143
Relative high-tech GDP growth (I=2008)	0.071
Relative high-tech GDP growth (I=2012)	0.071
High-tech GDP location quotient	0.071
Number of high-tech industries with GDP LQ>1	0.071

Notes: I refers to the beginning year of index. Weights do not add up to 1 due to rounding.
Source: Milken Institute

National Economic Conditions

As we entered 2014, the U.S. economy appeared poised to break out of its subdued performance of roughly 2 percent real growth and achieve a self-sustaining expansion rate of 3.0 percent. At 3.3 percent in the second half of 2013, the U.S. economy had the strongest six-month real GDP growth rate than at any other time during the previous 10 years. This was an impressive feat when you consider that the federal budget stalemate in October 2013 and sequestration were harming growth. The economy slowed abruptly in the first quarter of 2014, as reported GDP contracted at an annual rate of 2.2 percent, clouding the cautious optimism on prospects. In retrospect, much of this decline was due to the severe winter weather causing weaker readings on construction, retail sales, exports, and a variety of economic indicators.

The 2014 second-quarter reading on real GDP growth was 4.6 percent, indicating some bounce-back from the weak first quarter and that the economy remained on a somewhat stronger growth trajectory, consistent with the pattern witnessed in the second half of 2013. Much of the higher growth in the second quarter can be traced to consumer durables, especially autos, and business investment, concentrated in IT equipment and services. Additional sources of strength were found in inventory restocking and acceleration in exports. Purchases of consumer durables rose at an annual rate of 14.2 percent while business investment in information and processing equipment leaped 26.6 percent during the second quarter. Exports, which couldn't make it to ports in the first quarter, increased 11.1 percent in the second quarter.

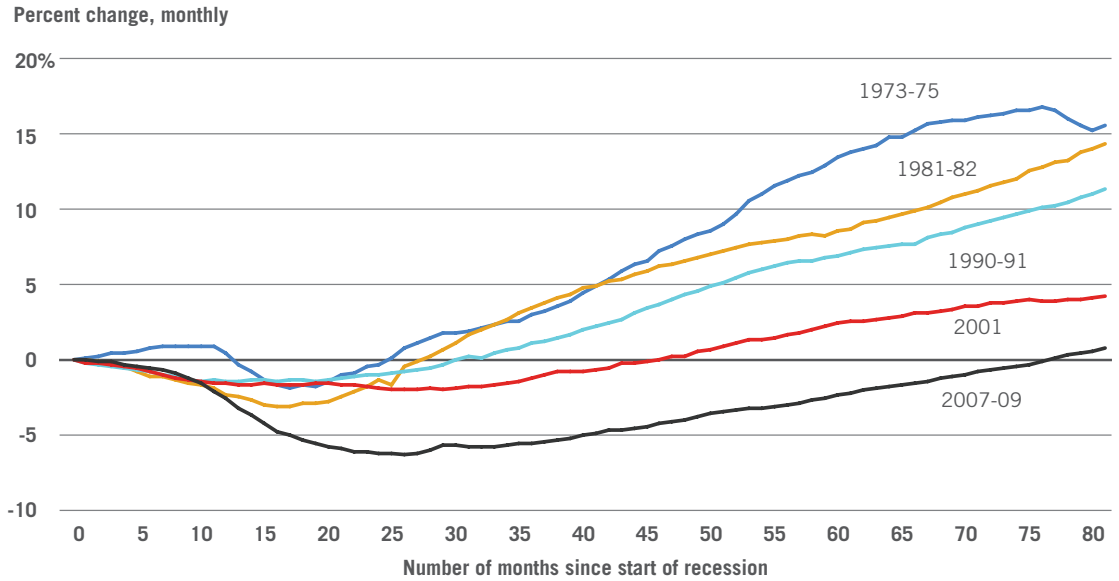
The advance in inventory investment witnessed in the second quarter can't be sustained in the second half of 2014, but the economy expanded at an annual rate of 3.9 percent in the third quarter and should be around 3.0 percent in the fourth quarter. Lower household debt burdens, recovering house prices, and falling oil prices should all assist growth, as should higher business investment supported by large corporate cash balances. Additionally, improving labor markets and lower mortgage rates seem to be boosting housing markets. At a time of weakening growth in the BRIC countries (Brazil, Russia, India, and China), renewed risk of recession in the euro zone, and Japan still attempting to recover after the increase in sales taxes this past spring, the U.S. seems to be resuming more of its traditional role as global growth engine.

The rate and industry composition of job creation has important implications for the overall strength in national economic expansion, wage gains, and the pattern of regional growth across the United States. Job growth has improved since the earlier stages of the recovery from the Great Recession. Since the beginning of 2014, monthly job gains have averaged 227,000—with upward revisions during the last several months suggesting

that the pattern remains intact. An important milestone was achieved in the second quarter of 2014: All 8.7 million jobs that were lost during the recession have been recovered.[2]

Figure 1. U.S. jobs recovery weak compared with previous recoveries

Change in total nonfarm employment, from the start of recession



Source: U.S. Bureau of Labor Statistics

There has been a notable improvement in the mix of jobs being created. Earlier in the recovery, many were low-wage occupations, particularly in temporary agencies and the leisure sector. More of the gains are now middle-wage jobs in areas such as construction and state and local governments. Higher-wage jobs in business services, scientific services, and IT professions are increasing at a greater clip, aiding aggregate wage growth.

Businesses are laying off fewer workers, with the lowest four-week moving average of initial claims for unemployment insurance recorded in late September and early October since 1998. Further, the hiring rate is recovering, having reversed half the drop experienced during the recession. Small businesses are hiring again: Firms with fewer than 50 workers created about 40 percent of all jobs during the past 12 months, slightly more than these firms' share of total employment.[3] The weakest link in labor markets remains the very low quit rate (the proportion of workers who voluntarily leave positions in a month), indicating that workers are reluctant to take career risks. This is partly explained by low mobility as many homeowners remain underwater and the labor force ages.

Investment in and consumption of technology products and services are affecting regional growth patterns as well. Investment fell more during the Great Recession than during the dot-com and tech implosion in the early 2000s. The recovery in IT investment was fairly modest through 2013. Firms have not been confident enough in their growth prospects to commit to major expenditures. Real investment in information processing equipment from 2011 to 2013 rose just 1.6 percent, 3.2 percent, and 3.0 percent, respectively. However, confidence is improving and investment in this category should see growth of 10 percent to 12 percent over the next couple of years. This is already occurring in our best-performing metros.

Another area affecting growth patterns is the energy industry, fueled by the technological advances in horizontal drilling and hydraulic fracturing. Even five years ago, few would have predicted the extent of the shale oil and gas revolution taking place in the United States. Spending on oil and natural gas exploration has surged. Energy investment has claimed the largest share of GDP since the early 1980s. The U.S. is producing 4 million

more barrels of oil per day than five years ago. The record gains in natural gas production have reduced prices. Whereas it costs about $14 to buy 1 million BTUs' worth of natural gas in Europe and $16 in Japan, the same amount of natural gas in the U.S. costs plus-or-minus $4. Additionally, higher domestic production of oil is placing downward pressure on global prices, reducing imports, shrinking the merchandise trade deficit, and moving the U.S. to being a net energy exporter. It remains to be seen whether recent declines in oil prices diminish incentives for some shale oil exploration projects. This could curtail growth in several metro areas.

Biggest Gainers

Housing is the story behind the largest gains in the 2014 ranking. Metros that experienced the biggest collapse in housing markets during the Great Recession have seen stabilization and some degree of recovery over the past several years. Florida and California, where the housing bust hit hardest, had the most metros in the list of biggest gainers: California had eight and Florida six. **LAS VEGAS–PARADISE, NV,** and several others fall into this category as well. Overall, **WEST PALM BEACH–BOCA RATON–BOYNTON BEACH, FL,** recorded the biggest increase, moving up 93 spots, closely followed by **MERCED, CA**.

Table 3. Biggest gainers among large MSAs (based on change in rankings)

Metropolitan statistical area (MSA)	2014 rank	2013 rank	Change
West Palm Beach–Boca Raton–Boynton Beach, FL	70	163	**93**
Merced, CA	71	159	**88**
North Port–Bradenton–Sarasota, FL	80	162	**82**
Cape Coral–Fort Myers, FL	88	164	**76**
Sacramento–Arden–Arcade–Roseville, CA	89	165	**76**
Jacksonville, FL	64	133	**69**
Lake County–Kenosha County, IL–WI	52	118	**66**
Riverside–San Bernardino–Ontario, CA	106	171	**65**
Lansing–East Lansing, MI	135	197	**62**
Miami–Miami Beach–Kendall, FL	85	144	**59**
Oakland–Fremont–Hayward, CA	35	92	**57**
Modesto, CA	131	188	**57**
Baton Rouge, LA	21	76	**55**
Los Angeles–Long Beach–Glendale, CA	42	97	**55**
Lubbock, TX	20	69	**49**
Santa Cruz–Watsonville, CA	54	103	**49**
Wilmington, DE–MD–NJ	98	146	**48**
Las Vegas–Paradise, NV	144	192	**48**
Eugene–Springfield, OR	147	195	**48**
Cincinnati–Middletown, OH–KY–IN	68	113	**45**
Fresno, CA	113	158	**45**
Asheville, NC	57	100	**43**
Orlando–Kissimmee–Sanford, FL	56	98	**42**
Kalamazoo–Portage, MI	143	184	**41**
Salem, OR	117	156	**39**

Source: Milken Institute

Biggest Decliners

Metros experiencing the largest declines were concentrated in Middle Atlantic and New England states. To some extent, longer-term subpar growth trends are reemerging, after having been masked during the Great Recession. Most of these metros have more service-based economies that didn't experience as severe a decline as many with a greater reliance on manufacturing. Pennsylvania had five metros in the list, the most of any state. The biggest decliner was **PEORIA, IL,** falling 102 spots. This metro is heavily dependent on Caterpillar, which cut employment due to a slowdown in international sales of heavy construction and mining equipment.

Table 4. Biggest decliners among large MSAs (based on change in rankings)

Metropolitan statistical area (MSA)	2014 rank	2013 rank	Change
Peoria, IL	157	55	**-102**
Erie, PA	181	96	**-85**
York–Hanover, PA	187	108	**-79**
Roanoke, VA	173	95	**-78**
Hartford–West Hartford–East Hartford, CT	161	85	**-76**
Bethesda–Rockville–Frederick, MD	107	38	**-69**
Spokane, WA	138	74	**-64**
Clarksville, TN–KY	101	40	**-61**
Gainesville, FL	182	124	**-58**
Manchester–Nashua, NH	128	72	**-56**
Davenport–Moline–Rock Island, IA–IL	175	121	**-54**
Lexington–Fayette, KY	96	44	**-52**
Reading, PA	176	126	**-50**
Pittsburgh, PA	79	31	**-48**
Knoxville, TN	112	64	**-48**
Fayetteville, NC	129	82	**-47**
Bridgeport–Stamford–Norwalk, CT	153	106	**-47**
Tucson, AZ	161	115	**-46**
Cedar Rapids, IA	105	61	**-44**
Buffalo–Niagara Falls, NY	156	114	**-42**
Allentown–Bethlehem–Easton, PA–NJ	93	52	**-41**
Charleston, WV	192	151	**-41**
Killeen–Temple–Fort Hood, TX	91	51	**-40**
Green Bay, WI	130	90	**-40**
Mobile, AL	174	134	**-40**

Note: List includes metropolitan divisions, the smaller geographic areas within MSAs.
Source: Milken Institute

Top 25 Best-Performing Large Cities

SAN FRANCISCO–SAN MATEO–REDWOOD CITY, CALIFORNIA, claimed the top spot in our 2014 Best-Performing Cities ranking, moving up from third the previous year. This is San Francisco's first time in the No. 1 position—even during the dot-com boom of the late 1990s, it didn't make it to the head of the pack. And today, the economic fallout from the dot-com bubble's burst in 2002 is but a distant memory. San Francisco's rise to the top of our index is a testament to the city's remarkable recovery, fueled by the entrepreneurial ecosystem in social media and mobile apps, cloud-based software and storage, computer systems design, Internet publishing, clean tech, biotechnology, and medical research—in short, the creative and scientific economy.

IN JULY 2014, the metro area surpassed its last peak employment (achieved in December 2000) by 3,500.[4] This has led to a surge in new commercial office and condo construction. San Francisco's economy demonstrates just how the clustering of talent and technology creates the sorts of advantages that allow a dense city to offset the disadvantages of high costs and a regulation-heavy environment. In terms of job growth, San Francisco ranked fifth in 2013 and 11th from 2008 to 2013. For a dense urban area, ranking fifth on job growth across all metros—many of which don't face the same space constraints as San Francisco—is an unrivaled accomplishment. In contrast, it is almost impossible to envision New York City ever rising to the top spot.

WHAT CATAPULTED SAN FRANCISCO two places higher this year to the overall No. 1 spot, displacing Austin–Round Rock–San Marcos, TX, was its first-place finish in wage growth over both the one-year and five-year periods measured. The quality of its tech-related jobs, as measured by high wages, is driving growth. Its growth in technology-based GDP was second in the country over the last five years. And combined with a concentration of technology that is more than double the U.S. average, it results in real wage growth also more than twice the U.S. average. The employment multiplier for technology firms is around 5.

MOST OF THESE CREATIVE AND SCIENTIFIC JOBS fall in the professional, scientific, and technical services sector, where significant gains have been recorded. For example, from 2008 to 2013, this sector created 25,500 (or 45 percent) of the 56,100 added jobs in San Francisco, posting a 19.9 percent growth rate. In San Francisco,

1 San Francisco–San Mateo–Redwood City, CA

(gained 2 spots)

JOB GROWTH (2008-13)	11TH
JOB GROWTH (2012-13)	5TH
WAGE GROWTH (2007-12)	1ST
WAGE GROWTH (2011-12)	1ST
SHORT-TERM JOB GROWTH (8/2013-8/2014)	10TH
HIGH-TECH GDP GROWTH (2008-13)	2ND
HIGH-TECH GDP GROWTH (2012-13)	20TH
HIGH-TECH GDP CONCENTRATION (2013)	8TH
NUMBER OF HIGH-TECH INDUSTRIES [LQ≥1] (2013)	12TH

ASSETS

- **A leading entrepreneurial ecosystem with innovation strengths in both the creative and the scientific economy.**
- **High education attainment and the ability to attract talent from around the world.**

LIABILITIES

- **Rising rents and gentrification could change the social fabric of the metro.**

the median wage for these professionals is $91,400, about 30 percent above the national average of $70,900.[5] Further, the tech portion of this sector pays nearly $160,000. It's no surprise that young, skilled workers are flocking to the city. The high demand for these skills is driving up wages, and unemployment in these tech-related occupations is less than 2 percent in San Francisco. As of July 2014, the overall unemployment rate was down to 4.6 percent. Rapidly expanding startups—Dropbox, Uber, Quip, and many others—are hiring at a rapid clip and absorbing substantial office space. Dropbox, which provides online information storage and collaboration tools, expanded employment from 35 in 2011 to 500 in 2013.[6] Since moving to the Mid-Market area in June 2012, Twitter has increased employment from 800 to 1,500.

IT'S NOT JUST STARTUPS that are energizing job growth, either. Silicon Valley-based Oracle now employs 7,000 in the city, creating a more diverse workforce by hiring programmers and developers in San Francisco. Firms are scrambling to acquire enough space for their growing headcounts and have been forced to house them in multiple locations in the city. The demand has spurred a massive expansion in new-office construction. LinkedIn has agreed to lease an entire 26-story building south of Market Street opening in 2016.[7] Salesforce will move into a new 67-story skyscraper; it is expected to be the tallest building on the West Coast when completed in 2017. Even Bloomberg is opening an R&D facility south of Market to be near the tech corridor.[8] The Mission Bay district is witnessing remarkable growth, too. Medical research and biotechnology, along with social media and apps, are fueling the growth. The University of California, San Francisco, School of Medicine is expanding its research and clinical footprint, and biotech firms are multiplying.

ON THE HOUSING FRONT, meanwhile, there has been little condominium and apartment construction over the past few years—a lingering effect of the housing bubble. However, multiple new projects are now underway in response to strong demand. San Francisco's biggest challenge is that rising commercial and residential rents are forcing some lower-margin tenants and residents out of neighborhoods. Many fear that the gentrification could change the social fabric of the city.

Austin–Round Rock–San Marcos, TX

(dropped 1 spot)

JOB GROWTH (2008-13)	1ST
JOB GROWTH (2012-13)	3RD
WAGE GROWTH (2007-12)	4TH
WAGE GROWTH (2011-12)	10TH
SHORT-TERM JOB GROWTH (8/2013-8/2014)	9TH
HIGH-TECH GDP GROWTH (2008-13)	21ST
HIGH-TECH GDP GROWTH (2012-13)	17TH
HIGH-TECH GDP CONCENTRATION (2013)	10TH
NUMBER OF HIGH-TECH INDUSTRIES [LQ≥1] (2013)	15TH

ASSETS

- **An important technology center, where growth is more stable than in other leading centers.**
- **Lower cost of living retains and attracts talent and firms that require them—and the attendant population growth.**

LIABILITIES

- **Increasing competition from Asian economies in sophisticated high-tech manufacturing and design.**

AUSTIN–ROUND ROCK–SAN MARCOS, TEXAS, slipped to second, barely eclipsed by San Francisco. Austin is the most consistent Top 5 finisher in the history of our Best-Performing Cities index. Not only is it a dynamic generator of technology and creative industry jobs, but its economic growth is more stable than other top tech centers. This is demonstrated by job and wage growth patterns. Austin ranked first, third, and ninth in job growth from 2008 to 2013, in 2013, and over the 12 months ending in August 2014, respectively. A similar pattern is found in wage growth. Austin now has the 10th-highest concentration of technology production in the nation. Austin's high-tech used to be concentrated in chips, hardware, and communications gear, but now Internet-related services, computer systems design, biotech, and clean tech are key to its thriving ecosystem, which is more reliant than ever on newly formed firms.

As in San Francisco and other top tech centers, the professional, scientific, and technical services sector has been the top generator of new jobs in this metro. Over the last five years, this sector has generated 16,500 jobs, and 6,100 of them were created in 2013, a growth rate of 8.9 percent. Smaller tech players such as Web-sense, Illuminix, Ambiq Micro, Roku, and Marvell Semiconductor are fueling growth.[9] Austin is in the early stages of developing a space sector, having lured Firefly Space Systems, and relocating its headquarters from Greater Los Angeles, to build the next generation of small rocket engines.[10]

In keeping with the trend of attracting jobs from California, Charles Schwab is hiring 1,000 workers locally and reducing staff in San Francisco. Additionally, it attracted SpaceX operations. Flextronics is hiring nearly 1,000 workers to manufacture Apple's new Mac Pro computer. It was 30 years ago that Michael Dell started PC's Limited, which would become Dell Inc. Dell has taken his company private and hopes to restructure it into an important player in enterprise networks, tablets, and other mobile devices.[11] Apple currently has 3,500 employees in the metro, and when its new facility is completed, that number will hit 6,000. Austin has the highest rate of net in-migration in the nation: 31,000 more people moved into Austin than left. The housing market has been booming, but has cooled somewhat in 2014 after record multi-family starts in 2013.

Provo–Orem, UT

(dropped 1 spot)

JOB GROWTH (2008-13)	3RD
JOB GROWTH (2012-13)	1ST
WAGE GROWTH (2007-12)	28TH
WAGE GROWTH (2011-12)	4TH
SHORT-TERM JOB GROWTH (8/2013-8/2014)	33RD
HIGH-TECH GDP GROWTH (2008-13)	10TH
HIGH-TECH GDP GROWTH (2012-13)	10TH
HIGH-TECH GDP CONCENTRATION (2013)	24TH
NUMBER OF HIGH-TECH INDUSTRIES [LQ≥1] (2013)	22ND

ASSETS

- **Home to many highly regarded information technology, advanced manufacturing, and life-sciences firms.**
- **Brigham Young University and Utah Valley University turn out STEM graduates, supporting growth.**

LIABILITIES

- **Per-capita incomes very low for a metro with high concentration of tech workers.**

PROVO–OREM, UTAH, was third in our index, slipping from second place in 2013. The Top 3 metros of 2014 had very close scores, so Provo's performance should be viewed as a continuation of solid expansion. As evidence, Provo led large metros in job growth in 2013 (5.3 percent) and was third from 2008 to 2013. Compared with U.S. real GDP growth over the past two years of around 2.0 percent, real GMP (gross metro product) in Provo increased 7.5 percent. Job growth has moderated somewhat in 2014, but technology gains and construction bouncing back from a weak start to the year should underpin economic expansion. Another factor dampening growth is that the unemployment rate in the metro area has fallen to just 3.4 percent. The metro is home to many highly regarded companies in information technology, advanced manufacturing, and life sciences.[12] Its low taxes and favorable business environment overall provide an advantage over other tech centers. Provo has a thriving startup environment as well.

In addition to software giant Novell, the data processing, hosting, and related services sector is a key part of the IT landscape. K.H. Traveller is expanding its Tonaquint Data Center in St. George. It is the only Tier III data center facility between Las Vegas and Provo. The center provides services such as disaster recovery and remote management services.[13] The expansion doubles the size and capabilities of the facility. This industry grouping witnessed job growth of 21.7 percent in 2013. Frontier Communication established a new technical support center and 350 new jobs, with the promise of an additional 200 jobs.[14] Professional, scientific, and technical services jobs rose by 9.8 percent in 2013 and by 25.5 percent since 2010. Brigham Young University and Utah Valley University are supporting this growth by turning out graduates in the fields of science, technology, engineering, and mathematics (STEM). For example, enrollment at Utah Valley has risen about 10,000 over the past decade. Health care has seen rapid job growth, aiding overall economic gains. Housing and commercial space demand is growing as well. Specialty trade contractors added the most jobs, in absolute terms, of any category in the metro, a rise of 22.6 percent.

4 San Jose–Sunnyvale–Santa Clara, CA

(held steady)

JOB GROWTH (2008-13)	19TH
JOB GROWTH (2012-13)	4TH
WAGE GROWTH (2007-12)	18TH
WAGE GROWTH (2011-12)	34TH
SHORT-TERM JOB GROWTH (8/2013-8/2014)	26TH
HIGH-TECH GDP GROWTH (2008-13)	16TH
HIGH-TECH GDP GROWTH (2012-13)	51ST
HIGH-TECH GDP CONCENTRATION (2013)	1ST
NUMBER OF HIGH-TECH INDUSTRIES [LQ≥1] (2013)	3RD

ASSETS

- **Top technology cluster in the world, supported by venture capital, startups, tech titans, and highly engaged universities.**
- **Immigrant entrepreneurs and STEM talent that make it so uniquely dynamic with international connections.**

LIABILITIES

- **Amid H1-B immigration obstacles, tech firms might be forced to outsource R&D and other creation functions.**

SAN JOSE–SUNNYVALE–SANTA CLARA, CALIFORNIA, held steady at fourth. While San Francisco might be experiencing rapid tech-related growth, Silicon Valley is still the largest technology hub in the nation and the anchor for the Bay Area. Technology firms in the San Jose metro division employ over 270,000 people, 73.4 percent higher than the San Francisco metro division.[15] Silicon Valley has the hardware and electronic components portion of high tech. Sand Hill Road's venture capitalists fund the rapidly changing ecosystem of startups throughout the Bay Area. Venture capital funding has been very strong through the first half of 2014 and will probably reach the highest level since its previous peak in the dot-com era in 2000. Venture capital funding in the first half of 2014 was over $12 billion. Remarkably, the region captured 53 percent of total U.S. funding in the first half, far surpassing its 32 percent share in 2000. Despite other regions' best efforts to capture more VC investment, it is more concentrated than in the dot-com period.[16]

The metro's vibrant innovation ecosystem is unmatched even globally in its ability to transform ideas into profitable companies. Immigrant entrepreneurs, mostly from Asia, start many of those firms. And it is their high level of educational attainment that helps propel the overall statistics for the region: 21 percent of the population aged 25 and over have advanced degrees, double the national average. Most of these are in STEM-related fields.

San Jose had the fourth-highest job growth in the country in 2013. Employment in the professional, scientific, and technical services category increased by 7,400 (a gain of 6.3 percent), leading all categories in absolute terms. San Jose was 19th in job growth from 2008 to 2013, mostly due to the severe decline in IT-equipment purchases during the Great Recession. Wage growth has vastly exceeded the nation. For example, during 2012, per-capita personal income increased by 6.2 percent.[17] Large IT firms in the region have struggled with the changing technology platform. Hewlett-Packard (HP), Cisco, and Intel have all faced these challenges. HP is breaking up into two firms, Cisco is laying off 6,000 employees worldwide, and Intel, tied to the PC business, didn't make chips for mobile devices until recently. Fortunately, the Valley has Facebook, Google, Oracle, Apple, and a variety of firms establishing new sectors and capturing market share from traditional players.[18] Software and biotech have been strong. Housing shortages are driving residential prices higher and may restrict growth in the future and result in longer commutes.

Raleigh–Cary, NC

(gained 8 spots)

JOB GROWTH (2008-13)	25TH
JOB GROWTH (2012-13)	28TH
WAGE GROWTH (2007-12)	37TH
WAGE GROWTH (2011-12)	29TH
SHORT-TERM JOB GROWTH (8/2013-8/2014)	4TH
HIGH-TECH GDP GROWTH (2008-13)	23RD
HIGH-TECH GDP GROWTH (2012-13)	70TH
HIGH-TECH GDP CONCENTRATION (2013)	11TH
NUMBER OF HIGH-TECH INDUSTRIES [LQ>=1] (2013)	10TH

ASSETS

- **Commercially inclined universities, government policies that support tech-driven economic development, and technical talent underpin growth.**
- **Corporate income-tax cuts attract additional physical and capital investment—along with attendant job creation.**

LIABILITIES

- **Reduced government support of public universities harms research strengths and talent creation.**

RALEIGH–CARY, NORTH CAROLINA, rose eight spots, landing in fifth place. The metro area consistently ranks among our top performers and regularly makes a number of other "best places" lists that evaluate business climate and economic performance. Although Raleigh experienced solid employment growth over the past several years, it was the acceleration in job creation in 2014 that boosted it in our rankings. Over the 12 months that ended in August 2014, employment rose 4.2 percent and placed Raleigh fourth in that category among large metros.

The area is becoming one of the leading innovation hubs on the East Coast, as witnessed by its 11th-place ranking in the importance of high-tech to its economy. Additionally, it ranks 10th in the diversity of high-tech industry base. Many firms are attracted by the fertile innovation environment fostered by the Research Triangle's universities and the openness to collaborate with the business community. Moreover, many startups that have been spun out of the universities are among the major players in Raleigh's technology community.

As an example of the critical role that technology is playing in propelling the region's economy, the professional, scientific, and technical services sector added 3,200 jobs in 2013, a growth rate of 7.3 percent. HCL Technologies, an international IT services company with headquarters in India, announced the establishment of a global development center in the metro as part of a major expansion.[19] This facility is expected to bring over 1,200 jobs to the region's economy. Several other IT and information firms already in the metro—Citrix, Red Hat, Lexis-Nexis and Sageworks—have announced expansions.[20] Citrix recently held the grand opening of its new office in the warehouse district of downtown Raleigh. A new bio-agricultural R&D facility is opening with significant investment from Novozymes and will be collaborating with North Carolina State University and other universities. Raleigh's economic growth rate is likely to accelerate over the next several years.

6 Salt Lake City, UT

(dropped 1 spot)

JOB GROWTH (2008-13)	30TH
JOB GROWTH (2012-13)	29TH
WAGE GROWTH (2007-12)	36TH
WAGE GROWTH (2011-12)	14TH
SHORT-TERM JOB GROWTH (8/2013-8/2014)	18TH
HIGH-TECH GDP GROWTH (2008-13)	20TH
HIGH-TECH GDP GROWTH (2012-13)	33RD
HIGH-TECH GDP CONCENTRATION (2013)	49TH
NUMBER OF HIGH-TECH INDUSTRIES [LQ≥1] (2013)	15TH

ASSETS

- Expanding financial and high-tech center attracts major employers.
- Growing population is younger and more educated than the U.S. average.

LIABILITIES

- Exposure to cuts in the state and federal budgets remains a risk.

SALT LAKE CITY, UTAH, remains among the Top 10 cities, coming in sixth with solid scores across the metrics evaluated. Its diverse high-tech economy remains a strength, and GDP growth in technology was 13 percent above the national average over the five years ending in 2013. Short-term employment gains indicate that this momentum will continue to carry the metro forward.

Salt Lake City is a financial hub with a highly skilled workforce, and it is benefiting from leading companies seeking lower-cost locations for their operations in the wake of the recent recession. Goldman Sachs continues to add jobs in the metro and employs more people in Salt Lake City than anywhere else in the United States outside of New York City.[21] Credit intermediation and related activities added 1,500 jobs in 2013.

Investments in a variety of transportation infrastructure, including transit and at the Salt Lake City International Airport, have helped make the metro attractive and accessible to tourists, young professionals, and businesses with strong international links.

The University of Utah is one of the largest single employers in Salt Lake City and had 31,500 students enrolled for the fall 2014 semester.[22] The university contributes to the higher average educational attainment of the local labor force, and encourages entrepreneurship through its Lassonde Entrepreneurship Program.[23] In October 2014, it broke ground on Lassonde Studios—an innovative student residence that incorporates a 20,000-square-foot "garage" space to facilitate collaboration, learning, and building of prototypes on site.[24]

7 Houston–Sugar Land–Baytown, TX

(gained 1 spot)

JOB GROWTH (2008-13)	4TH
JOB GROWTH (2012-13)	16TH
WAGE GROWTH (2007-12)	3RD
WAGE GROWTH (2011-12)	3RD
SHORT-TERM JOB GROWTH (8/2013-8/2014)	6TH
HIGH-TECH GDP GROWTH (2008-13)	85TH
HIGH-TECH GDP GROWTH (2012-13)	31ST
HIGH-TECH GDP CONCENTRATION (2013)	116TH
NUMBER OF HIGH-TECH INDUSTRIES [LQ≥1] (2013)	163RD

ASSETS

- Energy sector driving economic growth and exports.
- Competitive business climate attracts corporate expansions.

LIABILITIES

- Lower diversity in industries than other economies of the same size exposes the metro economy to commodity price swings in its core energy sector.

HOUSTON–SUGAR LAND–BAYTOWN, TEXAS, climbed one place to seventh on the 2014 index. Phenomenal wage growth remains a consistent factor in the metro's success: It was 22 percent higher than the national average—an impressive achievement for a metro that doesn't have a high-tech concentration. Most cities in our Top 10 achieved strong wage growth on the back of their tech industries, much as San Francisco did.

An international center for oil, gas, and petrochemical manufacturing firms, Houston-Sugar Land-Baytown has benefited from growth in the energy industry. It leads the nation in the number of jobs added in the oil and gas extraction industry: 4,300 in 2013. Meanwhile, manufacturing industries have added 8,000 jobs in the past year.

Employment growth and rising wages have driven up both demand for housing and home prices, improving prospects for the continuing recovery of residential home construction. Major petrochemical plant construction projects that aim to take advantage of the low-cost natural gas supply created by shale gas extraction are also supporting construction employment. In June 2014, construction began on ExxonMobil's ethane cracker and associated production lines in Baytown, a multibillion-dollar project.[25]

Economic success has drawn people to the Houston-Sugar Land-Baytown area, leading to population growth far above the national average in recent years. This is driving increased demand for services like health care and education, helping to broaden the metro's economic base.

Fort Worth–Arlington, TX

(gained 8 spots)

JOB GROWTH (2008-13)	15TH
JOB GROWTH (2012-13)	38TH
WAGE GROWTH (2007-12)	39TH
WAGE GROWTH (2011-12)	28TH
SHORT-TERM JOB GROWTH (8/2013-8/2014)	21ST
HIGH-TECH GDP GROWTH (2008-13)	40TH
HIGH-TECH GDP GROWTH (2012-13)	24TH
HIGH-TECH GDP CONCENTRATION (2013)	50TH
NUMBER OF HIGH-TECH INDUSTRIES [LQ≥1] (2013)	67TH

ASSETS

- **Low cost of doing business and central location create an attractive base for logistics and warehousing.**

LIABILITIES

- **Potential government budget cuts could affect defense-based employment.**

FORT WORTH–ARLINGTON, TEXAS, performed well across the board to place eighth, rising eight spots and overtaking the neighboring Dallas-Plano-Irving metro.

The transportation and logistics industry has a broad footprint here. At least 3,000 jobs were added in truck transportation since 2008–more than anywhere else in the country. BNSF Railway, whose headquarters are in Fort Worth, announced it would hire for 2,000 new positions across its network in 2014 to increase capacity in response to rising demand for freight transportation.[26]

General Motors employs more than 4,500 people at its Arlington Assembly Plant, where it builds full-size sport-utility vehicles.[27] The plant has increased production to respond to higher international demand for these vehicles.

Activity at the Dallas/Fort Worth International Airport has increased, and the merger of American Airlines, which accounts for 70 percent of passengers passing through the airport, with US Airways presents new opportunities.[28] American Airlines is expanding its service to South America out of Dallas/Fort Worth to facilitate business and tourist travel.[29]

Although construction-related employment has been picking up, it still remains below 2008 levels. House prices in Fort Worth-Arlington are lower than in neighboring Dallas, fueling hopes that new construction will increase in the medium term.

Dallas–Plano–Irving, TX

(dropped 2 spots)

JOB GROWTH (2008-13)	28TH
JOB GROWTH (2012-13)	40TH
WAGE GROWTH (2007-12)	48TH
WAGE GROWTH (2011-12)	20TH
SHORT-TERM JOB GROWTH (8/2013-8/2014)	13TH
HIGH-TECH GDP GROWTH (2008-13)	68TH
HIGH-TECH GDP GROWTH (2012-13)	57TH
HIGH-TECH GDP CONCENTRATION (2013)	32ND
NUMBER OF HIGH-TECH INDUSTRIES [LQ≥1] (2013)	12TH

ASSETS

- **Competitive business climate and generous incentives, which can attract major employers to the region.**

LIABILITIES

- **Cost of living becoming a challenge.**

DALLAS–PLANO–IRVING, TEXAS, ranked ninth in our index. The metro's diverse high-tech industry is growing more slowly than those in many of its peers in the Top 10. Short-term job gains indicate that the economy is picking up more momentum. In 2013, the metro added more than 56,000 net jobs.

With an educational attainment higher than the national average and neighboring Fort Worth-Arlington, the Dallas-Plano-Irving metro has been able to create high-value jobs. The professional, scientific, and technical services sector added more than 4,000 jobs in the last year alone. The metro also added significant numbers of jobs in the financial sector (around 3,500 in insurance and 2,500 in credit intermediation and related services in 2013).

Benefiting from the Texas Enterprise Grant Program, Dallas-Plano-Irving has been able to secure major corporate investments.[30] Toyota and Toyota Financial Services are relocating customer service, engineering, and financial jobs from around the country to a campus in Plano, where they are establishing their new North American headquarters. This move is expected to eventually net up to 4,000 jobs for the region.[31]

Strong in-migration has driven up house prices above their pre-recession peak. Construction employment, although growing, has not increased at the same pace and is still recovering.

10 San Antonio–New Braunfels, TX

(gained 2 spots)

JOB GROWTH (2008-13)	8TH
JOB GROWTH (2012-13)	37TH
WAGE GROWTH (2007-12)	10TH
WAGE GROWTH (2011-12)	56TH
SHORT-TERM JOB GROWTH (8/2013-8/2014)	38TH
HIGH-TECH GDP GROWTH (2008-13)	38TH
HIGH-TECH GDP GROWTH (2012-13)	28TH
HIGH-TECH GDP CONCENTRATION (2013)	74TH
NUMBER OF HIGH-TECH INDUSTRIES [LQ≥1] (2013)	33RD

ASSETS

- **Exploration of Eagle Ford shale is creating jobs in the oil and gas supply chain.**

LIABILITIES

- **Manufacturing employment remains stagnant.**

SAN ANTONIO–NEW BRAUNFELS, TEXAS, gained two spots to break back into the Top 10. The fifth Texas metro in our 2014 Top 10, it also has seen impressive employment growth over the five years ending in 2013, ranking eighth on that measure. Over the same period, wages here grew 19 percent faster than in the nation as a whole.

The health-care industry, including military health care, provides a stable base of employment for more than 100,000 people in the metro. The University of Texas Health Science Center at San Antonio trains more than 3,000 doctors, nurses, dentists, health professionals, and biomedical scientists each year and has a staff of 5,500. It is also a leading research institution, and it attracted $176 million in sponsored and awarded research funding in the 2014 financial year.[32]

An attractive business location, San Antonio-New Braunfels hosts back-office and customer-service operations for national firms. The insurance industry, for example, has added more than 6,000 jobs in the metro over the five years ending in 2013, more than in all but one of the metros in the nation.

Oil and gas exploration in the Eagle Ford Shale is still creating energy-related jobs, and the metro has continued to add jobs in pipeline transportation over the past five years as companies expand and update infrastructure.

11 Seattle–Bellevue–Everett, WA

(dropped 5 spots)

JOB GROWTH (2008-13)	59TH
JOB GROWTH (2012-13)	27TH
WAGE GROWTH (2007-12)	29TH
WAGE GROWTH (2011-12)	9TH
SHORT-TERM JOB GROWTH (8/2013-8/2014)	35TH
HIGH-TECH GDP GROWTH (2008-13)	26TH
HIGH-TECH GDP GROWTH (2012-13)	109TH
HIGH-TECH GDP CONCENTRATION (2013)	4TH
NUMBER OF HIGH-TECH INDUSTRIES [LQ≥1] (2013)	33RD

ASSETS

- **Strengthening tech industry; it ranks fourth in the country, up one spot from last year.**
- **High per-capita income supports consumer spending.**

LIABILITIES

- **Slowdown in China could affect activity at the Port of Seattle.**

SEATTLE–BELLEVUE–EVERETT, WASHINGTON, drops five positions to 11th place. Despite very strong one-year wage growth and solid performance on measures of recent employment growth, Seattle fell from the Top 10. Even though the metro climbed from fifth to fourth place for high-tech GDP concentration, other cities with less established tech clusters have grown more quickly.

Meanwhile, high-wage jobs are driving retail spending. In 2013, taxable retail sales increased by 7 percent in King County and by 8 percent in Snohomish County.[33] Jobs are being created in both high-skill and lower-skill service industries—the professional, scientific, and technical services sector and the food services and drinking places sector each added more than 5,000 jobs in 2013.

Job growth at tech companies such as Amazon.com, which is developing a large campus in downtown Seattle,[34] encourages in-migration and housing demand. The resulting low rental vacancy rate (just above 4 percent) is spurring apartment construction, with more than 8,000 units permitted in the first eight months of 2014, 40 percent more than at the same point in 2013.[35]

Non-store retailers—an industry category that includes online sellers—added more than 4,000 jobs in 2013, contributing to the doubling of this industry's employment in Seattle in the five years between 2008 and 2013 to more than 18,600 workers.

The Port of Seattle is key to the metro's export-oriented economy. Exports from King and Snohomish counties were worth close to $55 billion in 2013, with China and Japan the top destinations.[36] Computer and electronics products represented the largest share of exports by sector, although job growth in the sector has been slow out of the recession.

12 Denver–Aurora–Broomfield, CO

(gained 3 spots)

JOB GROWTH (2008-13)	31ST
JOB GROWTH (2012-13)	14TH
WAGE GROWTH (2007-12)	44TH
WAGE GROWTH (2011-12)	16TH
SHORT-TERM JOB GROWTH (8/2013-8/2014)	57TH
HIGH-TECH GDP GROWTH (2008-13)	80TH
HIGH-TECH GDP GROWTH (2012-13)	77TH
HIGH-TECH GDP CONCENTRATION (2013)	27TH
NUMBER OF HIGH-TECH INDUSTRIES [LQ≥1] (2013)	10TH

ASSETS

- Highly skilled workforce (40 percent have at least a bachelor's degree).
- Diverse high-tech sector (ranks 10th in the number of concentrated high-tech industries).

LIABILITIES

- High cost of living may deter in-migration.

DENVER–AURORA–BROOMFIELD, COLORADO, is the first of four Colorado metros in our Top 25, showing strong one-year employment and wage growth, and having established a large and diverse high-tech sector. However, growth in the sector lagged national performance by more than 2 percent over the past five years. Professional, scientific, and technical services have been vital to the metro's performance in recent years: The sector ranked first for jobs created in both the last year (adding almost 6,500 jobs) and in the five years ending in 2013 (almost 10,800 more jobs).

Consumer spending, supported by high per-capita incomes and wage increases, is contributing to broad growth in employment across a range of industries. In addition to the professional services sector, restaurants and bars, outpatient care, and corporate headquarters based in the metro each added more than 2,000 jobs in 2013. This diversity will help the metro withstand economic shocks that affect one industry.

In spring 2014, Union Station in downtown Denver was reopened for transit service.[37] The station is undergoing renovation and will be transformed into a modern multimodal transportation hub as part of an ongoing effort to revitalize the downtown area.[38] Heavy and civil engineering construction added 1,400 jobs in 2013, taking total employment in this industry close to pre-recession levels. House prices in the metro are climbing steadily, reaching a new peak; this raises concerns about affordability, which could deter people from moving to the metro.

Lockheed Martin Space Systems Co. announced in May 2014 that it would be consolidating jobs from sites elsewhere in the country to its Denver headquarters, making use of the highly skilled workforce.[39]

13 Boulder, CO

(dropped 4 spots)

JOB GROWTH (2008-13)	36TH
JOB GROWTH (2012-13)	54TH
WAGE GROWTH (2007-12)	62ND
WAGE GROWTH (2011-12)	23RD
SHORT-TERM JOB GROWTH (8/2013-8/2014)	24TH
HIGH-TECH GDP GROWTH (2008-13)	34TH
HIGH-TECH GDP GROWTH (2012-13)	100TH
HIGH-TECH GDP CONCENTRATION (2013)	3RD
NUMBER OF HIGH-TECH INDUSTRIES [LQ≥1] (2013)	1ST

ASSETS

- Most diverse high-tech sector in the nation.
- Highly skilled workforce drives entrepreneurship and innovation.

LIABILITIES

- Key industries vulnerable to shifts in the business cycle.

BOULDER, COLORADO, fell four positions to land outside the Top 10. The metro's relative high-tech concentration ranks third in the country, slipping one spot since 2013. Despite middling short-term high-tech GDP growth, Boulder is home to the most diverse high-tech sector in the nation. Its low rank in high-tech GDP growth in 2013 results from its being an established high-tech hub, and other metrics, like 24th place for short-term job growth, indicate that the metro economy is robust.

With an extremely high level of educational attainment—56 percent of the population has at least a bachelor's degree—Boulder has a vibrant startup sector, producing small companies with the potential for high growth. While venture capital investments in the Boulder/Denver area fell in 2013,[40] the figures for the first two quarters of 2014 show stronger performance.[41] The entrepreneurial culture, along with the high quality of life, is attracting people to Boulder from around the country.

Employing more than 8,000 people, the computer and electronic product manufacturing industry in Boulder added 500 jobs in the five years ending in 2013, more than all but four other metros in the nation. Given that this industry lost jobs in 70 percent of the metros ranked over this period, even modest job gains are encouraging.

The real estate market in Boulder is doing very well, with house prices rising far above the pre-recession peak. The number of new building permits issued is projected to grow, with the emphasis shifting away from multi-family toward single-family units as home-buyer demand increases in the next year.[42]

14 Greeley, CO

(dropped 4 spots)

JOB GROWTH (2008-13)	2ND
JOB GROWTH (2012-13)	2ND
WAGE GROWTH (2007-12)	20TH
WAGE GROWTH (2011-12)	7TH
SHORT-TERM JOB GROWTH (8/2013-8/2014)	3RD
HIGH-TECH GDP GROWTH (2008-13)	45TH
HIGH-TECH GDP GROWTH (2012-13)	196TH
HIGH-TECH GDP CONCENTRATION (2013)	179TH
NUMBER OF HIGH-TECH INDUSTRIES [LQ≥1] (2013)	129TH

ASSETS

- **Strong oil production from Niobrara Shale is attracting more rig activity.**

LIABILITIES

- **Low educational attainment among residents.**
- **Reliance on energy industry exposes economy to changes in tax policy (wind tax credit) and commodity prices (oil).**

GREELEY, COLORADO, slipped four places to rank 14th on the 2014 Best-Performing Cities index. The metro's impressive job growth places it second on both the one- and five-year measures, and continued into 2014, when it ranked third in the nation for short-term employment growth. Wage growth in Greeley remains high, but the metro did not keep pace with other Top 25 Colorado metros on the high-tech factors evaluated.

The extraction of oil and natural gas from the Niobrara Shale has fueled much of the growth in Greeley. In 2013, 779 new jobs were added in support activities for the mining sector, an industry category that includes support services for oil and gas extraction, and in which employment has increased by more than 90 percent over the five years ending in 2013. Halliburton, which contracts to supply hydraulic fracturing teams for the drilling of new shale wells, opened its expanded facility in Fort Lupton, south of Greeley in 2013.[43]

Food product manufacturing employs about 5,000 people in Greeley, and growth in industry employment was not seriously affected by the recession, with 27 net jobs lost between 2009 and 2010.

In the longer term, the low educational attainment of the Greeley metro population may limit the pace of growth in high-wage occupations, and per-capita income is still well below the Colorado and national averages.

15 Nashville-Davidson–Murfreesboro–Franklin, TN

(Dropped 1 spot)

JOB GROWTH (2008-13)	7TH
JOB GROWTH (2012-13)	23RD
WAGE GROWTH (2007-12)	27TH
WAGE GROWTH (2011-12)	2ND
SHORT-TERM JOB GROWTH (8/2013-8/2014)	14TH
HIGH-TECH GDP GROWTH (2008-13)	159TH
HIGH-TECH GDP GROWTH (2012-13)	92ND
HIGH-TECH GDP CONCENTRATION (2013)	129TH
NUMBER OF HIGH-TECH INDUSTRIES [LQ≥1] (2013)	105TH

ASSETS

- **Favorable tax climate is attractive to business.**

LIABILITIES

- **High-tech sector's growth is 16 percent slower than national average.**

NASHVILLE-DAVIDSON–MURFREESBORO–FRANKLIN, TENNESSEE, came in at 15th place thanks to the metro's job and wage growth. It ranked second among large metros for one-year wage growth, and wages in the metro increased by 15 percent more than the national average over the five years ending in 2012. Performance in the high-tech GDP growth metric plummeted, dropping 86 spots after ranking sixth on our 2013 index. Fifty-five more metros now have more diverse high-tech economies than Nashville-Davidson–Murfreesboro–Franklin.

Although the growth stimulated by the release of pent-up demand for automobiles after the recession has slowed, the metro still is benefiting from the auto industry's strong presence. In 2013, General Motors announced a $350-million investment in its Spring Hill plant, facilitating the decision to move production of the next model of Cadillac SRX sport-utility vehicles from a site in Mexico to the plant in 2014.[44] Nissan, meanwhile, produces a number of models at its Smyrna plant, including the all-electric Leaf, and the company recently built an electric battery plant onsite. The factory was its top-performing plant in the first half of 2014.[45]

The number of single- and multi-family housing permits issued has rebounded strongly, and demand for single-family homes is projected to stay high in coming years because of new household formation and population growth. This should help ramp up construction employment, which remains below 2008 levels. The two industries that have lost the most jobs over the five years ending in 2008 are sub-sectors of the construction industry: the specialty trade contractors industry is still almost 4,500 jobs behind 2008 employment levels, and the building construction industry is 2,000 jobs behind.

16 Portland–Vancouver–Hillsboro, OR–WA

(gained 5 spots)

JOB GROWTH (2008-13)	79TH
JOB GROWTH (2012-13)	64TH
WAGE GROWTH (2007-12)	64TH
WAGE GROWTH (2011-12)	32ND
SHORT-TERM JOB GROWTH (8/2013-8/2014)	32ND
HIGH-TECH GDP GROWTH (2008-13)	1ST
HIGH-TECH GDP GROWTH (2012-13)	66TH
HIGH-TECH GDP CONCENTRATION (2013)	2ND
NUMBER OF HIGH-TECH INDUSTRIES [LQ≥1] (2013)	49TH

ASSETS

- **Strong demand for exports from the established high-tech cluster in semiconductor manufacturing.**
- **Quality of life attracts an educated and growing workforce.**

LIABILITIES

- **Construction-related sectors still haven't recovered from the recession.**

PORTLAND–VANCOUVER–HILLSBORO, OREGON–WASHINGTON, gained five spots to land in 16th place. The metro has established the second-highest high-tech GDP concentration in the nation, and its high-tech GDP growth rate was 50 percent more than the national average over the five-year period ending in 2013—the largest percentage increase among all the cities we evaluated. Recent high-tech expansion, however, has been only 2 percent above the pack, and job growth in the metro has not followed the high-tech output trajectory. While its high-tech industry was dramatically outpacing the nation, job growth actually lagged slightly behind national performance from 2008 to 2013.

Intel, a major employer in the metro, was granted tax breaks for the next 30 years as part of Oregon's Strategic Investment Program. As a result, Intel has committed to invest in its capital stock based at its extensive Washington County manufacturing facilities, and the company is expected to remain an anchor of Portland's tech sector for coming decades.[46]

The Portland-Vancouver-Hillsboro metro also has a robust food-manufacturing industry. It added almost 800 jobs in 2013, more than any other metro. The industry is varied—in terms of its products, the size of businesses, and their target markets—and includes manufacturers of locally focused artisanal products as well as large companies such as Bridgetown Natural Foods that target the health-food markets.[47]

As in other high-skill cities, an educated workforce has helped the Portland-Vancouver-Hillsboro metro experience growth in the professional, scientific, and technical services sector. The industry added more than 7,100 jobs in five years, with approximately 3,100 of those in the last year.

17 Fort Collins–Loveland, CO

(gained 3 spots)

JOB GROWTH (2008-13)	16TH
JOB GROWTH (2012-13)	25TH
WAGE GROWTH (2007-12)	53RD
WAGE GROWTH (2011-12)	53RD
SHORT-TERM JOB GROWTH (8/2013-8/2014)	65TH
HIGH-TECH GDP GROWTH (2008-13)	86TH
HIGH-TECH GDP GROWTH (2012-13)	114TH
HIGH-TECH GDP CONCENTRATION (2013)	34TH
NUMBER OF HIGH-TECH INDUSTRIES [LQ≥1] (2013)	25TH

ASSETS

- **Educated workforce helps attract venture capital.**
- **Growing enrollment at Colorado State University in Fort Collins supports consumer spending.**

LIABILITIES

- **Homebuilding still well below pre-recession peak**

FORT COLLINS–LOVELAND, COLORADO, jumped three spots on our 2014 index to rank 17th, regaining some of the ground lost in the 2013 index. Performance in the one- and five-year measures of job growth has improved, although the metro's most recent 12-month job gains looked less promising than at this time the previous year. High-tech GDP growth over the five years ending in 2013 has been 4 percent slower than the national average, dragging the metro's overall score down.

Colorado State University in Fort Collins has an on-campus student population of 25,600.[48] Along with stable faculty and administrative employment at the university, Fort Collins' largest employer is also a reliable source of consumer demand through the fluctuations of the business cycle that can affect the high-tech sector. The university serves as a source and an anchor for the high-skills workforce in the Fort Collins-Loveland metro, and it partners with the entrepreneurial community to foster startup activity.[49] Fort Collins held its first startup week in May 2014, following the success of similar events in Denver and Boulder.[50]

The metro is experiencing population growth and positive net migration. The higher cost of living in neighboring Boulder may lead more people to consider relocating to the Fort Collins-Loveland metro. This should help bolster construction-related employment, which is still below 2008 levels.

18 Laredo, TX

(gained 4 spots)

JOB GROWTH (2008-13)	10TH
JOB GROWTH (2012-13)	63RD
WAGE GROWTH (2007-12)	7TH
WAGE GROWTH (2011-12)	18TH
SHORT-TERM JOB GROWTH (8/2013-8/2014)	55TH
HIGH-TECH GDP GROWTH (2008-13)	7TH
HIGH-TECH GDP GROWTH (2012-13)	8TH
HIGH-TECH GDP CONCENTRATION (2013)	200TH
NUMBER OF HIGH-TECH INDUSTRIES [LQ≥1] (2013)	197TH

ASSETS

- **Trade with Mexico drives transportation and logistics employment.**

LIABILITIES

- **Holds limited appeal to high-wage industries seeking a more educated population.**
- **Lack of industrial diversity makes the economy vulnerable to disruption of border crossings.**

LAREDO, TEXAS, broke into the Top 20 at 18th, continuing its climb up the rankings. Strong job and wage growth during the recession has helped the city maintain its upward trajectory. Its impressive scores on the two high-tech growth measures are explained by the small size of the sector: Laredo places last in high-tech concentration among the 200 large metros we ranked, so even small additions in high-tech output translate to large percentage increases. The one-year and short-term job growth metrics indicate that the economy is cooling.

The transportation and distribution of goods through Laredo increased as transshipment across the U.S.-Mexico border rose. Automobile production in Mexico continues to climb,[51] creating more import activity that supports U.S. Border Patrol employment. Beyond truck transportation, the broader logistics industry has also seen growth: Employment in support activities for the transportation sector increased by 7 percent in 2013.

Laredo has a young and growing population, but low incomes have dampened the impact on demand for new single-family homes. Multi-family construction is absorbing some of the new household formation, although construction-related employment still remains below 2008 levels. The largest employment gains in the past year were in population-driven sectors, including doctor's offices (1,244 jobs), restaurants and bars (471 jobs), and social-assistance services (450 jobs).

19 Lafayette, LA

(gained 5 spots)

JOB GROWTH (2008-13)	14TH
JOB GROWTH (2012-13)	53RD
WAGE GROWTH (2007-12)	9TH
WAGE GROWTH (2011-12)	12TH
SHORT-TERM JOB GROWTH (8/2013-8/2014)	37TH
HIGH-TECH GDP GROWTH (2008-13)	124TH
HIGH-TECH GDP GROWTH (2012-13)	78TH
HIGH-TECH GDP CONCENTRATION (2013)	169TH
NUMBER OF HIGH-TECH INDUSTRIES [LQ≥1] (2013)	105TH

ASSETS

- **Energy sector provides high-wage jobs that support consumer spending.**

LIABILITIES

- **Lack of industrial diversity leaves the metro vulnerable to fluctuations in energy prices.**

LAFAYETTE, LOUISIANA, ranked 19th on the 2014 index, benefiting from the continuing strength of its energy sector. Job and wage growth have lifted Lafayette's economy, despite its small high-tech sector. Wage growth over the five years ending in 2013 was 19 percent higher than the U.S. average, but the metro underperformed the national economy by almost 10 percent in five-year high-tech GDP growth.

The development of Louisiana's energy industry has supported Lafayette's economic performance. Employment in industries that facilitate energy exploration and transportation added jobs in 2013—in support services and in the manufacture of fabricated metal products, for example. These higher-wage jobs have supported growth in consumer spending, creating more than 560 jobs in restaurants and bars in 2013.

Since 2008, Lafayette has added 1,100 jobs in machinery manufacturing, and the metro's good transportation links make it an attractive location for manufacturing and assembly. Bell Helicopter announced in late 2013 that it would establish an assembly plant near the Lafayette Regional Airport; it began building the new facility in August 2014.[52]

The high-tech sector is still small, but expansions by firms such as CGI, Enquero, and Perficient Inc. into the Lafayette area may help attract are a more educated workforce and retain computer-science graduates from the University of Louisiana at Lafayette.[53]

Lubbock, TX

(gained 49 spots)

JOB GROWTH (2008-13)	22ND
JOB GROWTH (2012-13)	43RD
WAGE GROWTH (2007-12)	13TH
WAGE GROWTH (2011-12)	31ST
SHORT-TERM JOB GROWTH (8/2013-8/2014)	47TH
HIGH-TECH GDP GROWTH (2008-13)	172ND
HIGH-TECH GDP GROWTH (2012-13)	71ST
HIGH-TECH GDP CONCENTRATION (2013)	97TH
NUMBER OF HIGH-TECH INDUSTRIES [LQ≥1] (2013)	83RD

ASSETS

» **Texas Tech University attracts a young population and supports consumer spending.**

LIABILITIES

» **Its cotton industry is vulnerable to production and financial risks.**

LUBBOCK, TEXAS, shot back up the rankings to reclaim the 20th place it had held in the 2012 index. Improved performance in the one-year measures for wage and job growth helped it regain ground. The metro has the lowest five-year high-tech growth in the Top 25, more than 18 percent below the national average. Its wage growth has been strong and has outperformed the national average, also by more than 18 percent in the five years ending in 2013.

Texas Tech University has significantly ramped up enrollment in recent years, and the fall 2014 student population numbered more than 35,000–a new record, and on track to reach the 2020 goal of 40,000 students.[54] This large student body, combined with anticipated increases in staff and faculty compensation, helps support consumer spending in Lubbock. Restaurants and bars in town added almost 700 jobs in 2013.

The university's ongoing efforts to earn recognition as a Tier One research institution is also driving efforts to attract more research funding from national sources to the school. That, in turn should help stimulate local innovation and entrepreneurship.[55]

Baton Rouge, LA

(gained 55 spots)

JOB GROWTH (2008-13)	43RD
JOB GROWTH (2012-13)	44TH
WAGE GROWTH (2007-12)	23RD
WAGE GROWTH (2011-12)	45TH
SHORT-TERM JOB GROWTH (8/2013-8/2014)	11TH
HIGH-TECH GDP GROWTH (2008-13)	99TH
HIGH-TECH GDP GROWTH (2012-13)	6TH
HIGH-TECH GDP CONCENTRATION (2013)	176TH
NUMBER OF HIGH-TECH INDUSTRIES [LQ≥1] (2013)	129TH

ASSETS

» **Low cost of doing business, generous incentives, and access to energy products attract manufacturing and other companies.**

LIABILITIES

» **Key industries are vulnerable to fluctuations in commodity prices in the energy industry.**

BATON ROUGE, LOUISIANA, climbed 55 spots to 21st, the biggest jump of any city in the Top 25. It ranked 11th for short-term job growth and improved its performance in measures for job and wage growth. The metro's small high-tech sector posted a large percentage increase in output, placing it sixth in that category, but employment gains were driven primarily by other sectors, especially construction and health care.

Large-scale construction projects have supported significant increases in employment in recent years. Specialty trade contractors added 2,443 jobs in 2013, and in the five years between 2008 and 2013, the metro added more jobs in this industry than any other metro in the nation (4,231 jobs). Heavy and civil-engineering construction added 1,416 jobs in 2013, and the announcement of large-scale petrochemical projects like Shell's $12.5-billion gas-to-liquids plant suggests that this level of activity will be sustained in the near-term[56] as companies expand in the Baton Rouge area to take advantage of low-cost natural gas produced in the Gulf of Mexico or transported to the region for processing. Motion-picture and sound-recording industries added more than 800 jobs in 2013, benefiting from Louisiana's Motion Picture Investor Tax Credit.

While the student population (at Louisiana State University) doesn't dominate the local economy as is happening in smaller metros on our list, it does help support consumer spending and makes the metro a local hub for high-tech employers seeking a more skilled workforce.

22 San Diego–Carlsbad–San Marcos, CA

(gained 21 spots)

JOB GROWTH (2008-13)	75TH
JOB GROWTH (2012-13)	45TH
WAGE GROWTH (2007-12)	60TH
WAGE GROWTH (2011-12)	40TH
SHORT-TERM JOB GROWTH (8/2013-8/2014)	39TH
HIGH-TECH GDP GROWTH (2008-13)	67TH
HIGH-TECH GDP GROWTH (2012-13)	144TH
HIGH-TECH GDP CONCENTRATION (2013)	21ST
NUMBER OF HIGH-TECH INDUSTRIES [LQ≥1] (2013)	4TH

ASSETS

» **Strong research and development clusters attract a skilled workforce.**

LIABILITIES

» **High cost of doing business is prompting some companies to leave for other states.**

SAN DIEGO–CARLSBAD–SAN MARCOS, CALIFORNIA, rose 21 spots to place 22nd, on the basis of robust job and wage growth. However, it was actually one of two metros in our Top 25 that underperformed the national average for high-tech growth during 2013 despite being a diverse tech center. The metro attracted only $765 million in venture capital in 2013, the lowest level in 10 years; however, it did better in the first two quarters of 2014, attracting more capital compared with the same period in 2013.[57]

The metro's established biotech cluster contributes to its strength in the high-tech sector and creates attractive jobs for high-skill workers. In 2013, close to 125,000 people were employed in the professional, scientific, and technical services sector, an industry that added 3,588 jobs that year, taking employment back above 2008 levels. The biotech industry pays high wages and it benefits from strong ties to private companies, research institutes, and the University of California, San Diego.

The San Diego-Carlsbad-San Marcos metro is also home to the nation's largest federal military workforce, and the defense industry is a key asset for the area.[58] Companies such as General Atomics have located and grown in the metro and provide key technology solutions and services to the military.

Three of the 10 industries that suffered the heaviest job losses since 2008 are related to construction, and they continued to recover in 2013. The specialty trade contractors industry, for example, added more than 3,100 jobs, but employment remains below 2008 levels by more than 9,200 jobs.

23 Charlotte–Gastonia–Rock Hill, NC–SC

(gained 4 spots)

JOB GROWTH (2008-13)	51ST
JOB GROWTH (2012-13)	48TH
WAGE GROWTH (2007-12)	70TH
WAGE GROWTH (2011-12)	19TH
SHORT-TERM JOB GROWTH (8/2013-8/2014)	52ND
HIGH-TECH GDP GROWTH (2008-13)	51ST
HIGH-TECH GDP GROWTH (2012-13)	45TH
HIGH-TECH GDP CONCENTRATION (2013)	99TH
NUMBER OF HIGH-TECH INDUSTRIES [LQ≥1] (2013)	83RD

ASSETS

» **Diversified economy built on attractive business climate.**

LIABILITIES

» **Public sector remains a drag on employment growth.**

CHARLOTTE–GASTONIA–ROCK HILL, NORTH CAROLINA–SOUTH CAROLINA, entered the Top 25 at 23rd place. Recent growth in high-tech GDP and the increased relative concentration in high-tech industries contributed to this rise.

Although consolidation in the airline industry has led to discussion about the long-term prospects for its major hub status, the metro continues to benefit from busy Charlotte Douglas International airport. The air transportation industry added more jobs in the Charlotte-Gastonia-Rock Hill metro than anywhere else in the country in these periods: 1,753 jobs in 2013 and more than 2,600 in the five years ending in 2013.

The Charlotte-Gastonia-Rock Hill metro uses its competitive business climate to attract headquarters locations to the area. Sealed Air Corporation announced in 2014 that it was moving its global headquarters and its research and development operations to Charlotte, creating more than 1,200 direct jobs by the end of 2017.[59] Overall, more than 26,000 people were employed in the management of companies and enterprises in 2013.

With a skilled workforce, the metro has developed as a financial hub, and more than 37,500 people are involved in credit intermediation and related activities, more than before the recent recession. BBVA Compass, the U.S. subsidiary of Spanish banking group BBVA, announced in April 2014 that it would locate loan-processing operations in Charlotte.[60]

24 San Luis Obispo–Paso Robles, CA

(gained 1 spot)

JOB GROWTH (2008-13)	45TH
JOB GROWTH (2012-13)	15TH
WAGE GROWTH (2007-12)	98TH
WAGE GROWTH (2011-12)	95TH
SHORT-TERM JOB GROWTH (8/2013-8/2014)	44TH
HIGH-TECH GDP GROWTH (2008-13)	18TH
HIGH-TECH GDP GROWTH (2012-13)	7TH
HIGH-TECH GDP CONCENTRATION (2013)	95TH
NUMBER OF HIGH-TECH INDUSTRIES [LQ≥1] (2013)	67TH

ASSETS

- Natural beauty that fosters the tourism industry.

LIABILITIES

- Ongoing drought threatens agricultural production and wine-country tourism.

SAN LUIS OBISPO–PASO ROBLES, CALIFORNIA, edged up one spot to 24th, after soaring 81 places in the 2013 index. It posted impressive high-tech GDP growth in the one- and five-year periods on a small but expanding tech base. Wage growth has been slow and housing costs high, limiting local spending.

The wine industry is an increasingly important focus of the agricultural and tourism industries. In the three years ending in 2013, more than 2,900 acres of vineyards were added in the metro, bringing the total to more than 33,000 acres under cultivation.[61] Many of the grapes produced in these vineyards are sold to wineries in other counties looking to supplement their harvest, and the growing interest in wine-country tourism is drawing people to the area. However, the ongoing drought is likely to limit growth in the near term as new vineyards cannot be built at the moment.[62] As in the rest of California, the drought presents a drag on general agricultural activity.

San Luis Obsipo County is planning a $30-million expansion of its regional airport by adding a terminal, and county supervisors approved the pursuit of a federal grant to invest $20 million in October 2014.[63] If successful, this project would generate construction jobs in 2015.

25 Grand Rapids–Wyoming, MI

(gained 23 spots)

JOB GROWTH (2008-13)	17TH
JOB GROWTH (2012-13)	20tH
WAGE GROWTH (2007-12)	91ST
WAGE GROWTH (2011-12)	11TH
SHORT-TERM JOB GROWTH (8/2013-8/2014)	36TH
HIGH-TECH GDP GROWTH (2008-13)	94TH
HIGH-TECH GDP GROWTH (2012-13)	60TH
HIGH-TECH GDP CONCENTRATION (2013)	154TH
NUMBER OF HIGH-TECH INDUSTRIES [LQ≥1] (2013)	129TH

ASSETS

- Investments in downtown amenities will make the urban core attractive to high-skill workers.
- Diverse manufacturing base.

LIABILITIES

- Lower educational attainment of population may prove a challenge in attracting advanced manufacturing.

GRAND RAPIDS–WYOMING, MICHIGAN, vaulted 23 places to 25th place, becoming the only Midwest metro in our Top 25. Strong job growth, which was 7 percent above the national average in 2012-13, coupled with recent wage growth contributed to the metro's improved showing.

Building on the existing manufacturing base, jobs are beginning to return to the Grand Rapids-Wyoming metro after a sharp drop in employment during the recession. The metro lost more than 10,000 manufacturing positions between 2008 and 2009, and was still slightly below 2008 levels of sector employment in 2013. However, the machinery manufacturing sector added 1,291 jobs between 2008 and 2013, with half of those jobs added in 2013. The fabricated-metal manufacturing sector also added jobs–637 in 2013–and this recent momentum is creating a sense of optimism.[64]

Firstronics, which provides electronics manufacturing services and focuses on contract medical-device manufacturing, announced in late 2013 that it would add 110 jobs and committed to a $2.45-million expansion in Grand Rapids.[65]

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RANKINGS BY COMPONENT													
Rank change	2013 rank	2014 rank	Metropolitan statistical area	Job growth (2008-13)	Job growth (2012-13)	Wage growth (2007-12)	Wage growth (2011-12)	Short-term job growth (8/2013 - 8/2014)	High-tech GDP growth (2008-13)	High-tech GDP growth (2012-13)	High-tech GDP concentration (2013)	Number of high-tech industries with LQ>=1 (2013)
2	3	**1**	San Francisco–San Mateo–Redwood City, CA	11	5	1	1	10	2	20	8	12
-1	1	**2**	Austin–Round Rock–San Marcos, TX	1	3	4	10	9	21	17	10	15
-1	2	**3**	Provo–Orem, UT	3	1	28	4	33	10	10	24	22
0	4	**4**	San Jose–Sunnyvale–Santa Clara, CA	19	4	18	34	26	16	51	1	3
8	13	**5**	Raleigh–Cary, NC	25	28	37	29	4	23	70	11	10
-1	5	**6**	Salt Lake City, UT	30	29	36	14	18	20	33	49	15
1	8	**7**	Houston–Sugar Land–Baytown, TX	4	16	3	3	6	85	31	116	163
8	16	**8**	Fort Worth–Arlington, TX	15	38	39	28	21	40	24	50	67
-2	7	**9**	Dallas–Plano–Irving, TX	28	40	48	20	13	68	57	32	12
2	12	**10**	San Antonio–New Braunfels, TX	8	37	10	56	38	38	28	74	33
-5	6	**11**	Seattle–Bellevue–Everett, WA	59	27	29	9	35	26	109	4	33
3	15	**12**	Denver–Aurora–Broomfield, CO	31	14	44	16	57	80	77	27	10
-4	9	**13**	Boulder, CO	36	54	62	23	24	34	100	3	1
-4	10	**14**	Greeley, CO	2	2	20	7	3	45	196	179	129
-1	14	**15**	Nashville–Davidson–Murfreesboro–Franklin, TN	7	23	27	2	14	159	92	129	105
5	21	**16**	Portland–Vancouver–Hillsboro, OR–WA	79	64	64	32	32	1	66	2	49
3	20	**17**	Fort Collins–Loveland, CO	16	25	53	53	65	86	114	34	25
4	22	**18**	Laredo, TX	10	63	7	18	55	7	8	200	197
5	24	**19**	Lafayette, LA	14	53	9	12	37	124	78	169	105
49	69	**20**	Lubbock, TX	22	43	13	31	47	172	71	97	83
55	76	**21**	Baton Rouge, LA	43	44	23	45	11	99	6	176	129
21	43	**22**	San Diego–Carlsbad–San Marcos, CA	75	45	60	40	39	67	144	21	4
4	27	**23**	Charlotte–Gastonia–Rock Hill, NC–SC	51	48	70	19	52	51	45	99	83
1	25	**24**	San Luis Obispo–Paso Robles, CA	45	15	98	95	44	18	7	95	67
23	48	**25**	Grand Rapids–Wyoming, MI	17	20	91	11	36	94	60	154	129
7	33	**26**	Indianapolis–Carmel, IN	46	71	65	38	41	143	43	15	83
12	39	**27**	Santa Barbara–Santa Maria–Goleta, CA	77	51	76	39	107	25	82	26	6
-9	19	**28**	Bakersfield–Delano, CA	29	85	15	6	28	76	177	157	105
3	32	**29**	Holland–Grand Haven, MI	38	65	135	62	2	28	22	115	83
19	49	**30**	Madison, WI	44	100	46	75	86	19	56	46	49
25	56	**31**	Lincoln, NE	24	84	45	47	67	13	161	77	105
30	62	**32**	Springfield, MO	90	105	81	30	29	14	26	98	83
-16	17	**33**	Corpus Christi, TX	39	79	14	5	30	103	88	185	187
-11	23	**34**	Cambridge–Newton–Framingham, MA	47	95	31	104	82	62	118	6	6
57	92	**35**	Oakland–Fremont–Hayward, CA	101	17	132	27	60	69	146	23	1
24	59	**35**	McAllen–Edinburg–Mission, TX	6	70	11	129	59	47	13	198	105
-9	26	**35**	Ogden–Clearfield, UT	41	52	63	88	112	11	19	88	83

RANKINGS BY COMPONENT

Rank change	2013 rank	2014 rank	Metropolitan statistical area	Job growth (2008-13)	Job growth (2012-13)	Wage growth (2007-12)	Wage growth (2011-12)	Short-term job growth (8/2013 - 8/2014)	High-tech GDP growth (2008-13)	High-tech GDP growth (2012-13)	High-tech GDP concentration (2013)	Number of high-tech industries with LQ>=1 (2013)
-2	36	**38**	Baltimore–Towson, MD	52	114	41	58	74	43	121	39	33
-28	11	**39**	Charleston–North Charleston–Summerville, SC	26	80	33	66	165	4	34	70	67
-10	30	**40**	Des Moines–West Des Moines, IA	35	35	35	50	103	70	50	158	129
-4	37	**41**	Columbus, OH	18	55	38	17	188	58	41	100	105
55	97	**42**	Los Angeles–Long Beach–Glendale, CA	115	39	131	70	76	27	32	13	15
38	81	**43**	Vallejo–Fairfield, CA	114	24	67	42	61	29	158	43	105
2	46	**44**	Boston–Quincy, MA	57	109	82	57	72	33	40	76	49
-16	29	**45**	Minneapolis–St. Paul–Bloomington, MN–WI	67	78	79	49	80	53	101	55	49
-18	28	**46**	Oklahoma City, OK	21	68	6	21	20	181	162	163	187
13	60	**47**	Durham–Chapel Hill, NC	65	75	47	85	73	147	104	5	25
-1	47	**48**	Greenville–Mauldin–Easley, SC	82	50	77	80	50	48	90	81	83
8	57	**49**	Fayetteville–Springdale–Rogers, AR–MO	27	57	12	24	96	183	94	143	129
-9	41	**50**	Atlanta–Sandy Springs–Marietta, GA	98	59	139	59	53	54	53	42	33
-33	18	**51**	Trenton–Ewing, NJ	50	91	32	69	122	129	84	33	25
66	118	**52**	Lake County–Kenosha County, IL–WI	116	106	99	13	106	9	64	18	33
-18	35	**53**	El Paso, TX	32	127	2	51	113	44	97	127	105
49	103	**54**	Santa Cruz–Watsonville, CA	103	12	169	77	40	31	54	67	83
-5	50	**55**	Peabody, MA	34	96	52	111	81	109	174	16	6
42	98	**56**	Orlando–Kissimmee–Sanford, FL	76	21	164	26	12	157	148	83	83
43	100	**57**	Asheville, NC	94	60	136	92	49	39	11	132	49
36	94	**58**	Savannah, GA	68	42	107	106	46	32	87	65	187
28	87	**59**	Ann Arbor, MI	23	82	160	60	146	60	23	54	49
23	83	**60**	Naples–Marco Island, FL	48	10	197	63	42	59	36	160	163
-3	58	**61**	Louisville–Jefferson County, KY–IN	63	66	85	36	105	37	99	164	129
-28	34	**62**	New York–White Plains–Wayne, NY–NJ	42	86	142	138	79	35	37	75	49
16	79	**63**	Spartanburg, SC	61	7	128	64	90	95	25	190	163
69	133	**64**	Jacksonville, FL	113	61	161	73	17	101	52	104	67
1	66	**65**	Phoenix–Mesa–Glendale, AZ	154	34	174	41	54	78	95	57	33
35	101	**66**	Huntsville, AL	81	102	30	175	108	72	75	7	33
21	88	**67**	New Orleans–Metairie–Kenner, LA	37	73	40	164	84	65	48	153	129
45	113	**68**	Cincinnati–Middletown, OH–KY–IN	119	99	86	37	88	74	68	94	105
-27	42	**69**	Tulsa, OK	127	98	49	35	89	126	98	113	67
93	163	**70**	West Palm Beach–Boca Raton–Boynton Beach, FL	105	19	183	22	51	142	46	109	163
88	159	**71**	Merced, CA	49	41	104	61	173	3	5	194	163
19	91	**72**	Rockingham County–Strafford County, NH	84	136	83	82	178	36	29	51	15
5	78	**73**	Santa Ana–Anaheim–Irvine, CA	133	49	165	43	121	71	134	28	4
-21	53	**74**	Anchorage, AK	13	175	8	44	163	66	124	135	129
-10	65	**75**	Kennewick–Pasco–Richland, WA	5	164	5	200	8	169	195	47	105
-9	67	**76**	Nassau–Suffolk, NY	53	113	80	146	75	89	136	56	67
-9	68	**77**	Kansas City, MO–KS	107	138	88	48	147	104	55	44	25
2	80	**78**	Warren–Troy–Farmington Hills, MI	73	47	173	33	162	92	72	63	83
-48	31	**79**	Pittsburgh, PA	64	184	24	55	145	61	156	62	67
82	162	**80**	North Port–Bradenton–Sarasota, FL	132	13	199	86	5	83	38	137	163
-8	73	**81**	Boise City–Nampa, ID	71	18	185	116	58	116	123	35	129

RANKINGS BY COMPONENT

Rank change	2013 rank	2014 rank	Metropolitan statistical area	Job growth (2008-13)	Job growth (2012-13)	Wage growth (2007-12)	Wage growth (2011-12)	Short-term job growth (8/2013 - 8/2014)	High-tech GDP growth (2008-13)	High-tech GDP growth (2012-13)	High-tech GDP concentration (2013)	Number of high-tech industries with LQ>=1 (2013)
-28	54	**82**	Brownsville–Harlingen, TX	9	87	17	100	43	195	200	196	197
-13	70	**83**	Hagerstown–Martinsburg, MD–WV	40	145	84	68	182	24	2	138	105
-39	45	**84**	Washington–Arlington–Alexandria, DC–VA–MD–WV	33	129	26	152	137	113	180	29	33
59	144	**85**	Miami–Miami Beach–Kendall, FL	58	46	144	96	25	165	119	162	129
7	93	**86**	Tampa–St. Petersburg–Clearwater, FL	100	56	156	46	104	168	130	78	25
20	107	**87**	Omaha–Council Bluffs, NE–IA	55	115	68	72	130	91	115	126	129
76	164	**88**	Cape Coral–Fort Myers, FL	62	9	194	65	100	117	21	183	163
76	165	**89**	Sacramento–Arden–Arcade–Roseville, CA	163	36	140	54	99	123	140	73	33
-15	75	**90**	Colorado Springs, CO	95	74	42	149	158	120	185	19	15
-40	51	**91**	Killeen–Temple–Fort Hood, TX	20	107	34	196	48	177	188	133	83
37	129	**92**	Fort Lauderdale–Pompano Beach–Deerfield Beach, FL	125	58	176	81	69	130	107	92	49
-41	52	**93**	Allentown–Bethlehem–Easton, PA–NJ	60	158	89	91	189	107	16	68	49
-31	63	**94**	Worcester, MA	69	135	100	181	63	111	159	41	12
30	125	**95**	Oxnard–Thousand Oaks–Ventura, CA	120	76	171	113	111	87	152	17	15
-52	44	**96**	Lexington–Fayette, KY	56	92	111	98	138	132	183	87	67
-11	86	**97**	Chicago–Joliet–Naperville, IL–IN–WI	123	103	143	83	123	93	93	91	33
48	146	**98**	Wilmington, DE–MD–NJ	137	81	127	133	23	90	153	89	129
6	105	**99**	Honolulu, HI	66	93	59	97	115	118	131	168	187
-29	71	**100**	Little Rock–North Little Rock–Conway, AR	97	162	97	127	133	98	58	12	67
-61	40	**101**	Clarksville, TN–KY	12	137	21	190	134	17	112	188	163
-18	84	**102**	Albany–Schenectady–Troy, NY	91	134	61	171	149	77	91	40	49
29	132	**103**	Tacoma, WA	121	90	66	101	87	164	125	124	129
-27	77	**104**	Wilmington, NC	161	72	148	184	15	79	63	90	83
-44	61	**105**	Cedar Rapids, IA	70	179	43	140	157	30	142	85	49
65	171	**106**	Riverside–San Bernardino–Ontario, CA	108	11	186	112	34	119	172	131	163
-69	38	**107**	Bethesda–Rockville–Frederick, MD	80	142	56	167	168	73	145	25	22
3	111	**108**	Richmond, VA	72	111	116	105	70	152	139	130	129
18	127	**109**	Springfield, MA	54	149	93	109	91	128	117	140	129
-1	109	**110**	Philadelphia, PA	104	154	73	87	159	135	149	37	33
19	130	**111**	Harrisburg–Carlisle, PA	118	150	74	128	94	105	150	84	49
-48	64	**112**	Knoxville, TN	106	170	69	137	16	176	178	102	67
45	158	**113**	Fresno, CA	124	6	155	153	31	163	113	178	129
24	138	**114**	Duluth, MN–WI	89	101	90	163	124	82	12	165	129
20	135	**115**	Greensboro–High Point, NC	186	117	150	102	118	22	39	79	49
4	120	**116**	Jackson, MS	99	125	71	107	192	46	49	155	105
39	156	**117**	Salem, OR	179	67	162	169	22	12	186	71	83
-16	102	**118**	Edison–New Brunswick, NJ	111	89	158	134	129	154	103	20	33
-2	117	**119**	Gary, IN	144	171	54	15	142	108	65	184	163
-31	89	**120**	Augusta–Richmond County, GA–SC	86	148	55	162	78	110	129	149	129
36	157	**121**	Santa Rosa–Petaluma, CA	151	8	188	199	68	166	106	60	15
-12	110	**122**	Columbus, GA–AL	88	152	25	84	177	134	184	123	83
-7	116	**123**	Beaumont–Port Arthur, TX	185	198	19	67	77	138	15	177	163
4	128	**124**	Myrtle Beach–North Myrtle Beach–Conway, SC	164	69	190	115	1	97	59	193	163
12	137	**125**	Portland–South Portland–Biddeford, ME	117	166	101	151	83	84	85	119	67

RANKINGS BY COMPONENT

Rank change	2013 rank	2014 rank	Metropolitan statistical area	Job growth (2008-13)	Job growth (2012-13)	Wage growth (2007-12)	Wage growth (2011-12)	Short-term job growth (8/2013 - 8/2014)	High-tech GDP growth (2008-13)	High-tech GDP growth (2012-13)	High-tech GDP concentration (2013)	Number of high-tech industries with LQ>=1 (2013)
22	148	**126**	Providence–New Bedford–Fall River, RI–MA	126	128	110	144	117	64	167	82	33
16	143	**127**	St. Louis, MO–IL	155	159	119	99	93	88	165	61	33
-56	72	**128**	Manchester–Nashua, NH	143	130	129	143	132	42	163	22	25
-47	82	**129**	Fayetteville, NC	93	191	22	198	161	5	1	122	163
-40	90	**130**	Green Bay, WI	74	143	72	131	170	125	18	174	129
57	188	**131**	Modesto, CA	128	32	147	89	85	167	151	192	163
-10	122	**132**	Columbia, SC	96	88	105	78	152	141	133	166	163
14	147	**133**	Cleveland–Elyria–Mentor, OH	149	151	118	52	148	100	73	128	105
-35	99	**134**	Visalia–Porterville, CA	109	30	133	188	114	56	83	195	163
62	197	**135**	Lansing–East Lansing, MI	129	112	163	178	45	41	35	151	187
38	174	**136**	Chattanooga, TN–GA	141	144	96	74	120	153	42	170	163
3	140	**137**	Milwaukee–Waukesha–West Allis, WI	152	121	123	142	71	114	166	108	83
37	175	**138**	Salinas, CA	159	141	124	160	62	81	14	175	129
-64	74	**138**	Spokane, WA	160	108	94	90	174	139	102	93	105
-36	104	**140**	Fort Wayne, IN	150	157	153	147	7	127	187	101	49
-22	119	**141**	Rochester, NY	78	174	106	168	128	149	169	48	25
28	170	**142**	Olympia, WA	102	26	120	174	92	160	160	161	197
41	184	**143**	Kalamazoo–Portage, MI	181	153	134	93	98	171	47	72	105
48	192	**144**	Las Vegas–Paradise, NV	195	33	198	122	27	148	81	180	163
5	150	**145**	Memphis, TN–MS–AR	171	167	141	71	135	55	27	150	129
14	160	**146**	Poughkeepsie–Newburgh–Middletown, NY	85	139	102	187	140	112	138	58	129
48	195	**147**	Eugene–Springfield, OR	193	110	181	132	64	185	79	53	67
31	179	**148**	Birmingham–Hoover, AL	170	126	145	25	156	121	111	142	129
-6	142	**148**	New Haven–Milford, CT	134	123	126	126	139	198	141	45	67
-38	112	**150**	Canton–Massillon, OH	83	83	113	76	190	115	168	199	187
-20	131	**151**	Toledo, OH	142	124	172	94	164	57	44	172	105
-11	141	**152**	Akron, OH	169	147	122	79	109	133	86	145	163
-47	106	**153**	Bridgeport–Stamford–Norwalk, CT	135	131	175	159	127	197	76	36	22
29	183	**154**	Wichita, KS	190	120	146	120	131	192	89	9	83
30	185	**155**	Stockton, CA	168	22	180	148	66	106	137	191	187
-42	114	**156**	Buffalo–Niagara Falls, NY	92	172	75	161	160	161	126	80	105
-102	55	**157**	Peoria, IL	183	200	16	8	199	52	194	152	187
11	169	**158**	Newark–Union, NJ–PA	172	118	151	119	141	182	147	38	49
-23	136	**159**	Winston–Salem, NC	157	77	117	103	171	187	132	167	83
-37	123	**160**	Virginia Beach–Norfolk–Newport News, VA–NC	122	132	114	135	176	136	110	117	105
-76	85	**161**	Hartford–West Hartford–East Hartford, CT	136	146	115	123	169	137	127	64	129
-46	115	**161**	Tucson, AZ	178	160	167	125	116	150	108	52	33
-9	154	**163**	Syracuse, NY	139	176	112	145	196	144	61	59	49
-25	139	**164**	Flint, MI	162	97	195	180	166	15	9	107	129
26	191	**165**	Pensacola–Ferry Pass–Brent, FL	112	122	137	158	95	162	164	134	163
10	176	**166**	South Bend–Mishawaka, IN–MI	188	181	170	157	56	63	128	118	67
31	198	**167**	Reno–Sparks, NV	200	31	200	179	19	174	171	156	129
0	168	**168**	Lancaster, PA	147	155	130	114	125	140	80	141	187
-3	166	**169**	Evansville, IN–KY	87	185	95	165	172	193	96	66	129

RANKINGS BY COMPONENT

Rank change	2013 rank	2014 rank	Metropolitan statistical area	Job growth (2008-13)	Job growth (2012-13)	Wage growth (2007-12)	Wage growth (2011-12)	Short-term job growth (8/2013 - 8/2014)	High-tech GDP growth (2008-13)	High-tech GDP growth (2012-13)	High-tech GDP concentration (2013)	Number of high-tech industries with LQ>=1 (2013)
20	190	**170**	Hickory–Lenoir–Morganton, NC	198	156	192	176	126	8	4	110	83
7	178	**171**	Deltona–Daytona Beach–Ormond Beach, FL	184	119	189	108	97	131	176	136	67
15	187	**172**	Norwich–New London, CT	110	116	159	186	193	200	120	31	49
-78	95	**173**	Roanoke, VA	130	169	138	118	197	75	170	120	83
-40	134	**174**	Mobile, AL	192	183	87	195	184	6	30	105	129
-54	121	**175**	Davenport–Moline–Rock Island, IA–IL	158	189	57	110	175	96	173	159	163
-50	126	**176**	Reading, PA	131	177	108	124	185	145	157	121	129
-25	152	**177**	Kingsport–Bristol–Bristol, TN–VA	145	173	92	172	194	199	3	148	105
-29	149	**178**	Port St. Lucie, FL	138	104	193	155	110	146	193	147	129
-24	155	**179**	Albuquerque, NM	189	161	149	177	187	50	179	30	33
-35	145	**180**	Rockford, IL	196	187	177	117	144	49	67	146	129
-85	96	**181**	Erie, PA	140	196	78	166	155	173	197	114	83
-58	124	**182**	Gainesville, FL	156	168	121	139	143	155	192	139	105
-30	153	**183**	Shreveport–Bossier City, LA	173	199	50	197	101	158	116	171	163
15	199	**184**	Lakeland–Winter Haven, FL	175	62	179	121	119	184	182	197	197
-3	182	**185**	Montgomery, AL	180	140	157	192	150	178	69	111	105
-14	172	**186**	Dayton, OH	174	192	168	141	181	156	122	69	49
-79	108	**187**	York–Hanover, PA	148	188	109	182	183	151	154	106	83
1	189	**188**	Huntington–Ashland, WV–KY–OH	177	182	58	170	151	102	189	186	163
-16	173	**189**	Scranton–Wilkes–Barre, PA	146	180	103	156	195	186	175	96	105
-29	161	**190**	Ocala, FL	199	94	196	136	198	189	62	144	105
-11	180	**191**	Camden, NJ	187	165	166	150	167	170	198	86	25
-41	151	**192**	Charleston, WV	167	197	51	183	154	190	105	173	187
-26	167	**193**	Detroit–Livonia–Dearborn, MI	182	178	187	130	186	122	74	112	129
0	194	**194**	Tallahassee, FL	176	163	178	185	102	180	135	125	129
-18	177	**195**	Palm Bay–Melbourne–Titusville, FL	191	190	184	194	136	191	191	14	6
-10	186	**196**	Utica–Rome, NY	165	193	125	193	179	196	199	103	67
-4	193	**197**	Fort Smith, AR–OK	194	195	152	154	153	179	155	189	83
-2	196	**198**	Gulfport–Biloxi, MS	153	133	154	189	180	188	190	182	129
-18	181	**199**	Youngstown–Warren–Boardman, OH–PA	166	186	182	173	191	175	143	181	163
0	200	**200**	Atlantic City–Hammonton, NJ	197	194	191	191	200	194	181	187	105

Note: List includes metropolitan divisions, the smaller geographic areas within metropolitan statistical areas.

Top 10
Best-Performing Small Cities

Photograph by J. Shane Mercer

In addition to ranking the 200 largest U.S. metropolitan areas, the Best-Performing Cities project includes a companion index that measures the performance of smaller cities. The 2014 index covers 179 small metros, as it has for the past three years.

Half of the Top 10 small cities of 2013 reclaimed positions in the top tier in 2014, including the No. 1 metropolitan area of **FARGO, NORTH DAKOTA-MINNESOTA**, which had placed third in 2013. At the other end of the spectrum, two new entrants rocketed more than 20 places into the Top 10: **COLLEGE STATION-BRYAN, TEXAS**, is No. 8 (it was 38th in 2013) and **AUBURN-OPELIKA, ALABAMA**, is No. 10 (37th in 2013).

Table 5. Top 10 best-performing small cities

RANK ACCORDING TO 2014 INDEX		
Metropolitan statistical area (MSA)	**2014 rank**	**2013 rank**
Fargo, ND-MN	1	3
Columbus, IN	2	2
Victoria, TX	3	16
Bismarck, ND	4	4
Iowa City, IA	5	15
Midland, TX	6	5
Morgantown, WV	7	9
College Station-Bryan, TX	8	38
Greenville, NC	9	13
Auburn-Opelika, AL	10	37

Source: Milken Institute

1 Fargo, ND–MN

(gained 2 spots)

JOB GROWTH (2008-13)	4TH
JOB GROWTH (2012-13)	28TH
WAGE GROWTH (2007-12)	6TH
WAGE GROWTH (2011-12)	10TH
SHORT-TERM JOB GROWTH (8/2013-8/2014)	14TH
HIGH-TECH GDP GROWTH (2008-13)	46TH
HIGH-TECH GDP GROWTH (2012-13)	78TH
HIGH-TECH GDP CONCENTRATION (2013)	52ND
NUMBER OF HIGH-TECH INDUSTRIES [LQ≥1] (2013)	40TH

ASSETS

- **Fargo's well-educated workforce is attractive to high-value employers.**
- **The metro is home to the regionally important banking, insurance, health-care, and education industries.**

LIABILITIES

- **Stricter regulations on transportation of oil could affect growth.**

FARGO, NORTH DAKOTA–MINNESOTA, improved two positions to finish first among the best-performing small cities. The metro has outpaced the national average in both job and income gains, most notably in the five years ending in 2013. Fargo's overall employment base continues to expand at a rapid pace: 14th-fastest in the nation during the 12 months ending in August 2014. The metro's diverse economy, along with its ability to capitalize on North Dakota's historic oil boom, has been key to its recent success.

The oil boom has benefited a number of industries in Fargo, particularly construction and transportation, as it generated infrastructure projects. In fact, according to the Bureau of Economic Analysis, the Fargo-Moorhead economy grew from $8.3 billion in 2004 to $14.5 billion in 2013, and both the real estate and the professional and business services sectors more than doubled during that time.[66] Looking ahead, oil prices below $70 per barrel could reduce shale oil exploration activity and restrict economic gains.

Fargo's educated workforce and favorable business climate have attracted companies. In turn, this expansion created demand for housing, retail space, and health care, boosting the service sector. Fargo's vibrant financial sector, led by insurance and banking services, added about 700 jobs from 2008 to 2013. Noridian/Blue Cross Blue Shield and US Bank Service Center are key players. The metro gained 900 jobs in the management of companies and enterprises sector and 800 jobs in administrative services from 2008 to 2013. Over the same period, the health-care industry added over 3,000 jobs across ambulatory health-care services, nursing, hospitals, and social assistance.

2 Columbus, IN

(held steady)

JOB GROWTH (2008-13)	10TH
JOB GROWTH (2012-13)	111TH
WAGE GROWTH (2007-12)	9TH
WAGE GROWTH (2011-12)	3RD
SHORT-TERM JOB GROWTH (8/2013-8/2014)	10TH
HIGH-TECH GDP GROWTH (2008-13)	29TH
HIGH-TECH GDP GROWTH (2012-13)	21ST
HIGH-TECH GDP CONCENTRATION (2013)	47TH
NUMBER OF HIGH-TECH INDUSTRIES [LQ≥1] (2013)	23RD

ASSETS

- **Columbus' strong manufacturing base serves U.S. and global markets.**
- **Columbus has more mechanical engineers per worker than any other U.S. metro.**

LIABILITIES

- **Local economy is heavily dependent on manufacturing.**

COLUMBUS, INDIANA, maintained its No. 2 position. Strong job growth over the last five years led to larger gains in earnings throughout the region. Between 2007 and 2012, wages grew more than 25 percent above the national average. Additionally, wage growth between 2011 and 2012 was the third-highest in the nation. Led by machinery and transportation equipment, manufacturing has been the primary driver of job growth, adding 1,195 jobs and 580 jobs in those areas, respectively, between 2008 and 2013.

Cummins Inc., a producer of engines and power generation, is the metro's biggest employer. The company, which accounts for 15 percent of the local workforce, has been increasing its output of diesel engines for various sizes of trucks.[67] The rise in auto sales nationwide has led to increased demand for auto-parts-related manufacturing in the metro. Sunright, a fastener manufacturer based in Japan, announced in 2013 that it would invest $34.7 million to expand its Columbus manufacturing center, which is set to create over 100 jobs by 2016.[68] A highly skilled labor force and low business costs should continue to attract investment and expansion in the metro. Columbus already hosts R&D centers for other major global auto suppliers, including Faurecia and Enkei.

3 Victoria, TX

(gained 13 spots)

JOB GROWTH (2008-13)	19TH
JOB GROWTH (2012-13)	32ND
WAGE GROWTH (2007-12)	21ST
WAGE GROWTH (2011-12)	9TH
SHORT-TERM JOB GROWTH (8/2013-8/2014)	32ND
HIGH-TECH GDP GROWTH (2008-13)	13TH
HIGH-TECH GDP GROWTH (2012-13)	10TH
HIGH-TECH GDP CONCENTRATION (2013)	48TH
NUMBER OF HIGH-TECH INDUSTRIES [LQ≥1] (2013)	129TH

ASSETS

- **Its location on the Eagle Ford Shale and proximity to the Gulf Coast provide ample opportunities for investment.**
- **Manufacturing of petrochemicals is a key driver of growth.**

LIABILITIES

- **Decrease in oil prices would hurt energy-related industries in the region.**

VICTORIA, TEXAS, jumped 13 spots to third overall, with strong five-year job growth, and wage growth between 2011 and 2012, in particular. Mining activity stemming from the Eagle Ford Shale and stable manufacturing of petrochemicals have been key drivers.

With part of the metro located on the shale, Victoria has seen significant employment growth in industries related to mining and extraction. From 2008 to 2013, these industries generated more than 500 jobs and, in addition, have stimulated activity in heavy and civil engineering construction, and among specialty trade contractors. Victoria's strategic location along the Gulf Coast and port access should continue to provide various transportation links and shipping options to other parts of the country in addition to stimulating investment opportunities in the metro. Activity stemming from the Port of Victoria is estimated to have created a $10-billion economic impact, which includes the construction of new docks and rail expansion.[69]

Manufacturing of petrochemicals, namely, plastics and fabric, has also been a key contributor to growth in the region. Formosa Plastics, a top employer in Victoria, is set to expand its operations in the metro after recently receiving approval for a greenhouse gas permit. The expansion is estimated to attract over $2 billion in capital investments and create 1,800 construction jobs and 225 long-term operations jobs.[70] Additionally, chemical manufacturing was responsible for adding 105 jobs over the last five years ending in 2013.

4 Bismarck, ND

(held steady)

JOB GROWTH (2008-13)	3RD
JOB GROWTH (2012-13)	13TH
WAGE GROWTH (2007-12)	3RD
WAGE GROWTH (2011-12)	4TH
SHORT-TERM JOB GROWTH (8/2013-8/2014)	21ST
HIGH-TECH GDP GROWTH (2008-13)	70TH
HIGH-TECH GDP GROWTH (2012-13)	49TH
HIGH-TECH GDP CONCENTRATION (2013)	97TH
NUMBER OF HIGH-TECH INDUSTRIES [LQ≥1] (2013)	129TH

ASSETS

- **High concentration of jobs in government and health-care services provides stability.**
- **Nearby shale formation offers significant opportunities for energy-related growth.**

LIABILITIES

- **Bismarck's growth is constrained by a tight labor market.**

BISMARCK, NORTH DAKOTA, held steady in fourth place. In addition, the metro posted the third-fastest performance in one-year and five-year job and wage growth. Its unemployment rate of 2.5 percent is the lowest among all metros in the nation.[71]

Over the last few years, Bismarck has benefited the most from oil production stemming from North Dakota's Baken Shale formation. More recently, however, in an effort to accommodate the industry's transition from exploration to production, Bismarck's services sector has underdone significant expansion. Together, professional and scientific services along with administrative and support services have added nearly 1,200 jobs during the five years ending in 2013.

Demand for health-care services in the area has increased as a result of steady population growth primarily stemming from the region's energy boom. Sanford Health and St. Alexius Medical Center are the metro's two biggest employers, with more than 5,000 workers in total. Along with hospitals, nursing and residential-care facilities experienced the fastest growth from 2008 to 2013 among all industries in Bismarck; hospitals added 900 jobs and the care facilities added nearly 1,200.

As the state capital, Bismarck has a high concentration of employment within state and local government. Rising tax revenues generated by growth in the energy sector should provide even more stability and continue to support education and other services for the growing population. Demand for housing is also being met as Wachter Development Inc., one of North Dakota's leading real estate firms, plans to spend $75.2 million to develop single-family housing starting in 2014.[72]

5 Iowa City, IA

(gained 10 spots)

JOB GROWTH (2008-13)	11TH
JOB GROWTH (2012-13)	20TH
WAGE GROWTH (2007-12)	19TH
WAGE GROWTH (2011-12)	34TH
SHORT-TERM JOB GROWTH (8/2013-8/2014)	68TH
HIGH-TECH GDP GROWTH (2008-13)	53RD
HIGH-TECH GDP GROWTH (2012-13)	28TH
HIGH-TECH GDP CONCENTRATION (2013)	26TH
NUMBER OF HIGH-TECH INDUSTRIES [LQ≥1] (2013)	40TH

ASSETS

» **Relatively low cost of doing business and large pool of educated workers thanks to university presence.**

LIABILITIES

» **Less lucrative job opportunities make it difficult to retain highly skilled workers.**

IOWA CITY, IOWA, climbed 10 spots to break into the Top 10 small metros. It ranked among the Top 20 in three categories: one-year and five-year job growth, and five-year wage growth.

University of Iowa (UI) is the largest employer in the metro, with over 18,600 employees. An additional 12,000 are employed by UI hospitals and clinics. The recent budget deal that was passed in late 2013 should help drive growth at the government level and help support hiring on the campus.[73] In fact, state government was the biggest gainer between 2008 and 2013, adding nearly 1,700 workers. The professional, scientific, and technical services sector, along with administrative and support services, also experienced significant growth, with each responsible for creating over 570 jobs during the five years ending in 2013.

Recently, the Iowa Board of Regents signed off on a $37-million plan to build a 65,000-square-foot addition to the Seamans Center for the Engineering Arts and Sciences.[74] This expansion should place UI in a more favorable position to compete for research funding. In addition, the metro's attractive business climate and highly skilled labor pool should continue to lure business investment into the region.

6 Midland, TX

(dropped 1 spot)

JOB GROWTH (2008-13)	1ST
JOB GROWTH (2012-13)	1ST
WAGE GROWTH (2007-12)	1ST
WAGE GROWTH (2011-12)	1ST
SHORT-TERM JOB GROWTH (8/2013-8/2014)	5TH
HIGH-TECH GDP GROWTH (2008-13)	129TH
HIGH-TECH GDP GROWTH (2012-13)	106TH
HIGH-TECH GDP CONCENTRATION (2013)	155TH
NUMBER OF HIGH-TECH INDUSTRIES [LQ≥1] (2013)	94TH

ASSETS

» **High wages in the energy industry support consumer spending.**

LIABILITIES

» **Low diversity exposes the economy to fluctuations in oil prices.**

MIDLAND, TEXAS, edged down one spot to sixth in the 2014 index. Despite the drop, the metro's performance was exceptional in one- and five-year job and wage growth, ranking first on all four measures. Additionally, a fifth-place finish in short-term job growth suggests that Midland's economic momentum has shown no signs of slowing down.

Oil and natural gas exploration and extraction have been the primary driver of growth for Midland's economy. High energy prices and proximity to key pipelines have helped Midland outperform its counterparts in job growth. The industry has added nearly 3,200 jobs over the five years ending in 2013. Growth has spilled over to industries such as construction and transportation. Another 3,200 jobs were generated in support activities for mining, while truck and pipeline transportation contributed an additional 1,700 jobs during that time frame.

Recently, however, the rise in crude oil production stemming from the Permian Basin has outpaced pipeline infrastructure.[75] As a result, increased economic activity from the formation has created an urgent need for labor and housing, among other services. In an effort to ease some of the glut, Magellan Midstream Partners and Occidental Petroleum have formed a joint venture to develop the BridgeTex Pipeline, capable of transporting 300,000 barrels a day from Colorado City to the Houston Gulf Coast area.[76]

7 Morgantown, WV

(gained 2 spots)

JOB GROWTH (2008-13)	5TH
JOB GROWTH (2012-13)	71ST
WAGE GROWTH (2007-12)	4TH
WAGE GROWTH (2011-12)	56TH
SHORT-TERM JOB GROWTH (8/2013-8/2014)	48TH
HIGH-TECH GDP GROWTH (2008-13)	16TH
HIGH-TECH GDP GROWTH (2012-13)	37TH
HIGH-TECH GDP CONCENTRATION (2013)	59TH
NUMBER OF HIGH-TECH INDUSTRIES [LQ≥1] (2013)	40TH

ASSETS

- **An educated workforce and favorable demographic trends.**
- **University presence and health-care industries, which provide economic stability.**

LIABILITIES

- **State budget cuts to higher education could limit growth on West Virginia University campus, in terms of both enrollment and faculty.**

MORGANTOWN, WEST VIRGINIA, improved two spots to seventh place. Morgantown ranked fourth and fifth, respectively, on five-year wage and job growth. West Virginia University (WVU), the metro's largest employer, serves as the primary driver of growth in the metro. Recently, WVU was able to overcome budgetary pressure by implementing tuition hikes and using staff more efficiently while keeping student enrollment afloat.

Supported by positive demographic trends, Morgantown continues to develop its health-care cluster. The $280-million expansion project of WVU Hospital at Ruby Hospital is set to create 750 health-care jobs in the metro while providing a state-of-the-art training facility for WVU students in related fields.[77] Hospitals, social assistance, and ambulatory health-care services have already added over 1,200 jobs combined from 2008 to 2013. The professional, scientific, and technical services sector added nearly 700 positions during that period.

Mylan Inc., which conducts pharmaceutical R&D, production, and distribution in the metro, is not only the metro's largest private employer, but also an important contributor to WVU and its School of Pharmacy, in particular.[78] This strategic partnership highlights how industry and WVU, the metro's key growth engine, could further Morgantown's economic potential.

8 College Station–Bryan, TX

(gained 30 spots)

JOB GROWTH (2008-13)	8TH
JOB GROWTH (2012-13)	7TH
WAGE GROWTH (2007-12)	12TH
WAGE GROWTH (2011-12)	33RD
SHORT-TERM JOB GROWTH (8/2013-8/2014)	91ST
HIGH-TECH GDP GROWTH (2008-13)	22ND
HIGH-TECH GDP GROWTH (2012-13)	71ST
HIGH-TECH GDP CONCENTRATION (2013)	57TH
NUMBER OF HIGH-TECH INDUSTRIES [LQ≥1] (2013)	94TH

ASSETS

- **R&D stemming from Texas A&M attracts business investment.**
- **Low cost of doing business and a highly educated workforce.**

LIABILITIES

- **Decreased exploration limits energy industry growth.**

COLLEGE STATION–BRYAN, TEXAS, climbed 30 spots to finish in eighth place. Its strong performances in both short-term (seventh place) and long-term (eighth) job growth contributed to its improved overall ranking. Wages here also grew over 22 percent above the national average from 2007 to 2012, contributing to the metro's 12th-place finish in long-term wage growth.

The metro has capitalized on its proximity to Barnett Shale, with mining and related support activities directly responsible for creating over 700 jobs during the last five years ending in 2013. Extraction in the area has had positive effects on a number of industries such as construction and other related services. Higher tax revenue stemming from oil and gas extraction has benefited the local economy and Texas A&M University, in particular.

Texas A&M is the metro's biggest employer and primary economic driver. Its growing reputation as a research hub has helped attract business investment and support emerging industries.ConocoPhillips recently announced that it would donate $6 million to the university's Dwight Look College of Engineering, allowing for the construction of the new Engineering Education Complex.[79]

Further, the metro's growing Biocorridor, dubbed the Research Valley, is becoming a regional center for medical research. A 100,000-square-foot national manufacturing facility for pandemic influenza vaccine, to be completed in early 2017, will serve as an anchor for the Texas A&M Biocorridor.[80] These projects not only will boost short-term construction employment but create opportunities for sustainable growth in the metro's knowledge-based industries.

9 Greenville, NC

(gained 4 spots)

JOB GROWTH (2008-13)	66TH
JOB GROWTH (2012-13)	96TH
WAGE GROWTH (2007-12)	30TH
WAGE GROWTH (2011-12)	16TH
SHORT-TERM JOB GROWTH (8/2013-8/2014)	23RD
HIGH-TECH GDP GROWTH (2008-13)	14TH
HIGH-TECH GDP GROWTH (2012-13)	9TH
HIGH-TECH GDP CONCENTRATION (2013)	3RD
NUMBER OF HIGH-TECH INDUSTRIES [LQ≥1] (2013)	61ST

ASSETS

- **Growing life-science sector and university's research presence will attract investment.**
- **Low cost of doing business and favorable demographic trends.**

LIABILITIES

- **Lack of industrial diversity and state-budget cuts present short-term risks to economy.**

GREENVILLE, NORTH CAROLINA, gained four spots to take ninth place. Unlike most small metros in the Top 10, it was Greenville's strong high-tech GDP concentration that drove its improvement in the rankings. Solid one-year wage growth and more recent job growth also appear to signal that Greenville's economy is on the rise. Although its manufacturing base is largely composed of chemicals, machinery, fabricated metal products, and paper products, it was the metro's biopharmaceuticals industry that was primarily responsible for its strong high-tech concentration: third in the nation among the small cities on our list. Fabricated metal and chemical manufacturing have added nearly 500 jobs over the last five years ending in 2013.

The metro's largest employers, Vidant Medical Center and East Carolina University, provide stability to the Greenville economy, while companies such as DSM and the university's strong research presence bolster the metro's developing life-science sector. Additionally, Penco Products, ASMO, Domtar (Attends), and Coastal Beverage are among a slew of companies that together have invested over $130 million in 2013, which in turn, will translate to 400 new jobs in Greenville.[81]

10 Auburn–Opelika, AL

(gained 27 spots)

JOB GROWTH (2008-13)	13TH
JOB GROWTH (2012-13)	9TH
WAGE GROWTH (2007-12)	78TH
WAGE GROWTH (2011-12)	48TH
SHORT-TERM JOB GROWTH (8/2013-8/2014)	15TH
HIGH-TECH GDP GROWTH (2008-13)	7TH
HIGH-TECH GDP GROWTH (2012-13)	5TH
HIGH-TECH GDP CONCENTRATION (2013)	120TH
NUMBER OF HIGH-TECH INDUSTRIES [LQ≥1] (2013)	94TH

ASSETS

- **Growing high-tech sector and research park presence will attract investment.**
- **Low cost of doing business and favorable demographic trends.**

LIABILITIES

- **Budget constraints will continue to cut into the university's staffing and enrollment.**

AUBURN–OPELIKA, ALABAMA, rose 27 spots to claim 10th place. The metro's improvement over the previous index was led by job growth and high-tech GDP growth during the year ending in 2013. Additionally, high-tech GDP growth in Auburn was 22 percent higher than the national average.

Auburn University and East Alabama Medical Center are the metro's two largest employers. But it's the university research presence, led by Auburn Research Park, that has ignited recent high-tech growth in the region. The park, with such tenants as Northrop Grumman's National Work Force Center, iK9 Holding Co., and Auburn University's MRI Research Center, is essentially a partnership of Auburn University, the state of Alabama, and the city of Auburn.[82]

High-tech growth in the metro will continue to be bolstered in the manufacturing sector as GE recently announced that it would be opening a $50-million 3-D printing facility, the first of its kind to mass-produce additive components for the jet propulsion industry.[83] The new facility is set to create 300 high-paying jobs in the metro.[84]

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2014 Best-Performing Small Cities

RANKINGS BY COMPONENT

Rank change	2013 rank	2014 rank	Metropolitan statistical area	Job growth (2008-13)	Job growth (2012-13)	Wage growth (2007-12)	Wage growth (2011-12)	Short-term job growth (8/2013 - 8/2014)	High-tech GDP growth (2008-13)	High-tech GDP growth (2012-13)	High-tech GDP concentration (2013)	Number of high-tech industries with LQ>=1 (2013)
2	3	**1**	Fargo, ND–MN	4	28	6	10	14	46	78	52	40
0	2	**2**	Columbus, IN	10	111	9	3	10	29	21	47	23
13	16	**3**	Victoria, TX	19	32	21	9	32	13	10	48	129
0	4	**4**	Bismarck, ND	3	13	3	4	21	70	49	97	129
10	15	**5**	Iowa City, IA	11	20	19	34	68	53	28	26	40
-1	5	**6**	Midland, TX	1	1	1	1	5	129	106	155	94
2	9	**7**	Morgantown, WV	5	71	4	56	48	16	37	59	40
30	38	**8**	College Station–Bryan, TX	8	7	12	33	91	22	71	57	94
4	13	**9**	Greenville, NC	66	96	30	16	23	14	9	3	61
27	37	**10**	Auburn–Opelika, AL	13	9	78	48	15	7	5	120	94
-10	1	**11**	Columbia, MO	9	31	16	15	140	2	89	36	23
2	14	**12**	Odessa, TX	2	36	2	2	7	76	68	178	163
-3	10	**13**	Dubuque, IA	12	106	13	19	28	5	163	55	23
57	71	**14**	Ames, IA	23	42	50	39	38	36	15	90	94
10	25	**15**	Cleveland, TN	6	38	43	7	27	31	125	129	94
-5	11	**16**	St. Joseph, MO–KS	20	102	57	46	24	6	7	23	94
-9	8	**17**	San Angelo, TX	16	35	15	51	12	159	136	72	61
23	41	**18**	Houma–Bayou Cane–Thibodaux, LA	32	12	26	11	94	50	41	157	94
-7	12	**19**	Cheyenne, WY	33	23	23	21	121	48	50	114	40
-2	18	**20**	Jonesboro, AR	15	49	20	68	54	98	107	29	61
1	22	**21**	Waco, TX	74	91	35	62	52	19	61	8	2
-15	7	**22**	Longview, TX	36	98	7	14	18	123	74	102	94
72	95	**23**	Sumter, SC	58	68	36	5	57	81	65	91	94
-5	19	**24**	Sioux Falls, SD	14	37	18	17	108	116	117	76	94
40	65	**25**	Fond du Lac, WI	112	19	94	26	87	34	14	68	7
4	30	**26**	St. Cloud, MN	48	63	58	38	29	55	111	116	61
35	62	**27**	Rochester, MN	41	69	53	28	110	41	127	22	23
-7	21	**28**	Blacksburg–Christiansburg–Radford, VA	46	61	101	35	63	39	69	43	61
5	34	**29**	Napa, CA	39	4	111	36	82	57	140	50	40
13	43	**30**	Barnstable Town, MA	55	45	107	77	11	68	132	32	11
42	73	**31**	Missoula, MT	54	47	86	94	31	42	34	92	61
0	32	**32**	Ithaca, NY	7	33	51	92	141	83	109	18	23
-27	6	**33**	Williamsport, PA	26	168	8	27	34	128	142	63	23
68	102	**34**	Anderson, SC	56	3	92	97	25	21	2	156	163
-18	17	**35**	Logan, UT–ID	29	41	40	156	152	4	44	6	7
9	45	**36**	Bellingham, WA	96	44	44	40	103	69	164	10	2
35	72	**37**	Pueblo, CO	68	83	37	123	56	59	22	64	23

RANKINGS BY COMPONENT

Rank change	2013 rank	2014 rank	Metropolitan statistical area	Job growth (2008-13)	Job growth (2012-13)	Wage growth (2007-12)	Wage growth (2011-12)	Short-term job growth (8/2013 - 8/2014)	High-tech GDP growth (2008-13)	High-tech GDP growth (2012-13)	High-tech GDP concentration (2013)	Number of high-tech industries with LQ>=1 (2013)
-9	28	**37**	State College, PA	47	94	24	124	84	52	87	15	2
-16	23	**39**	Burlington–South Burlington, VT	31	138	45	66	72	35	145	5	23
45	85	**40**	Crestview–Fort Walton Beach–Destin, FL	87	76	90	31	20	158	98	9	40
67	108	**41**	Janesville, WI	153	27	166	13	37	18	3	61	40
47	89	**42**	Charlottesville, VA	34	56	55	58	163	95	36	34	23
24	67	**43**	Wenatchee–East Wenatchee, WA	88	53	74	91	8	30	35	110	129
60	104	**44**	Elkhart–Goshen, IN	65	10	172	6	3	179	59	131	61
-5	40	**45**	Winchester, VA–WV	18	30	83	99	77	106	13	126	94
38	84	**46**	Bend, OR	147	5	174	84	44	9	18	7	11
2	48	**46**	Tyler, TX	63	55	56	111	70	60	105	67	11
-1	47	**48**	Abilene, TX	93	79	46	25	59	105	20	99	129
-25	24	**49**	Lebanon, PA	45	116	31	85	133	27	113	11	11
-24	26	**50**	Billings, MT	52	66	33	24	80	136	137	109	94
12	63	**51**	St. George, UT	69	2	165	30	9	79	155	82	129
0	52	**52**	Jacksonville, NC	25	64	5	167	96	32	39	117	94
-33	20	**53**	Lafayette, IN	35	75	42	49	157	124	88	53	23
-23	31	**54**	Casper, WY	22	59	14	8	120	104	149	177	129
27	82	**55**	Las Cruces, NM	42	92	39	149	158	23	12	24	7
56	111	**55**	Monroe, LA	71	80	76	72	107	40	27	86	61
-15	42	**57**	Kankakee–Bradley, IL	95	150	80	23	100	3	56	14	61
84	142	**58**	Dover, DE	76	40	118	55	129	38	6	105	61
108	167	**59**	Battle Creek, MI	57	18	105	32	41	45	175	161	163
27	87	**60**	Bowling Green, KY	27	51	81	78	19	138	103	172	129
-6	55	**61**	Elizabethtown, KY	21	65	10	178	104	80	60	98	61
94	156	**62**	Springfield, OH	77	24	108	105	36	20	1	176	163
15	78	**63**	Yakima, WA	79	72	48	52	51	33	168	132	129
4	68	**64**	Cumberland, MD–WV	84	153	49	154	33	28	45	37	11
-12	53	**65**	La Crosse, WI–MN	44	77	38	88	106	89	121	112	40
-8	58	**66**	Grand Forks, ND–MN	17	100	17	12	151	114	58	147	163
73	140	**67**	Mount Vernon–Anacortes, WA	114	22	123	41	61	67	99	127	61
24	92	**68**	Yuba City, CA	148	54	114	64	66	65	40	81	11
-12	57	**69**	Madera–Chowchilla, CA	86	25	99	63	130	99	52	95	40
-16	54	**70**	Lake Charles, LA	106	60	60	37	16	125	124	159	129
-11	60	**71**	Eau Claire, WI	70	142	59	44	53	111	130	62	61
34	106	**72**	Harrisonburg, VA	49	108	69	67	73	132	4	104	129
17	90	**73**	Pascagoula, MS	142	21	64	170	22	88	93	44	40
-41	33	**74**	Appleton, WI	78	74	88	54	71	130	108	79	61
51	126	**75**	Lewiston, ID–WA	102	16	125	158	69	12	17	87	61
3	79	**76**	Great Falls, MT	59	73	54	143	75	10	84	124	94
-33	44	**77**	Owensboro, KY	24	137	52	42	55	92	114	169	129
19	97	**78**	Coeur d'Alene, ID	105	8	164	168	26	62	57	51	23
36	115	**79**	Kokomo, IN	107	29	179	80	6	86	55	134	61
51	131	**80**	Champaign–Urbana, IL	159	78	63	76	109	78	62	35	11
15	96	**81**	Chico, CA	94	6	140	61	99	72	151	89	61

RANKINGS BY COMPONENT

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-43	39	**82**	Rapid City, SD	30	82	27	59	159	91	152	130	94
-6	77	**83**	Sherman–Denison, TX	51	39	79	128	101	97	122	42	129
-25	59	**84**	Amarillo, TX	60	95	32	81	115	64	102	128	129
-24	61	**85**	Joplin, MO	53	88	72	93	119	160	91	66	23
-11	75	**86**	Bloomington, IN	97	110	75	121	113	26	80	2	61
-52	35	**87**	Waterloo–Cedar Falls, IA	37	123	22	22	168	102	76	151	129
-19	69	**88**	Tuscaloosa, AL	99	85	73	90	1	133	73	173	129
-40	49	**89**	Gainesville, GA	80	26	112	153	42	126	64	103	94
82	172	**90**	Sheboygan, WI	167	48	152	70	30	25	46	123	94
23	114	**91**	Medford, OR	140	34	163	71	147	15	72	17	11
-63	29	**92**	El Centro, CA	28	11	68	107	122	61	178	158	163
68	161	**93**	Monroe, MI	90	14	169	20	141	75	25	136	129
-30	64	**94**	Oshkosh–Neenah, WI	67	151	67	106	45	77	158	69	61
40	135	**95**	Wheeling, WV–OH	73	89	28	43	141	100	66	160	163
-45	51	**96**	Valdosta, GA	150	115	71	87	124	11	85	45	23
12	109	**97**	Terre Haute, IN	125	157	91	83	40	157	90	13	11
-48	50	**98**	Flagstaff, AZ	118	57	116	110	127	1	38	41	129
6	105	**99**	Lawrence, KS	82	117	104	112	17	63	110	100	129
24	124	**100**	Florence, SC	113	46	128	74	50	87	173	135	61
21	122	**101**	Muncie, IN	135	174	150	47	2	149	8	83	40
19	121	**102**	Topeka, KS	81	109	65	96	79	49	119	141	129
-9	94	**103**	Athens–Clarke County, GA	108	50	97	115	146	17	81	78	94
3	107	**104**	Sioux City, IA–NE–SD	83	43	89	104	139	107	33	144	129
-69	36	**105**	Corvallis, OR	64	144	137	120	95	44	167	1	2
17	123	**106**	Jackson, TN	72	128	110	50	64	122	31	174	163
10	117	**107**	Hot Springs, AR	119	127	87	65	105	110	135	31	61
17	125	**108**	Bay City, MI	109	87	129	114	65	113	70	28	129
30	139	**109**	Longview, WA	123	149	120	29	13	74	147	133	129
-17	93	**110**	Hinesville–Fort Stewart, GA	40	165	11	176	49	176	63	107	129
52	163	**111**	Lima, OH	120	104	127	89	83	115	42	119	61
-26	86	**112**	Altoona, PA	101	135	85	139	97	118	47	19	94
5	118	**113**	Hattiesburg, MS	89	90	66	45	160	154	146	164	40
31	145	**114**	Punta Gorda, FL	61	52	167	95	47	134	112	153	163
55	170	**115**	Prescott, AZ	171	62	176	57	74	146	11	113	61
-42	74	**116**	Pittsfield, MA	85	99	146	144	98	90	116	25	40
30	147	**117**	Saginaw–Saginaw Township North, MI	62	119	159	166	39	127	26	94	94
-20	98	**118**	Bloomington–Normal, IL	111	162	29	60	176	131	118	58	61
-53	66	**119**	Glens Falls, NY	115	170	47	103	93	156	176	21	61
13	133	**120**	Sebastian–Vero Beach, FL	139	93	171	18	167	120	30	54	94
-65	56	**121**	Muskegon–Norton Shores, MI	121	103	143	98	92	144	16	121	94
-22	100	**122**	Elmira, NY	141	173	41	161	161	51	43	40	11
-11	112	**123**	Parkersburg–Marietta–Vienna, WV–OH	130	114	106	53	138	101	139	85	94
-36	88	**124**	Idaho Falls, ID	75	17	142	131	135	151	170	88	94
-5	120	**125**	Jefferson City, MO	133	124	96	151	112	43	123	70	40

RANKINGS BY COMPONENT

Rank change	2013 rank	2014 rank	Metropolitan statistical area	Job growth (2008-13)	Job growth (2012-13)	Wage growth (2007-12)	Wage growth (2011-12)	Short-term job growth (8/2013 - 8/2014)	High-tech GDP growth (2008-13)	High-tech GDP growth (2012-13)	High-tech GDP concentration (2013)	Number of high-tech industries with LQ>=1 (2013)
1	127	**126**	Springfield, IL	92	163	61	146	88	172	120	73	61
-51	76	**127**	Goldsboro, NC	129	141	77	102	132	8	95	138	129
-82	46	**128**	Burlington, NC	136	136	145	100	118	93	156	33	2
21	150	**129**	Florence–Muscle Shoals, AL	91	118	103	159	43	141	53	170	163
-14	116	**130**	Salisbury, MD	149	146	144	148	62	96	161	16	1
-3	128	**131**	Lewiston–Auburn, ME	103	126	100	109	114	56	141	143	129
-13	119	**132**	Racine, WI	144	159	126	73	46	84	160	142	94
26	159	**133**	Bangor, ME	100	112	115	130	90	148	126	115	94
9	143	**134**	Kingston, NY	124	122	134	163	81	103	154	56	23
-32	103	**135**	Anderson, IN	134	166	147	108	35	119	51	150	94
-109	27	**136**	Fairbanks, AK	38	167	25	126	175	58	157	162	163
-24	113	**137**	Warner Robins, GA	43	155	62	165	149	135	159	49	129
13	151	**138**	Redding, CA	137	15	173	152	136	145	131	96	23
-29	110	**139**	Macon, GA	117	105	109	125	128	147	129	84	94
-8	132	**140**	Rome, GA	155	113	136	127	117	94	134	60	40
-12	129	**141**	Lynchburg, VA	160	129	124	129	172	66	86	27	23
-8	134	**142**	Decatur, AL	161	133	130	119	123	37	19	148	94
-2	141	**143**	Gadsden, AL	122	125	133	145	76	155	54	163	61
30	174	**144**	Wausau, WI	158	70	158	75	148	108	29	154	129
-65	80	**145**	Hanford–Corcoran, CA	131	107	119	174	78	142	75	168	40
14	160	**146**	Danville, IL	162	179	95	118	60	162	97	101	61
2	149	**147**	Jackson, MI	145	97	117	82	153	139	48	145	129
-78	70	**148**	Johnson City, TN	132	172	82	101	155	170	148	39	11
-50	99	**149**	Johnstown, PA	152	171	98	171	102	71	143	12	40
7	157	**150**	Ocean City, NJ	116	67	148	164	4	168	179	171	163
-14	137	**151**	Lawton, OK	50	130	34	177	164	167	96	152	163
21	173	**152**	Morristown, TN	169	84	149	69	85	171	77	167	163
15	168	**153**	Santa Fe, NM	143	86	155	147	137	166	23	111	61
8	162	**154**	Bremerton–Silverdale, WA	126	143	93	162	126	161	104	74	61
3	158	**155**	Brunswick, GA	174	101	162	79	171	109	32	125	61
-3	153	**156**	Vineland–Millville–Bridgeton, NJ	156	145	135	134	116	121	83	65	61
-3	154	**157**	Wichita Falls, TX	154	164	139	117	141	150	67	38	40
-6	152	**158**	Alexandria, LA	157	152	113	137	165	24	24	140	94
-68	91	**159**	Yuma, AZ	128	131	102	113	178	82	171	80	94
5	165	**160**	Mansfield, OH	170	154	175	142	67	164	79	46	40
-13	148	**161**	Pocatello, ID	127	58	151	169	162	112	101	137	94
-79	83	**162**	Grand Junction, CO	172	121	122	116	111	143	115	108	129
-33	130	**163**	Farmington, NM	151	139	70	86	177	54	144	179	163
7	171	**164**	Panama City–Lynn Haven–Panama City Beach, FL	104	120	156	172	89	175	177	77	94
-64	101	**165**	Texarkana, TX–Texarkana, AR	138	176	84	157	86	152	94	149	129
-20	146	**166**	Albany, GA	146	132	131	135	166	73	133	71	129
-28	138	**166**	Decatur, IL	163	175	132	136	134	85	82	118	61
-2	166	**168**	Niles–Benton Harbor, MI	165	134	157	150	58	140	92	139	129
-88	81	**169**	Danville, VA	110	147	138	133	179	47	138	106	129

RANKINGS BY COMPONENT

Rank change	2013 rank	2014 rank	Metropolitan statistical area	Job growth (2008-13)	Job growth (2012-13)	Wage growth (2007-12)	Wage growth (2011-12)	Short-term job growth (8/2013 - 8/2014)	High-tech GDP growth (2008-13)	High-tech GDP growth (2012-13)	High-tech GDP concentration (2013)	Number of high-tech industries with LQ>=1 (2013)
-26	144	**170**	Sandusky, OH	98	81	141	138	156	178	169	175	163
-7	164	**171**	Binghamton, NY	164	161	154	173	154	153	153	4	7
6	177	**171**	Dalton, GA	179	148	178	140	141	169	128	20	40
-37	136	**173**	Michigan City–La Porte, IN	173	169	153	132	131	137	165	93	23
-5	169	**174**	Rocky Mount, NC	176	158	161	122	173	174	150	30	11
1	176	**175**	Carson City, NV	178	156	177	175	125	163	174	75	40
-1	175	**176**	Dothan, AL	168	140	160	141	150	165	100	166	129
2	179	**177**	Pine Bluff, AR	166	178	121	155	170	173	172	146	94
-23	155	**178**	Steubenville–Weirton, OH–WV	175	160	168	160	169	117	166	165	94
-1	178	**179**	Anniston–Oxford, AL	177	177	170	179	174	177	162	122	163

ON THE WEB

For data on each city, go to *www.best-cities.org*

Endnotes

1. The latest 12-month job performance calculates the percentage change from the same month in the previous year (e.g., the change in jobs from August 2013 to August 2014). The percentage change is a measure of recent momentum, capturing which metropolitan areas have improved their performance in recent months. The annual growth rate measures the percentage change from the calendar year 2012 to 2013. While the annual growth rate does not indicate whether high growth was achieved in the first or latter half of the year, the 12-month growth rate captures that aspect. Employment, wage, and gross metro product data are compiled from various government agencies, including the U.S. Bureau of Labor Statistics, the U.S. Bureau of Economic Analysis, and the U.S. Census Bureau. More detailed coverage on individual sectors is derived from Moody's Analytics at economy.com.

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About the Authors

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