

# Best-Performing Cities: Don't Mess With Texas

<http://finance.yahoo.com/blogs/daily-ticker/best-performing-cities-don-t-mess-texas-135623031.html>

Two years after "the great recession" officially ended, times remain tough for many Americans. The housing market has yet to rebound and the unemployment rate remains near 9%.

Despite national economic weakness, there are some cities and states around the country that are thriving, according to the Milken Institute's 2011 annual [Best-Performing Cities survey](#), which evaluates cities over a five-year period on jobs, wages and technology performance.

Texas in particular is booming. Its cities have topped the Best-Performing Cities Index for two years. This year, **San Antonio leaped 13 spots to rank number one** on the survey of 200 large metros, followed by El Paso. The state also claims four of the top five positions and nine of the top 25, down slightly from 11 in 2010. *So what does this mean in terms of jobs?* Texas created one in every six new jobs through Oct. 31 of this year!

The institute's chief research officer Ross DeVol joined The Daily Ticker's Aaron Task in the accompanying video and says Texas' economic success rests upon increased exploration of oil and gas activity, consolidation of military bases, increased trade with Mexico, low business costs and a business friendly environment.

Utah metros also performed well in 2011, taking three of the top 25 spots on the list, versus just one a year ago. Salt Lake City jumped to 6<sup>th</sup> place from 49<sup>th</sup> in 2010, due in part to the increased diversity of business and industry there including pharmaceuticals, financial services and high-tech companies. Utah was the only state to double the volume of its exports over the past five years.

"There were some common themes among top-performing metro areas across the country," says DeVol, one of the report's authors. "Many that did the best were those that took advantage of the boom in energy production and increased investment in equipment by businesses. And it is no accident that the housing markets showing the most resilience are in cities with growing employment."

Other notable finding of the survey include:

- *Charleston, S.C., continued its steady climb — to 11th this year from 19th in 2010, and 30th the year before. Thanks to aerospace and data-processing services, Charleston ranked 16th in high-tech output growth for the last five years. Boeing's new assembly plant is generating positive ripple effects in other aerospace-related employers.*
- *Philadelphia had the most dramatic rise among the biggest cities, up 34 positions in the overall index and leapfrogging New York to place fourth among the largest metros. Education, health care and tourism led private employment to a two-year high.*
- *In the metropolitan area anchored by Washington, D.C., federal employment continued to shield the economy from the aftermath of the Great Recession. The government created 15,000 new jobs, and salaries in the area continued to rise faster than the national average.*
- *Merced, Calif., the epicenter of the housing collapse, recorded the biggest jump in ranking, vaulting 105 positions to 63rd. Merced's housing sector has begun to heal, and new hiring in trade and transportation helped the region.*

**Courtesy of JB Goodwin**