



**GREATER DES MOINES
PARTNERSHIP**

Competitive Regions - Trends and Best Practices

1st Annual Regional Summit | October 3, 2024



**ECONOMIC
LEADERSHIP**

About Economic Leadership

- Founded in 2013
- Currently working in 25 states
- Statewide & Regional Competitiveness Strategies
- Location Analysis
- Trendspotting & Strategy



Client Experience



Howard Hughes



COMMUNITY
FOUNDATION
of the **OZARKS**
Connecting passion to purpose.



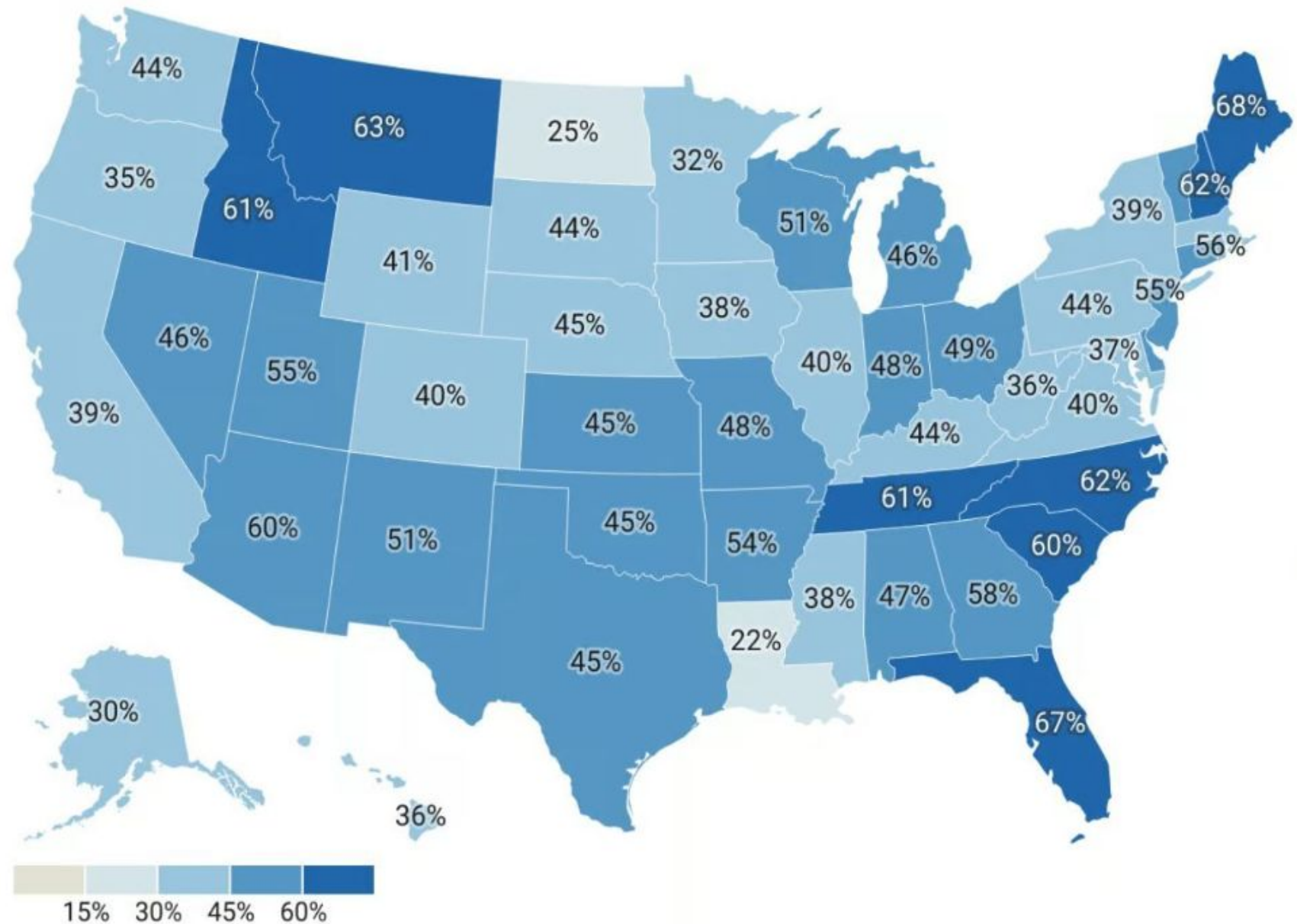
Current and Future Trends



Real Estate Uncertainty Continues

Housing markets are limping along with no big improvement expected.

4-year change in statewide home prices



Shift between March 2020 and March 2024

1. **Tighter lending standards** (and higher costs) for homebuilders, developers, and consumers
2. A **labor shortage** thanks to reskilling following the GFC and an aging population
3. More governmental **red tape + elongated timelines**, which only got worse during the pandemic
4. A **supply chain** that can only support so much homebuilding
5. **Risk aversion** from industry participants who worked through the mid-2000s
6. **Fewer developers and builders** than in the past
7. **Less developable land** in desirable areas
8. A **dearth of vacant developed lots** (VDL), lots where homes could be built tomorrow



The New York Times



The Daily

Sept. 24, 2024

How the Cost of Housing Became So Crushing

The roots of the property crisis run deep and have proved very hard to fix.




Transcript

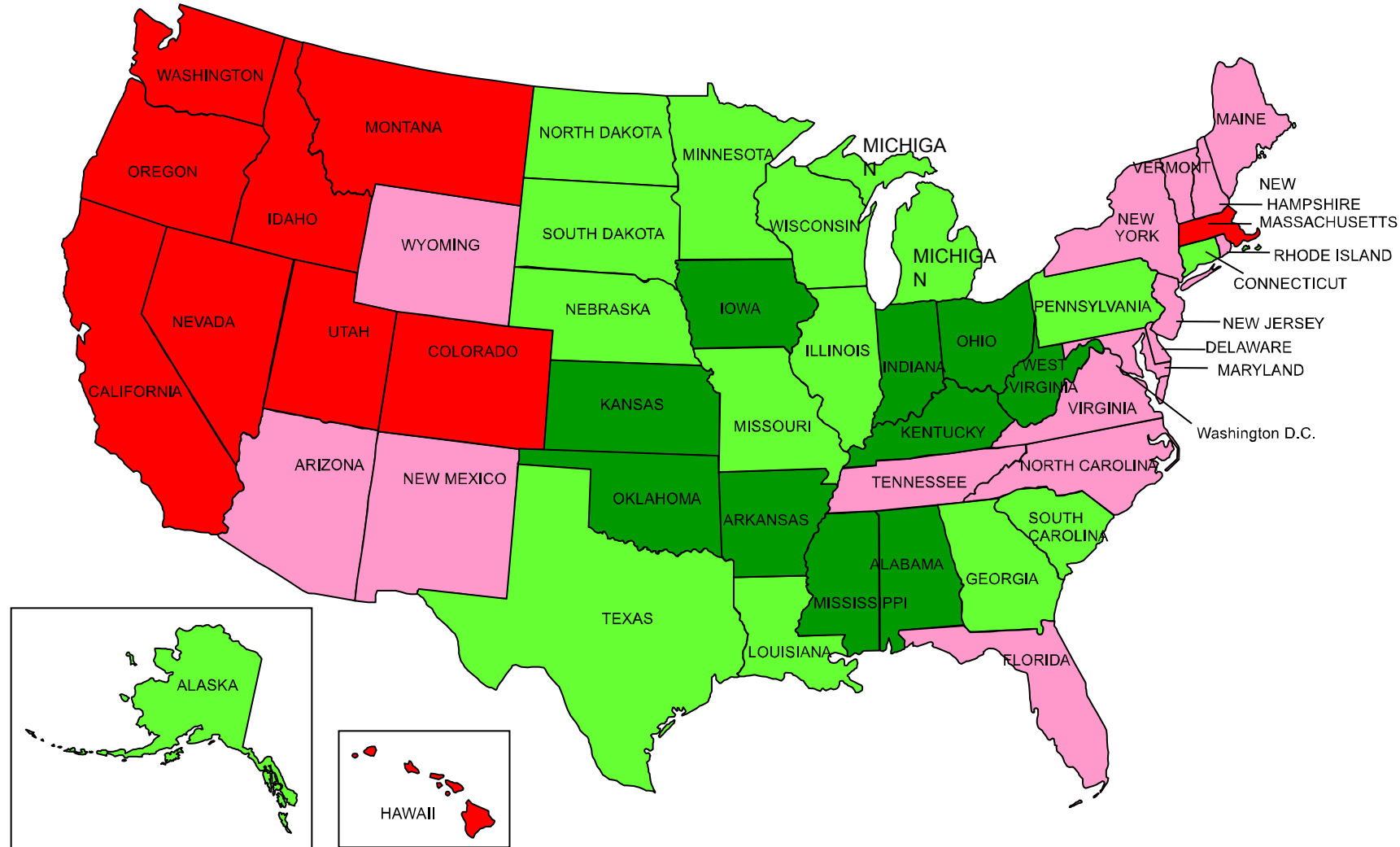


ECONOMIC
LEADERSHIP

Median Household Income as % of Median Home Price

Affordability is based both on the cost of housing and your income

-  Top 10 - over 31% Most Affordable
-  24.5% to 30.7%
-  17.6% to 24.1%
-  Bottom 10 – under 17.6% Least Affordable



According to new data published in the Bureau of Labor Statistics' Time Use Survey for 2023, ~**35%** of all employed persons in the US spent the average working day doing at least some of their work from home -- up from the previous year, which saw a slight downturn after peaking at ~38% in 2021, and **16%** more than two decades ago.



Working From Home Is Here To Stay

Share of Employed Persons Who Worked at Home on Average Day* [Annually, 2003-2023]



*Total employed, 15+ years, on days worked. Data not collected for 2020

Source: US Bureau of Labor Statistics

The Gig Economy: An Attractive Choice

A man with a beard and short hair, wearing a dark blue button-down shirt, is driving a car. He is looking out the driver's side window with a slight smile. The car's interior, including the steering wheel and leather seats, is visible. The background shows a blurred outdoor scene, possibly a parking lot or street.

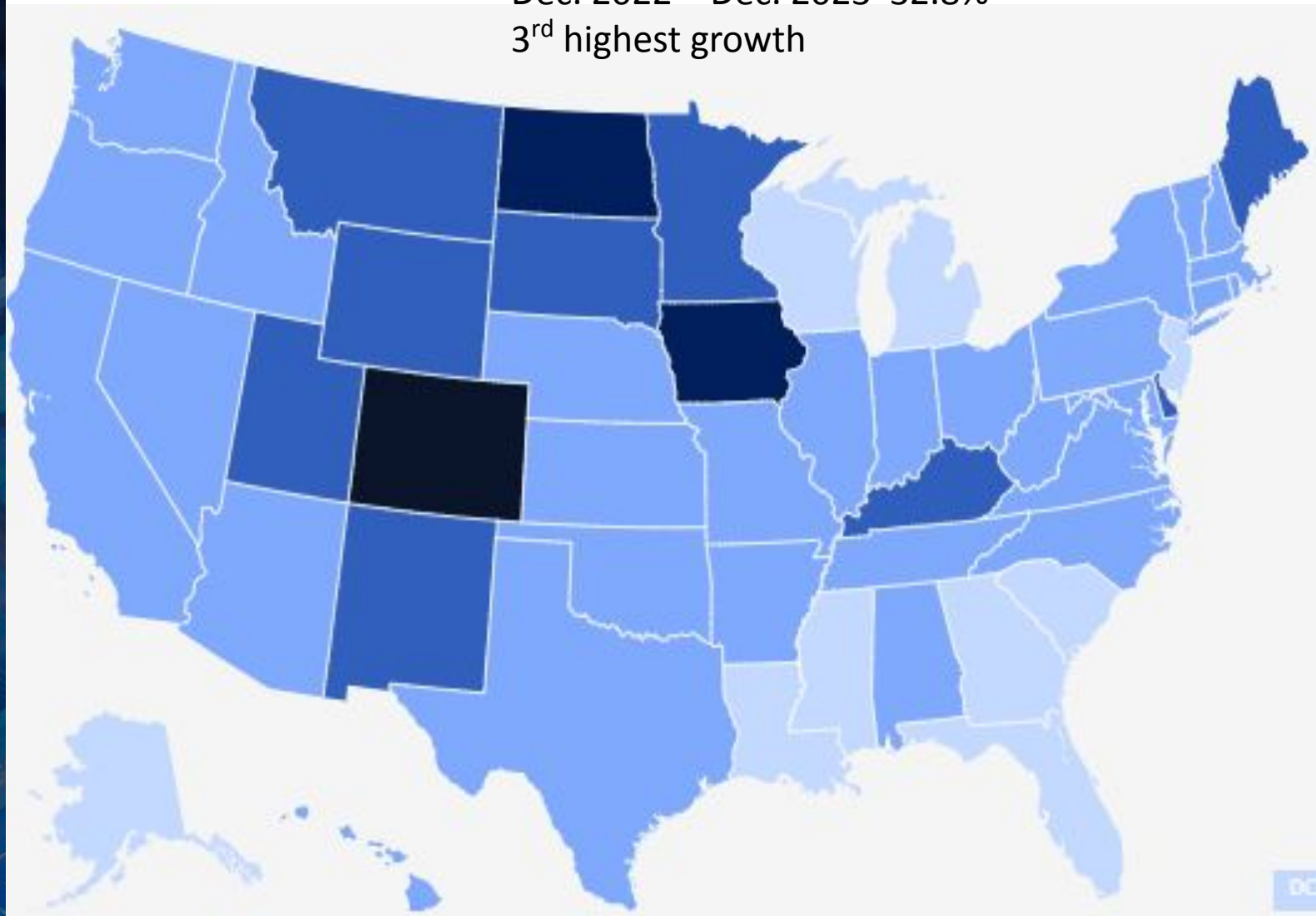
The gig economy is a labor market characterized by temporary, contract, and freelance jobs rather than permanent positions. People earn money from providing on-demand work, services, or goods.



New Business Application Growth 2023

Dec. 2022 – Dec. 2023 32.8%

3rd highest growth



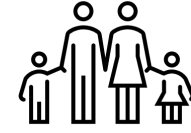
Growth Rate of Business Applications December 2022 - December 2023

<0 0-15 15.1-30 30.1-45 45.1+

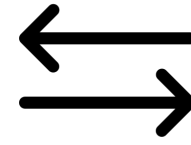


**Workforce continues to be a
throttle on growth across
the country**

Procreate



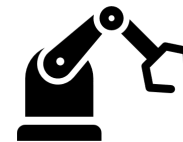
Migrate



Immigrate



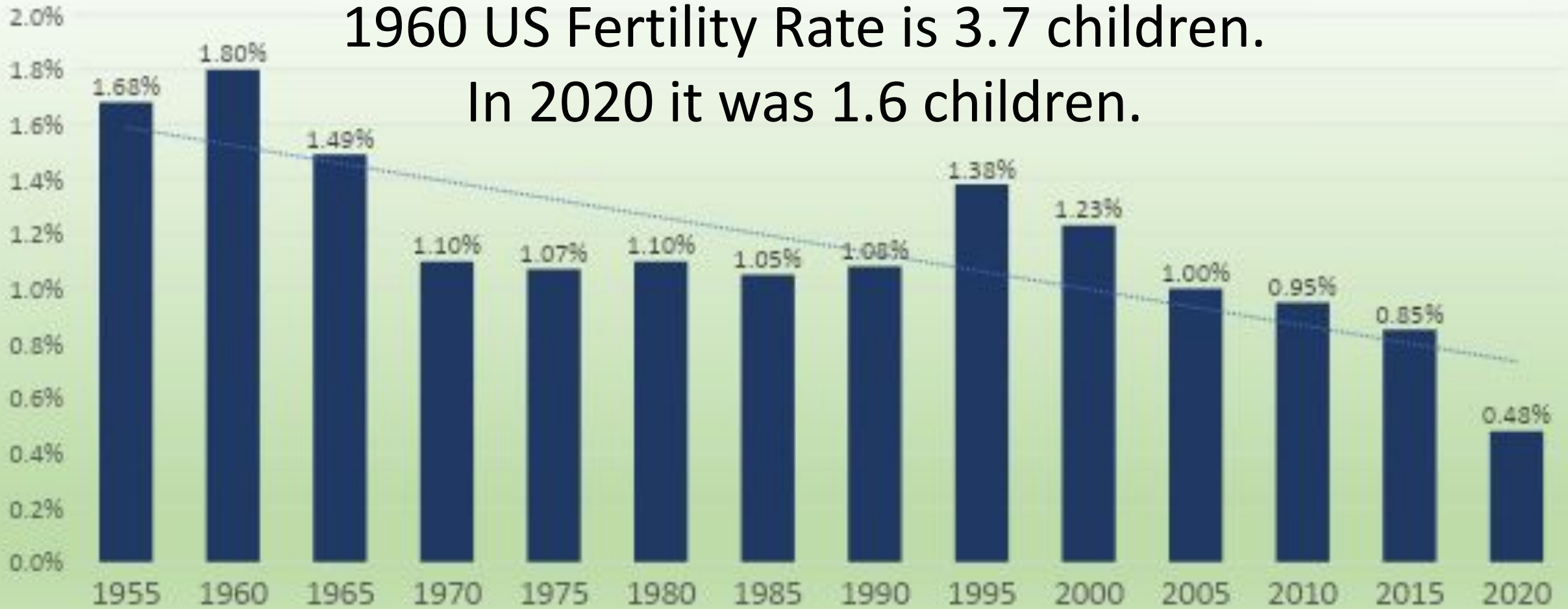
Automate



US Population Growth Rate

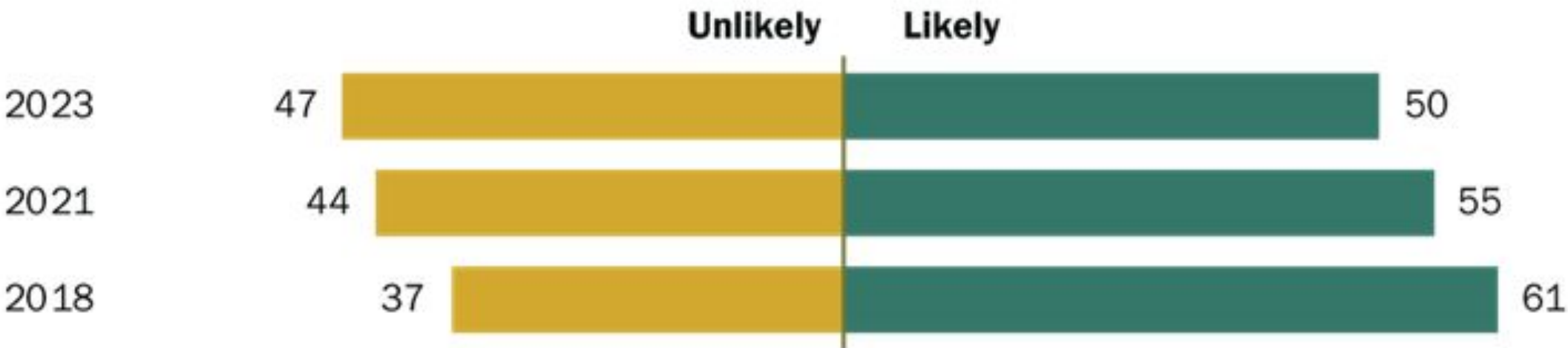
1960 US Fertility Rate is 3.7 children.

In 2020 it was 1.6 children.



Growing share of adults younger than 50 say they're unlikely to ever have kids

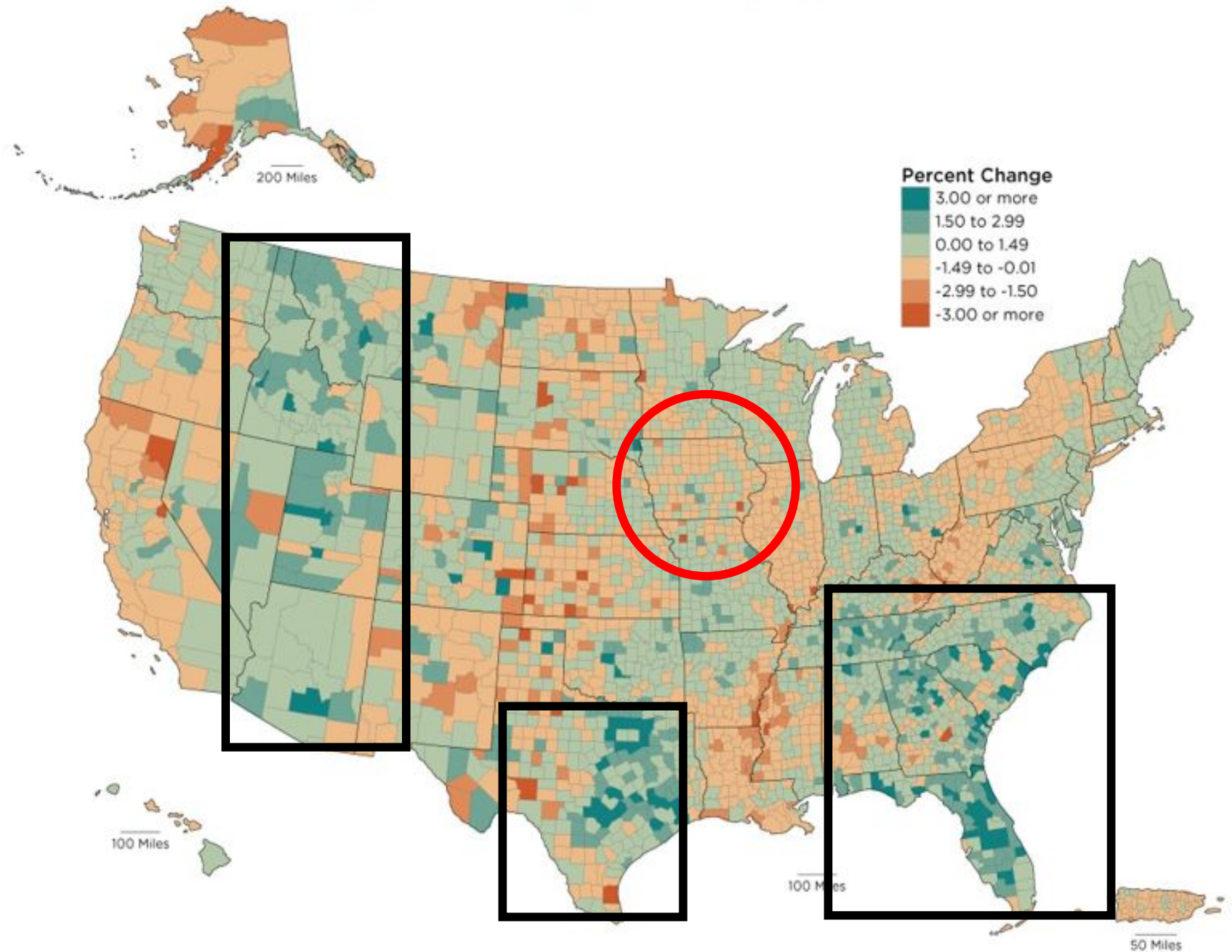
Among adults ages 18 to 49 who do not have children, % saying they are ____ to have children in the future



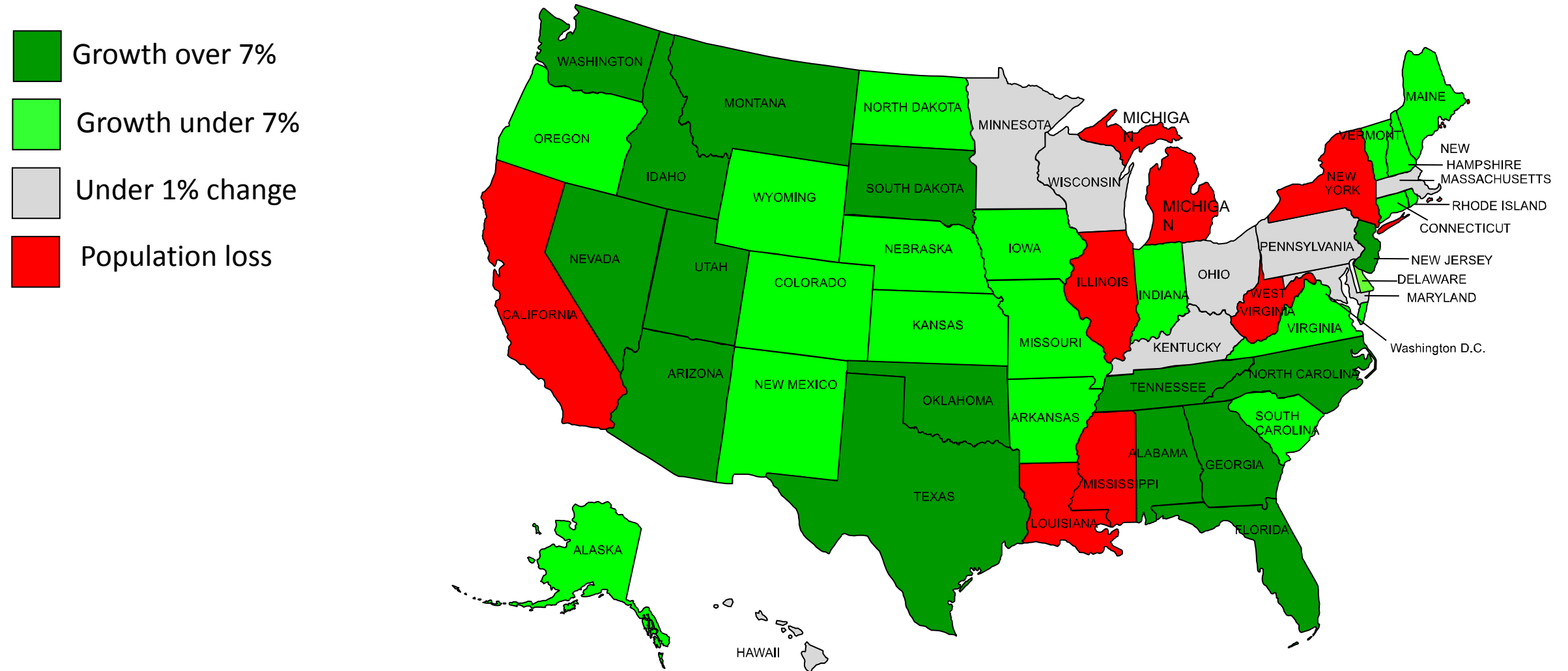
Note: Figures include those who say they are very or somewhat likely or unlikely to have children. Shares of respondents who didn't offer an answer are not shown.

Source: Survey of U.S. adults conducted Aug. 7-27, 2023.

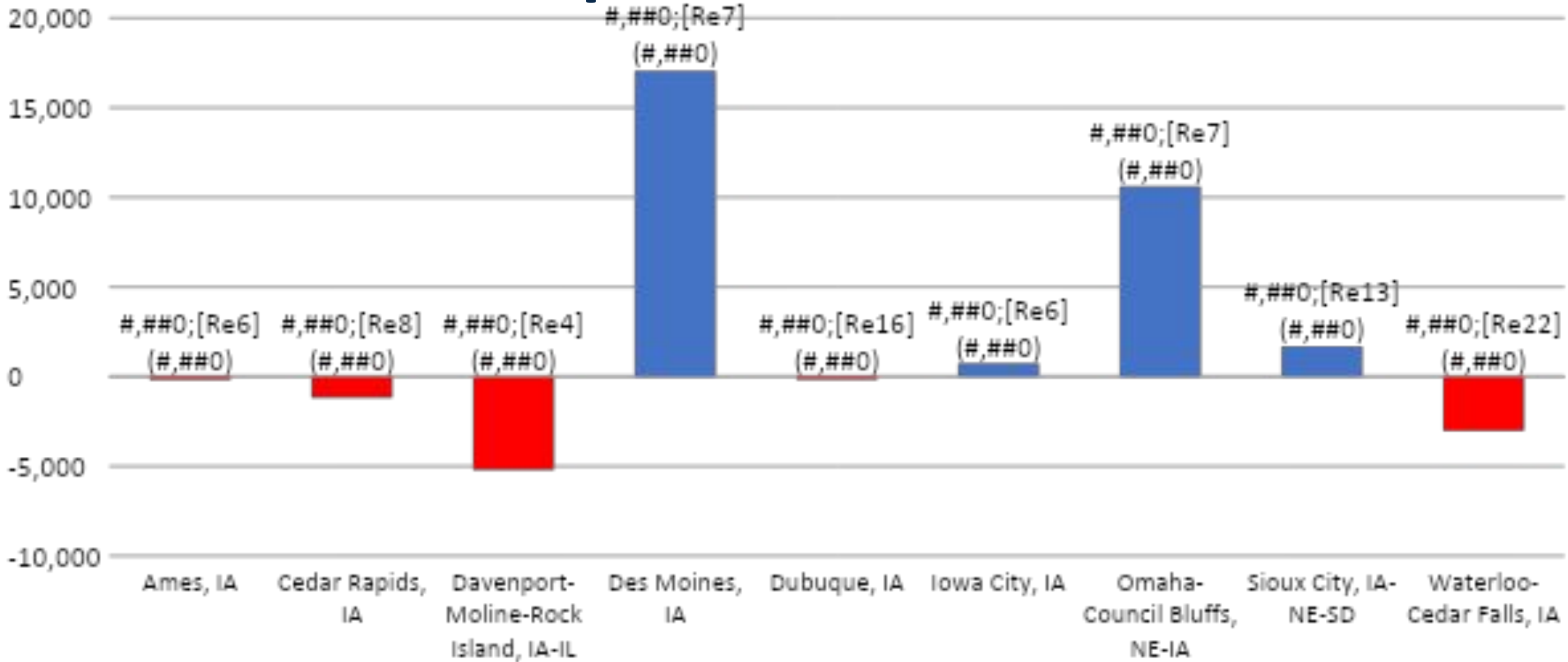
Percentage Change in County Population July 1, 2022 to July 1, 2023



Projected Population Change 2023–2033 Ages 25-64



Iowa Metros Population Growth 2019-2023

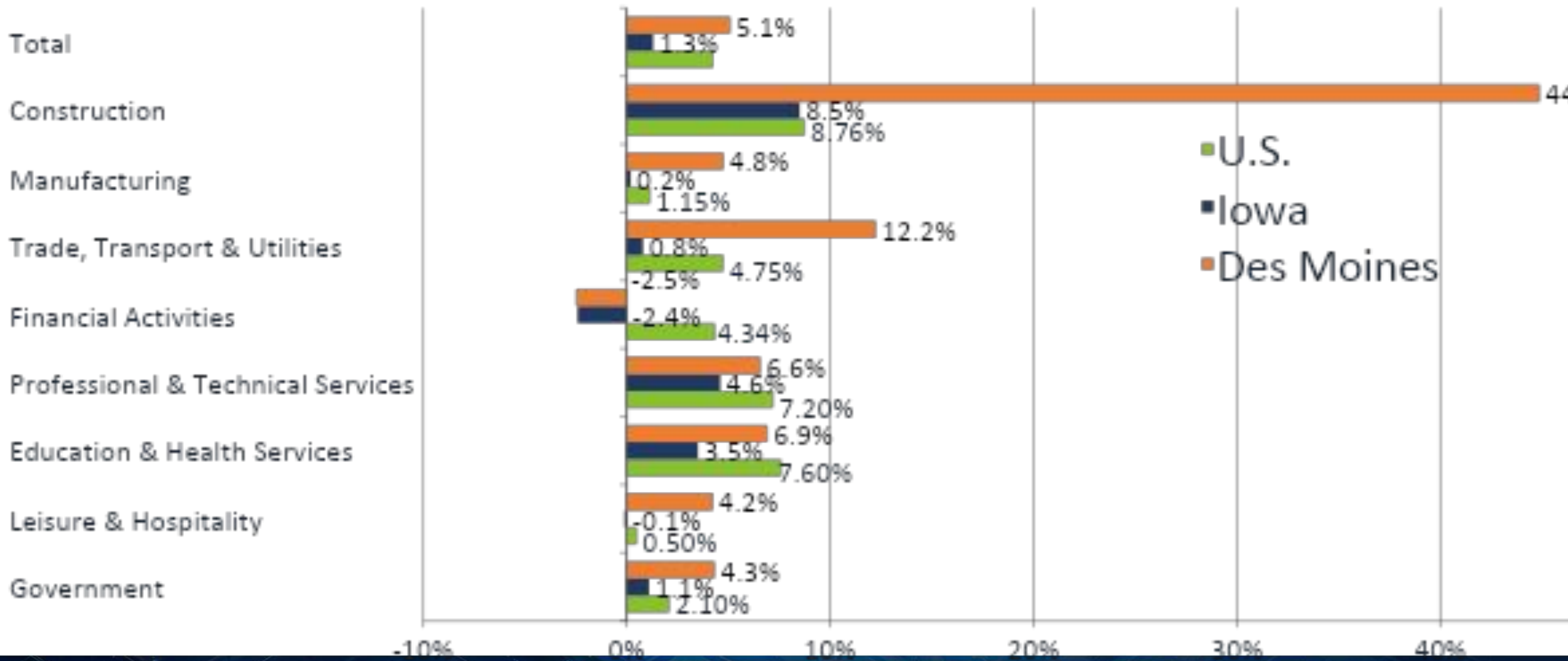


We know workforce will
be a competitiveness
topic for the foreseeable
future!

Every place is competing for labor force.



Des Moines MSA, IA & U.S. Nonfarm Employment Change by Sector February 2020 – August 2024



Source: US Bureau of Labor Statistics
Nonfarm Payroll Employment



March Madness: NCAA Tournament returning to Des Moines in 2028

Share



Updated: 10:46 PM CDT Oct 2, 2024

LIVE



Energy is a pressing issue



Reliability



Capacity



Cost

'Three New York Cities' Worth of Power: AI Is Stressing the Grid

Across the nation, utilities are worried about expanding the overburdened power grid, citing high costs and concerns about commitment from data center projects



DIVE BRIEF

US electricity load growth forecast jumps 81% led by data centers, industry: Grid Strategies

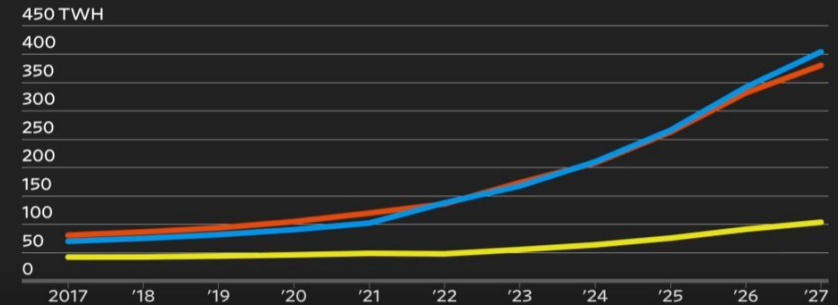
Data from FERC Form 714 shows grid planners expect nationwide power demand to grow 4.7% over the next five years, compared to a previous estimate of 2.6%.

Published Dec. 13, 2023

DATA CENTER ELECTRICITY CONSUMPTION

SUBSCRIBERS ONLY WSJ

AMERICAS EMEA APAC



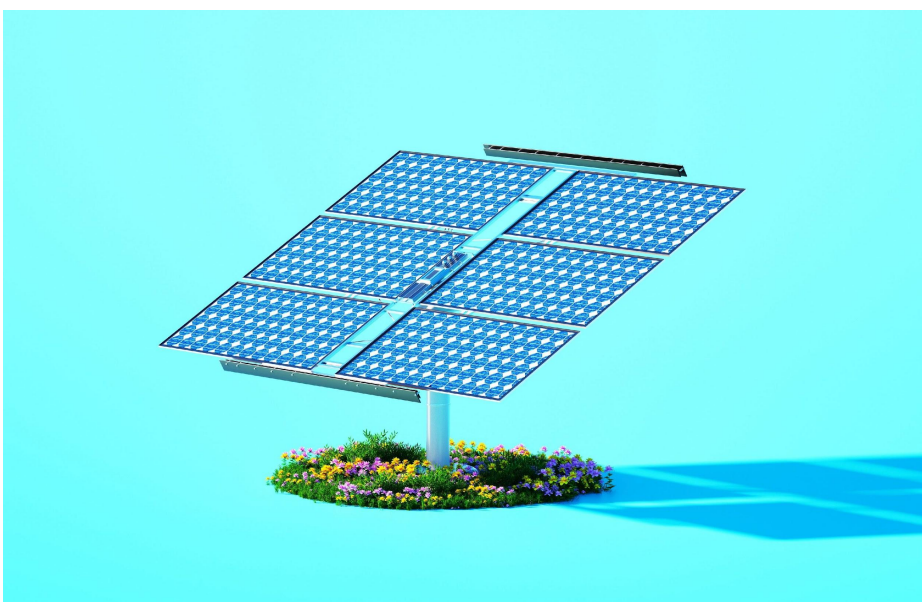
SOURCE: IDC

3:02/6:21

AI Is Fueling a Data-Center Boom. Can the Power Grid Keep Up?

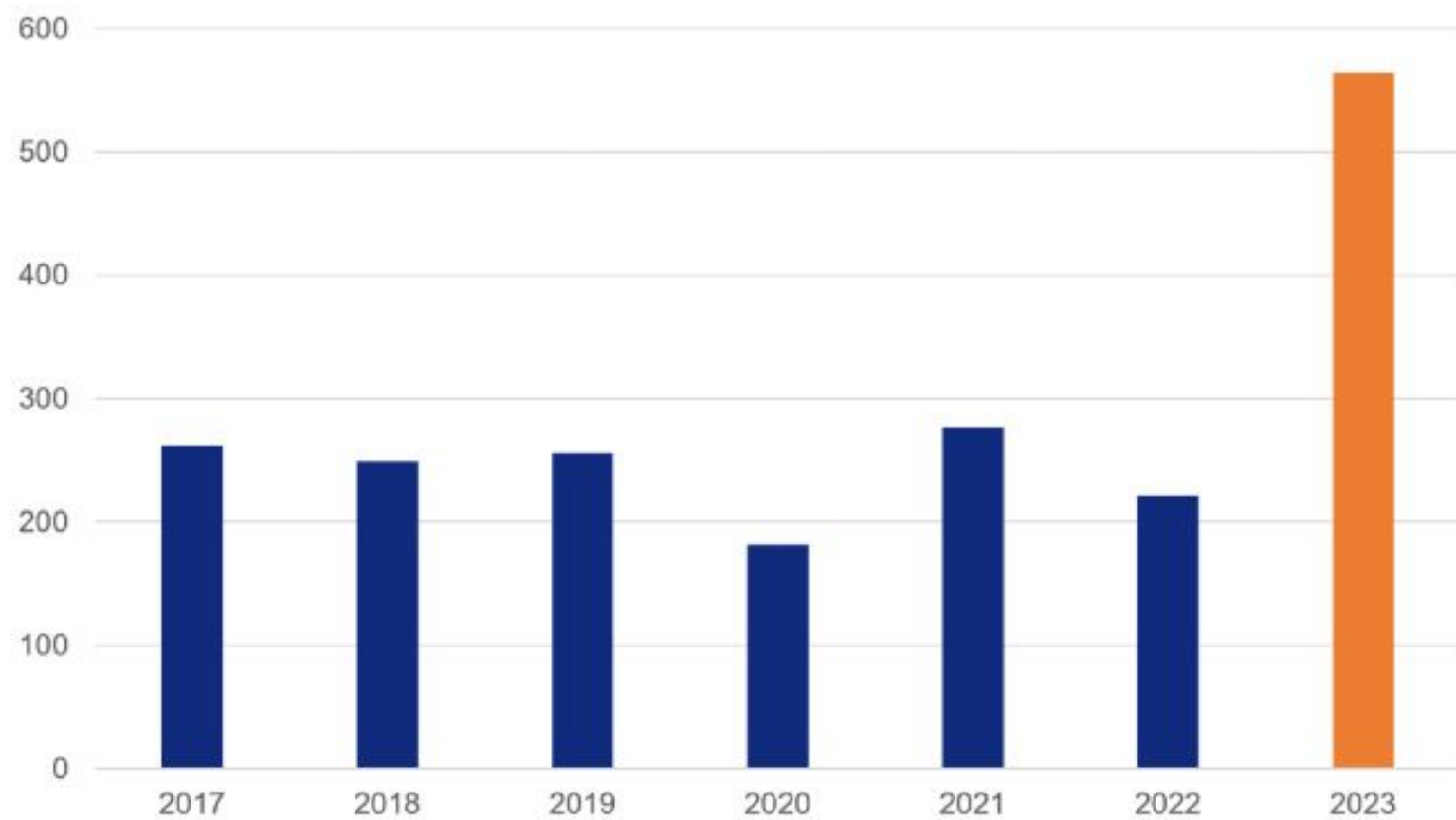
Data center development is booming across the U.S. thanks to AI. Some industry analysts estimate global capacity to double by 2030. But it faces a big obstacle: getting enough power. Graphic: Ryan Trefes, JLL

By Wall Street Journal



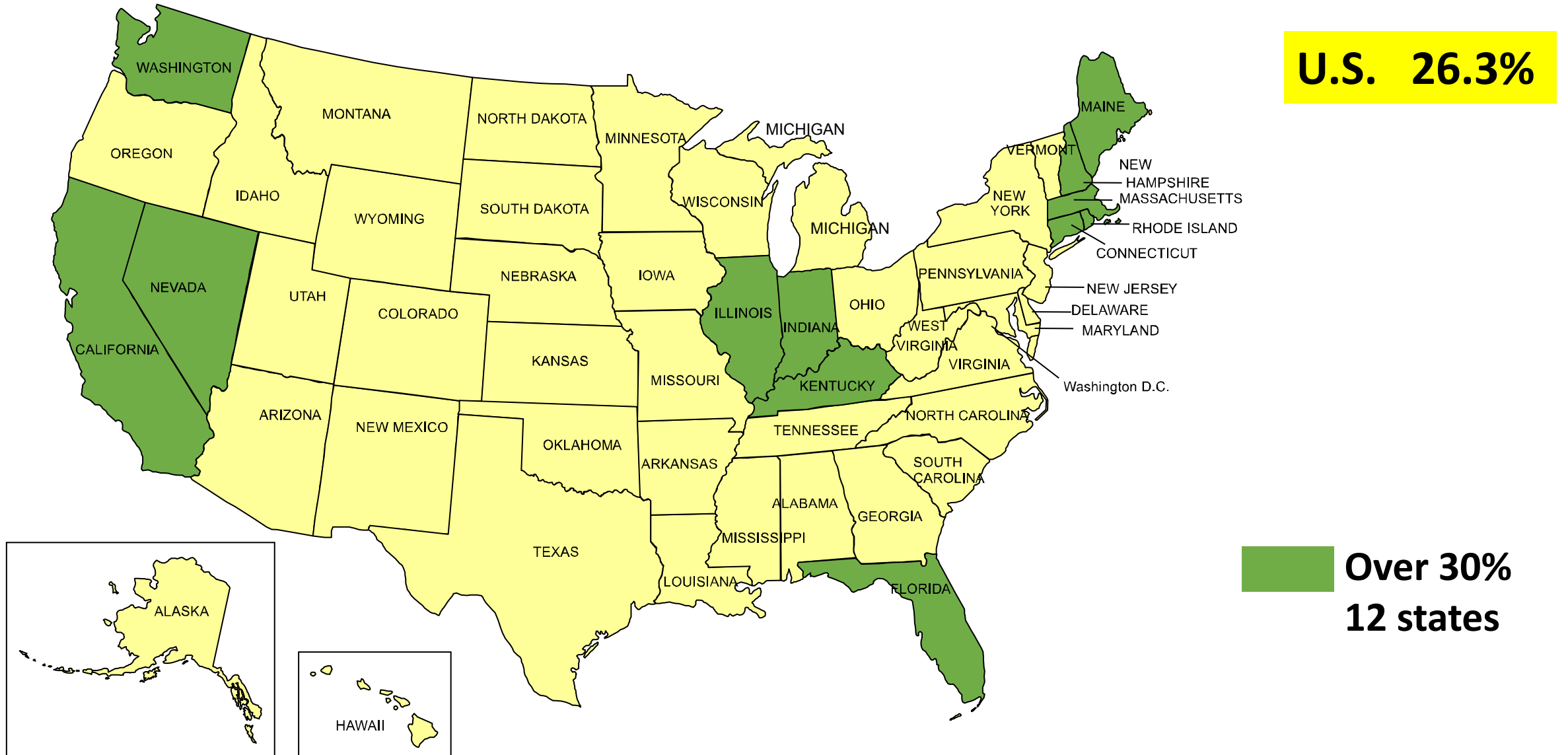
Projections for New Energy Demand in North America Doubles

9-year growth forecast for demand for new electricity (1,000 GW hours)



Source: North American Electric Reliability Corporation Long Term Reliability Assessment, 2017-2023.

% Change in Overall Electricity Prices 2013-2023



Being Intentional About the Region's Competitiveness



Place-Based Competitiveness

Business Climate

- Taxes
- Regulatory Climate
- Legal Climate
- Politicians

Workforce

- In-migration
- Education
- Productivity
- Costs
- Skills
- QOL

Risk

- Weather
- Crime
- Fiscal Stability
- Political Stability
- Out-migration
- Geo-economics

- Water
- Transportation
- Broadband
- Housing
- Power

Infrastructure

- R&D
- Automation
- Patents
- Advanced Industries
- Start-up Ecosystem

Innovation

Minimizing or Managing Risk is a New Top Priority



- Health
- Crime
- Weather
- Finances
- Geopolitics
- Labor

2 YEARS

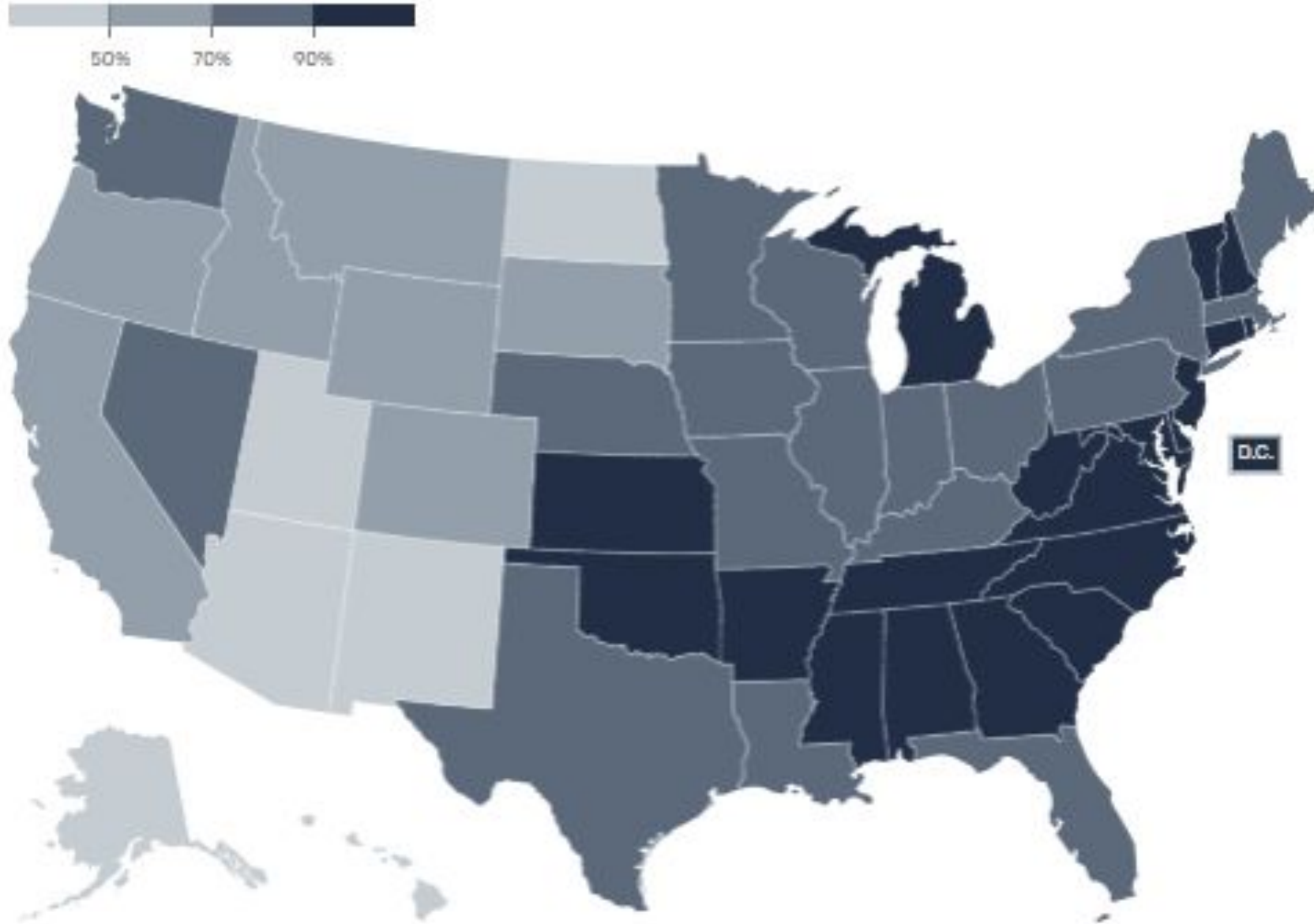


10 YEARS



Share of major power outages attributed to extreme weather

Reported by utility companies; 2000 to 2023

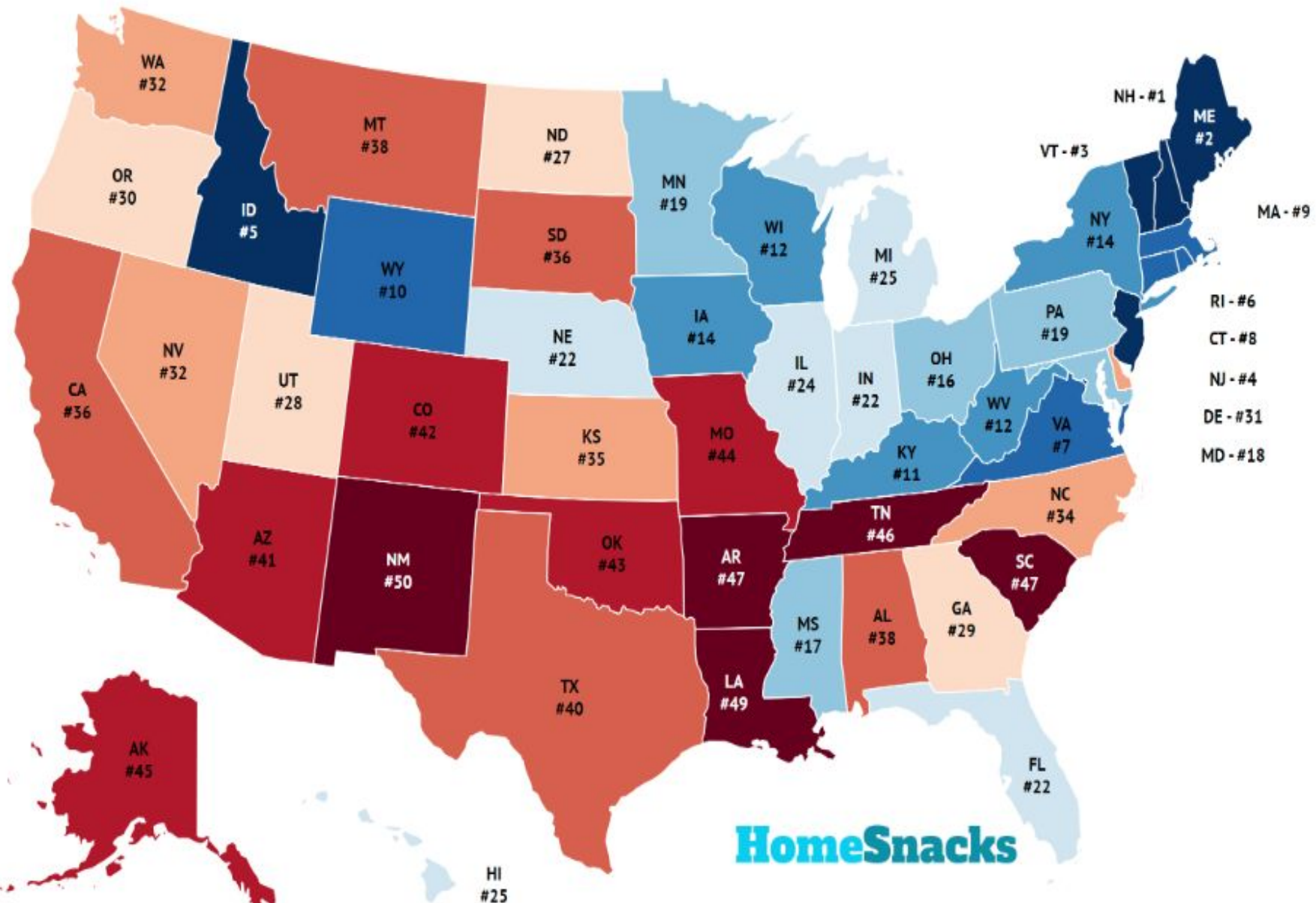
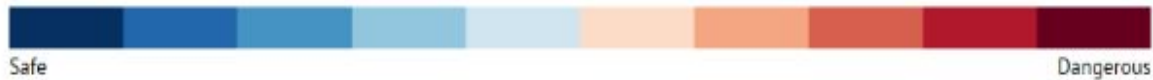


Extreme weather is becoming an increasingly determining factor

Data: Climate Central via U.S. Department of Energy; Note: Major power outages affect at least 50k customers or interrupt service of 300 megawatts or more; Outage events can cross state lines; Map: Kavya Bohera/Axios






Safest States In America Map

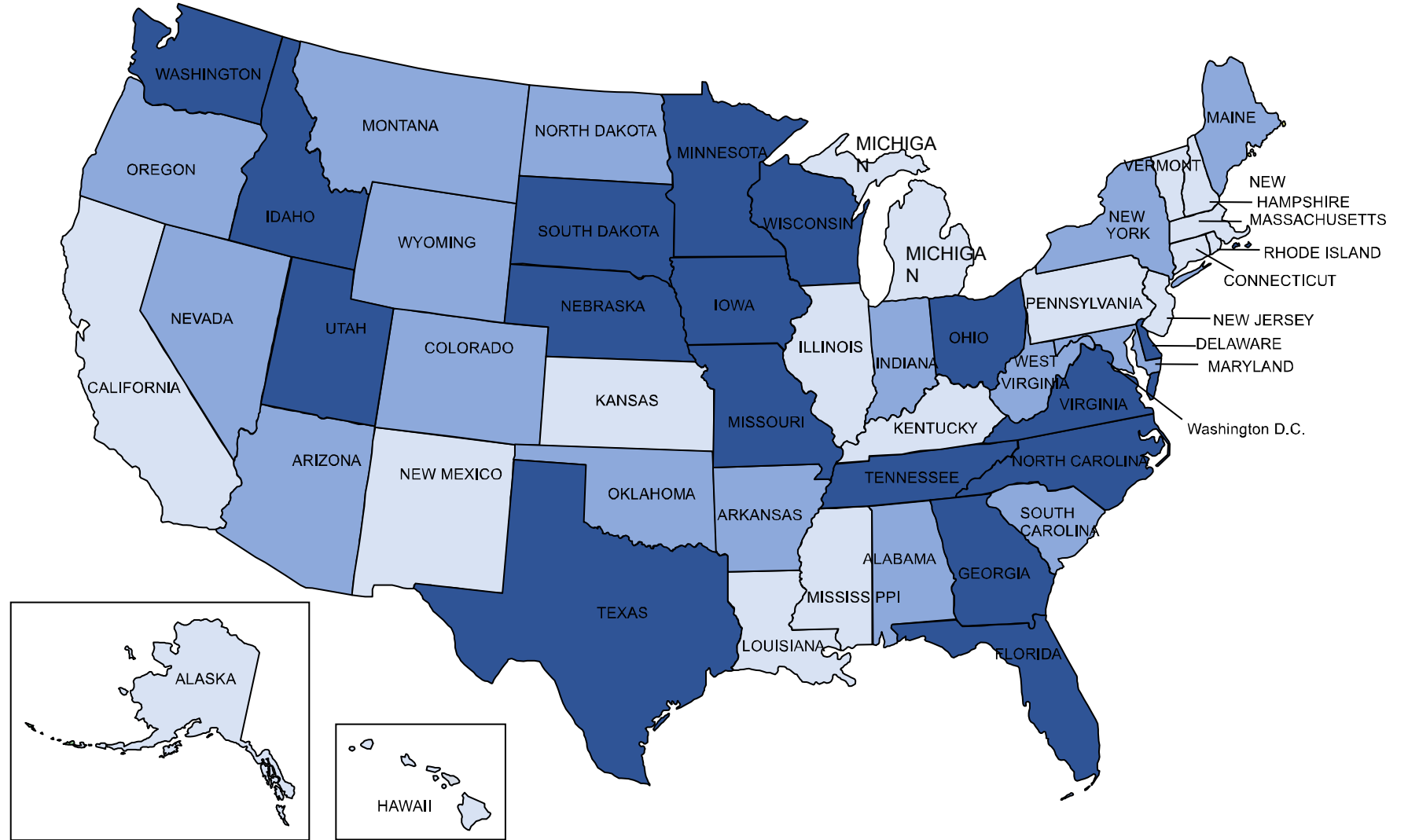


After spiking in 2020, national crime rates have come down.

Iowa is one of the safest states.




Long Term Fiscal Stability Ranking

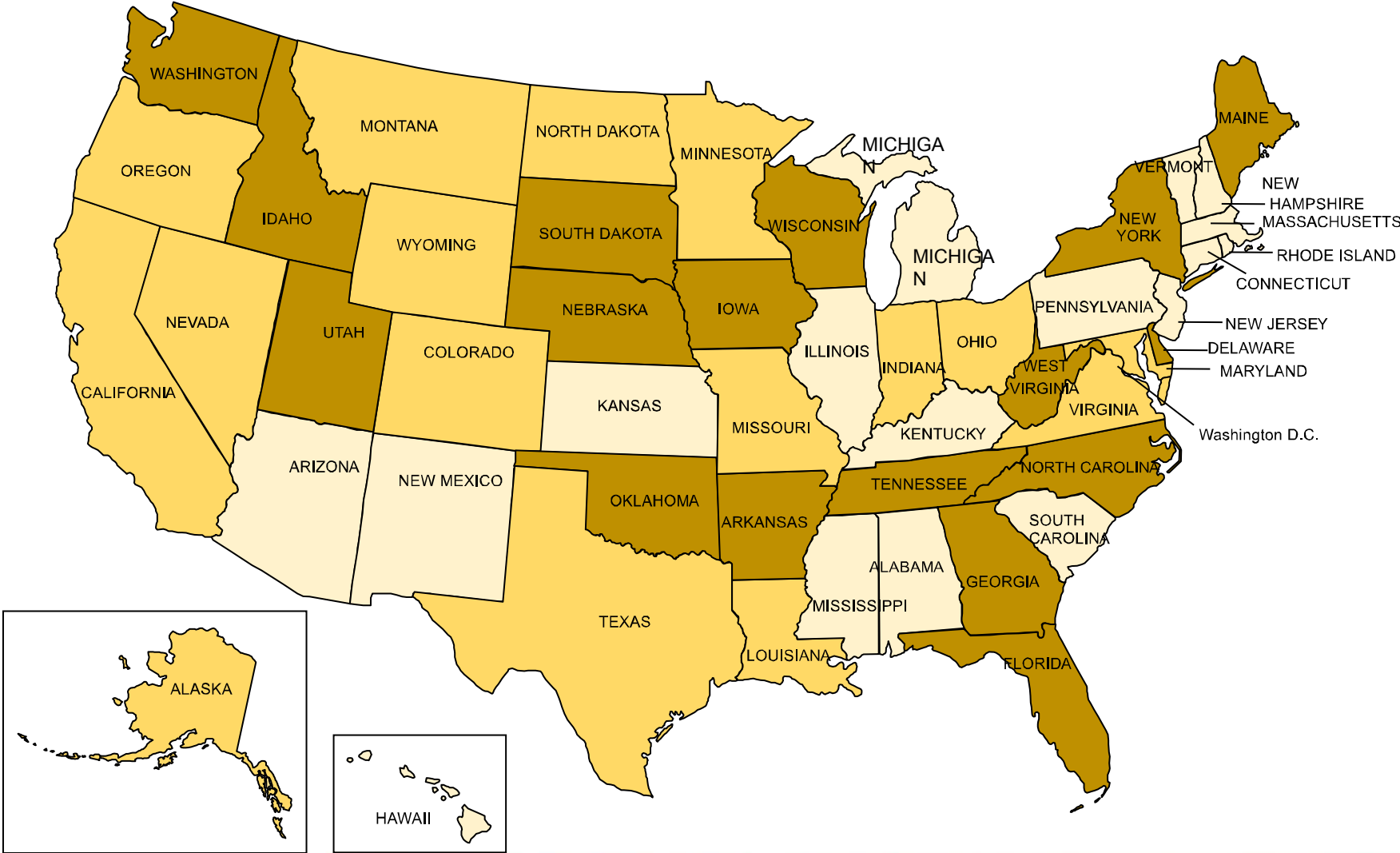
-  Highest Third
#1 - #17
-  Middle Third
#18 - #33
-  Lowest Third
#34 - #50



Source: U.S. News Best States Rankings 2024

Pension Fund Liability Ranking

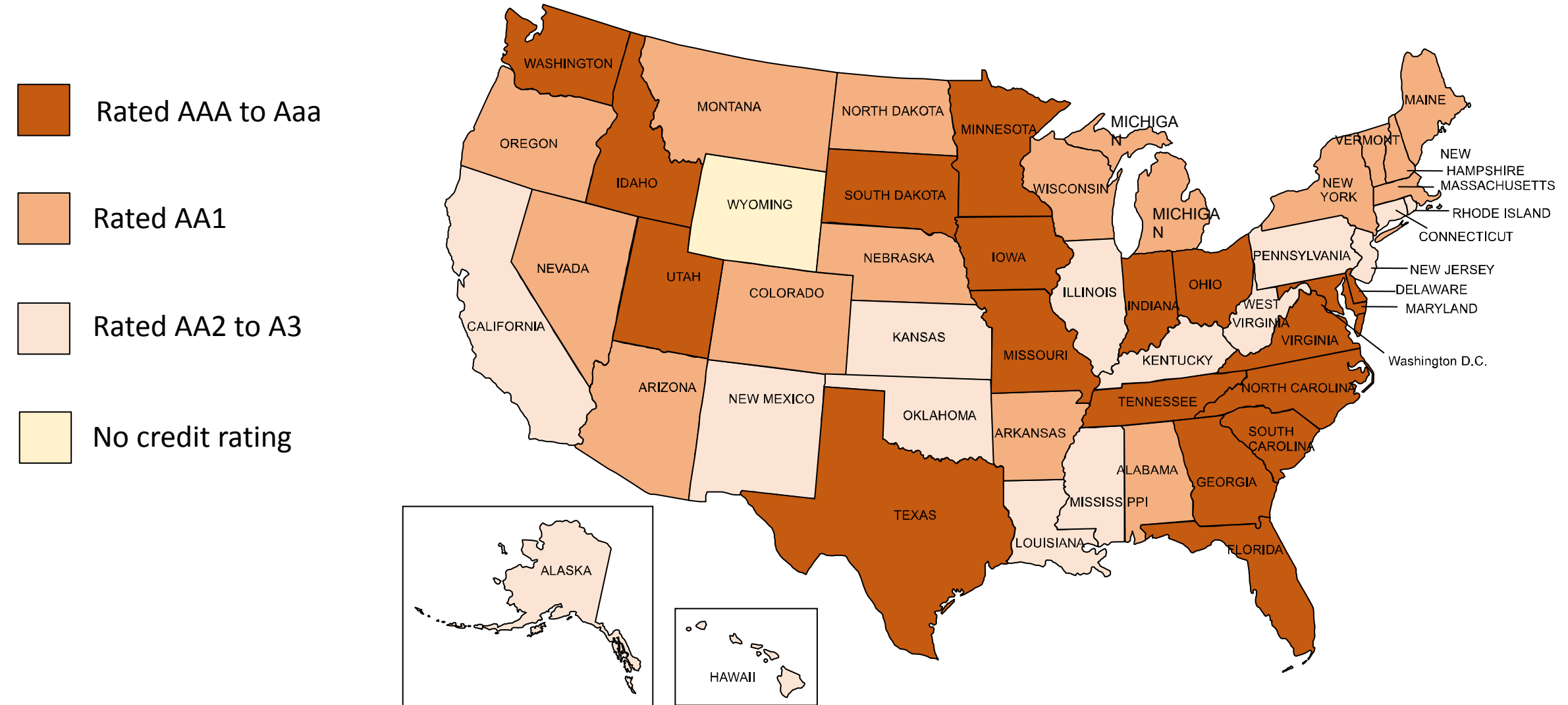
-  Highest Third
#1 - #17
-  Middle Third
#18 - #33
-  Lowest Third
#34 - #50



Source: U.S. News Best States Rankings 2024



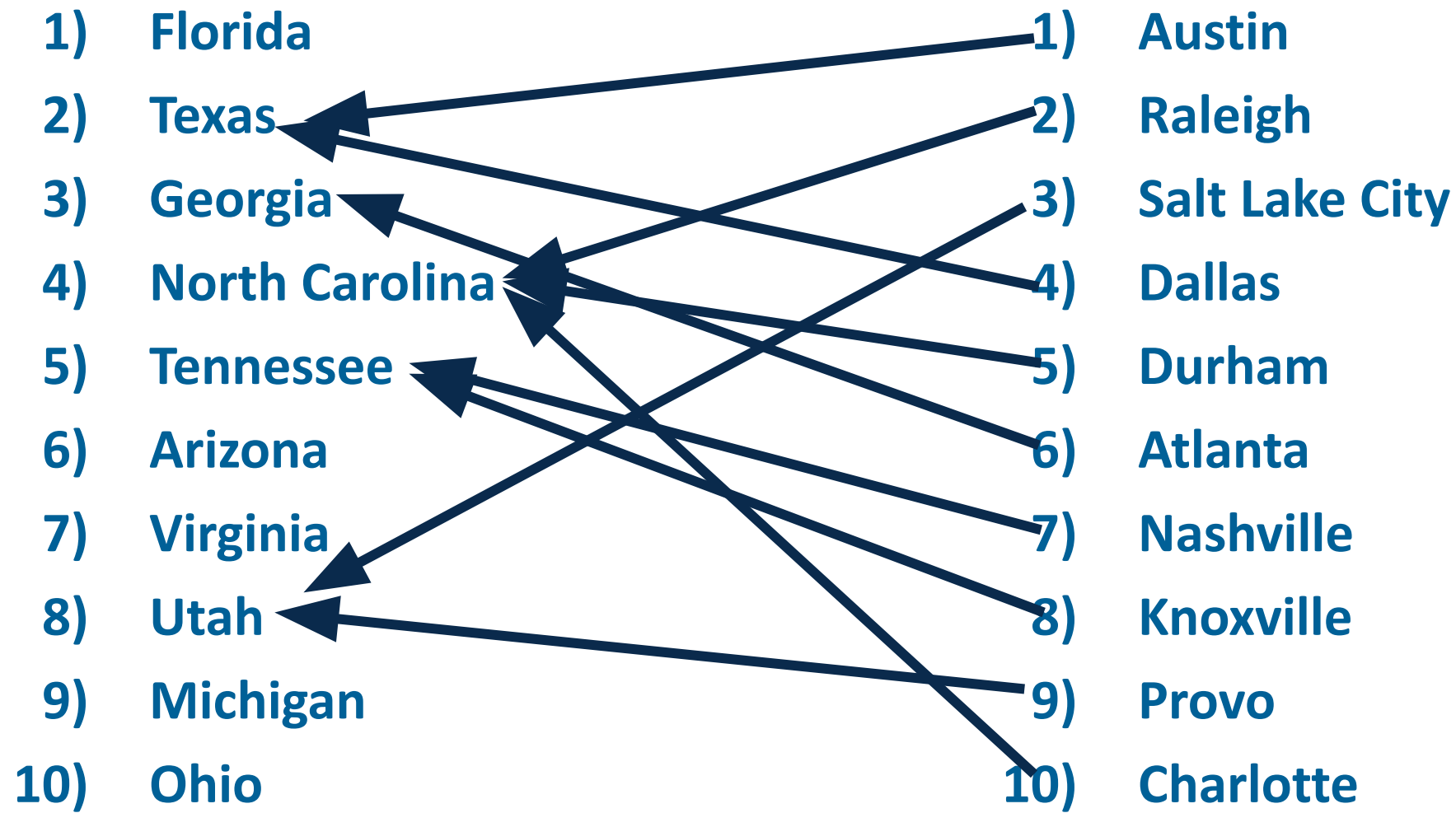
Government Credit Ranking



Source: U.S. News Best States Rankings 2024 – Moody’s Investors Service



The Best Ranked States for Business and Best Metro Performance



The most competitive metros are in the most competitive states

Source: Economic Leadership MSA indexes and compilation of 3rd party rankings



IOWA SCORE AND RANKING

CATEGORY ↓	2024 SCORE ↓	2024 RANK ↓	2023 RANK ↓	2024 GRADE ↓
INFRASTRUCTURE	234	22	26	B
WORKFORCE	198	27	23	D+
ECONOMY	160	33	42	D+
QUALITY OF LIFE	208	14	13	B-
COST OF DOING BUSINESS	171	17	20	B+
TECHNOLOGY & INNOVATION	114	30	27	D+
BUSINESS FRIENDLINESS	160	10	33	B
EDUCATION	61	26	26	B-
ACCESS TO CAPITAL	35	27	35	C-
COST OF LIVING	45	2	1	A+
OVERALL	1386	14	23	

TOP STATES FOR BUSINESS

14. Iowa

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Top Ten Best States Ranking #6

RANKINGS SCORECARD

■ Crime & Corrections	#14
■ Economy	#36
■ Education	#11
■ Fiscal Stability	#12
■ Health Care	#21
■ Infrastructure	#10
■ Natural Environment	#15
■ Opportunity	#3

Infrastructure

RANKING

ATTRIBUTES



Rank

Energy	#2
Internet Access	#29
Transportation	#33

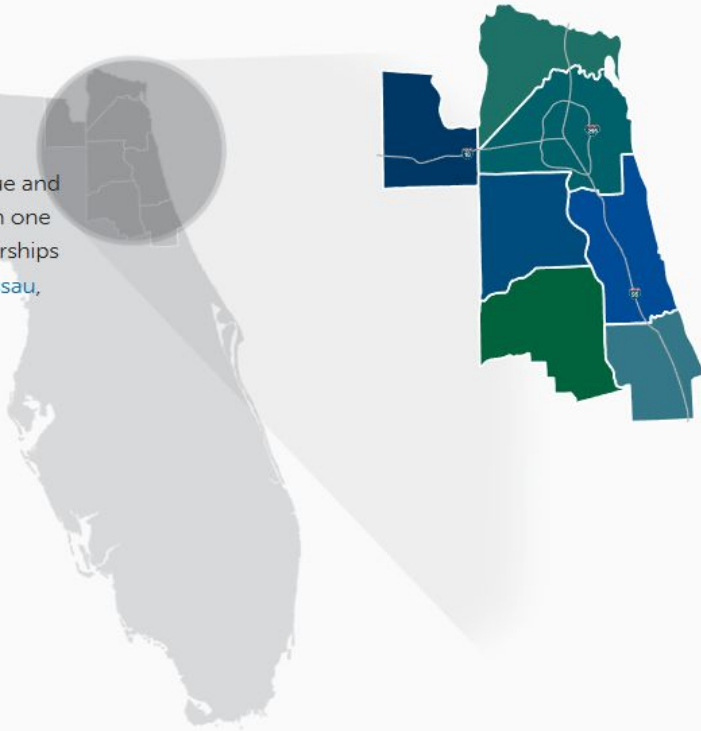
[SEE FULL INFRASTRUCTURE RANKINGS »](#)

Regional Collaboration

Examples from other markets doing it well

Explore the Jacksonville Region

Northeast Florida is comprised of seven unique and thriving counties that work cohesively to form one of the leading economic development partnerships in the country: Baker, Clay, Duval, Flagler, Nassau, Putnam and St. Johns.



⊕ Baker COUNTY

⊕ Clay COUNTY

⊕ Duval COUNTY

⊕ Flagler COUNTY

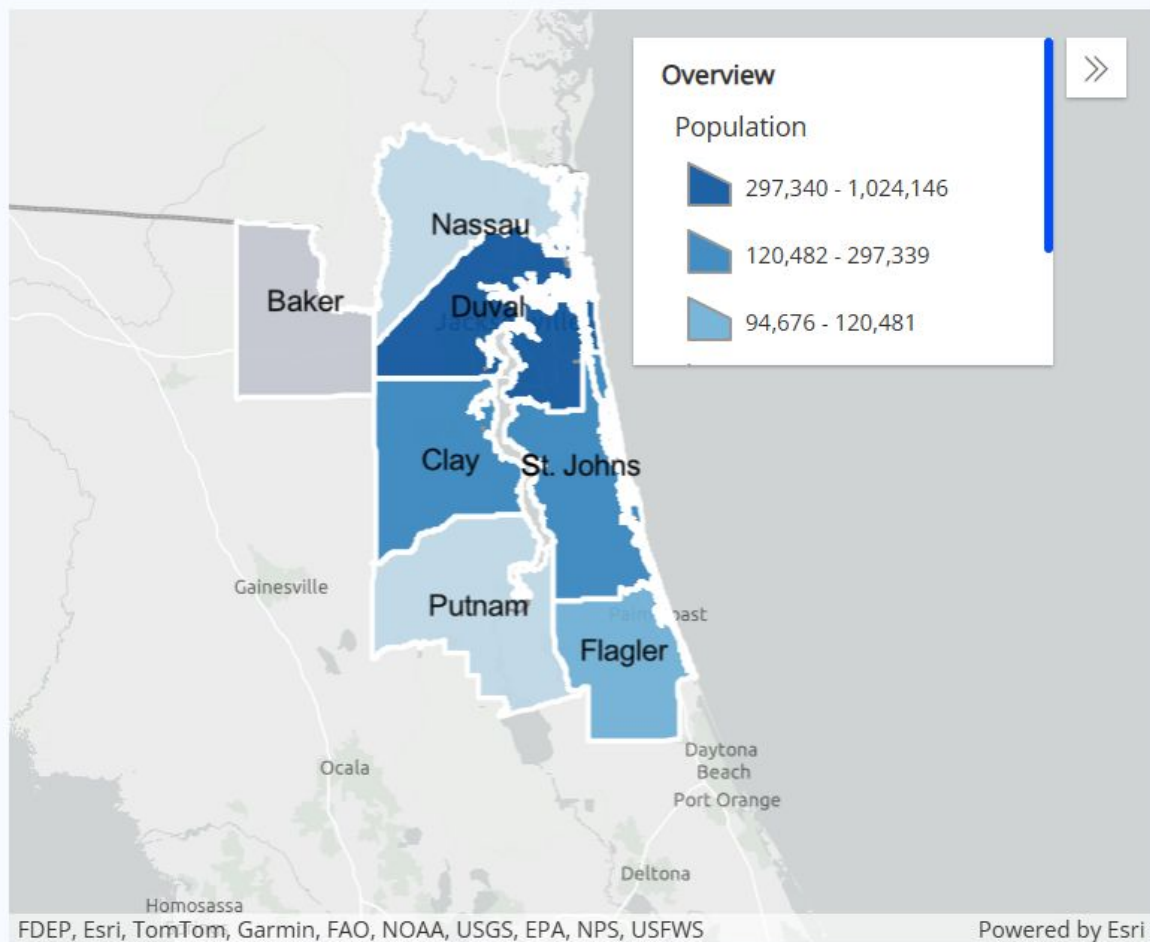
⊕ Nassau COUNTY

⊕ Putnam COUNTY

⊕ St. Johns COUNTY

Overview

Select Geography ▾



FDEP, Esri, TomTom, Garmin, FAO, NOAA, USGS, EPA, NPS, USFWS

Powered by Esri

Select Variable	JAXUSA	Florida	USA
Population	1,861,118	22,114,754	335,707,897
Median Age	39.9	42.8	38.9
Median Household Income	\$70,889	\$65,438	\$72,414
Per Capita Income	\$39,467	\$38,149	\$40,363
Median Home Value	\$271,444	\$285,477	\$283,272
2023 Population Age 25+ Bachelor's Degree	15.1%	14.9%	15.0%

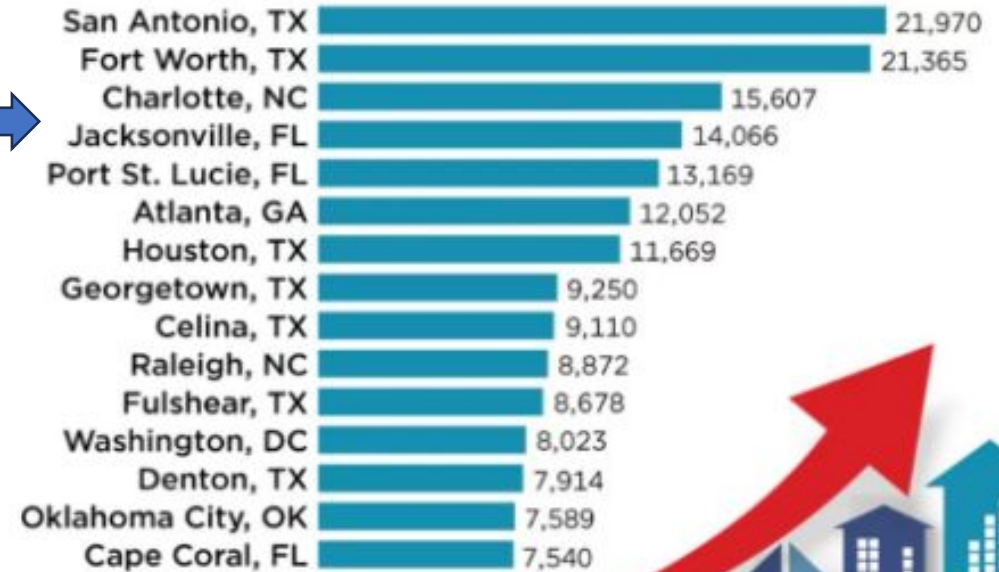
**4th Largest Gain of
Population of Any
City in the U.S.**

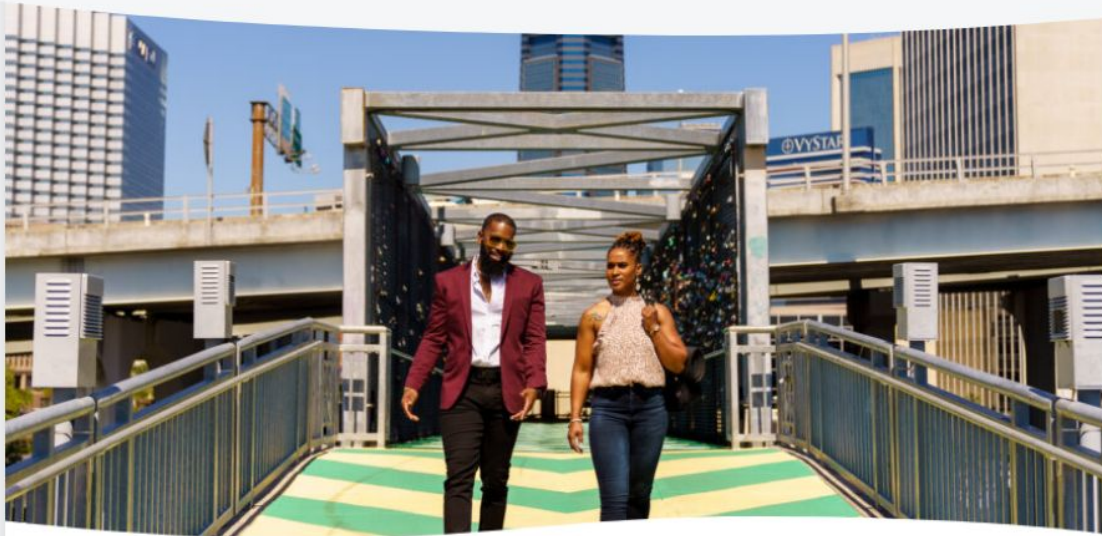


Top 15 Largest-Gaining Cities

by Numeric Change

Between July 1, 2022, and July 1, 2023





Downtown, LaVilla & Brooklyn

Duval County

Downtown Jacksonville is part corporate, part culture and lots of character.

[Read More](#)



Fernandina Beach & Amelia Island

Nassau County

Rolling waves and inspired sunsets are Fernandina Beach and Amelia Island hallmarks.

[Read More](#)



GREATER HOUSTON
PARTNERSHIP.

The 12 Counties of the Greater Houston Region

Austin County

Brazoria County

Chambers County

Fort Bend County

Galveston County

Harris County

Liberty County

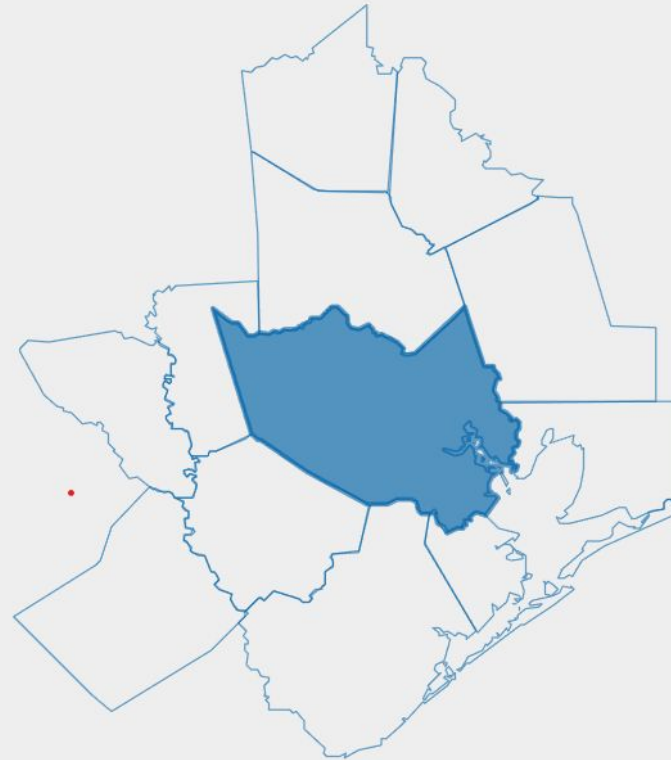
Montgomery County

San Jacinto County

Walker County

Waller County

Wharton County



TAKE THE NEXT STEP

Explore the Region

The 12-county Greater Houston area is one of the largest and most diverse business regions in the nation. Houston's strategic, central location coupled with the infrastructure of four of the country's largest ports, two international airports and major highway and rail service make this a dynamic hub for a large cross-section of industries.

[Learn More](#)

Taxes and Incentives

Houston offers a highly competitive business environment at a favorable cost. State and local incentives as well as a favorable tax structure make this region an attractive place to do business for companies of all sizes.

[Learn More](#)

Talent & Workforce

Houston offers a highly educated, growing workforce skilled in both traditional and emerging industries. With a labor force more than 3 million workers strong, the Houston area offers a wide variety of talent at all skill levels and has developed a strong bridge between the talent needs of various industries and educational programs.

[Learn More](#)

Transportation Projects to Transform Houston Roadways, Accommodate Growth

Published Jan 25, 2024 by Hailea Schultz

UpSkill Houston Marks 10 Years of Empowering a Skilled Workforce

Published Sep 12, 2024 by Brina Morales

How the Houston Region Is Increasing Its Green Footprint

Published Apr 20, 2023 by Taylor Tatum

Why Collaboration Matters

Headquarters

- **Labor availability and talent alignment**
- Ecosystem alignment
- Talent pipeline and university infrastructure and partners
- Culture and brand alignment
- Market connectivity
- Location attractiveness
- Political risk
- Real estate (flight to quality)
- Cost, tax structure, incentives

Front Office

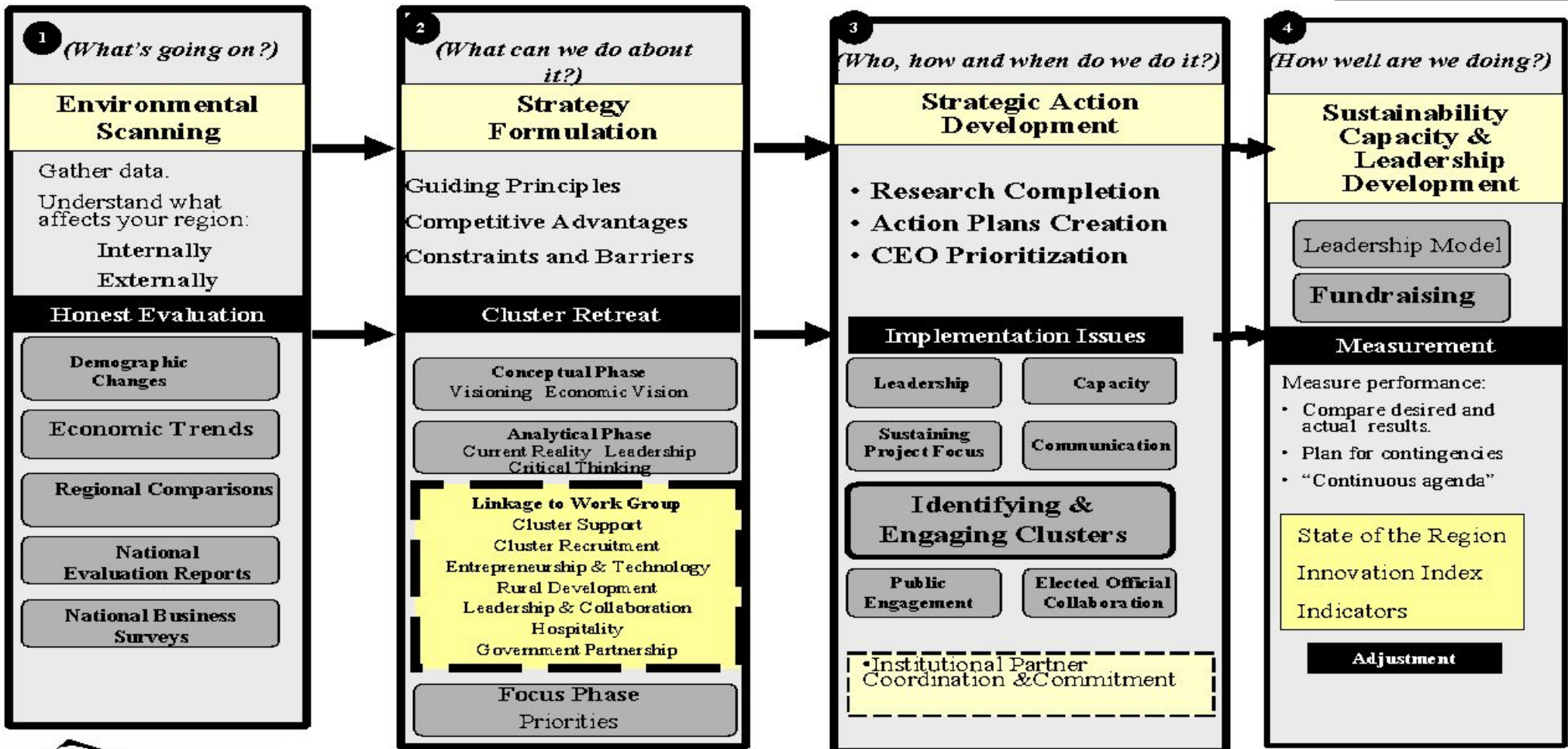
- **Labor availability and talent alignment**
- Ecosystem alignment
- Talent pipeline/university and community college partnerships
- Real estate (flight to quality)
- Employer of choice
- Cultural compatibility
- Market connectivity
- Cost, tax structure, incentives

Back Office

- **Labor availability and talent alignment**
- Ecosystem alignment
- Talent pipeline/university and community college partnerships
- Lower cost markets (both operating and cost of living)
- Moderate real estate options (not class A)
- Market connectivity
- Cost, tax structure, incentives

NEWMARK

Future Cluster Competitiveness



← **Continuous Agenda** →



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Three Rules of Collaboration

- **People, and organizations collaborate when it is in their interest to do so.**
- **Always start by understanding each person or organization's priorities.**
- **Narrow the scope, simplify the language, and connect what you say to what they value.**

We Must Be More Competitive to Be Successful

- 1) Do you believe that there is greater competition than ever for new jobs and new investment?
- 2) Do you believe that the competition is global?
- 3) Do you believe that there will be locations that win the competition and locations that lose?
- 4) Do you believe that communities can take actions to improve their chances of success?

Surprising Collaborations




MISSOURI AFL-CIO

CONNECTICUT
VOICES
FOR CHILDREN



New Mexico
Indian Affairs
Department



Key Takeaways for Regional Success

Key Takeaways for Regional Success:

- Know the trends impacting business and the economy
- Be intentional about economic competitiveness
- Measure, track, and report progress
- Learn from what works in other cities, states and regions
- Collaboration is key to create change

Thank you!



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Katherine Hase Saunders