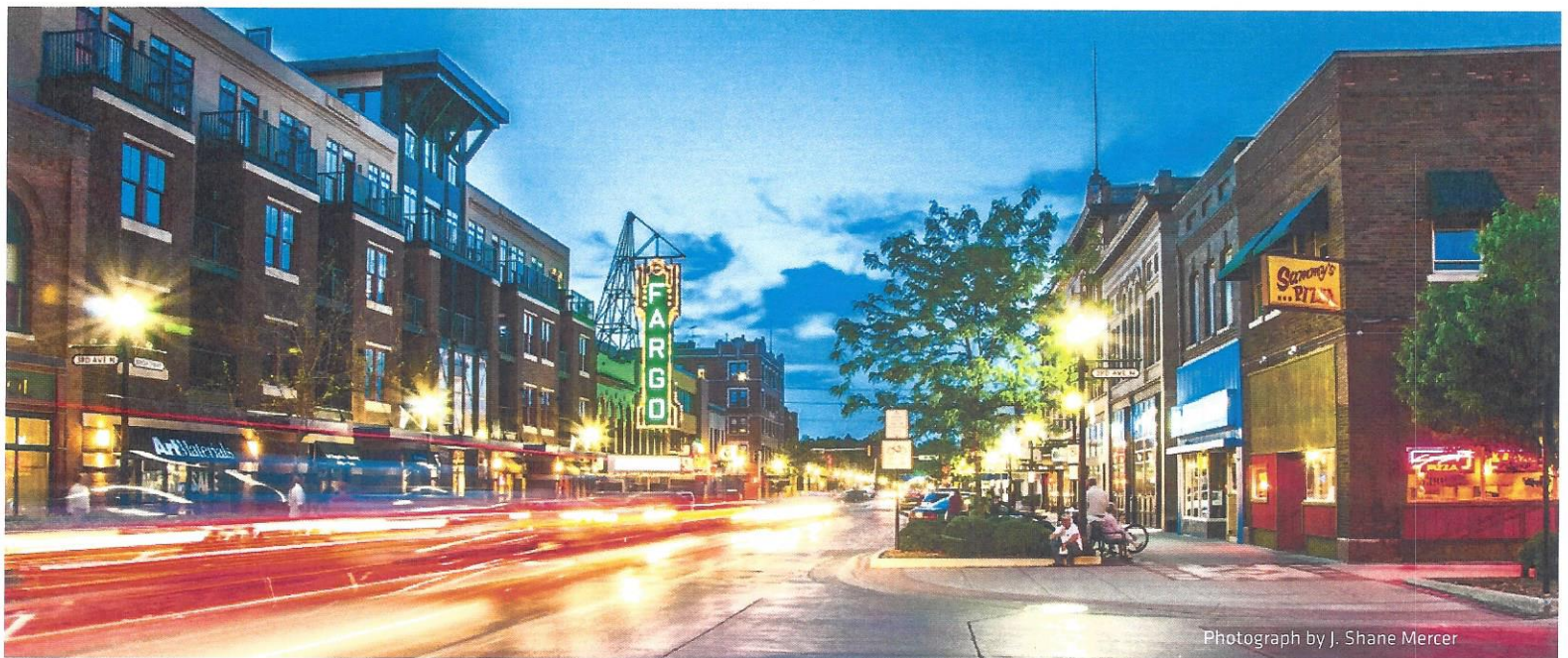


# Top 10 Best-Performing Small Cities



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).

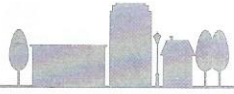
**Table 5. Top 10 best-performing small cities**

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



**Victoria, TX**  
(gained 13 spots)



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

**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.<sup>69</sup>

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.<sup>70</sup> Additionally, chemical manufacturing was responsible for adding 105 jobs over the last five years ending in 2013.