

MARKET ST

CAPITAL CROSSROADS
A VISION FORWARD 

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Market Street brings original insights and clarity to the evaluation and revitalization of the places where people live, work, and grow. Through honest and informed assessments, *Market Street* can equip you with the tools to create meaningful change. Our solutions successfully merge our experience and expertise with the economic and social realities of our clients. *Market Street's* community clients are successful at creating stronger programs, increasing operational budgets, and creating new quality jobs that improve the quality of life in their communities.

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OVERVIEW

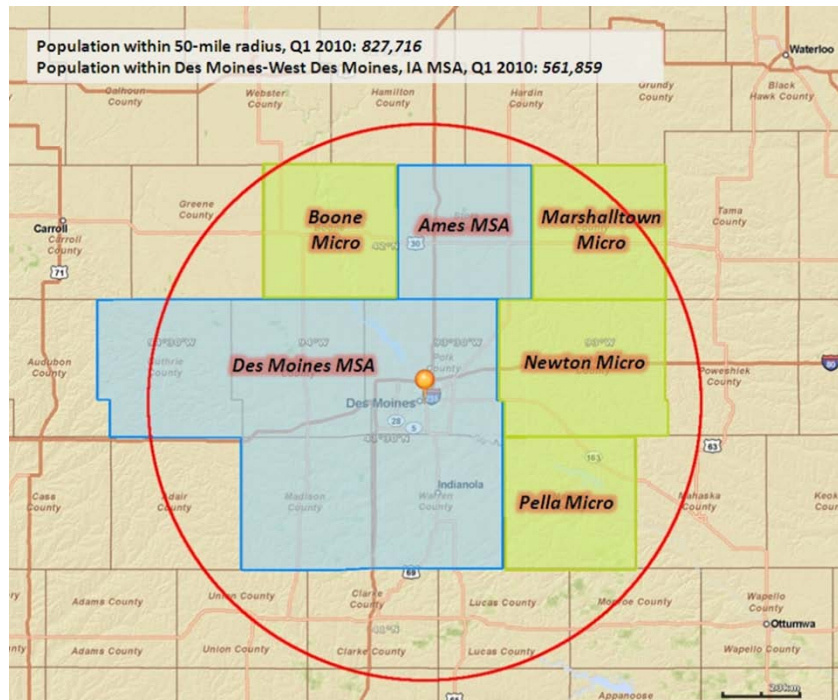
Greater Des Moines and Central Iowa is at an important crossroads. The region has vibrant neighborhoods, a strong business community, dynamic arts and recreational attractions, and a desirable quality of life. But the region also has its challenges. Local leaders feel the time is right to take advantage of opportunities and address challenges through a clear vision and plan for Iowa's capital region. This process, branded **Capital Crossroads**, will result in the development of a new five-year vision strategy for the region.

Capital Crossroads represents the latest phase of what has been ongoing strategic planning in Greater Des Moines. Efforts such as the Golden Circle process, the Major Projects Task Force, and Project Destiny all laid the groundwork for the current strategic process and led to the development of critical economic, workforce, quality of life, and infrastructure capacity.

However, Capital Crossroads is unique in that strategic priorities focused on individually in past projects will be assessed as a comprehensive, holistic framework under this current visioning effort. Likewise, the planning geography of key Capital Crossroads study criteria has been broadened to include a 50-mile-radius labor shed drawn from the state capitol building in Des Moines.

This "Central Iowa" geography, seen in the graphic to the right, mimics a labor shed existing and potential companies and site-selection professionals use to assess communities as locations for investment. The Central Iowa designation also allows Capital Crossroads to capture the dynamic research

and education taking place at Iowa State University, the manufacturing concentrations in Marion County, and other regional assets not included in the Des Moines Metropolitan Statistical Area (MSA) designation. Please see **Appendix A** for more detail on planning geographies.



For the Capital Crossroads regional visioning process, the Greater Des Moines Partnership, Community Foundation of Greater Des Moines, Iowa State University, Des Moines Area Metropolitan Planning Organization, Bravo Greater Des Moines, United Way of Central Iowa, Prairie Meadows Racetrack and Casino, and other key partners have retained national consultant *Market Street Services* to facilitate the development of Greater Des Moines and Central Iowa's strategic plan.

The development of Greater Des Moines' community "product" – the interrelated complement of economic, workforce and community assets that makes the region one of the nation's top mid-sized metro areas – must be taken to the "next level" if the area is to remain a star performer. Determining exactly what this "next level" represents will be the defining feature of the region's strategic visioning process. The planning process will be comprehensive, inclusive and forward-seeking to build consensus on the dynamics of the region's future and foster momentum for achievement of implementation success. At the end of the months-long effort, Greater Des Moines and Central Iowa will have a consensus-based, achievable roadmap to guide the area's path to short- and long-term economic growth.

INTRODUCTION

The process of determining a vision for the Capital Crossroads region must begin with a comprehensive, objective analysis of the key trends, strengths, challenges, threats, and opportunities facing Greater Des Moines and Central Iowa as it looks to develop jobs and talent in the most competitive economy this nation has ever experienced. Thus, the first phases of the planning process are research-based and designed to identify the strategic priorities to be addressed in the Capital Crossroads Plan itself. This research is both quantitative and qualitative to ensure that the full breadth of analysis is leveraged to inform the ultimate recommendations driving the region's strategic future.

In order to provide a basic understanding of Greater Des Moines and Central Iowa's high-level trends over the previous years, the process began with a brief **Economic and Demographic Snapshot** inclusive of key indicators affecting the region's population and economy. This Snapshot was presented to the Steering Committee at its first meeting in early November. It demonstrated that Des Moines and Central Iowa is experiencing notable growth in its population and economy, but issues of rising poverty are becoming more acute in the city of Des Moines itself. Data also showed that much of the region's population growth is being driven by migration from rural Iowa counties as opposed to out-of-state communities.

This **Community Capacity Assessment** compares Greater Des Moines and Central Iowa against the regions of **Omaha, NE; Madison, WI; and Denver, CO** to determine how the Des Moines metro area competes for jobs and talent in the New Economy. Project advisors **Next Generation Consulting** and **Dr. Jesse L. White** contributed analysis and insight related to young professionals and civic capacity respectively.

The **Target Cluster and Marketing Analysis** will identify key business sectors that Des Moines and Central Iowa is most competitive for in addition to assessing the ways in which the region markets itself to the nation and world. Project advisor **Amy Holloway** will analyze Greater Des Moines economic development marketing programs.

All of the research conducted for the process will inform the development of the **Capital Crossroads Plan**, a five-year strategy providing the region with a vision for sustainable economic growth and development.

The **Implementation Action Plan** determines how the Capital Crossroads Plan will be put into action. Implementation priorities, lead and support entities, budgets, performance measures, and other elements are included in this report.

Overseeing all parts of the process is the **Steering Committee** of diverse local leaders assembled to ensure the visioning process reflects the key needs and opportunities of the Greater Des Moines and Central Iowa region.

Underpinning much of the Capital Crossroads research is an incredibly robust **public-input process** that leveraged thousands of local stakeholders in the determination of the region's competitive position and strategic priorities. Public input included:

- Over 50 **one-on-one interviews** with top Central Iowa leaders
- Thirty constituency-specific **focus groups** with stakeholders representing Central Iowa's health care community; elected officials; top employers; young professionals; college students; high school students; higher educational and training officials; public and private K-12 representatives; social services providers; minority leadership; and numerous other categories.
 - **Iowa State University Extension** Community Development Specialists facilitated roughly half of these focus groups, providing valuable additional capacity to the Capital Crossroads input process.
- An **online survey** available for over six weeks at the project website (CapitalCrossroadsVision.com) and distributed by the area's top employers and academic institutions. The survey received nearly 3,500 responses; this represents the highest survey-response total in *Market Street's* 14-year history.
- An **online survey** directed towards Central Iowa's young professionals. The survey received nearly 800 responses.

Findings, perspectives, commentary and quotes from this public-input will be woven throughout the *Competitive Capacity Assessment*. Public-input-related analysis will be indicated by BOLD, BLUE text.

EXECUTIVE SUMMARY

PEOPLE

The chart shows Greater Des Moines' performance compared to its peer metro areas, the state and the nation related to a number of key indicators. As the population in metro Des Moines continues to grow and become more diverse, key issues such as educational attainment and quality of pre-K-12 education must continue to be high-profile strategic efforts.

	Des Moines, IA	Denver, CO	Madison, WI	Omaha, NE	Iowa	United States
PEOPLE: Snapshot data						
Public School MSA Students						
% Eligible for Free or Reduced Lunch, 2008-09	30.9%	35.3%	25.2%	36.8%	-	-
Rank	2	3	1	4	n/a	n/a
College Students						
College students per 100 residents*	8.6	5.4	13.1	7.3	-	-
Rank	2	4	1	3	n/a	n/a
College Enrollment Growth						
% from 2001-02 to 2009-10*	37.2%	35.9%	7.1%	33.8%	-	-
Rank	1	2	4	3	n/a	n/a
Market Street Workforce Risk Index						
Rank of 353 Metropolitan Areas, 2008	37	39	38	62	-	-
Rank	1	3	2	4	n/a	n/a
Poverty						
2009 total poverty rate	15.0%	17.1%	11.0%	15.0%	15.7%	20.0%
Rank	2	4	1	2	3	5
Per Capita Income						
2008 Per Capita Income	\$42,506	\$48,010	\$44,172	\$43,012	\$37,509	\$40,166
Rank	4	1	2	3	6	5
Per Capita Income Growth						
%, 2005-08	10.87%	11.01%	12.05%	12.17%	16.02%	13.39%
Rank	6	5	4	3	1	2
Educational Attainment						
% of adults w/ an Bachelor's degree or higher, 2009	33.8%	37.6%	41.0%	31.8%	25.1%	27.9%
Rank	3	2	1	4	6	5

1= most favorable position

For additional information including sources, see the relevant section within the core of the report.

*Central Iowa geography

Talent Development

- ✓ Iowa ranks 14th nationally in the percentage of four-year olds served by pre-K programs, but significantly trails the percentages of top U.S. states.
 - Des Moines area residents are pleased with pre-K services but would like them to be available to far greater numbers of children. Governor Terry Branstad is set to propose that pre-K funding be need-based as opposed to universally available.
- ✓ Des Moines Public School enrollments have declined while those in the region have increased notably. The Des Moines district has among the lowest percentage of students eligible for free and reduced lunch compared to the benchmark regions, but is nearly double the Des Moines MSA's percentage.
 - Among Metro Des Moines school districts, Des Moines Public Schools have the lowest graduation rates and the lowest proficiency percentages in subject-specific standardized tests. Local leaders and stakeholders support measures the district is taking to improve student performance but are concerned that perceived issues in the city's schools will continue to drive families-of-means to the region's suburbs.
 - Many stakeholders would like to see Greater Des Moines implement more alternative campuses such as charter schools and career academies, but state funding laws and policies, as well as regional parochialism, are said to limit this possibility.
- ✓ Central Iowa has more college students per capita than all the comparison regions except for Madison. It also has the highest percentage increase in enrollment.
 - Iowa State University confers roughly half of all the degrees awarded in Central Iowa. The presence of one of the nation's top agricultural research institutions in Central Iowa is a key competitive asset.
 - All of the region's colleges and universities are well regarded by residents, with Drake University achieving the highest ratings among online survey respondents.
 - Des Moines Area Community College (DMACC) is a key asset in the region's workforce development system and receives high marks from input participants in focus groups, interviews and the online survey.
 - Certain high-demand DMACC degree programs have long enrollment wait times due to capacity constraints.
- ✓ Greater Des Moines and Central Iowa has a competitive array of workforce development resources, but there is reportedly a lack of awareness of certain of these resources by potential individual and business clients.
 - The regional workforce system in Central Iowa is still transitioning from the scandal-plagued dissolution of the Central Iowa Employment and Training Consortium in 2007. Central Iowa Works, a public-private entity created to develop career pathways for the region's largest employment sectors will need to function effectively alongside the Central Iowa

(Region II) Regional Workforce Investment Board (RWIB), which is finalizing its strategic mission and direction.

- ✓ Greater Des Moines has the most sustainable workforce among all the comparison regions as measured by *Market Street's* Workforce Risk Index. This should allay immediate fears of a workforce shortage in Central Iowa in the coming years.

Socio-Economics

- ✓ The Des Moines MSA's total poverty rates are lower than all its peer regions; youth poverty rates are more comparable with the comparison areas.
 - Total poverty in the city of Des Moines is lower than all regions except Omaha, but its youth poverty rates trail only Denver. Des Moines' youth poverty rates increased faster than all the comparison cities from 1999 to 2009.
 - Input participants fear that the Greater Des Moines region is "hollowing out" as the city increasingly must provide services for a lower-income population while its tax receipts are diminishing due to investor preferences for the region's suburbs.
- ✓ Greater Des Moines and Central Iowa's average per capita incomes are higher than Iowa and the U.S. but lower than all the comparison regions. They have also increased at a slower rate than the benchmark areas from 2005 to 2008.
- ✓ Educational attainment percentages (Bachelor's degree and above) in Central Iowa are slightly above metro Omaha's rates, but trail the Denver MSA figure and are significantly lower (6%) than metro Madison.
 - Attainment figures are much lower at the city of Des Moines level and trail all the comparison cities by multiple percentage points. Thus, a higher percentage of college-degreed adults reside in Greater Des Moines' suburbs than the city proper.
- ✓ Analysis specific to Greater Des Moines and Central Iowa's young-professional (YP) cohort showed that the region's percentage of 25-34 year old residents grew faster than all the comparison regions.
 - Greater Des Moines scored well in project team member Next Generation Consulting's overall YP capacity index. Though behind Madison, the Des Moines MSA finished with a higher score than Denver, Austin, Nashville, Indianapolis, Omaha and Minneapolis-St. Paul.
 - However, the local perception of this competitive advantage is still lacking. Young professional residents are committed to Greater Des Moines, but they are not yet "ambassadors" for the region.

PROSPERITY

The following summaries and chart compare Des Moines' performance in key economic indicators to its benchmark regions, the state, and the nation. Greater Des Moines' diverse economy has been important in maintaining the region's economic health throughout the Great Recession but still may be slightly vulnerable to declines in its dominant finance and insurance sector.

	Des Moines, IA	Denver, CO	Madison, WI	Omaha, NE	Iowa	United States
PROSPERITY: Snapshot data						
Employment						
5-year change, Q1 2005-Q1 2010	4.16%	0.23%	-1.05%	0.96%	-0.39%	-2.58%
Rank	1	3	5	2	4	6
Wages						
Average annual wage, 2009	\$44,073	\$51,733	\$42,861	\$40,555	\$37,158	\$45,559
Rank	3	1	4	5	6	2
Wage Growth						
%, 2005-2009	10.85%	12.61%	12.17%	11.63%	12.36%	12.00%
Rank	6	1	3	5	2	4
Worker Productivity						
Output per Worker, 2008	\$106,493	\$121,951	\$98,418	\$100,197	\$91,040	\$105,081
Rank	2	1	5	4	6	3
Business Bankruptcies						
Rate per 1,000 Establishments, Q1 2010	5.4	10.6	5.8	5.3	3.8	6.8
Rank	3	6	4	2	1	5
Commercial Property Taxes						
Taxes on a \$1M property in core city, 2010	\$46,781	\$5,185	\$20,570	\$21,343	-	-
Rank	4	1	2	3	n/a	n/a
Tax Foundation State Business Tax Climate Index						
Ranking for corresponding state, 2011	45	15	40	29	-	-
Rank	4	1	3	2	n/a	n/a
Small Business Lending						
Number of Loans per resident, 2009	13.8	23.4	12.4	12.9	-	-
Rank	2	1	4	3	n/a	n/a
Small Business Lending						
Average Loan Amount, 2009	\$18,065	\$14,656	\$12,936	\$15,982	-	-
Rank	1	3	4	2	n/a	n/a

1= most favorable position

For additional information including sources, see the relevant section within the core of the report.

Performance and Structure

- ✓ Greater Des Moines' job growth has kept it near the top of the nation's most vital economic regions, both in raw numbers and on rankings from the Milken Institute, Forbes, Money and other organizations and publications.
 - The Des Moines MSA's five- and ten-year employment change percentages far exceeded all the benchmark areas' performances, especially in the last five years.
 - Des Moines and Central Iowa businesses surveyed in this planning process feel confident that their companies will grow in the region and have no plans of leaving the area.
 - Local economic development professionals are happy with the processes that have been developed to ensure coordination and collaboration among municipalities for job and investment growth. However, certain stakeholders said that competition among local governments is still a barrier to more effective regional development efforts.
- ✓ Only metro Denver and the U.S. offered higher average wages than Greater Des Moines in 2009. Central Iowa wages were slightly lower.
 - However, wage gains in the Des Moines MSA and Central Iowa rose more slowly than all the comparison geographies from 2005 to 2009.
- ✓ Though finance and insurance is far and away Greater Des Moines and Central Iowa's most concentrated employment sector, economic diversity is provided by the health care, management of companies (headquarters), wholesale trade, information, and arts, entertainment and recreation sectors.
 - Some stakeholders believe that greater economic diversification will ensure that the region is better protected against potential downturns in finance and insurance employment.
 - Key potential opportunities can be found in life, plant and animal and biomedical sciences, notable strengths of Ames-Story County. Coupled with Greater Des Moines firms, this sector can grow into a truly integrated and robust employment cluster.

Business Climate

- ✓ Central Iowa and the state of Iowa's tax climate is a competitive disadvantage, though predominantly related to commercial and residential property taxes. Greater Des Moines aggregate tax burden is less restrictive.
 - Efforts have been announced at the state level to work towards tax reform in the 2011 legislative session, in addition to a reexamination of the state's incentive policies in the wake of a scandal in Iowa's film-incentives program.
- ✓ Regulatory and permitting costs for local businesses were said by public input respondents to be competitive. Though there are still discrepancies among local governments, costs to developers are not prohibitive.

- The city of Des Moines has invested much effort into improving its regulatory climate and seen positive results.
- ✓ Greater Des Moines lease rates for industrial space are slightly higher than its competitor regions, but its office and retail lease rates are lowest among the benchmark areas and are dropping faster than all the comparison metros.
 - Due to recent relocations of three major employers, Downtown Des Moines has a glut of over 1 million square feet of vacant office space. This is of great concern to local leaders who feel that creative strategies may be needed to generate significant office-space absorption.
- ✓ The cost of utilities in Central Iowa is a competitive advantage for the region and one that many stakeholders should be more aggressively marketed to existing businesses and external prospects.
- ✓ Iowa's status as a right-to-work state provides it a competitive advantage for certain economic development projects versus most of its border states.

Small Business Development

- ✓ Per capita small-business lending in Greater Des Moines is higher than Madison and Omaha's metro rates but well below those of the Denver MSA.
 - However, the average loan amount to Des Moines area small businesses is higher in the Des Moines MSA than all the comparison regions.
- ✓ Greater Des Moines and Central Iowa have a number of available small business development resources, but stakeholders said there is a lack of connectivity among support organizations and the absence of a prominent "go-to" resource for individuals looking to start or grow a small business.

Technology Commercialization and Innovation

- ✓ As the region's principal research university and one of the nation's most prominent agriculturally -focused campuses, Iowa State University has the potential to be a dominant technology transfer, commercialization and economic development force in the region.
 - Though strides have been made, ISU trails the nation's top research institutions, including the University of Wisconsin-Madison profiled for this report, in total research expenditures, startup companies created and patents applied for and issued.
 - Stakeholders said that ISU still lacks a "culture" of entrepreneurship and, despite efforts to improve its tech transfer and commercialization processes, has intellectual property and Conflict of Interest policies that are said to discourage outside companies and faculty from engaging in research endeavors and partnerships.

- ✓ Local professionals said that Greater Des Moines' technology, innovation and enterprise development climate is improving as more entrepreneurs successfully launch and grow tech-based businesses.
 - They added that capital and expertise to assist aspiring entrepreneurs is readily available in Des Moines, but the process of accessing these resources is still informal and prohibitive for individuals who are not aware of, or connected to, the local networking scene.
 - Even those that are aware of these resources said that a support system like those found in tech-hubs like Raleigh-Durham and Silicon Valley has yet to materialize in Greater Des Moines.

PLACE

The following chart summarizes the Des Moines area's performance compared to its peer metro areas, the state and the nation for key indicators related to quality of place. The numbers show that Greater Des Moines and Central Iowa benefits from a low cost of living, competitive health care capacity, and strong philanthropic giving, among other assets.

	Des Moines, IA	Denver, CO	Madison, WI	Omaha, NE	Iowa	United States
PLACE: Snapshot data						
Cost of Living						
C2ER Index (US = 100), 3Q2010	90.0	103.9	109.8	89.5	-	-
Rank	2	3	4	1	n/a	n/a
Home Prices						
Median sale price of single family homes, 2Q2010	\$154,298	\$229,258	\$213,599	\$137,027	-	\$173,178
Rank	2	5	4	1		3
Rental Housing Cost						
Median Rent	\$619	\$778	\$731	\$611	\$496	\$702
Rank	3	6	5	2	1	4
Health Care Capacity						
Physicians per 100K residents, 2010	227.5	238.9	334.7	242.3	175.3	220.5
Rank	4	3	1	2	6	5
Well-Being Index						
Overall Well-Being Ranking of 185 metros	30	52	33	73	-	-
Rank	1	3	2	4	n/a	n/a
Crime Rates						
Combined Property and Violent Crime Ranking of 332 metros	200	168	277	119	-	-
Rank	2	3	1	4	n/a	n/a
Philanthropy						
Nonprofit Organization revenue per capita, 2010	\$11,685	\$4,627	\$11,109	\$8,307	\$5,408	\$5,587
Rank	1	6	2	3	5	4
Environmental Quality						
Facilities w/ hazardous waste activities (per 100K residents), November 2010	131.6	148.5	231.5	58.4	74.2	-
Rank	3	4	5	1	2	n/a

1= most favorable position

For additional information including sources, see the relevant section within the core of the report.

- ✓ Greater Des Moines and Central Iowa online survey respondents overwhelmingly agree (87 percent) that the region is an attractive and desirable place to live. Over 83 percent feel they will remain in the community, but are less sure their children will choose to live in Central Iowa.

Infrastructure

- ✓ With north-south and east-west interstates and an interstate-grade loop highway around Greater Des Moines, Central Iowa has a competitive highway and road capacity.
 - The region's interstate connectivity and geographic centrality to Minneapolis-St. Paul, Chicago, Kansas City and Omaha lead some stakeholders to believe that Greater Des Moines should more aggressively pursue logistics companies.
 - As the region's principal north-south artery, I-35 was said to be a key catalyst to improve connectivity and coordination between Greater Des Moines and the Ames-Story County region. Despite their proximity, many stakeholders said that the two areas generally operate independently and do not collaborate as much as Cedar Rapids and Iowa City, anchors of the state's other principal corridor.
- ✓ Central Iowa is served by one more Class I railroad than its three comparison regions, but does not have multi-modal trans-shipment capacity.
 - A potential passenger rail line from Chicago to Iowa City could one day serve Des Moines on its way to Omaha, but uncertain state support could jeopardize availability of federal dollars to fund the line.
- ✓ Des Moines International Airport (DSM) has suitable cargo capacity to serve existing and potential distribution and shipping firms but lacks the direct service and competitive airfares to support significant passenger capacity.
 - Public input participants were universally critical of DSM's number of non-stop destinations and the consistently high airfares charged by carriers serving Des Moines.
 - Opinions are mixed as to the best means to address these issues; some feel that continued regional growth will eventually lead to improved air service while others argue that an aggressive program of incentivizing additional air service is necessary to safeguard Greater Des Moines' economic competitiveness.
- ✓ Telecommunications infrastructure is provided to all Central Iowa communities but at varying download speeds. Other regions and counties in Iowa have faster connectivity than Greater Des Moines and its adjacent communities.
 - With access to the National LambdaRail and Internet2, Central Iowa institutions and business can take advantage of next-generation transmission networks to improve their productivity and collaborative research efforts.

Arts, Culture, and Entertainment

- ✓ Public input respondents feel that Greater Des Moines has an enviable array of arts, culture and entertainment amenities not only for a "community of its size," but for a much larger metro area.

- When compared to Omaha, Madison and Denver, the Des Moines area's capacity is more limited, but nevertheless serves an important role in the retention and attraction of businesses and talent. Some stakeholders would like to see the arts in Greater Des Moines taken more seriously as an economic driver and key component of the community's "fabric."
- Input respondents said the creation of a regional arts agency (Bravo Greater Des Moines) has been a great benefit to the coordination and delivery of arts and culture programming in the area.
- ✓ Downtown Des Moines has experienced a renaissance with over \$3 billion invested in the city core in the last five years.
 - Revitalization of the Court Avenue and East Village districts, the construction of new corporate headquarters, a new library, sculpture park and arena and the development of hundreds of condominiums and rental units have made Downtown an increasingly viable attractor of young professionals and residents and businesses seeking a more vital urban environment.
 - Input participants noted that Downtown suffers from a shortage of affordable rental units that would help bring more younger residents to the district.

Livability

- ✓ Greater Des Moines features a very competitive cost of living, which serves as an incentive for companies seeking to bring talented professionals to the region to live and work.
- ✓ Housing prices in Greater Des Moines are lower than the U.S. average and above only Omaha among the comparison regions.
 - Average housing costs are nearly \$70 thousand per unit higher in metro Denver and \$65 thousand higher in the Madison region.
 - A lower percentage of Greater Des Moines renters pay more than 30 percent of their monthly income on rent than all the benchmark regions.
- ✓ Though Greater Des Moines has a lower per capita number of doctors than the competitor metros, it has the lowest average cost per doctor visit compared to the Omaha, Denver and Madison regions.
 - Overall wellbeing in Greater Des Moines as measured by the Gallup-Healthways index is higher than all the comparison regions.
 - Health and wellness is poised to become a major initiative in Central Iowa due to the presence of Wellmark, Iowa Health-Des Moines, Mercy Medical Center, Broadlawns Medical Center, Des Moines University and other health-focused firms and institutions and the desire of local leadership to make the Des Moines region one of the nation's healthiest.
- ✓ Only the Madison region had lower combined property and violent crime rates than the Des Moines MSA among the benchmark metros.

- However, the city of Des Moines' combined property and violent crime rates ranked higher than all the comparison cities.
- ✓ Greater Des Moines' rate of auto-dependency was higher than all the competitor metros except Omaha. However, its average commute time was lower than both Madison and Denver.
 - Public input respondents would like to see additional routes and more frequent service provided by the DART system in order for transit to serve as a viable option to auto commuting. Workforce development personnel and college students were also concerned about Greater Des Moines' transit capacity.
 - DART will be constructing a new Transit Hub in Downtown Des Moines that could potentially improve system performance and increase route frequencies.

Civic Capacity

- ✓ Metro Des Moines has a long history of strong civic capacity demonstrated by a succession of forward-thinking public and private leadership. This capacity has led to a number of high-impact programs, facilities and institutions being developed in the region.
 - However, some stakeholders are concerned that the "next generation" of leaders has yet to be identified, leading to a potential "philanthropic gap" as older leaders step aside. This next generation will also need to better reflect Greater Des Moines' changing population demographics.
- ✓ The Des Moines region has far more non-profit organizations per capita than all the benchmark metros. It also has higher per capita revenues in its non-profit organizations than all its benchmarks, though only slightly higher than Madison.
 - The positive and lasting impact of entities such as the Community Foundation of Greater Des Moines, the United Way of Central Iowa and others was cited as a major benefit for the health and welfare of Des Moines area residents.
- ✓ The Des Moines MSA has lower percentages of regular attendance at religious services than all the comparison geographies except metro Denver.
 - In the context of religious congregations' potential to serve as positive community change-agents, this can be seen as a competitive challenge for Greater Des Moines.
- ✓ Compared to its peer regions, Greater Des Moines has a higher number of facilities that produce/release air pollutants and facilities that are issued permits to discharge to bodies of water.
 - The poor water quality of Central Iowa's rivers and streams was cited by many input participants as a major detriment to the use of waterways for irrigation, consumption and recreation.

PEOPLE

Critical to the Capital Crossroads process is an understanding of community dynamics and recent trends that can influence policy decisions. How the population in Greater Des Moines is growing and changing was an important part of the *Economic and Demographic Snapshot* that was the first step towards understanding the region's recent past and clarifying its future opportunities and challenges. This section analyzes the metro area's population in terms of talent development assets and socioeconomic wellbeing.

Key findings related to the region's population growth from the *Economic and Demographic Snapshot* include:

- ✓ Central Iowa is benefitting from strong population growth. From 2005 to 2009, the region experienced a growth rate of 6.12 percent.
- ✓ Concentrated growth has occurred around metro Des Moines (7.68 percent) and Ames (6.67 percent), with declining populations in the Boone (-0.91 percent) and Newton (-2.04 percent) micropolitan areas.
- ✓ The population in Des Moines MSA has growth at a higher rate than all comparison geographies except metro Denver (8.44 percent).
- ✓ The Des Moines MSA has a lower proportion of international migrants (11.8 percent) and a higher proportion of domestic migrants (38.6 percent) than all of the comparison communities and the broader Central Iowa region.
- ✓ Non-metro counties in Iowa accounted for 3,997 in-migrants into metro Des Moines between 2004 and 2008.
- ✓ The top metros fueling growth in metro Des Moines are Ames, Waterloo-Cedar Fall, and Cedar Rapids, all located in Iowa.
- ✓ The top destination metros for out-migrating metro Des Moines residents are Denver, Colorado; Phoenix, Arizona; and Seattle, Washington.
- ✓ In terms of diversity, minorities accounted for the smallest proportion of population growth (35 percent) in Metro Des Moines, compared to all of the geographies.
 - This can be explained by a larger share of domestic migration and in-migration from predominately white communities.
 - However, there was a net loss of white residents in the five-county Greater Des Moines metro indicating that the area is diversifying.

A focus group was held with Latino residents of Central Iowa, many of whom live in and around the City of Perry. The stakeholders said they are happy to be in Central Iowa and have developed roots here. Despite the presence of Latino support organizations such as Allianza, the input respondents said there is still a "lack of communication" amongst the Latino community. "There is a lack of a holistic organization for Latinos" in Central Iowa, one

respondent said. Churches were cited as the most likely initial resource for the Latino community. The New Iowan Center in Des Moines was also mentioned as an example of an organization that was a positive resource for local Latinos. Similarly, local governments (particularly in Perry), were investing time and energy into addressing issues faced by Latino residents. One change the group's respondents would like to see is the publishing of more bilingual information in local newspapers.

TALENT DEVELOPMENT

Communities that effectively educate their children are more competitive in the global economy. Furthermore, connections with the business community can influence the performance of local school systems as well as the effectiveness of workforce development programs. In these regards, it is critical to approach talent development as a holistic system which is fully integrated into economic development efforts.

Early Childhood Education

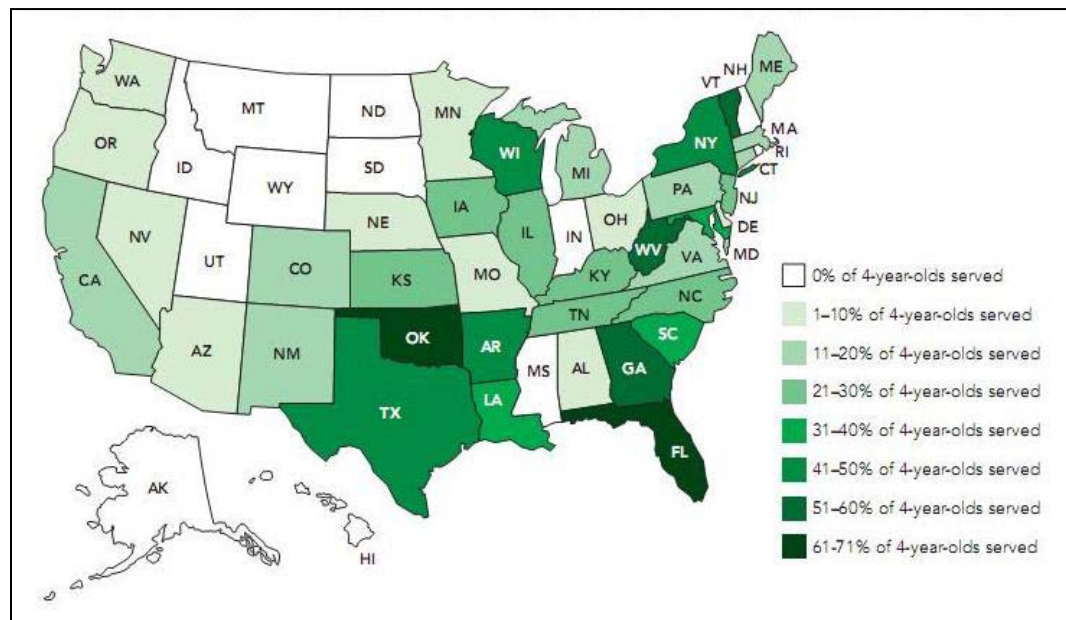
There is a growing national consensus that high quality early childhood learning and pre-K education can have a significant impact on a child's future and may reduce negative outcomes despite socio-economic challenges. The state of Iowa offers a number of different pre-K programs and initiatives.

- **Early ACCESS** is a state-supported preschool program in Iowa that connects families with young children up to three years old with providers from the Departments of Child Health Specialty Clinics, Education, Human Services, and Public Health.
- Iowa's early childhood efforts were expanded in the 2007-08 program year with the launch of the **Statewide Voluntary Preschool Program (SVPP)** as an initiative to provide prekindergarten access to all four-year-old children. Governor Terry Branstad – elected in November 2010 – has said he wants to eliminate the program in favor of a needs-based voucher program.
- Iowa promotes **early childhood special education assistance** for families with children aged three to five. These services are provided by area education agencies and local school districts.
- **Every Child Reads 3-5 (ECR 3-5)** is a statewide initiative led by the Iowa Department of Education with the aim of enhancing the literacy development of preschool children.
- The **Shared Visions Preschool Programs** and **Shared Visions Parent Programs** are both run by the Iowa Department of Education's Child Development Coordinating Council.
 - The **Preschool Programs** provide quality child development programs for high-risk children in 51 Iowa counties.

- The **Parent Programs** provide offer individual and/or group opportunities for families to obtain information focusing on parenting skills, child growth and development, and other issues.
- The state of Iowa offers the federally funded **Even Start** and **Head Start** programs to support early childhood education for children of low-income families.
- Finally, the Iowa Department of Education administers School Ready state funds to 58 **Community Empowerment Areas (CEAs)** across the state. These CEAs represent each of Iowa's 99 counties and are intended to help improve the well-being for children up to age five and their families.

According to the 2009 State of Preschool report published by the National Institute for Early Education Research, Iowa ranked #14 nationwide in the percentage of four-year-olds served in state pre-Kindergarten programs. It is important to note, however, that 28.7 percent of four-year-olds in the state of Iowa have access to state pre-K programs, compared to the top states of Oklahoma (71 percent), Florida (66.7 percent), Georgia (53.4 percent), and Vermont (53 percent). However, Iowa's figure has risen dramatically (from 4 percent in 2007 to 29 percent in 2009) after SVPP was launched in 2007-08 as an initiative to provide prekindergarten access to all four-year-olds. Governor Terry Branstad has proposed eliminating SVPP and providing vouchers to at-risk children to access private pre-K programs.

Percent of 4-Year-Olds Served in State Pre-K, 2008-09



Source: National Institute for Early Education Research

Public input participants are encouraged by the increasing array of early childhood services in Greater Des Moines and the emphasis that is being placed on the issue by public and

private organizations. However, many would like to see a far greater number of local children eligible for the programs. However, Governor Terry Branstad has said he wants to make the program needs-based rather than universal access. Vouchers would be provided to low-income students to access private pre-K programs.

K-12 Education

Residents of metro areas often show preferences to suburban school districts over central city districts because of either real or perceived differences in quality and student performance. The following table shows key information attained from the National Center for Education Statistics (NCES) for the following “core” urban school districts: Des Moines Independent Community School District (ICSD), Denver Public Schools, Madison Metropolitan School District, and Omaha Public Schools. In addition, data has been compiled for each of the correlated metropolitan statistical areas (MSA). NCES data were used to ensure accurate comparisons across states and years.

Central School Districts and Area Aggregates - Key Information

2008-2009	Des Moines Independent Community School District	Des Moines, IA MSA	Denver Public Schools	Denver, CO MSA	Madison Metropolitan School District	Madison, WI MSA	Omaha Public Schools	Omaha, NE MSA
Total Student Enrollment	30,810	94,237	74,176	419,082	24,496	80,344	48,014	141,541
5-Yr Change, #	-276	8,651	2,076	39,708	-417	-1,226	1,979	8,977
5-Yr Percent Change	-0.9%	10.1%	2.9%	10.5%	-1.7%	-1.5%	4.3%	6.8%
Percent of Students Eligible for Free or Reduced Lunch	55.7%	30.9%	65.9%	35.3%	44.1%	25.2%	62.2%	36.8%
5-Yr Change	5.9%	3.4%	3.5%	5.8%	8.5%	5.4%	7.1%	4.5%
Per Pupil Expenditures, 2007-2008	\$11,840	\$12,364	\$16,907	\$11,559	\$14,011	\$12,738	\$9,936	\$10,660
4-Yr Change, #	\$1,464	\$2,008	\$7,479	\$2,609	\$1,443	\$1,855	\$292	\$1,344
4-Yr Percent Change	14.1%	19.4%	79.3%	29.2%	11.5%	17.0%	3.0%	14.4%
Student/Teacher Ratio	14.2	14.1	17.0	18.0	14.0	13.7	14.2	14.3
5-Yr Change	0.8	0.2	-0.1	0.2	1.5	0.6	-0.6	-0.6
Dropout Rates, 2007-2008	7.9%	3.2%	13.8%	7.3%	3.8%	1.8%	6.4%	3.3%
2-Yr Change	3.1%	1.0%	-7.6%	-2.1%	0.6%	0.2%	-1.0%	-0.2%

Note: Des Moines ICSD is the same as Des Moines Public Schools, its more common identifier.

Source: National Center for Education Statistics

Compared to the central city school districts in the benchmark regions, Des Moines Public Schools report a lower per pupil expenditure and a lower percent of students eligible for free lunch than all districts except Omaha Public Schools. However, more recent data shows the city of Des Moines’ free/reduced eligible percentages rising into the low 60 percentile, remaining nearly double the regional average.

It is interesting to note that although the Greater Des Moines experienced a 10 percent increase in enrollment from the 2003-04 academic year, the Des Moines ICSD experienced a decrease of 0.9 percent. Des Moines is the only community of the four examined in which this phenomenon occurred. In the 2008-09 academic

year, 32 percent of Greater Des Moines students attend Des Moines Public Schools, compared to 18 percent of Denver MSA students attending its central school district, 30 percent in Madison, and 34 percent in Omaha.

The average dropout rate in Greater Des Moines in the 2007-08 academic year was 3.2 percent, lower than all comparison metros except Madison (1.8 percent). Des Moines Public Schools had a dropout rate of 7.9 percent in the same academic year, higher than all comparison metros except Denver Public Schools (13.8 percent). Both Greater Des Moines and the Des Moines ICSD experienced the highest increase in dropout rates (3.1 percent and 1.0 percent, respectively) from the 2005-06 academic year, the earliest period for which defensibly comparable data were available.

Online survey respondents expressed confidence in Greater Des Moines/Central Iowa schools, with nearly 70% strongly agreeing or agreeing that the community has a commitment to quality public K-12 education. A strong majority of respondents with children in local schools also rate the quality of their education as "very good" or "good."

In total, Greater Des Moines has 27 public school districts with 198 schools educating 95,062 students as of the 2008-09 school year. Central Iowa has 51 school districts, 296 schools, and 128,438 students. As seen in the following table, Des Moines Public Schools has the lowest 2009 graduation rate (70.2 percent) of the ten largest Des Moines MSA school districts and the state average. The ethnic group with the highest graduation rate in the Des Moines ICSD is Asians (77.3 percent), followed by whites (72.5 percent). The group with the lowest graduation rate is Hispanics (57.1 percent), followed by Native Americans (61.1 percent). Blacks fall in the middle with a 69.2 percent graduation rate.

Class of 2009 Graduation Rates of Ten Largest Des Moines MSA School Districts

School District	Graduation Rate, Class of 2009	White	Black	Hispanic	Asian	Native American
Des Moines Independent Community School District	70.2%	72.5%	69.2%	57.1%	77.3%	61.1%
West Des Moines Community School District	89.3%	90.3%	76.5%	79.5%	97.1%	N/A
Ankeny Community School District	97.4%	97.9%	84.6%	100.0%	N/A	N/A
Southeast Polk Community School District	96.5%	97.2%	N/A	N/A	90.9%	N/A
Waukee Community School District	98.7%	98.6%	100.0%	N/A	N/A	N/A
Johnston Community School District	94.0%	93.5%	N/A	N/A	100.0%	N/A
Urbandale Community School District	97.0%	96.7%	100.0%	N/A	N/A	N/A
Indianola Community School District	96.7%	97.0%	N/A	N/A	N/A	N/A
Norwalk Community School District	87.4%	87.4%	N/A	N/A	N/A	N/A
Dallas Center-Grimes Community School District	94.5%	94.4%	N/A	N/A	N/A	N/A
State of Iowa	87.2%	89.2%	68.6%	71.6%	89.2%	69.3%

Source: Iowa Department of Education

Overall, students in Des Moines Public Schools decrease in reading and math proficiency each successive year in school. In fourth grade, nearly 65 percent of

students are proficient in Reading, compared to only 60 percent in 11th grade. In Math, the spread is wider—in fourth grade, nearly 68 percent of students are proficient compared to 57 percent in 11th grade.

**Percentage of Student Proficiency in Ten Largest Des Moines MSA School Districts,
2007-2009**

School District	4th Grade		8th Grade		11th Grade	
	Reading	Math	Reading	Math	Reading	Math
Des Moines Independent Community School District	64.4%	67.6%	56.1%	61.6%	59.9%	56.6%
West Des Moines Community School District	87.0%	86.8%	83.5%	87.4%	85.8%	82.4%
Ankeny Community School District	89.4%	88.8%	84.7%	88.3%	87.6%	86.4%
Southeast Polk Community School District	82.9%	84.8%	77.4%	77.6%	73.8%	74.2%
Waukee Community School District	89.3%	89.3%	85.6%	83.6%	87.1%	83.3%
Johnston Community School District	90.7%	90.0%	87.4%	91.8%	86.8%	87.8%
Urbandale Community School District	85.8%	86.2%	82.6%	89.3%	84.1%	84.6%
Indianola Community School District	87.6%	85.3%	84.4%	88.7%	84.2%	86.2%
Norwalk Community School District	80.6%	83.8%	78.7%	82.7%	83.8%	85.3%
Dallas Center-Grimes Community School District	88.5%	91.5%	81.5%	79.7%	84.8%	78.0%
State of Iowa	79.4%	80.6%	73.0%	76.4%	77.2%	77.9%

Source: Iowa Department of Education

Consistent with national trends, white students have the highest proficiency in all grades and among both subjects compared to all racial and ethnic groups represented in Des Moines Public Schools. Black students have the lowest proficiency in all grades and both subjects. Although Des Moines ICSD is graduating black students at a higher rate than the state average, less than half of its 11th grade students are proficient in reading and math. This results in significant skill gaps among different high school student cohorts. City of Des Moines schools have the additional challenge of educating an increasingly diverse student body with large numbers of non-native English speakers. This further impacts the district's ability to provide sufficient resources to advance the educational prospects of all its students.

**Percentage of Students Proficient by Race/Ethnicity in
Des Moines Independent Community School District, 2007-2009**

Race/Ethnicity	4th Grade		8th Grade		11th Grade	
	Reading	Math	Reading	Math	Reading	Math
Total	64.4%	67.6%	56.1%	61.6%	59.9%	56.6%
White	72.7%	74.8%	64.8%	69.6%	66.9%	64.5%
Black	49.4%	49.9%	38.3%	38.9%	41.5%	35.2%
Hispanic	52.7%	61.0%	41.0%	53.6%	48.1%	42.7%
Asian	66.0%	74.2%	58.1%	68.6%	61.8%	63.4%
Native American	70.0%	50.0%	N/A	N/A	61.9%	47.6%

Source: Iowa Department of Education

Greater Des Moines public school districts are experiencing different trends based on their location. Suburban districts are faced with rising enrollments while Des Moines Public Schools are seeing fast-rising percentages of students in poverty and non-English-speakers. As a result, Des Moines Public Schools is working to implement dropout-prevention efforts and close achievement gaps while trying to get students to make good life choices. However, demographics across the region are changing. “It’s not just a Des Moines thing,” said one focus group participant. Though regional education leaders meet through entities like the metro superintendents group, it was said to be difficult for local districts to come together programmatically because of funding issues specific to each district. One respondent said, “There is no consistent, broad-based funding model to address K-12 issues.” This also leads districts to become too dependent on alternative funding sources like the United Way and grant money.

Local funding dynamics prevent Greater Des Moines districts from collaborating on programs and projects such as career academies and other regional efforts. Regional eligibility for programs runs into issues of local “pride of ownership” among elected officials and residents; education officials said it is difficult to “let this go” to support some type of regional academy. A true regional partnership is difficult under Iowa’s financing structure and would potentially be seen as reducing resources in local districts. One school official said that K-12 districts have to “figure out under the cloak of darkness” how to share programs and resources because of potential local opposition. “If you could get past the dollars and cents issue, it would work,” according to one input participant.

The business community can help make the case for more regional coordination and shared programming amongst Greater Des Moines school systems, the educators said. There needs to be a “goal set” that the education community cannot establish solely by itself. Some in the business community are concerned that stakeholders are not more alarmed about recent public education trends. “I don’t see the outrage among people about what’s happening with our schools,” a business person said. The respondent went on to question whether the region was being strategic about how to improve performance and deal with a more at-risk student body. An established group, the Business Education Alliance, is a public-private effort that will be working to develop action items for local school improvement. Each regional school district will be represented on the Alliance, which will come under the umbrella of the Greater Des Moines Partnership. Still, educators and select business representatives do not sense “urgency” among regional leaders to address education issues. “There’s a sense of complacency in this area for how we’ve done it and how we’ve had it.”

Different educational models such as charter schools are rare in the region because the state of Iowa’s policies are not favorable towards alternative learning formats. Many educators would like to see a rollback of bureaucratic constraints so schools can be more responsive and flexible. For example, Iowa state law limits even the largest school districts to operating only one charter school per district.

One issue raised in the K-12 focus group was the reality that the diversity of school administrations and faculties “doesn’t look like the people they’re trying to work with.” It is

difficult to understand the issues and challenges faced by a student of a different race or ethnicity, educators said. School officials acknowledge that there needs to be a better “pipeline” for developing minority administrators and faculty, but these efforts are constrained by Iowa’s general lack of diversity and the external perception of the state as not being welcoming to people of different cultures, races and ethnicities.

In addition to traditional educational opportunities, the Des Moines area offers a handful of alternative educational opportunities to interested students and families. Opened in 2007, the Panorama Charter School in Guthrie County offers students in grades 9-12 individualized learning plans, specialized curricula, and activities for each student decided upon between parents, school staff and administrators.

The (City of) Des Moines Public Charter School is set to open on January 18, 2011. The school is intended to assist at-risk students who are close to, or at a high-risk for, dropping out of school. The Des Moines Public Charter School will accommodate 100 seventh and eighth graders in its first year with plans to expand to 300 students from 9th -12th grade. The school will provide students with a different learning environment that will help challenge and prepare them for education beyond high school. Funding for the school was supplemented by organizational and individual donors.

The landscape of charter schools in Iowa, however, is in flux. A recent report by the Center for Education Reform gave Iowa’s charter schools a failing grade. The efficacy of Iowa’s charter school laws ranked ahead of just two states (Virginia and Mississippi) in the annual comparison report. Criticism was based around the contention that Iowa charter schools look too similar to public schools. According to the *Des Moines Register*, critics frequently cite Iowa’s state law as a disadvantage because it allows only official public school districts to introduce charter schools and each district is only allowed to operate *one* charter school. Many other states delegate the authority to create to a broad spectrum of participants, including city leaders, parent groups, teachers, and others who desire change. In November 2010, however, the Iowa State Board of Education adopted new rules intended to stimulate more accountability and innovation among Iowa’s charter schools. These rules include emphasizing innovation in state evaluations of charter schools and allowing state officials to revoke a charter if students’ grades and test schools fail to improve.

Career academies are another form of alternative education. An example of this in the region is the Career Academy at Perry High School in Dallas County. Perry High School announced in November 2010 a partnership with Des Moines Area Community College (DMACC) to provide additional educational opportunities for its students. Jasper County has a similar partnership with DMACC.

Orchard Place is another alternative educational opportunity in Des Moines. Located in downtown Des Moines, this organization’s mission is to assist children and youth with mental health and behavioral challenges. PACE, the community-based division of Orchard Place, provides a variety of programs to help meet youth, family and community needs. Programs include academic instruction and support, mental health and substance abuse treatment, skill-building services for those with

behavioral and psychological disorders, accountability and case monitoring, and informational community forums.

Two Des Moines Public School campuses that are frequently lauded for their strong student-performance records are the Central Campus and Downtown School. The Central Campus is a regional academy that provides extended and differentiated learning opportunities to Des Moines-area students. Currently, students from 57 schools, representing 29 school districts, are enrolled in one or more Central Campus programs, including college-level courses, project-and-technology-based academics, English-language-proficiency courses, International Baccalaureate programing, and world language classes in Chinese, French, German, Italian and Japanese.

The Downtown School is a campus created as a resource for parents who work in Downtown Des Moines. The school attracts students from across the city and often outperforms other district campuses. The Downtown School has recently relocated to the Central Campus.

Two focus groups were held with high school students in Greater Des Moines and the Ames/Story County area. Because of the small sample size of these groups, the participants answers should not be taken as representative of district-wide sentiments; however, the students selected for the groups are all high-achieving, college-bound seniors and could be considered proxies for the top performance percentile of their schools.

All students were generally positive about the quality of their schools and the programs offered. Des Moines-area students said availability of dual-credit courses at DMACC was a positive, but wished that similar offerings were available at the region's four-year colleges and universities. They also would like their high schools to offer a broader variety of career-based course options, provide more trips off-campus to visit companies and other points of interest, and required less core coursework so students could take more electives. Ames-area students also praised DMACC courses and classes offered by Iowa State University. Both groups of students acknowledged that their schools have issues with drug-use and teenage pregnancy (less so in the Ames-area schools), but added that addressing them will be difficult because counselors either cannot affect off-campus, off-hour drug use or are seen as "faculty" and not trusted.

Well over 90 percent of Ames-area students see themselves staying in the area to live after high school or college graduation. They like the area's "Midwest feel" and think it would be a good place to raise a family in a "stress-free" environment. They would like to see the Ames area stay more or less the same and not become a "suburb to Des Moines." Conversely, less than 10 percent of the Des Moines-area high school students see themselves living in the region long term. The principal reason cited was a lack of diversity of places to work and things to do.

Higher Education

Institutions of higher education provide significant economic impact within their regions. They educate existing residents, draw young people from outside the region, create value and innovation through research and development, revitalize surrounding neighborhoods, and support existing businesses and industry clusters through targeted training and degree programs.

The Central Iowa region has 12 higher education institutions, compared to 20 in Denver, four in Madison, and 13 in Omaha. In fact, Central Iowa has more students per capita than all comparison areas except Madison. Between the 2001-02 and 2009-10 academic years, Central Iowa institutions have collectively experienced the highest rate of increase in enrollment (37.2 percent) of the comparison communities.

Higher Educational Institutions - Key Information

	Higher Ed Enrollment, 2009-10		Percent Change from 2001-02	Number of Higher Education Institutions
	Total	Per 100 Residents		
Central Iowa	67,763	8.6	37.2%	12
Denver, CO MSA	138,300	5.4	35.9%	20
Madison, WI MSA	74,602	13.1	7.1%	4
Omaha, NE MSA	61,750	7.3	33.8%	13

Source: National Center for Education Statistics

As one of the nation's most prominent agriculture and animal-sciences research institutions, Iowa State University draws students from across the country and many international nations. ISU enrolls 41 percent of Central Iowa's college students, followed by Des Moines Area Community College at 33 percent. Drake University, the third largest institution in the region, enrolls 8 percent of students.

Among reported student races and ethnicities in Central Iowa, 77.2 percent of students are white, 5.2 percent are nonresident alien, 4.0 percent are black, 3.1 percent are Hispanic, and 2.9 percent are Asian. To a large extent, this relative lack of diversity mirrors the region itself.

Of the 11,600 degrees conferred in the 2008-09 academic year, 46 percent were from Iowa State, 19 percent were from Des Moines Area Community College, and 14 percent were from Drake University. Iowa State graduates accounted for 66 percent of all bachelor's degrees earned in Greater Des Moines, 57 percent of Master degrees, and 41 percent of doctoral degrees.

Enrollment at Central Iowa Higher Educational Institutions by Race and Ethnicity, Fall 2009

Institution	Total Enrollment, Fall 2009	White	Black	Hispanic	Asian	Other	Nonresident Alien	Not Reported
	67,763	52,337	2,714	2,094	1,963	699	3,557	4,399
Iowa State University	27,945	21,312	735	770	791	236	3,017	1,084
Des Moines Area Community College	22,324	17,294	1,462	845	657	321	161	1,584
Drake University	5,653	4,167	161	95	172	5	275	778
Marshalltown Community College	2,156	1,432	57	181	11	56	10	409
Grand View University	2,039	1,493	131	59	45	11	24	276
Simpson College	2,025	1,803	35	31	32	37	14	73
Des Moines University-Osteopathic Medical Center	1,783	1,482	44	35	181	5	23	13
Central College	1,636	1,469	38	33	31	5	24	36
AIB College of Business	969	832	27	16	28	7	2	57
Mercy College of Health Sciences	793	640	20	22	11	11	0	89
Faith Baptist Bible College and Theological Seminary	417	393	4	7	4	2	7	0
Iowa Health-Des Moines School of Radiologic Technology	23	20	0	0	0	3	0	0

Source: National Center for Education Statistics

Of those online survey respondents with knowledge of regional universities, most rated Central Iowa's campuses as "Excellent" or "Good." Drake was the highest rated of the region's schools. Specific percentages included:

- Central College: 78.9% "Excellent" or "Good" ratings;
- Drake University: 91.1% "Excellent" or "Good";
- Grand View University: 65.6% "Excellent" or "Good";
- Iowa State University: 87.0% "Excellent" or "Good"
- Simpson College: 79.4% "Excellent" or "Good"
- AIB College of Business: 61.6% "Excellent" or "Good";
- Des Moines University: 86.3% "Excellent" or "Good";
- Faith Baptist College: 47.0% "Excellent" or "Good";
- Iowa Health-DM College of Radiologic Tech.: 69.6% "Excellent" or "Good";
- Mercy College of Health Sciences: 76.7% "Excellent" or "Good".

Completions at Central Iowa Higher Educational Institutions, 2008-09

Institution	Degrees Conferred, 2008-09	Certificate below Baccalaureate	Certificate above Baccalaureate	Associate	Bachelor	Master	Doctor
	11,600	706	48	2,129	6,230	1,432	1,055
Iowa State University	5,368	-	-	-	4,129	810	429
Des Moines Area Community College	2,205	610		1,595	-	-	-
Drake University	1,601	-	29	-	804	493	275
Marshalltown Community College	263	87	-	176	-	-	-
Grand View University	421	-	11	1	409	-	-
Simpson College	424	-	8	-	415	1	-
Des Moines University-Osteopathic Medical Center	449	-	-	-	-	98	351
Central College	262	-	-	-	262	-	-
AIB College of Business	321	-	-	194	127	-	-
Mercy College of Health Sciences	208	-	-	149	59	-	-
Faith Baptist Bible College and Theological Seminary	69	-	-	14	25	30	-
Iowa Health-Des Moines School of Radiologic Technology	9	9	-	-	-	-	-

Source: National Center for Education Statistics

Des Moines Area Community College is Central Iowa's principal two-year college, offering over 130 degree programs and certifications that directly support regional workers and employers. It also is a key partner to four-year schools, providing them with hundreds of annual enrollees. The DMACC system has campuses in Ankeny, Boone, Carroll, Des Moines, Newton, and West Des Moines.

As more adults have lost jobs in recent years and/or sought new career directions, certain of DMACC's most popular degree programs have become space-constrained. The highest demand is for training in medical and technical fields where jobs have been plentiful. Most students enrolled in high-demand programs stay on a waiting list for about a semester. However, prospective students might have to wait two years to enter DMACC's nursing program, or three years for dental hygiene. The college's automotive, welding and culinary arts programs either have – or will – move into expanded quarters in the coming months.¹ While enrollment increases have helped make up for state budget cuts, this scenario is likely not sustainable for the long-term.

The college's Business Resources department provides a number of training and consulting services for area companies. Programs include Employee Workplace Skills training; Lean Manufacturing and Lean Healthcare programs; six-sigma training and assistance with workplace safety. DMACC's Community & Workforce Partnerships department works with community and workforce development agencies to provide college preparatory assistance, Gateway to College programming, Teacher Quality Partnership grants, and a Workforce Training Academy.

¹ Krogstad, Jens-Manuel and Belz, Adam. "Iowa Jobless Find Long Waits for Training." *Des Moines Register*, January 9, 2011.

Career Advantage, DMACC's program that offers college credits to Central Iowa high school students, recently received accreditation from the National Alliance of Concurrent Enrollment Partnerships, the national accrediting organization for college and high school concurrent programs. Career Advantage was launched in 1998 with only a handful of school districts participating. However, in 2009-2010, more than 9,500 students from 54 high schools in DMACC's 11-county district attended a dual-credit course through DMACC.

Online survey respondents were asked questions specific to DMACC programming and partnerships. Top response rates are listed below:

- **Applicability of degree programs to local jobs: 79.7% "Excellent" to "Good";**
- **Responsiveness to the needs of area businesses: 78.6% "Excellent" to "Good";**
- **Quality of instruction: 78.8% "Good" to "Average";**
- **Accessibility of branch campuses: 85.9% "Excellent" to "Good";**
- **Community awareness of programs: 75.3% "Good" to "Average";**
- **Partnerships/outreach to K-12 systems: 67.2% "Excellent" to "Good", 25.6% "Average."**

One survey respondent wrote, "DMACC is not recognized for its tireless partnerships with Des Moines business and workforce development."

With many thousands of students from Iowa, the U.S. and foreign nations attending college in Central Iowa, the perspectives of this cohort are important not only to their home institutions but also public and private leadership across the region.

Focus groups were held with college students both in Greater Des Moines and also with Iowa State students only. The Greater Des Moines students represented Drake, Simpson, Grand View, and DMACC. They spoke on a variety of topics. Key issues included:

- **There is no "one central place" for finding information on what is going on in the community. Principally, they get their information from Twitter, Metromix, and a new website called Fampus that has launched at Grand View and is soon expanding to Drake and Simpson College. They would like to see one main "community calendar" that features all the information available on Greater Des Moines activities, events, and venues.**
- **Des Moines' "poor transportation system" was cited as a disadvantage by the students. They said getting from Des Moines to West Des Moines (i.e., to Jordan Creek) and back was difficult if you do not have a car. Likewise, if you come into town for a particular event, it is difficult to move around the city to other locations. Finally, lack of convenient transit was an obstacle if you "don't know the city very well" or if you need to access a job or internship and do not have the use of a car. One respondent did**

caution that a transit system is difficult to support because Des Moines does not have the density of a Chicago or New York.

- Internships are available at local universities and provide good potential employment opportunities but are not offered in the sciences or many non-financial-services industries. In addition, because most internships are unpaid, students who need to work to support themselves or pay down loan debt are precluded from applying for them.
- The students would like to see additional coursework focused on entrepreneurship, especially programs that are plugged into smaller companies as opposed to large corporations.
- Career services offices at their universities are not “plugged in” to tech firms, start-ups and small businesses, according to the students. If you do not have access to the “one professor” with relationships at local firms, you are “on your own.” “Advisors need to start *advising*,” said one respondent.

Discussion points from the Iowa State student focus group included these highlights:

- Most of the participants “don’t think” about Des Moines that often. Shopping trips to Jordan Creek or concerts at Wells Fargo were the only real incentives to taking the trip south. Each student typically goes to Greater Des Moines about “three times a semester.” Some said they either “don’t know specifically where Downtown Des Moines is” or that it is hard to find information on what is happening in the Des Moines area. Several said they would like to see a Des Moines-focused website aimed specifically at Ames and Iowa State.
- While the students see Greater Des Moines companies as options for future employment, they said the region needs to foster better connections between local companies and ISU; offer a wider variety of job categories; and acknowledge that recent graduates are competing with older, more experienced workers for the same jobs. “Are we trying to keep young talented people or are we trying to accommodate the ‘50-year-olds’?” asked one respondent.

Workforce Development Resources

Ideally, workforce development exists as a seamless system that prepares individuals for the local labor force and supplies technical, two-year, and four-year programs so high-school graduates and adults can continue their educations without leaving the community. Education and training curricula are often developed in partnership with local companies to ensure that skills developed by students and adults are consistent with employer needs.

Key Greater Des Moines and Central Iowa workforce resources include:

- **Central Iowa (Region 11) Regional Workforce Investment Board (RWIB)** provides information, resources, and services for job seekers and businesses.

The Workforce Center offers typing tutorials, proficiency testing for typing skills, resume preparation assistance, job placement assistance; it also offers internet access, access to word processing software, access to job listings, holds career fairs, and provides information about tax credits to businesses, labor market information and veterans' services. With Region 11 covering Boone, Dallas, Jasper, Madison, Marion, Polk, Story, and Warren Counties, Region 8 serving Guthrie County and Region 6 serving Marshall County, Central Iowa does not have one coordinated workforce system overseeing its labor shed.

- **Central Iowa Works** was created as a partnership of the Greater Des Moines Partnership, Des Moines Area Community College, Iowa Works, United Way of Central Iowa, and ISED Ventures/Annie E. Casey Foundation. The organization is designed to alleviate worker and skills shortages in certain key Central Iowa business sectors. Eight Sector Boards were created and have been meeting since Fall 2007 in the following clusters: Information Technology; Financial Services; Construction; Advanced Manufacturing; Health Care; and Energy. In addition to developing career pathways maps, business leaders on each Sector Board along with representatives from education and community based organizations are developing strategies to identify untapped labor pools, better align training programs with business needs, and establish a Career Readiness Certificate to facilitate hiring.
- **Heartland Area Education Agency (AEA)** works in partnership with public and accredited private schools to provide educational services, programs and resources to improve student performance. Heartland AEA serves 54 school districts and 30 non-accredited public schools with over 136,000 students and 10,000 teachers and administrators. Branch office locations can be found in Audubon, Boone, Carroll, Dallas, Guthrie, Jasper, Madison, Marion, Polk, Story and Warren Counties.
- The **Greater Des Moines Partnership** holds job fairs and networking events (Net2Work, "Do More in the City"); provides information for people relocating to Des Moines; and uses Linked-In to connect residents, former Iowans, and professionals considering relocation to Des Moines.
- **Des Moines Area Community College, Workforce Training Academy** provides funding for short-term training programs in occupations identified as high-demand and high-growth for the region, including information technology, advanced manufacturing, health care, and service/retail.
- **Making Connections Des Moines** is one of ten local affiliates of a program founded by the Annie E. Casey Foundation designed to invest in the education and health of children in low-income neighborhoods. Efforts are aligned around three core results areas: Children Healthy and Prepared to Succeed (CHAPSS), Youth, Family Economic Success (FES), and Health, and Resident Engagement. Making Connections has some level of involvement in each. However, in many circumstances, Making Connections has only a participatory or advisory role with community partners handling the bulk of

the programmatic responsibilities. Making Connections focuses on 15 central city Des Moines neighborhoods with over 32,000 residents.

Online survey respondents who felt they could speak to these issues said they were aware of Central Iowa's principal workforce development resources but have had less success finding employees through their local Workforce Center, Greater Des Moines Partnership representative, community college campus, or local economic development professional. Related to the ability of workers to find quality employment and build local wealth, survey respondents feel that availability of quality jobs is good-to-average, as is access to health care, affordable education/training programs and affordable, accredited child care. They are less confident in adults' ability to access reliable, connected public transportation.

Overall, the workforce development system in the region is in transition as the Central Iowa (Region 11) RWIB attempts to finalize a strategic direction following dissolution of the scandal-plagued Central Iowa Employment and Training Consortium (CIETC) in 2007. CIETC's programs were taken over by Iowa Employment Solutions at DMACC. Officials are hopeful that public and private constituencies are coming together behind the possibility that Central Iowa's federally-funded workforce development entity will "emerge from the phoenix of CIETC" and become a key partner in regional workforce development efforts. Respondents said it will be critical that the Central Iowa RWIB integrates seamlessly with Central Iowa Works, the entity created to partially fill the void left by CIETC's dissolution. Central Iowa Works has launched sector councils geared to identifying specific training needs for the industries driving the Central Iowa economy and is providing other programs said by stakeholders to be having a positive impact in the region. Ultimately, focus group participants said, Central Iowa Works will become a component of a broader workforce development system coordinated by the RWIB.

Workforce development stakeholders identified these additional concerns/needs:

- Efforts are being made to make the system more demand-driven. Relationships are evolving with the region's four-year colleges/universities, which were said to be "still the same way they were 20 years ago."
- Career and technical education still carries a "stigma" that it is inferior to matriculation into a four-year college. This is being influenced by long-held "social values," but is also changing as the dynamics of the economy change. Career/tech education is simply not promoted as much as it could be, potentially because these programs do not receive the same funding or credits as college-preparatory programs. One stakeholder said, "We're giving kids the wrong message; we're giving families the wrong message, that if you don't go to college, you're a failure."
- It was also said to be difficult to get regional school systems to work better together on workforce development. "By and large, we have K-12 silos" in the region, one participant said. This parochialism was partially driven by the state's funding dynamics.
- Increasing awareness of services among potential training clients and employers is also a challenge. "There is money for services, but not for outreach," one participant said.

- Access to training and employment is “one of the biggest problems we face,” one official said. If a client does not live in the city of Des Moines, it is a barrier for them to access jobs and services.

The issue of talent retention and attraction efforts is also one that came up often in public input sessions. Before the recent recession when talent was much scarcer in Greater Des Moines, the notion of marketing the region more effectively to local and external talent was more prominent. The Great Recession softened these pressures somewhat, but talent development programs launched by regional entities in recent years were still said to be of great import as all projections point to future talent deficits nationally and in Greater Des Moines. Even during today’s less competitive times, local employers still speak of “cannibalism” of top employees with unique skill sets among local companies. “Now we just steal workers from each other,” said one human-resources (HR) professional.

HR representatives and other stakeholders commenting in public input said that attracting talent to Greater Des Moines is always a challenge because external perceptions of the region are of “corn and cows” despite all efforts to broaden people’s perceptions of what Greater Des Moines has to offer. However, if recruiters are able to get prospects to the community, they nearly always end up choosing to move to Greater Des Moines. While officials have greater success pursuing candidates with prior connections to Des Moines, those used to cold climates, or those not looking for the types of urban environments found in major cities like San Francisco, Seattle, Chicago or New York, there are still stories of talent choosing Des Moines who reportedly “never would have considered the community” if they had not been contacted about an opportunity to relocate. Employment of so-called “trailing spouses” is also an issue when pursuing external talent.

Despite the prominent focus on attracting outside talent to the Des Moines area, input respondents stressed that the retention of talent is an equal, if not greater concern for local employers and economic development officials. There cannot be an attitude from existing companies that their employees are “just lucky to have jobs.” Existing workers need to be engaged and empowered to ensure they will remain in the region. Engagement with Greater Des Moines expatriates must also be a key strategic component of talent-development programs.

Workforce Risk Index

Market Street Services’ proprietary *Workforce Risk Index* measures the sustainability of metropolitan labor forces in the medium and long-term. Labor force sustainability refers to the capability and capacity of a region’s workforce to support the region’s businesses and operations, and accommodate additional demand for labor. A sustainable labor force is capable of absorbing the risks imposed upon regional economies from impending demographic trends and structural changes in the national economy. **Appendix A** includes important discussion on the components of the Index, the estimation methods, and other technical information.

Market Street Services Workforce Risk Index, Demographic Sustainability Component
Rankings out of 353 Metropolitan Areas, 2008

Workforce Index - Demographic Sustainability Index			Age Pipeline		Labor Force Participation		Migration Trends	
Rank	Metropolitan Area	Index	Population Approaching Retirement	Young Professionals Population	LFPR (Ages 62+)	LFPR (Ages 25-34)	Long-Term Net Migration	Short-Term Net Migration
37	Des Moines-West Des Moines, IA	60.37	89	106	23	16	93	72
116	Ames, IA	53.24	102	82	52	99	284	291
39	Denver-Aurora, CO	59.50	59	77	13	139	105	142
38	Madison, WI	59.99	81	81	15	20	117	160
62	Omaha-Council Bluffs, NE-IA	56.73	96	114	21	55	173	165

*Please see the Methodology Appendix for a detailed discussion of *Market Street Services'* proprietary *Workforce Risk Index*, including definitions of each component and the method of estimation.

Based on the previous chart, the Des Moines MSA is competitively positioned to sustain its workforce in coming years. It ranks 37th out of 353 metro areas for workforce sustainability after the index's factors are weighed, placing it ahead of all the comparison areas featured in this report. The following table provides more specifics on each data component of the index.

Market Street Services Workforce Risk Index, Demographic Sustainability Component
Actual Values for Individual Components, 2008

Workforce Index - Demographic Sustainability Index			Age Pipeline		Labor Force Participation		Migration Trends	
Rank	Metropolitan Area	Index	Population Approaching Retirement	Young Professionals Population	LFPR (Ages 62+)	LFPR (Ages 25-34)	Long-Term Net Migration	Short-Term Net Migration
37	Des Moines-West Des Moines, IA	60.37	18.8%	39.9%	25.0%	89.0%	4.6%	2.3%
116	Ames, IA	53.24	19.0%	40.7%	23.2%	84.3%	-4.0%	-1.3%
39	Denver-Aurora, CO	59.50	18.2%	41.0%	25.7%	83.2%	4.2%	0.9%
38	Madison, WI	59.99	18.7%	40.7%	25.6%	88.9%	3.4%	0.6%
62	Omaha-Council Bluffs, NE-IA	56.73	18.9%	39.6%	25.3%	85.9%	0.7%	0.5%

*Please see the Methodology Appendix for a detailed discussion of *Market Street Services'* proprietary *Workforce Risk Index*, including definitions of each component and the method of estimation.

Note: In this Index Young Professionals refers to the age group 25-39. Thus, this cannot be compared to the Young Professionals section, which refers to the age group 25-34 unless otherwise noted.

SOCIO-ECONOMICS

Socioeconomic indicators provide a more nuanced view of the population's capacity to live well and contribute to the local economy. This section includes an examination of poverty rates, per capita income (PCI), and educational attainment.

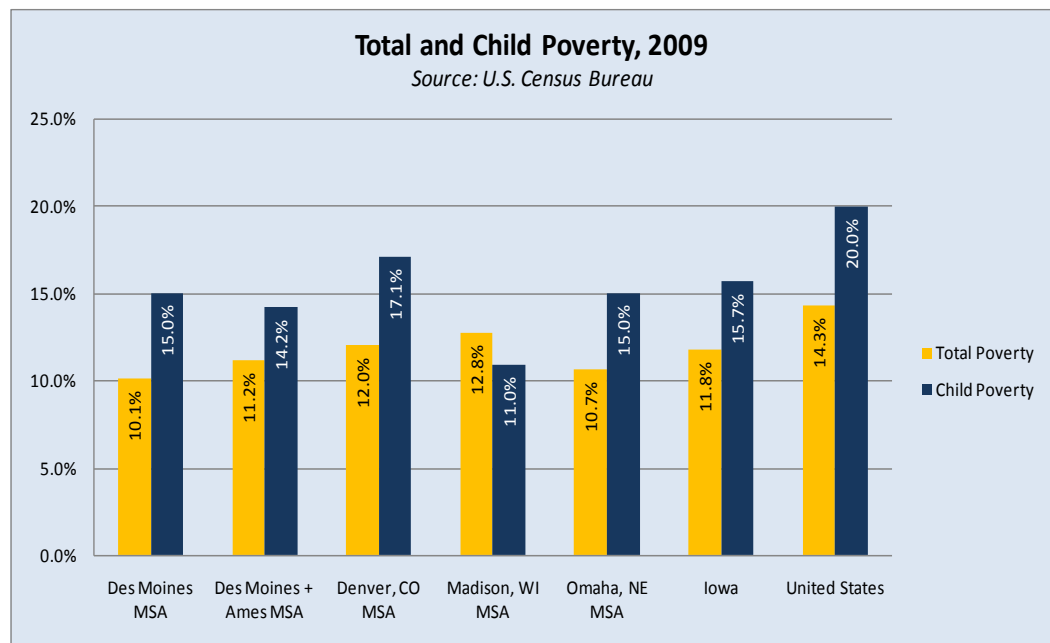
Poverty

Examining poverty rates is one of the best ways to help gauge a community or region's socioeconomic conditions. Poverty rates are estimated by the U.S. Census Bureau using income measures from annual population surveys. Information including family size, pre-tax income, and number of children help the Bureau

determine poverty thresholds. If a family's income is less than the poverty threshold, that family would be considered living in poverty.

In 2009, the most recent year for which poverty rates are available, the federal poverty threshold for a family of four with two children was \$21,756. The poverty threshold for an individual in 2009 was \$10,956.

The following chart shows that metro Des Moines' poverty rates for the total population (10.1 percent) and children (15 percent) were lower in 2009 than those for metro Denver, the state, and the nation. Greater Des Moines' poverty rates were on par with those of metro Omaha.



The Des Moines MSA experienced growth in total poverty over a 10 year period at a rate consistent with the state but higher than the nation and Omaha. However, the growth in poverty in the metro area was lower than the other comparison communities.

Over the same time period, metro Des Moines experienced an increase in its child poverty rate (5.4 percent) that surpassed all growth rates except that of metro Denver. While poverty rates in metro Des Moines have historically been lower than those for the nation, these trends show a narrowing gap.

Poverty, 1999 & 2009

	Total Poverty			Child Poverty		
	1999	2009	Change	1999	2009	Change
Des Moines MSA	7.48%	10.15%	2.67%	9.63%	15.04%	5.41%
Des Moines + Ames MSA	8.38%	11.17%	2.80%	9.40%	14.22%	4.83%
Denver, CO MSA	8.55%	12.04%	3.49%	10.45%	17.10%	6.65%
Madison, WI MSA	9.44%	12.78%	3.34%	7.49%	10.95%	3.47%
Omaha, NE MSA	8.44%	10.65%	2.22%	11.36%	15.04%	3.68%
Iowa	9.13%	11.80%	2.67%	11.00%	15.70%	4.69%
United States	12.38%	14.34%	1.96%	16.56%	19.98%	3.42%

Source: U.S. Census Bureau

The city of Des Moines has the second lowest total poverty rate (17.2 percent) of the four cities examined but has the second highest growth rate over a ten year period. Child poverty trends in the city of Des Moines are alarming. Nearly one in three children in the city of Des Moines lives in poverty, lower than only Denver. Since 1999, the city of Des Moines experienced the highest rate of increase in child poverty (11.5 percent) of the four cities examined.

Poverty by City, 1999 & 2009

	Total Poverty			Child Poverty		
	1999	2009	Change	1999	2009	Change
City of Des Moines, IA	11.4%	17.2%	5.8%	15.7%	27.2%	11.5%
City of Denver, CO	14.3%	19.1%	4.8%	20.8%	29.7%	8.9%
City of Madison, WI	15.0%	21.4%	6.4%	11.7%	15.1%	3.4%
City of Omaha, NE	11.3%	13.7%	2.4%	16.0%	19.5%	3.5%

Source: U.S. Census Bureau

A theme that was echoed in numerous interviews and focus groups was the diverging dynamics of growth in Greater Des Moines. With vastly higher percentages of population growth, new investment and job creation occurring in the region's suburbs, the city of Des Moines is suffering from rising poverty rates that contribute to a greater demand for social services and increasing challenges to educate a more low-income and at-risk student population. Flat tax receipts are forcing the city to cut back on resources across the board at exactly the same time as many of these resources are experiencing unprecedented demand. The City's zoning code has not been updated for decades, but efforts to reexamine and rewrite the code suffer from a lack of planning staff and insufficient monies to hire a planning consultant. Issues like this were mentioned time and again by stakeholders concerned that the core of the region is at risk of "hollowing out." Most often, these stakeholders and others cautioned that the region needs a strong central city to remain vibrant and growing and wondered how troubling trends in the city of Des Moines can be reversed.

Though there are examples of successful regional efforts such as the Metro Wastewater Authority, the Polk County Housing Trust Fund, the Greater Des Moines Partnership, Bravo Greater Des Moines, DART and others, input participants said that Central Iowa's financial structures make regional planning and consolidation difficult. What is missing, some said, is a shared vision for regional growth. "No one is making the hard choices" on the development of true regional programming or planning. However, "once the policy is set we do well at working together."

While Central Iowa does not have a council of governments (COG), the regional Metro Advisory Council was said to be an effective communications and coordination body. An Iowa smart planning task force had proposed a COG in Central Iowa in the past, but urban and rural communities could not agree on a workable organizational model. Many elected officials do not feel that a COG is necessary due to the good relationship between local government leaders, adding that "our MPO does what a COG would do for us." Even so, a potential outcome of the upcoming Regional Growth Management Plan for metro Des Moines could be some type of formalized governance structure. Elected officials feel the region is well situated to accommodate future growth, though the importance of property tax as the primary source of local income could hamstring regional growth-management efforts. According to elected officials, localities that successfully pass tax increases to support enhanced services will be better positioned to meet the demands of future growth.

While some stakeholders feel that consolidating the city of Des Moines and Polk County in a "unigov" merger would reduce costs and redundancies in the area, past efforts to create metro government have failed and most local officials feel that a merger of the city and county would not achieve the support necessary to be successful.

Per Capita Income

Improving the quality of life of local residents is a key focus of community and economic development. To this effect, per capita income (PCI) is one of the best measurements of a community's economic stability and potential buying power. Per capita income measures the total personal income of a community divided by its total population.

As shown in the following chart, in 2008 the Des Moines area's PCI exceeded the Central Iowa region, the state, and the nation, but lagged behind its comparison communities. Since 2005, Des Moines has trailed all comparison geographies in growth in local PCI. According to preliminary 2009 PCI estimates, Greater Des Moines ranks 50th of 366 metro areas, lower than Denver (24th), Madison (41st), and Omaha (44th).

Per Capita Income, 2000, 2005, & 2008

	2000	2005	2008	Change, 2000-2008	Change, 2005-2008	2009 Metro Ranking
Des Moines MSA	\$32,090	\$38,339	\$42,506	32.46%	10.87%	50
Central Iowa	\$30,357	\$36,106	\$40,421	33.15%	11.95%	167 (Ames)
Denver, CO MSA	\$38,382	\$43,250	\$48,010	25.08%	11.01%	24
Madison, WI MSA	\$33,536	\$39,423	\$44,172	31.72%	12.05%	41
Omaha, NE MSA	\$32,421	\$38,347	\$43,012	32.67%	12.17%	44
Iowa	\$27,293	\$32,331	\$37,509	37.43%	16.02%	-
United States	\$30,318	\$35,424	\$40,166	32.48%	13.39%	-

Source: U.S. Bureau of Economic Analysis

Note: 2009 Ranking (1 = highest PCI) compares 366 metro areas.

Per capita income is composed of three generators of income and wealth: wages, transfer receipts (retirement income and government assistance), and investment income (dividends, interest, and rent). In 2008, the portion of per capita income in Greater Des Moines derived from earnings was 73.2 percent, higher than all comparison geographies except Denver. The percentage of per capita income derived from dividends, interest, and rent was 15.2 percent, the lowest of all comparison geographies. While residents in Greater Des Moines are less likely than the average American to rely on transfer receipts, it is notable that the region's proportion of transfer receipts is rising while investment income is declining. This could be a result of faster rises in the region's percentage of elderly residents and residents in poverty.

Components of Per Capita Incomes, 2000 & 2008

	2000			2008		
	Earnings	Transfer Receipts	Dividends, Interest, and Rent	Earnings	Transfer Receipts	Dividends, Interest, and Rent
Des Moines MSA	72.8%	10.0%	17.2%	73.2%	11.6%	15.2%
Central Iowa	71.1%	10.9%	18.0%	71.5%	12.7%	15.8%
Denver, CO MSA	76.5%	6.8%	16.6%	74.0%	8.8%	17.3%
Madison, WI MSA	70.2%	8.6%	21.2%	71.1%	10.1%	18.8%
Omaha, NE MSA	70.7%	10.5%	18.7%	69.1%	12.8%	18.2%
Iowa	66.9%	13.5%	19.6%	66.7%	15.8%	17.6%
United States	68.9%	12.7%	18.4%	66.0%	15.2%	18.8%

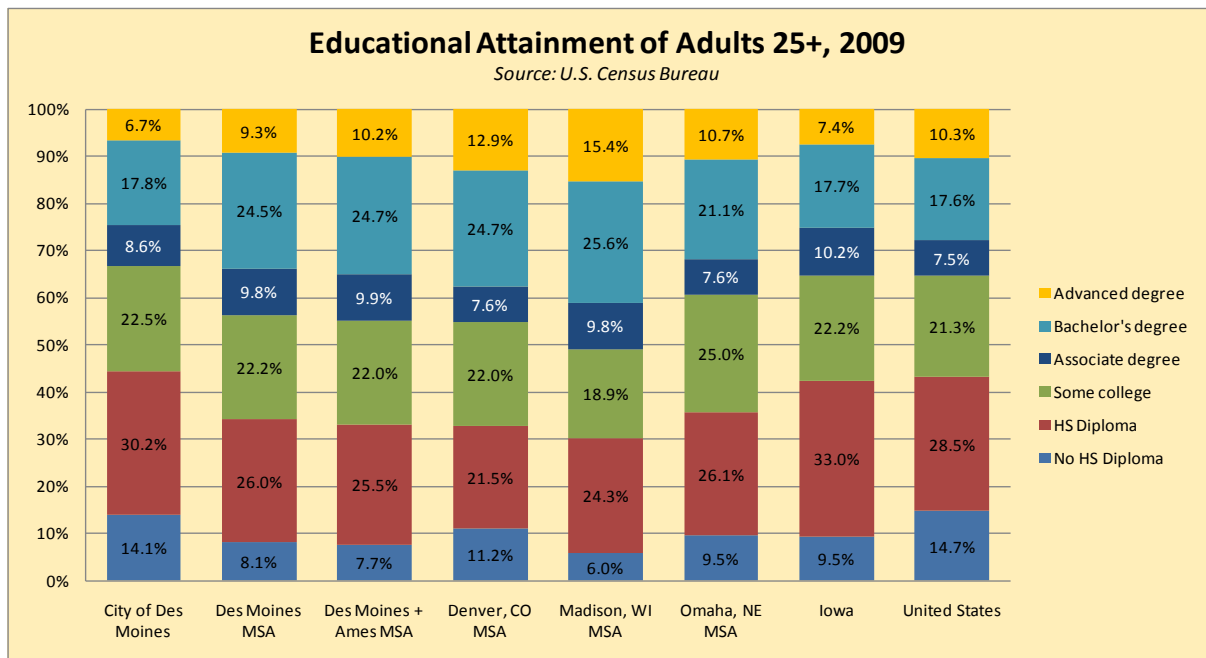
Source: U.S. Bureau of Economic Analysis via Moody's

Educational attainment is an important indicator of local competitiveness. Not only does degree-attainment strongly impact earning potential in the New Economy, but it also is one of the key determinants of a workforce's competitiveness by site consultants and expanding/relocating companies. Eight percent of the adults ages 25 and older in Greater Des Moines lack a high school diploma, a figure higher than in Madison (6.0 percent) but lower than in the remaining comparison communities, the state, and the nation.

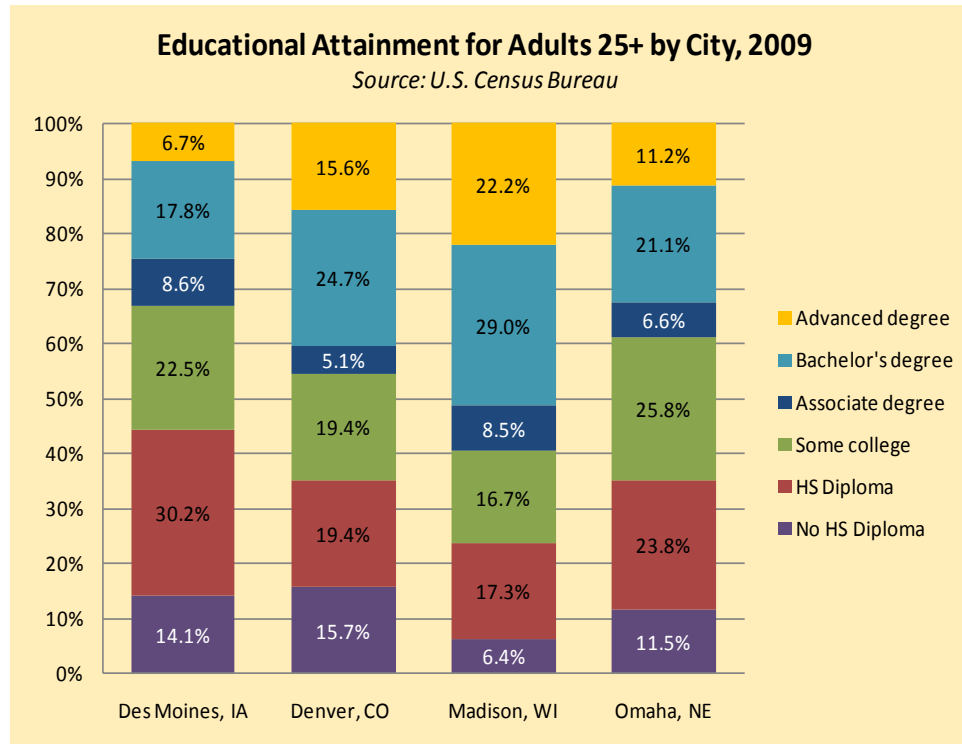
When the Ames MSA is considered, the percentage of adults without a high school diploma drops four-tenths of a percentage point, indicating that Ames has a higher

percentage of adults with at least a high school diploma than Des Moines. The city of Des Moines, while better than the national average, has a high proportion of adults without a high school diploma compared to the Des Moines MSA (14.1 percent).

Madison has the highest proportion of adults ages 25 and older with at least a bachelor's degree (41 percent). In the Des Moines MSA, 33.8 percent of adults have at least a bachelor's degree, a higher percentage than in Omaha (31.8 percent), the state (25.1 percent), and the nation (27.9 percent). Adding the Ames MSA to the scope raises this percentage by 1.1 percent. It is important to note that although Greater Des Moines surpasses the state in percentage of adults with an advanced degree, the region lags behind all comparison communities and the nation. The city of Des Moines has a lower percentage of adults with at least a bachelor's degree (24.5 percent) than in the MSA, the state, and the nation.



When compared with other core cities, only Denver surpassed the city of Des Moines in the percentage of adults without a high school diploma. While Des Moines does have a higher percentage of adults with only a high school or with some college experience than the other cities (52.7 percent), it has the lowest percentage of adults with at least a bachelor's degree (24.5 percent); Madison has the highest (51.2 percent) rate.



A number of employers participating in focus groups and interviews expressed concern about their ability to source enough top, skilled talent to fill their needs in the coming years. In addition to the challenge of attracting talent to Central Iowa, their confidence in the region's capacity to produce a sustainable "pipeline" of top talent is wavering.

YOUNG PROFESSIONALS ANALYSIS

Richard Florida's *Rise of the Creative Class* helped to draw attention to the linkages between quality of place and the attraction and retention of educated, skilled workers. He contends that communities that focus on improving the competitiveness of the "people climate" will be more effective at attracting and retaining these workers over the long-run. This includes everything from creating authentic neighborhood environments and urban centers to maintaining a strong university presence, cultivating diversity, maintaining an open-minded environment, and investing in urban parks, bike lanes, and off-road trails.

Greater Des Moines has made strong strides in its competitiveness for young professional retention and attraction, with entities such as the Greater Des Moines Partnership-affiliated Young Professionals Connection (YPC), destinations such as the Des Moines Social Club and promotional entities like the Des Moines Music Coalition working to improve the local climate for young professionals – and older professionals as well.

Online survey respondents, however, feel that the region does not do an overall good job of retaining and attracting young professionals. They rated most of Greater Des Moines' competitive assets for young professionals as good-to-average.

Young professionals, typically associated with adults age 25 to 39, are a coveted demographic because they are seen to possess more of the technical skills required by growing New Economy companies. Young professionals comprised 16 percent of the population of Greater Des Moines in 2009. This age bracket experienced the second highest growth rate (23 percent) from 2000 to 2009 in Greater Des Moines, behind only residents between the ages of 45 and 69 (32 percent). The region's growth in this age bracket surpassed Denver (14 percent), Madison (2 percent), Omaha (18 percent), the state (1 percent), and the nation (4 percent). Greater Des Moines strong showing on *Market Street's* Workforce Risk Index was partially a factor of this strong young professional cohort.

To look more closely at the young professional population in Greater Des Moines, *Market Street* analyzed several indicators, based on available, reliable data from the Census Bureau, and compared them to the region's general population.

Young professionals at both the city and MSA levels in Des Moines have higher percentages of residents without a high school diploma but also higher percentage of college graduates than the general population. This indicates a potential gulf in the region's YP cohort between low-skill and high-skill workers. A higher percentage of young professionals in the city of Des Moines and the metro area have bachelor's degrees than their national equivalents. Young professionals in Greater Des Moines are also more likely to hold an advanced degree than their peers nationwide.

Educational Attainment, 2009

	25-34			Total (25+)		
	City	MSA	US	City	MSA	US
No HS Diploma	15.1%	8.6%	15.0%	14.1%	8.1%	14.7%
HS Diploma	23.8%	17.5%	27.9%	30.2%	26.0%	28.5%
Some College	21.7%	22.0%	22.8%	22.5%	22.2%	21.3%
Associate Degree	10.5%	11.3%	7.2%	8.6%	9.8%	7.5%
Bachelor's Degree	23.2%	32.3%	19.9%	17.8%	24.5%	17.6%
Advanced Degree	5.7%	8.4%	7.2%	6.7%	9.3%	10.3%

Source: U.S. Census Bureau

Young professionals in Des Moines are also less likely to be in poverty than the general population. In the city of Des Moines, 14.7 percent of residents between the ages of 25 and 34 are in poverty, compared to 17.2 percent of all city residents. In the metro area, 8.0 percent of young professionals are in poverty, compared to 10.1 percent of all residents in Greater Des Moines.

Poverty, 2009

	2009
25-34, City of Des Moines	14.7%
25-34, Des Moines MSA	8.0%
25-34, United States	14.5%
Total, City of Des Moines	17.2%
Total, Des Moines MSA	10.1%
Total, United States	14.3%

Source: U.S. Census Bureau

The young professional age group has a higher civilian labor force participation rate than the general population. However, the employment rate of young professionals was lower in 2009 than that of the wider labor force. In the city of Des Moines, there is a 2.5 percent difference in the employment rate between young professionals and those employed between the ages of 16 and 69.

Employment Status, 2009

	25-34			Population, 16-69		
	City	MSA	US	City	MSA	US
Employed	90.8%	94.5%	89.9%	92.3%	94.3%	90.0%
Unemployed	9.2%	5.5%	10.1%	7.7%	5.7%	10.0%
Civilian LFPR	85.7%	88.9%	82.9%	78.7%	81.5%	72.4%
Not in Labor Force	14.2%	11.0%	16.9%	21.3%	18.4%	27.4%

Source: U.S. Census Bureau

The below chart shows that young professionals in the city of Des Moines are increasingly more likely to spend up to half of their income on rent, well below the Des Moines MSA's rate. The large increase from 1999 to 2009 could be indicative of growing numbers of YPs just out of college living in the city of Des Moines as well as a reflection of the city's overall increase in total poverty. Availability of affordable rental housing in Downtown Des Moines was said by YPs to be a key concern.

Percentage of Renters Spending 30 Percent or More on Rent, 1999 & 2009

	1999	2009	Change
25-34, City of Des Moines	31.3%	48.9%	17.6%
25-34, Des Moines MSA	27.8%	33.5%	5.8%
25-34, United States	34.0%	47.1%	13.1%
Total, City of Des Moines	36.4%	50.5%	14.2%
Total, Des Moines MSA	33.9%	40.8%	6.9%
Total, United States	39.9%	51.5%	11.7%

Source: U.S. Census Bureau

Young professionals were more mobile than the general population from 2008 and 2009. Although the 25-34 age group did not have a higher rate of residents who

moved from abroad, a higher percentage moved from a different county in Iowa or from another state than the population-at-large. This is important since as noted in the *Economic and Demographic Snapshot*, migration (international and domestic) accounts for over half the population growth in Greater Des Moines.

Geographic Mobility, 2009

	25-34			Total Population		
	City	MSA	US	City	MSA	US
No Move or Move within County	92.4%	91.5%	89.7%	94.0%	93.7%	94.0%
Moved from Different County, Same State	4.7%	4.7%	5.4%	3.4%	3.8%	3.2%
Moved from Different State	2.2%	3.4%	3.9%	1.6%	1.9%	2.3%
Moved from Abroad	0.7%	0.4%	1.0%	1.0%	0.6%	0.6%

Source: U.S. Census Bureau

Young professionals that have recently moved to Greater Des Moines – either as first-time or returning residents – said in public input sessions that they found the community welcoming and were surprised at the access provided to public and private leadership. The Young Professionals Connection serves a key role to connect these newcomers with the community and others of their age group. However, local YPs did note a divide between the more corporate YPC members and those with more alternative lifestyles.

YOUNG PROFESSIONALS: BENCHMARKING AND LOCAL PERSPECTIVE

Market Street's project-team partner, **Next Generation Consulting (NGC)** conducted an analysis of Greater Des Moines' young professional cohort from the perspective of its competitiveness against selected benchmark regions, conducted interviews with local young professionals and also assessed the results of an **online survey** targeted specifically towards YPs with an existing relationship to Central Iowa, either as students, graduates, former or current residents or a combination of these factors.

The young professional survey was available during the months of November and December 2010 and was disseminated to YPs through the YPC membership list, Facebook and Twitter posts, references in the local media and partnerships with Iowa State University, Grand View University, Simpson College, Drake University and Des Moines Area Community College who all sent a link to the survey to their students. The survey received a total of 792 responses. Specific demographic and response information from the survey is included in **Appendix D** of this report.

The following section therefore reflects NGC's methodology, analysis and perspective on the dynamics of Greater Des Moines' YP population.

GLOSSARY | A Guide to Terms Used In This Section

- ✓ **Young Professionals or "YPs,"** for the purpose of this section, are people aged 22-40. They are Greater Des Moines' future workforce and future community

leaders. Throughout the report, the terms “YPs” and “young professionals” are used interchangeably and extend to a growing class of young entrepreneurs.

- ✓ A **“Homegrown”** is a person who has lived her or his whole life in Greater Des Moines.
- ✓ A **“Boomeranger”** grew up in Greater Des Moines, moved away (possibly for post-secondary education or a job), and returned to the region.
- ✓ A **“Transplant”** is a person who did *not* grow up in Greater Des Moines, but moved to the region from somewhere else. Transplants usually relocate for educational opportunities, career reasons, quality of life, and/or to be closer to family. Increasingly, people are transplanting from one part of the world to another leading to a global flow of talent.
- ✓ A **“Next City™” or Community** is one that has the assets and amenities most likely to retain and attract a next generation workforce. Next Cities tend to have higher than average scores in most of the Seven Indexes (Earning, Learning, Vitality, Social Capital, Cost of Lifestyle, After Hours, and Around Town). Next Cities are talent magnets and also attract the companies that rely on top talent.
- ✓ **Next Generation Consulting or “NGC”** is the research and consulting firm that conducted the “YP” based research and analysis for this section as a member of the Capital Crossroads consulting team. They refer to themselves in the third person throughout this document, as either NGC or as Next Generation Consulting.
- ✓ A **Handprint** is NGC’s proprietary data-based scoring system that identifies a city’s assets and challenges in seven indexes that are valued by next generation knowledge workers.

RATIONALE | Why Does Next Generation Talent Matter?

A traditional measure of a region’s economic development is the number of jobs created or retained. But it’s not enough anymore. Talent clusters in the communities that have the assets and amenities they value. And people who are well educated and fully engaged will drive Greater Des Moines’ future prosperity.

If highly educated and skilled young professionals can live anywhere in the world, why should they choose Greater Des Moines? Is Greater Des Moines a Next City™?

Next Cities™ or Communities are places with the assets and amenities that attract and keep a young, educated workforce. Think bustling downtowns, walkable neighborhoods, diverse career opportunities, and a vibrant art and music scene. Next Cities are places the next generation proudly calls “home” because they nurture the attributes the next generation values. Such attributes arise from a culture of public-private sector collaboration, next generation engagement, and intentional planning. Next Generation Consulting groups these attributes into seven indexes:

- ✓ **Vitality** | How committed is Greater Des Moines to an active and healthy lifestyle? This index tallies water quality, air quality, physicians per capita, farmers' markets, and dog parks.
- ✓ **Earning** | High school guidance counselors tell students that they'll have between nine and eleven jobs in their lifetime. The Earning index measures Greater Des Moines' average household income, the percentage of jobs in the knowledge-based sector, and more.
- ✓ **Learning** | Is Greater Des Moines committed to high quality education for all of its residents? This index tallies educational expenditures, student-teacher ratio, educational attainment, Wi-Fi hotspots, and more.
- ✓ **Social Capital** | Great talent comes in every race, creed, and color. This index accounts for how open, safe, and accessible the region is to all people. It includes measures of diversity, integration, and crime rates.
- ✓ **Cost of Lifestyle** | Recent graduates and young professionals are just getting started in their careers, and for many, affordability is key. This index includes variables that encapsulate a roof over the head and food on the table.
- ✓ **After Hours** | There's more to life than work. This index counts the places to go and things to do after work and on weekends in Greater Des Moines.
- ✓ **Around Town** | How easy is it to get to where you want to go in Greater Des Moines? This index measures the region's "walkability," commute times, public transit usage, and more.

DISCOVER | What Did NGC Learn?

NGC's research focused on identifying Greater Des Moines' assets, challenges, and opportunities *as the next generation sees them*. NGC benchmarked the Greater Des Moines MSA against a set of peer regions in the Seven Indexes² and conducted in-depth interviews with a set of Boomerangers, Transplants, and Homegrowns.

NGC's research also included assisting in the design and analysis of a community-wide survey aimed at young professionals – both current and former residents – to capture their perceptions of the region and why they choose to live (or not live) in the Greater Des Moines/Central Iowa region. This report includes analysis and key findings from the Handprint scores, in-depth interviews, and the YP survey only.

Key findings of this research include:

- ✓ Des Moines ranks second among its peer group when averaging the seven index scores.

² The Seven Indexes are attributes that young talent use to evaluate a community: Vitality, Earning, Learning, Cost of Lifestyle, Social Capital, Around Town, and After Hours. These indexes are described on pages 2-3.

The following table shows the scores that comprise the Des Moines MSA Handprint compared to its seven peer regions³. Des Moines ranks second among its peer group when averaging the seven index scores for each region.

Overall Rankings									
Overall Rank	MSA	Vitality	Earning	Learning	Social Capital	Cost of Lifestyle	After Hours	Around Town	Avg. Score
1	Madison	10	8	9	7	2	10	7	7.57
2	Des Moines	6	4	5	7	8	5	5	5.71
3	Denver	5	5	5	8	3	5	6	5.29
4	Austin	3	7	6	5	5	5	5	5.14
5	Minneapolis	5	7	5	5	2	3	7	4.86
6	Omaha	5	5	4	2	6	3	6	4.43
7	Nashville	4	3	1	3	6	5	2	3.43
8	Indianapolis	2	1	4	2	6	5	1	3.00

The following figure shows Greater Des Moines' Handprint (in blue) compared to its peer regions average Handprint⁴ (in gray). When reading the previous table or looking at the following Handprint diagram, you can see that Greater Des Moines:

- Scores better than average in *Vitality*, *Social Capital*, and *Cost of Lifestyle*
- Scores at the average in *Learning*, *After Hours*, and *Around Town*
- Scores slightly below average in *Earning*

³ The "Peer Regions" selected by the project team were Madison, WI MSA; Denver, CO MSA; Austin, TX MSA; Nashville, TN MSA; Indianapolis, IN MSA; Omaha, NE MSA; and Minneapolis, MN MSA.

⁴ The "Peer Regions" selected by the project team were Madison, WI MSA; Denver, CO MSA; Austin, TX MSA; Nashville, TN MSA; Indianapolis, IN MSA; Omaha, NE MSA; and Minneapolis, MN MSA.

Des Moines MSA Handprint



Des Moines MSA Handprint



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Des Moines MSA		Peer Regions	
Vitality	6	Vitality	5
Earning	4	Earning	5
Learning	5	Learning	5
Social Capital	7	Social Capital	5
Cost of Lifestyle	8	Cost of Lifestyle	5
After Hours	5	After Hours	5
Around Town	5	Around Town	5

The larger the Handprint, the more attractive the region is for the next generation workforce. NGC's research indicates that regions with index scores of 7 and above, on a scale of 0-10, are well positioned to compete very effectively for highly qualified next generation talent. Scores falling between 4 and 6 indicate a community ranks about average, and scores falling below 4 indicate a community is well below average against its peer regions.

- ✓ **Greater Des Moines' scores in *Cost of Lifestyle*, *Vitality*, and *Social Capital* are key strengths that the region can build on in its efforts to attract and retain YPs.**

NGC recently pooled its 2008-2009 community survey data consisting of over 6,000 residents of communities across North America, from small communities of less than 50,000 to large communities of over 500,000. When asked to rate the importance of the Seven Indexes - from "Not at all Important" to "Very Important" - ***Cost of Lifestyle*** was ranked first, ***Earning*** was second, and ***Vitality*** was third. Against

its peer regions Des Moines ranked first in **Cost of Lifestyle**. A major highlight is that Greater Des Moines is the most affordable region of its peers in terms of student cost of living, which measures the cost of living for a student sharing an apartment and earning minimum wage. In **Vitality**, Greater Des Moines scored second highest in air quality and farmers' markets per capita (behind Minneapolis/St. Paul and Madison, respectively). The region should be highlighting its affordable cost of living, recreational opportunities, and healthy living amenities.

- ✓ **The perceptions residents (survey respondents) have of the region are not quite measuring up to what they value and may hinder the region's overall ability to attract and retain the next generation.**

"Maybe perception might still be a hurdle. There is a new vibrancy that people feel, but I think there's work to do on changing people's attitudes." (*Homegrown, Female*)

In the web-based survey, respondents were asked two questions about the Seven Indexes as they apply to Greater Des Moines: 1) How important are these attributes to you? (Value), and 2) How well does the region provide these attributes? (Perception). The following table ranks the Seven Indexes of a Next City™ according to residents' *value* and compares it to their *perception level* of the region.

Value vs. Perception of the Seven Indexes of a Next City™⁵

The Seven Indexes of a Next City	Value	Perception	Difference
COST OF LIFESTYLE: I want a community where I can afford to live, work, and play.	92.7%	74.1%	-18.6%
AROUND TOWN: I want to live in a community that's easy to get around in; I don't want long commute times.	81.3%	73.2%	-8.1%
EARNING: I want a broad choice of places to work and an environment that is friendly to entrepreneurs.	80.8%	56.6%	-24.2%
LEARNING: I want to plug into a community that offers life-long learning and values being 'smart.'	80.5%	63.9%	-16.6%
VITALITY: I value a vibrant community where people are 'out and about' using public parks, trails, and recreation areas, attending farmer's markets and living in a healthy community.	76.8%	58.9%	-17.9%
AFTER HOURS: I want to be able to find authentic local places to have dinner, meet for coffee, hear live music, or just hang out. I want to be able to attend art openings, theatre, and cultural festivals.	75.3%	61.0%	-14.3%
SOCIAL CAPITAL: I value living in a diverse community, where people are engaged and involved in community life.	62.9	53.4%	-9.5%

⁵ Blue highlighting indicates the closest matches between value and perception. Yellow highlighting indicates the greatest discrepancies between value and perception. The closer the difference is to "0," the better match. NGC recommends striving for a perception with less than a -15% variance.

As shown in the previous table, there is a perception gap in every index for the Greater Des Moines/Central Iowa region. Some gaps are less pronounced than others. For example, 81.3 percent of residents said that **Around Town** amenities are important in a community, and 73.2 percent agree that the region measures up in this index. The net result is a relatively small variance of -8.1 percent.

Furthermore, census data confirms residents' perception: the average commute time in the Des Moines metropolitan area is just under 20 minutes, compared to the U.S. average of 26 minutes. In other words, residents perceive the region to score well as a place where it's easy to get around town, and in fact, it is.

On the other hand, while 92.7 percent of residents value **Cost of Lifestyle**, only 74.1 percent agree that the region is affordable. This is an interesting perception gap because - based on handprint scores - the Des Moines MSA is clearly an affordable place to live in comparison to its peer regions and larger cities. However, with just over 50 percent of survey respondents being Transplants, having a better understanding of where comparisons are being drawn from would provide more insight into this perception's "reality". Many survey respondents did state "lower property taxes" and "more balanced wages versus cost of living" in their "one wish" open-ended responses.

Recent research by NGC shows that under-40s say **Earning** is the second most important factor when choosing where to live (just behind **Cost of Lifestyle**), with 90 percent of respondents saying that being able to find a job is either 'Very Important' or 'Somewhat Important.' As Table 2 shows, the Earning index has the highest perception gap with a -24.2 percent.

In both in-depth interviews and open-ended survey responses the need for more, diverse employment opportunities and higher paying jobs was indicated as a "wish" for the region. Support for small business start-ups and entrepreneurs was also indicated as a short-fall in the region. In fact, the MSA ranked 7 out of 8 in Venture Capital Investments in comparison to peer regions.

"[A challenge is] Making sure we're positioning ourselves with an economic base that's diverse enough so we're not too reliant on any one industry." (*Transplant, Male*)

Finally, although Greater Des Moines' Handprint score in **Vitality** exceeds the peer region average there is a discrepancy between reality and perception. Only 58.9 percent of survey respondents agree that the region measures up in this index. This discrepancy reflects a possible underutilization of the region's parks, trails, and other recreational assets. This could be caused by a lack of connectivity of the trails and parks to other regional assets such as cultural and commercial destinations.

Despite having good assets in the **Vitality** index that allow residents to live a healthy lifestyle, the underutilization of these assets fuels poor perceptions of Vitality in the region and needs to be addressed.

- ✓ **Key challenges the region needs to address include higher paying jobs, cultural and after hour amenities, and greater accessibility using alternative modes of transportation.**

Handprint scores and survey responses indicate the need for stronger, more diverse career opportunities (*Earning*) that will attract young, top talent. Greater Des Moines did earn the highest score relative to its peers in future job growth (33.5%) and also had a relatively low unemployment rate compared to its peers (August 2010 unemployment was 6.5, compared to a peer average of 7.2). However, Greater Des Moines' unemployment rate has actually risen significantly compared to its peers over the last year (from 5.6 to 6.5), which is why the region received a low score in "employment stability."

Greater Des Moines also scored slightly below average against its peer regions in the percent of knowledge workers (38.5 percent) and average household income (\$56,954). However, both scores are above the State and national averages.

In the *After Hours* index, the Des Moines MSA Handprint score is equal to its peers. Within that index, however, the region scored below average in the number of arts, entertainment, and recreation establishments as well as independent coffee shops and local music shows per capita. In the future, the region should also work hard to ensure that *After Hours* amenities are densely clustered. This enhances the city's walkability (*Around Town*) and creates a sense of an after hours' scene.

Finally, while the region's short commute times and low traffic are amenities to be highlighted in attracting and retaining the next generation, public transit options and bike friendliness could be improved in the region to help make it more attractive to young knowledge workers and students.

- ✓ **Overall, residents are committed to the Greater Des Moines/Central Iowa region but they are not "ambassadors" of the region.**

Will the next generation stay in the Des Moines area, or leave?

Just over a third of the residents (35.2 percent) said they plan to stay in the community for 10 or more years. Another third (36.5 percent) indicated they plan on leaving within 10 years and 28.3 percent were unsure.

What does the next generation say about living in the region? Do they recommend the Des Moines area to friends and family members?

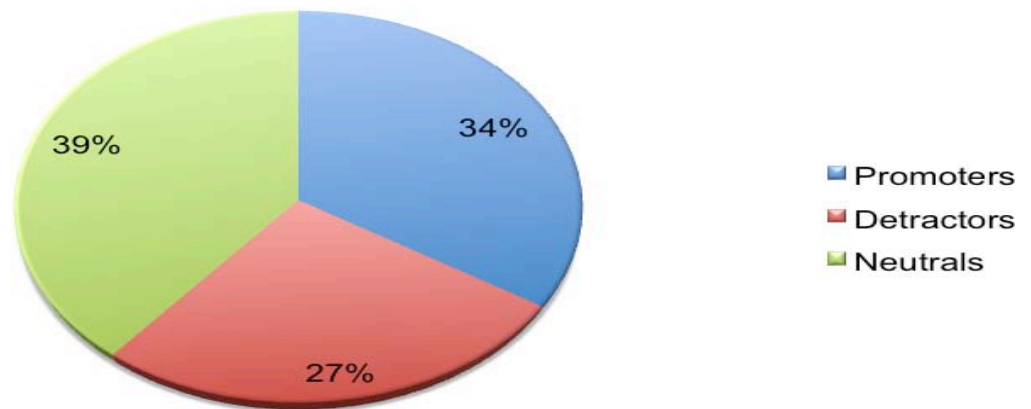
"I think the biggest weakness that we need to focus on -- and we are - is telling people about Des Moines and telling people about the great things here, and really we're being our own champions and vocalists in doing that." (*Homegrown, Male*)

NGC uses the Net Promoter Score (NPS)⁶ to measure respondents' likelihood – on a scale of 0 to 10 – to promote the Greater Des Moines/Central Iowa region to friends or family who are considering relocating.

Respondents who rate their likelihood of promoting the region with a 9 or 10 are considered “promoters.” Respondents who give a score of 6 or less are considered “detractors.” Scores of 7 or 8 are considered neutral and do not count toward the NPS. We calculate the NPS by subtracting the percentage of detractors from the percentage of promoters, as follows: Net Promoter Score (NPS) = % Promoters – % Detractors

For residents in Greater Des Moines/Central Iowa region, 34% were promoters and 27% were detractors, resulting in an NPS of 7%.

Net Promoter Score (NPS) Percentages



1. YPs think the region needs to promote itself better, to displace the stereotype that it is a boring, Midwestern, farming community.

Interviewees indicated that the region, and perhaps the state of Iowa itself, is still impacted by stereotypes and negative perceptions. The region needs to do a better job of telling its “truth” and story.

“I knew a little about Iowa from having visited in-laws in Keokuk, but before I moved here not much at all. I recognized it from the caucuses. You think it is covered in corn.” (*Transplant, Male*)

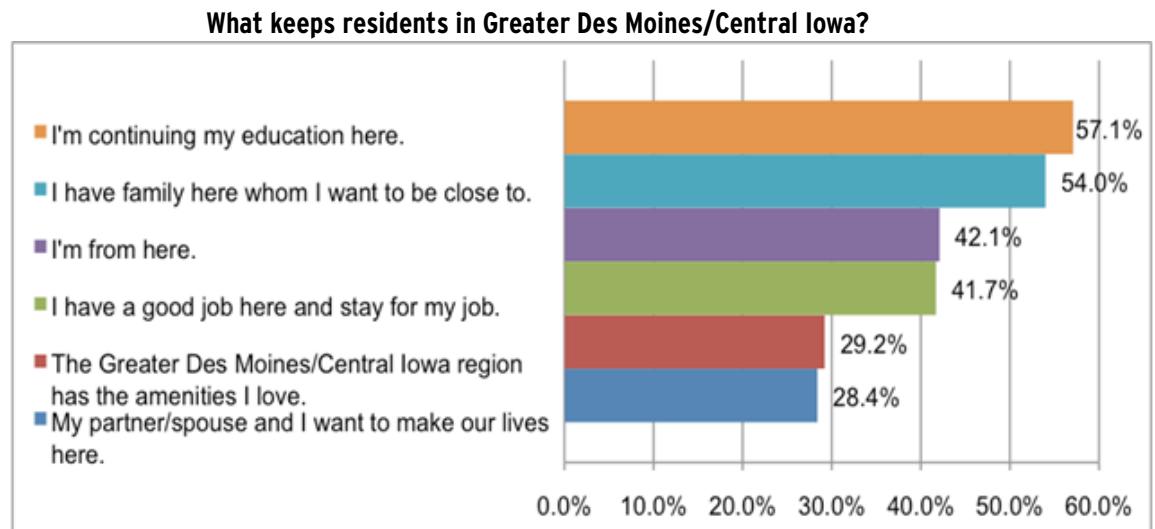
⁶ The Net Promoter Score is based on years of research on customer loyalty and profitability spanning several industries and decades. To learn more about the Net Promoter Score and how it's being used by a variety of industries, see <http://www.netpromoter.com/>.

Regional leaders need to be conscious of the differences between the region's strong agricultural identity and Des Moines' urban core and find a balance when promoting the region's assets.

"We're known as an agricultural state, and we're proud of that. People don't necessarily know that downtown Des Moines is a much different environment than farms that are half an hour north of here." (*Homegrown, Female*)

2. Family connections keep people in the region, and bring Boomerangers back.

Residents were asked what keeps them in Greater Des Moines/Central Iowa region. The following chart shows that being close to family was the second most popular response at 54.0 percent:



In addition, when Boomerangers were asked what factors attracted them back to the region, "family is there" was the most popular response at 79.7 percent.

In fact, during in-depth interviews all interviewees indicated that a connection with family is what led them to stay, relocate, or brought them back to the region.

"I grew up in Des Moines and I live in West Des Moines now. I boomeranged back to Des Moines. My wife and I met here and we both went to school on the East Coast. We chose to move back basically to be closer to our family..." (*Boomeranger, Male*)

3. Young Professionals value how easy it is to get involved in the community, and the accessibility of the region's leaders, however feel the YP "voice" needs to be more accepted and integrated.

In interviews conducted by NGC and focus groups conducted by *Market Street*, participants shared their perception that the region's leaders are accessible and open to YP involvement.

"In terms of getting plugged into the broader community, the community leaders here are accessible. I've found them to be more than willing to help...I found it to be a good community spirit throughout and everyone seems to have the common goal of making the city a better place to work." (*Boomeranger, Male*)

However, although interviewees agree that area leaders are accessible, they don't feel they are inclusive of the YP "voice". In order to make the Greater Des Moines/Central Iowa region an even more appealing place for young people, young professionals from diverse backgrounds need to have a seat at the table.

"As much as there is a willingness to collaborate and the opportunity to sit down with the CEOs and business leaders, it needs to happen more. There needs to be more of an understanding and more of a conversation between the "old guard" and some of the young professionals who are passionate about making Des Moines better." (*Homegrown, Male*)

"While the leaders are open to reaching out to young professionals, I don't feel that they (YPs) are invited to stand side-by-side with them. I feel like by trying to get young professionals involved you can get new ideas brought to the table. Des Moines leaders could do a better job of inviting young professionals to the [decision making] table". (*Homegrown, Female*)

4. The Des Moines metro has the potential to be a Next City™, a magnet for top talent, but will have to attract and retain talent in different ways than many of its peer cities.

In this project, the Des Moines metro chose to benchmark itself against several great, award-winning U.S. cities. This is commendable; it sets a high bar, and invites a spirited discussion of what makes cities great.

In NGC's opinion, it's important that benchmarking is not taken too far. Des Moines, for example, should not set out to be "the next Austin." Austin has a large research university, is situated in a state that gains 1,100 new citizens each day...and has a lot of traffic.

Austin became a great city for many reasons. Two stand out, and these may be instructive for the Des Moines metro.

First, Austin capitalized on its natural differentiators and strengths, e.g. being a liberal college town in a conservative state. Hence the tagline, “Keep Austin Weird.” Secondly, Austin invented a few bellwether experiences to reinforce its brand as a cool town. These include the 6th Street music scene, and SXSW.

The Des Moines metro has many strengths to capitalize on: ***Vitality, Around Town, Social Capital,*** and ***Cost of Lifestyle.*** A key question moving forward is, “How can the region leverage these strengths, and create additional storylines to support them?”

KEY FINDINGS

Talent Development

- ✓ Iowa ranks 14th nationally in the percentage of four-year olds served by pre-K programs, but significantly trails the percentages of top U.S. states.
 - Des Moines area residents are pleased with pre-K services but would like them to be available to far greater numbers of children. Governor Terry Branstad is set to propose that pre-K funding be need-based as opposed to universally available.
- ✓ Des Moines Public School enrollments have declined while those in the region have increased notably. The Des Moines district has among the lowest percentage of students eligible for free and reduced lunch compared to the benchmark regions, but is nearly double the Des Moines MSA’s percentage.
 - Among Metro Des Moines school districts, Des Moines Public Schools have the lowest graduation rates and the lowest proficiency percentages in subject-specific standardized tests. Local leaders and stakeholders support measures the district is taking to improve student performance but are concerned that perceived issues in the city’s schools will continue to drive families-of-means to the region’s suburbs.
 - Many stakeholders would like to see Greater Des Moines implement more alternative campuses such as charter schools and career academies, but state funding laws and policies, as well as regional parochialism, are said to limit this possibility.
- ✓ Central Iowa has more college students per capita than all the comparison regions except for Madison. It also has the highest percentage increase in enrollment.
 - Iowa State University confers roughly half of all the degrees awarded in Central Iowa. The presence of one of the nation’s top agricultural research institutions in Central Iowa is a key competitive asset.
 - All of the region’s colleges and universities are well regarded by residents, with Drake University achieving the highest ratings among online survey respondents.

- Des Moines Area Community College (DMACC) is a key asset in the region's workforce development system and receives high marks from input participants in focus groups, interviews and the online survey.
 - Certain high-demand DMACC degree programs have long enrollment wait times due to capacity constraints.
- ✓ Greater Des Moines and Central Iowa has a competitive array of workforce development resources, but there is reportedly a lack of awareness of certain of these resources by potential individual and business clients.
 - The regional workforce system in Central Iowa is still transitioning from the scandal-plagued dissolution of the Central Iowa Employment and Training Consortium in 2007. Central Iowa Works, a public-private entity created to develop career pathways for the region's largest employment sectors will need to function effectively alongside the Central Iowa (Region 11) Regional Workforce Investment Board (RWIB), which is finalizing its strategic mission and direction.
- ✓ Greater Des Moines has the most sustainable workforce among all the comparison regions as measured by *Market Street's* Workforce Risk Index. This should allay immediate fears of a workforce shortage in Central Iowa in the coming years.

Socio-Economics

- ✓ The Des Moines MSA's total poverty rates are lower than all its peer regions; youth poverty rates are more comparable with the comparison areas.
 - Total poverty in the city of Des Moines is lower than all regions except Omaha, but its youth poverty rates trail only Denver. Des Moines' youth poverty rates increased faster than all the comparison cities from 1999 to 2009.
 - Input participants fear that the Greater Des Moines region is "hollowing out" as the city increasingly must provide services for a lower-income population while its tax receipts are diminishing due to investor preferences for the region's suburbs.
- ✓ Greater Des Moines and Central Iowa's average per capita incomes are higher than Iowa and the U.S. but lower than all the comparison regions. They have also increased at a slower rate than the benchmark areas from 2005 to 2008.
- ✓ Educational attainment percentages (Bachelor's degree and above) in Central Iowa are slightly above metro Omaha's rates, but trail the Denver MSA figure and are significantly lower (6%) than metro Madison.
 - Attainment figures are much lower at the city of Des Moines level and trail all the comparison cities by multiple percentage points. Thus, a higher percentage of college-degreed adults reside in Greater Des Moines' suburbs than the city proper.

- ✓ Analysis specific to Greater Des Moines and Central Iowa's young-professional (YP) cohort showed that the region's percentage of 25-34 year old residents grew faster than all the comparison regions.
 - Greater Des Moines scored well in project team member Next Generation Consulting's overall YP capacity index. Though behind Madison, the Des Moines MSA finished with a higher score than Denver, Austin, Nashville, Indianapolis, Omaha and Minneapolis-St. Paul.
 - However, the local perception of this competitive advantage is still lacking. Young professional residents are committed to Greater Des Moines, but they are not yet "ambassadors" for the region.

PROSPERITY

This section will analyze the Des Moines and Central Iowa region's economic competitiveness and its ability to generate employment and wealth. Key trends in employment, labor force, and wage dynamics will be complemented by a more detailed analysis of business climate, business costs, and small business and entrepreneurial activity. A breakdown of employment and relative concentration by sector will provide a first look at the region's industrial mix. Business composition will be examined in greater detail in the forthcoming *Target Cluster and Marketing Analysis*.

Key findings from the *Economic and Demographic Snapshot* related to the region's economic performance include:

- ✓ Des Moines MSA lost fewer jobs over the last year (-1.8 percent) than the comparisons, and gained more over the last 5 years (4.2 percent).
- ✓ Sixty-five percent of the jobs in Central Iowa (261,650) are located in Polk County. Story County comes in as second largest in terms of jobs with 40,074.
- ✓ The 2009 annual unemployment rate in Greater Des Moines (5.6 percent) was less than all comparison geographies except Madison, WI (4.9 percent). The unemployment rate in the city of Des Moines at that time was 6.8 percent.
- ✓ Among the 20-69 year old age group, Greater Des Moines showed the second strongest labor force participation rate in 2009 (72.9 percent) among the comparison geographies, after Madison, WI (73.5 percent).
- ✓ In 2009, annual average wages in Greater Des Moines (\$44,073) surpassed those of Central Iowa (\$41,938), Madison (\$42,861), Omaha (\$40,555), and the state (\$37,158).
- ✓ In Central Iowa, Polk County offers the highest annual average wage (\$45,184), followed by Dallas County (\$41,495), and Story County (\$39,301).
- ✓ Relative to the state and benchmark regions, Des Moines MSA had a strong percent increase in entrepreneurs (called sole proprietorships by the Census Bureau) at 8.9 percent from 2004 to 2008.
- ✓ Receipts per entrepreneur in Greater Des Moines (\$43,850) are above state and national figures and have exhibited solid growth (12.7 percent).

PERFORMANCE AND STRUCTURE

The Great Recession has impacted every community in this country, with many affected by widespread job losses and rising unemployment. This section will explore economic dynamics in Greater Des Moines and Central Iowa (for certain key indicators) as well as its resiliency through the economic downturn.

Greater Des Moines has steadily improved its ranking in the Milken Institute's Best Performing Cities, an index that ranks MSAs by job creation, salary dynamics, and economic growth. The Des Moines MSA ranked #33 of the 200 largest metros in the nation in 2010, up from #44 in 2004. Greater Des Moines ranked higher than the comparison communities in the following areas: five-year job growth, five-year wages and salaries growth, and job growth between April 2009 and 2010. The region ranked lower than all comparison communities, however, in high-tech GDP location quotients and number of high-tech GDP location quotients over 1.0.

Milken Best Performing Cities, 2010

	Des Moines MSA		Denver MSA		Madison MSA		Omaha MSA	
Overall Rank and Rank Change	#33 (44 in 2004)		#63 (130 in 2004)		#31 (43 in 2004)		#46 (163 in 2004)	
	Score	Rank	Score	Rank	Score	Rank	Score	Rank
5-yr Job Growth (2004-2009)	106.6	23	103.05	55	101.36	77	104.34	43
1-yr Job Growth (2008-2009)	102.13	21	99.91	92	101.64	36	102.16	20
5-yr Wages & Salaries Growth (2003-2008)	104.22	50	101.44	68	99.13	100	99.6	95
1-yr Wages & Salaries Growth (2007-2008)	101.08	56	101.03	62	101.29	48	100.98	66
Job Growth (Apr 09 - Apr 10)	-1.16%	71	-2.43%	159	-1.72%	110	-1.21%	76
5-yr High-Tech GDP Growth (2004-2009)	100.2	81	97.05	99	121.67	13	100.62	76
1-yr High-Tech GDP Growth (2008-2009)	100.27	70	96.88	145	102.64	35	97.57	127
High-Tech GDP LQ - 2009	0.71	146	1.93	14	1.43	41	0.97	90
# of High-Tech GDP LQs Over 1 - 2009	4	146	13	12	10	42	6	100

Source: The Milken Institute

U.S. average = 100.0

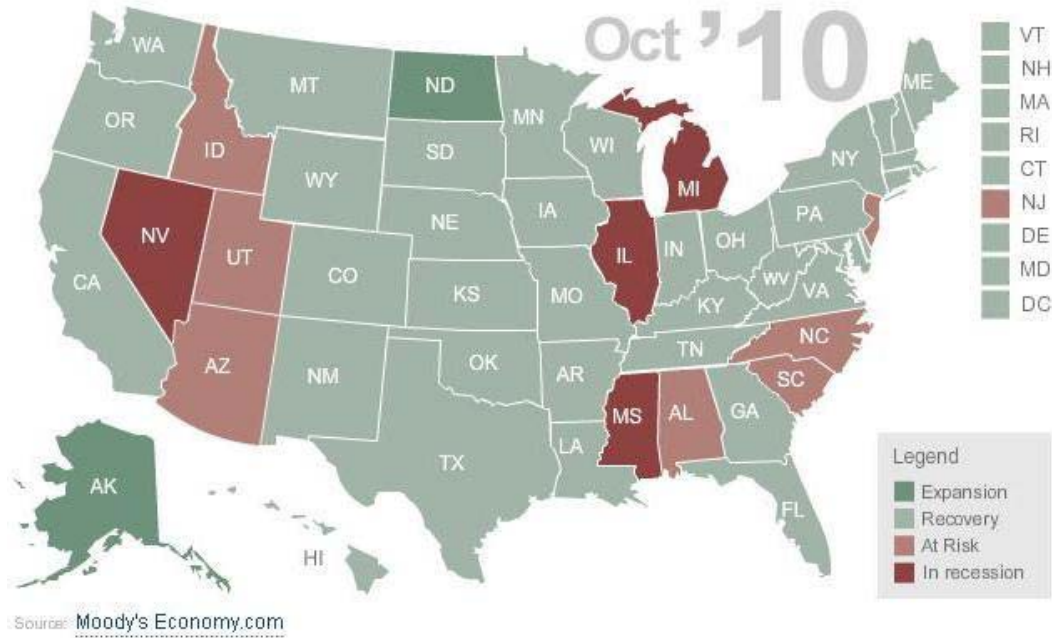
Rank among the largest 200 metro areas nationwide

Input respondents were disheartened that Greater Des Moines' numerous high rankings on "top lists" have failed to markedly change the external perception of the region. While much work has been done to market metro Des Moines' assets, input participants said even more must be done to bring outsiders' perceptions of the region in line with its reality.

The following map illustrates the Adversity Index by Moody's Economy.com and msnbc.com, which gauges the economic health of every state and metro area in the U.S. The index is based on changes in employment, housing starts, industrial production, and house prices. Each geographic area is judged to be in recession, at risk of recession, recovering from recession, or expanding. To minimize the effects of one-month spikes, the information is smoothed, usually by applying a three-month moving average. The resulting indicator shows marked trends in an area's economic activity, without making too much of temporary differences.

According to the Index, the state of Iowa is currently in recovery, as is the Des Moines MSA, which ranks 55th of 392 metro areas in employment growth. However, the Ames MSA, ranking 310th of 392 metro areas, is at risk, a transition phase indicating the economy is at risk of recession. All comparison communities and their corresponding states are considered in recovery by this Adversity Index.

Moody's and msnbc.com Adversity Index



EMPLOYMENT AND WAGE DYNAMICS

The following table shows total employment between the first quarters of 2001 and 2010, the most recent available data from the U.S. Bureau of Labor Statistics (BLS). Overall, Greater Des Moines experienced job growth of 6.97 percent between the first quarters of 2001 and 2010, and 4.16 percent between 2005 and 2010; this was significantly higher than all comparison geographies. The Central Iowa region also experienced job growth in both time periods examined.

Employment, First Quarters 2001, 2005, 2010

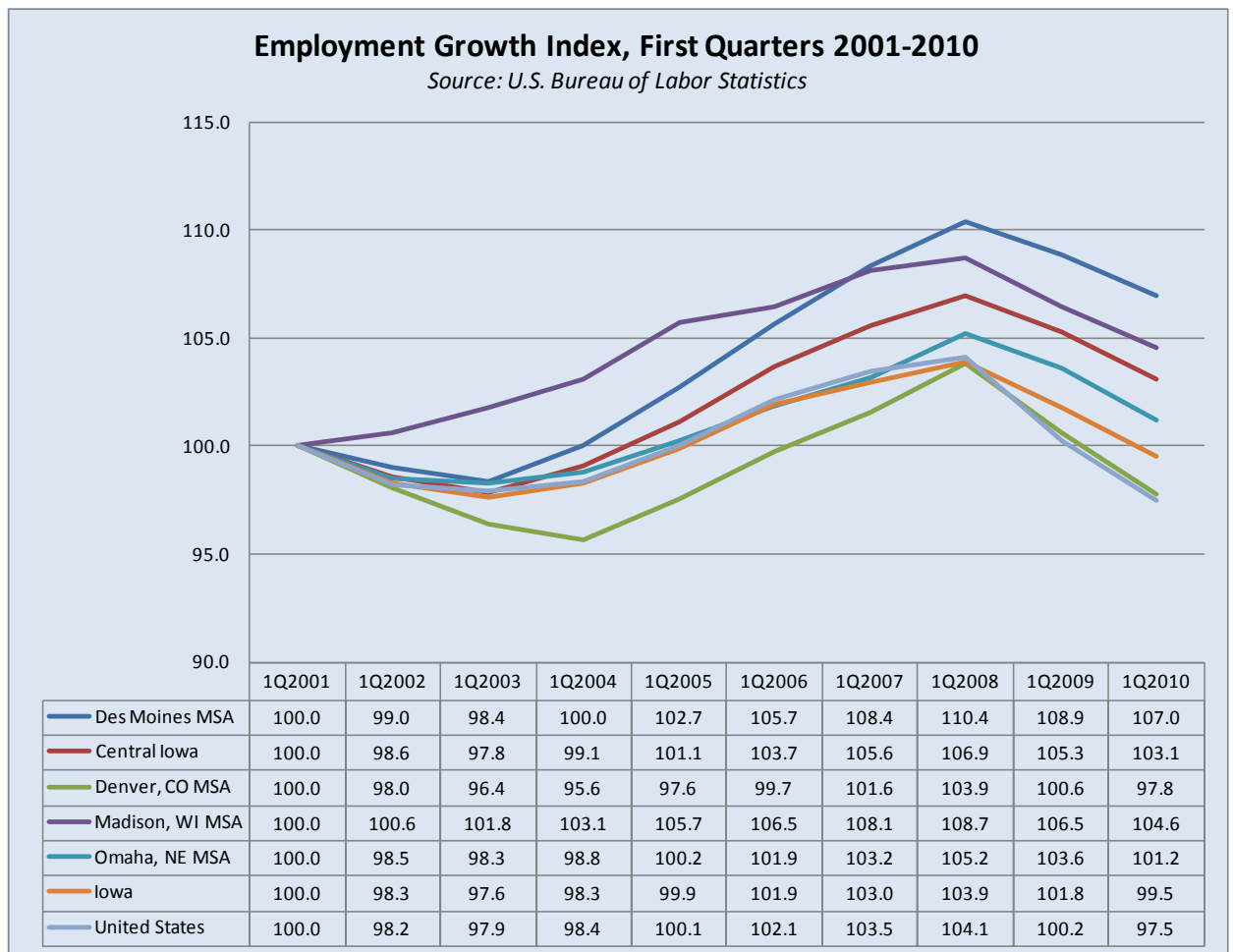
	1Q2001	1Q2005	1Q2010	Change, 2001-2010	Change, 2005-2010
Des Moines MSA	287,021	294,766	307,036	6.97%	4.16%
Central Iowa	387,667	392,019	399,661	3.09%	1.95%
Denver, CO MSA	1,176,338	1,147,520	1,150,198	-2.22%	0.23%
Madison, WI MSA	303,725	321,023	317,666	4.59%	-1.05%
Omaha, NE MSA	418,699	419,698	423,708	1.20%	0.96%
Iowa	1,408,603	1,407,492	1,401,952	-0.47%	-0.39%
United States	128,812,186	128,889,163	125,568,636	-2.52%	-2.58%

Source: U.S. Bureau of Labor Statistics

Online survey respondents either strongly agreed (62.8%) or agreed (29.9%) that their businesses will remain in the region for the long term. They also felt good about their ability

to find quality employees. Opinions were also favorable - yet less so - related to receiving the support from government and economic development entities needed for their companies to grow.

The following chart shows total employment growth for Greater Des Moines, Central Iowa, and the comparison communities indexed from the first quarter of 2001 through Q1 2010. Indexing is a way to compare growth dynamics among geographies of different sizes. The Des Moines MSA overtook the Madison region in mid-decade and has tracked higher than all the comparison areas through 2010. Central Iowa's economy was slightly less robust, but still stronger than all areas but Madison.



Source: U.S. Bureau of Labor Statistics
2001 = 100

Metro Des Moines stable growth points to effective regional efforts to manage and implement economic development programming.

Local economic development professionals were happy with the level of cooperation between not only local developers but also local staff and Greater Des Moines Partnership economic development officials. Coordination was said to exist during meetings with prospects, external marketing trips and lobbying missions, distribution of leads and prospects from the Partnership to local entities, existing-business visits and follow up activities, leveraging of top local executives as “ambassadors” for potential prospects, and talent-development efforts. Elements that were said to need attention were a more information-rich presence on the Partnership website for local community data and resources as well as better follow up communications related to prospects and projects that chose not to locate in Greater Des Moines communities. Mentoring of potential new leaders by existing executives was also said to be sub-optimal as well as connecting younger students and soon-to-be graduates with potential Central Iowa career paths. Finally, the identification of attraction prospects from the supply chains of local companies also demands greater programmatic attention.

Key competitive concerns identified by local economic development professionals include the “neutral” – often poor – external image of Iowa, the lack of direct connectivity and high airfares of Des Moines International Airport, job-creation thresholds that prevent the use of state incentives for certain prospects, the overemphasis on job-creation totals versus capital investment when assessing incentives-provision, and the quality/quantity of talent in certain key occupational categories like engineering and IT.

The following chart shows average annual wages for Greater Des Moines, Central Iowa, the benchmark regions, Iowa, and the United States. In 2009, the average annual wage in Greater Des Moines was \$44,073, while the average wage in Central Iowa was \$42,364. The average wages in Greater Des Moines trail the national average but are higher than all other comparison geographies except metro Denver.

Annual Average Wage, 2001, 2005, 2009

	2001	2005	2009	Change, 2001-2009	Change, 2005-2009
Des Moines MSA	\$34,012	\$39,760	\$44,073	29.58%	10.85%
Central Iowa	\$32,697	\$38,047	\$42,364	29.57%	11.35%
Denver, CO MSA	\$42,196	\$45,940	\$51,733	22.60%	12.61%
Madison, WI MSA	\$33,231	\$38,210	\$42,861	28.98%	12.17%
Omaha, NE MSA	\$31,584	\$36,329	\$40,555	28.40%	11.63%
Iowa	\$28,837	\$33,070	\$37,158	28.86%	12.36%
United States	\$36,219	\$40,677	\$45,559	25.79%	12.00%

Source: U.S. Bureau of Labor Statistics

Greater Des Moines also boasts higher wage growth rates between 2001 and 2009 than all comparison geographies. From 2005 to 2009, however, Greater Des Moines growth rate lagged behind all of the regions examined.

Bankruptcies and Credit

The collapse of U.S. financial and housing markets beginning in late 2008 had a drastic impact on family budgets and business budgets alike, causing a rising tide of foreclosures and bankruptcy filings in most communities. This section discusses some timely indicators which show how the recession has impacted the personal and business wealth of Greater Des Moines residents and business owners.

The following chart shows the number of bankruptcies per 1,000 establishments filed in the first quarter of the last three years in Greater Des Moines and the comparison regions. While bankruptcy rates were higher in Greater Des Moines than they were statewide in first quarter 2010, local rates are lower than all other comparison areas except Omaha.

Business Bankruptcies (per 1,000 establishments), 3-Year Trends

	Rate per 1,000 Establishments			Q1 2010	
				Total Business Bankruptcies	Total Establishments (Thousands)
	Q1 2008	Q1 2009	Q1 2010		
Des Moines, IA MSA	3.3	5.3	5.4	97	17,965
Denver, CO MSA	4.9	7.6	10.6	896	84,232
Madison, WI MSA	3.1	4.0	5.8	91	15,715
Omaha, NE MSA	5.6	5.4	5.3	124	23,578
Iowa	2.7	4.1	3.8	353	94,041
United States	3.4	5.5	6.8	61,148	9,043,609

Source: U.S. District Courts and the U.S. Bureau of Labor Statistics via Moody's Economy.com

The number of bankruptcies per 1,000 residents filed in first quarter 2010 in Greater Des Moines, like business bankruptcies, was higher than the statewide figure. However, the personal bankruptcy rate in Greater Des Moines was lower than that in the remaining comparison areas except Madison.

Personal Bankruptcies (per 1,000 residents), 3-Year Trends

	Rate per 1,000 Residents			Q1 2010	
				Total Personal Bankruptcies	Population Estimate (Thousands)
	Q1 2008	Q1 2009	Q1 2010		
Des Moines, IA MSA	3.2	3.6	4.4	2,497	565
Denver, CO MSA	3.7	5.0	6.6	16,896	2,574
Madison, WI MSA	2.2	2.9	3.6	2,060	574
Omaha, NE MSA	3.6	4.1	4.5	3,815	853
Iowa	2.4	2.7	3.3	10,021	3,015
United States	2.9	3.8	4.8	1,470,849	309,255

Source: U.S. District Courts and the U.S. Bureau of Labor Statistics via Moody's Economy.com

Relatively low personal and bankruptcy rates, solid standing on Milken's Best Cities ranking and Moody's Adversity Index, and high employment growth and low unemployment compared to benchmark communities as noted in the *Economic and Demographic Snapshot*, point to a regional economy in Des Moines and Central Iowa poised to emerge from this recession in a competitive position.

Major Employers

Greater Des Moines benefits from its position as the home of several major financial services firms, including Wells Fargo (the region's largest employer), Principal Financial Group, and Nationwide. Other important business sectors for the region include agricultural firms, food processing firms, and logistics firms.

Greater Des Moines' Largest Private Employers, 2010

Employer	Product or Service	Employees
Wells Fargo & Co.	Financial Services	11,900
Principal Financial Group	Financial Services	7,094
Iowa Health - Des Moines	Healthcare	6,873
Mercy Medical Center - Des Moines	Healthcare	4,950
Nationwide/Allied Insurance	Insurance	4,268
MidAmerican Energy Company	Energy Services	3,653
CDS Global	Magazine & Product Fulfillment, Data Capture, Direct Marketing Services	3,000
JBS Swift	Pork Processing and Packaging	2,300
Pioneer Hi-Bred, a DuPont Business	Crop Inputs for Worldwide Agribusiness	2,000
Marsh	Insurance	1,700
Hy-Vee Food Stores Inc.	Retail Grocery and Drugstore Chain	1,672
Wellmark Inc.	Insurance	1,660
UPS	Logistics and Distribution, Transportation and Freight	1,600
Firestone Agricultural Tire Company	Agricultural Tires	1,500
John Deere Des Moines Works	Agricultural Machinery	1,400
EDS Corp.	Global Technology Services	1,200
Emerson Process Management - Fisher Division	Control Valves and Systems/Headquarters	1,200
Qwest Communications	Telecommunications	1,200
EMC Insurance Companies	Insurance	1,198
FBL Financial Group Inc.	Insurance and Investments	1,150
John Deere Credit Company	Consumer Financial Services	1,100
Casey's General Store, Inc.	Gasoline, Prepared Food, Groceries	1,076
Aviva USA	Financial Services	1,062
Prairie Meadows Racetrack and Casino	Slot Machine and Table Game Casino	1,052
Lennox Manufacturing, Inc.	Heating and Air Conditioning	1,030
Meredith Corporation	Magazine and Book Publishing and Media	1,000
Tyson Fresh Meats	Chicken, Beef, and Pork Processing and Marketing	1,000

Source: Greater Des Moines Partnership

Business retention and expansion (BRE) efforts are taking place in Greater Des Moines, largely coordinated by the Greater Des Moines Partnership working with local economic development departments and officials. While some businesses said they are happy with the level of attention they are receiving, others noted that the questions asked by interviewers were not directed strongly enough to the support they needed to most effectively grow their businesses. One business person said, "What can we do to help you expand' has rarely been asked in a serious manner." When aware of expansion opportunities - or approached by businesses for specific assistance - regional and local economic development entities were said to be very effective in advancing needed efforts, but this support was often more reactive than proactive, according to certain input respondents.

Employment, Wages, and Location Quotients by Sector

Location quotients are an effective means of determining the comparative strength of an employment sector in a community compared to a larger area. Location quotients (LQ) are ratios representing the strength of a local business sector in relation to the national average. They are represented formulaically as:

$$LQ = \frac{(\text{Regional Employment in Sector} / \text{Total Regional Employment})}{(\text{National Employment in Sector} / \text{Total National Employment})}$$

If a location quotient is greater than 1.00, the area has a larger share of employment in that sector than the nation. A LQ greater than 1.00 suggest sectors for which the economy has developed strength, indicating a possible comparative advantage. Conversely, if a location quotient is less than 1.00, this indicates a smaller regional share of employment than the nation.

The following tables show private employment, location quotients, and average wages for Greater Des Moines and Central Iowa in the first quarter of 2010, the most recent data available. **Greater Des Moines** has location quotients greater than 1.0 in six of the 18 private business sectors. Those include finance and insurance (3.36), wholesale trade (1.24), information (1.18), arts, entertainment, and recreation (1.18), management of companies (1.09), and administrative and waste services (1.03). Four of these sectors (finance and insurance, wholesale trade, information, and management of companies) pay annual wages that exceed the regional average and are considered key New Economy employment categories. While all sectors except administrative and waste services have experienced job losses in the last three years, four (finance and insurance; arts, entertainment, and recreation; management of companies; and administrative and waste services) have seen sustained growth

Central Iowa has location quotients greater than 1.0 in five business sectors: finance and insurance (2.79), wholesale trade (1.16), information (1.14), arts, entertainment, and recreation (1.06), and retail trade (1.01). Of these, finance and insurance and arts, entertainment, and recreation have experienced job growth since the first quarter of 2005 with wholesale trade and retail trade impacted by declines in consumer confidence. Subsector dynamics will be further explored in the *Target Business Review*.

Greater diversification of Central Iowa's economy was said by numerous stakeholders to be a key buffer against future downturns in the region's finance and insurance sector. "Des Moines is going to turn into a Detroit unless we diversify this economy," according to one input respondent. Many input participants said that the presence of dynamic, growing life and animal sciences firms in Ames-Story County – along with Des Moines area employers in this sector – strongly positions Central Iowa to capitalize on the potential to transform this nascent cluster into one of the strongest animal science corridors in the nation.

Greater Des Moines Private Employment By Business Sector, Q1 2010, 3-Yr, & 5-Yr Trends

Business Sector	Private Employment, Q1 2010				5-Year Trend (Q1 05 - Q1 10)			3-Year Trend (Q1 08 - Q1 10)		
	Total	% of Total	Establishments	LQ	Change (#)	Change (%)	US Change (%)	Change (#)	Change (%)	US Change (%)
Total Private Sector	263,999	100%	17,296	1.00	7,912	3%	-4%	(10,798)	-4%	-8%
5-Year Job Growth										
Health care and social assistance**	35,159	13%	1,498	0.86	5,772	20%	13%	2,568	8%	4%
Finance and insurance	47,010	18%	1,419	3.36	4,355	10%	-6%	(656)	-1%	-7%
Administrative and waste services*	18,122	7%	1,072	1.03	3,425	23%	-9%	560	3%	-12%
Professional and technical services	13,273	5%	2,229	0.70	1,310	11%	6%	48	0%	-5%
Educational services**	5,510	2%	220	0.87	1,064	24%	16%	368	7%	5%
Arts, entertainment, and recreation	5,067	2%	279	1.18	655	15%	2%	(334)	-6%	-5%
Management of companies*	5,106	2%	203	1.09	630	14%	7%	(827)	-14%	-3%
Agriculture, forestry, fishing, hunting	832	0%	94	0.33	1	0%	-3%	(59)	-7%	-4%
5-Year Job Loss										
Mining, quarrying, oil/gas extraction	127	0%	17	0.08	(57)	-31%	15%	(70)	-36%	-10%
Utilities	516	0%	32	0.37	(66)	-11%	1%	(45)	-8%	0%
Accommodation and food services	21,176	8%	1,242	0.78	(182)	-1%	2%	(1,393)	-6%	-4%
Wholesale trade	16,943	6%	1,781	1.24	(342)	-2%	-5%	(1,050)	-6%	-10%
Real estate and rental and leasing	3,854	1%	725	0.80	(414)	-10%	-9%	(125)	-3%	-10%
Transportation and warehousing	8,434	3%	480	0.86	(539)	-6%	-4%	(1,092)	-11%	-9%
Information	8,138	3%	302	1.18	(920)	-10%	-11%	(1,395)	-15%	-10%
Retail trade	35,134	13%	2,094	0.97	(1,363)	-4%	-5%	(1,460)	-4%	-7%
Manufacturing	17,530	7%	540	0.61	(2,158)	-11%	-20%	(2,151)	-11%	-16%
Construction	11,159	4%	1,511	0.85	(4,278)	-28%	-23%	(3,604)	-24%	-26%

Source: U.S. Bureau of Labor Statistics

*Does not include Madison County employment due to data suppression issues. According to Q1 2010 BLS data for Madison County, there were 3 business establishments for NAICS 55 (Q3 2009 Census data, which uses a different methodology than the BLS, estimates employment for this county and sector at 18) and 21 establishments for NAICS 56 (Q3 2009 Census data estimates employment at 55).

** Data for Warren and Madison Counties for Q1 2010 were not disclosed. The most recent quarter available was used as a proxy for Warren County for NAICS 61 and Madison County for NAICS 51.

Central Iowa Private Employment By Business Sector, Q1 2010, 5-Yr Trends

Business Sector	Private Employment, Q1 2010				5-Year Trend (Q1 05 - Q1 10)	
	Total	Average Annual Wage	Establish- ments	LQ	Change (%)	Change (#)
Total Private	332,335	\$43,220	22,769	1.00	1%	2,922
5-Year Job Growth						
Health care and social assistance	44,991	\$39,748	1,974	0.88	17%	6,586
Finance and insurance	49,127	\$78,788	1,767	2.79	9%	4,262
Administrative and waste services	20,992	\$30,122	1,358	0.95	19%	3,401
Professional and technical services	15,985	\$56,160	2,766	0.67	11%	1,573
Educational services	6,472	\$32,130	271	0.81	21%	1,105
Management of companies and enterprises	5,528	\$74,818	242	0.93	14%	700
Arts, entertainment, and recreation	5,738	\$20,009	377	1.06	13%	638
Agriculture, forestry, fishing and hunting	2,044	\$114,219	221	0.65	33%	508
5-Year Job Loss						
Wholesale trade	19,973	\$66,711	2,206	1.16	-1%	(105)
Real estate and rental and leasing	4,649	\$38,777	954	0.77	-6%	(321)
Transportation and warehousing	10,549	\$53,096	659	0.85	-7%	(742)
Accommodation and food services	28,322	\$12,911	1,703	0.83	-3%	(756)
Information	9,907	\$49,006	414	1.14	-10%	(1,110)
Retail trade	45,712	\$22,652	2,855	1.01	-4%	(2,145)
Construction	14,237	\$47,007	2,070	0.86	-26%	(5,043)
Manufacturing	34,244	\$45,726	799	0.94	-15%	(5,844)

Source: U.S. Bureau of Labor Statistics and U.S. Census Bureau

Note: Where data suppression issues occurred in BLS data, *Market Street* supplemented it with the most recent available data from Census QWI (Q3 2009), which was necessary to perform a regional analysis of Central Iowa. Census QWI data is based on BLS QCEW data, but layers on additional information from other surveys. Therefore the methodologies are different, but have a common basis. However, in some cases suppression issues could not be mitigated. NAICS 55 does not include Madison County or the Pella or Boone Micropolitan areas due to data suppression issues. NAICS 56 does not include Madison County.

The following chart provides additional shading to regional employment data by showing sector trends in Central Iowa's component metropolitan and micropolitan statistical areas. By and large, sector trends were consistent across statistical areas, with the micropolitan areas suffering more broad-based economic declines. The Newton and Pella micro areas experienced notable losses in manufacturing, a key employment sector in both communities.

Private Employment By Business Sector, Central Iowa Communities, Q1 2010, 5-Yr Trends

Business Sector	Central Iowa	Central Iowa Communities					
		Des Moines Metro	Ames Metro	Newton Micro	Pella Micro	Marshalltown Micro	Boone Micro
Total Private	332,335	263,999	26,285	7,907	13,879	14,029	6,235
Change	2,922	7,912	(482)	(2,314)	(994)	(753)	(447)
5-Year Job Growth							
Health care and social assistance	6,586	5,772	285	(5)	260	210	64
Finance and insurance	4,262	4,355	(16)	(36)	30	(61)	(9)
Administrative and waste services	3,401	3,425	1	99	33	(186)	28
Professional and technical services	1,573	1,310	160	12	20	109	(38)
Educational services	1,105	1,064	48	16	(22)	(10)	8
Management of companies and enterprises	700	630	28	32	ND	10	ND
Arts, entertainment, and recreation	638	655	41	9	(26)	(17)	(25)
Agriculture, forestry, fishing and hunting	508	1	423	17	9	24	35
5-Year Job Loss							
Wholesale trade	(105)	(342)	378	(40)	18	(81)	(37)
Real estate and rental and leasing	(321)	(414)	88	(14)	(6)	(21)	46
Transportation and warehousing	(742)	(539)	(102)	(54)	(115)	14	55
Accommodation and food services	(756)	(182)	(333)	(179)	25	(88)	0
Information	(1,110)	(920)	(121)	93	6	(74)	(94)
Retail trade	(2,145)	(1,363)	(192)	(311)	(90)	(177)	(13)
Construction	(5,043)	(4,278)	(476)	(142)	16	(89)	(73)
Manufacturing	(5,844)	(2,158)	(361)	(1,590)	(1,147)	(217)	(372)

Source: U.S. Bureau of Labor Statistics and U.S. Census Bureau

Note: Where data suppression issues occurred in BLS data, *Market Street* supplemented it with the most recent available data from Census QWI (Q3 2009), which was necessary to perform a regional analysis of Central Iowa. Census QWI data is based on BLS QCEW data, but layers on additional information from other surveys. Therefore the methodologies are different, but have a common basis. However, in some cases suppression issues could not be mitigated. NAICS 55 does not include Madison County or the Pella or Boone Micropolitan areas due to data suppression issues. NAICS 56 does not include Madison County.

A focus group was held with regional tourism officials to gauge their perspectives on the sector's potential to augment Central Iowa's economic diversification. A key need identified by the officials is the development of a large, single-property full-service "convention hotel" that would enable the region to attract larger shows, conventions and events. Des Moines is an affordable option compared to many of its competitors, but lacks the capacity to house visitors adjacent to convention facilities as well as the critical mass of entertainment attractions and venues to attract not only group events but also individual tourists and families. Recent downtown Des Moines developments have definitely boosted capacity, but not enough to enable Des Moines to compete against many larger destinations. Officials said

that development of a convention hotel will likely need some type of public subsidy to be realized.

Average Annual Wages by Private Business Sector, Q1 2010 and 5-Year Trends

Business Sector	Metro Des Moines				United States	
	Total	% of U.S.	5-Year Change (\$)	5-Year Change (%)	Total	5-Year Change (%)
Total Private Sector	\$45,907	99%	\$5,603	14%	\$46,285	15%
5-Year Job Growth						
Below Metro Average Wage						
Arts, entertainment, and recreation	\$20,476	67%	\$2,481	14%	\$30,675	15%
Administrative and waste services*	\$29,372	91%	\$4,833	20%	\$32,347	20%
Educational services**	\$32,423	81%	\$2,304	8%	\$40,254	17%
Agriculture, forestry, fishing and hunting	\$34,265	137%	-\$1,393	-4%	\$24,955	14%
Health care and social assistance**	\$39,256	98%	\$3,063	8%	\$39,983	16%
Above Metro Average Wage						
Professional and technical services	\$56,863	78%	\$9,056	19%	\$72,975	20%
Management of companies*	\$73,201	66%	\$11,607	19%	\$111,257	16%
Finance and insurance	\$80,302	77%	\$10,688	15%	\$104,790	16%
5-Year Job Loss						
Below Metro Average Wage						
Accommodation and food services	\$13,743	84%	\$1,672	14%	\$16,426	12%
Retail trade	\$23,504	93%	\$1,295	6%	\$25,245	6%
Transportation and warehousing	\$38,591	92%	\$3,600	10%	\$41,722	12%
Real estate and rental and leasing	\$42,082	98%	\$6,327	18%	\$43,059	12%
Mining, quarrying, oil and gas extraction	\$43,447	44%	-\$24,131	-36%	\$97,976	29%
Above Metro Average Wage						
Manufacturing	\$48,316	86%	\$5,343	12%	\$56,195	15%
Construction	\$49,673	107%	\$9,105	22%	\$46,512	19%
Information	\$50,417	66%	\$2,696	6%	\$76,360	18%
Wholesale trade	\$70,050	113%	\$7,837	13%	\$62,157	14%
Utilities	\$94,753	99%	\$18,307	24%	\$95,952	15%

Source: U.S. Bureau of Labor Statistics

*Does not include Madison County employment due to data suppression issues. According to Q1 2010 BLS data for Madison County, there were 3 business establishments for NAICS 55 (Q3 2009 Census data, which uses a different methodology than the BLS, estimates employment for this county and sector at 18) and 21 establishments for NAICS 56 (Q3 2009 Census data estimates employment at 55).

** Data for Warren County for Q1 2010 were not disclosed; however, they have been disclosed in past quarters. The most recent quarter available was used as an employment proxy for Warren County for NAICS 61.

As indicated in the previous chart, wage trends in Greater Des Moines are fairly equivalent to national figures with a few key exceptions, including health care and social assistance (double the rate of change nationally) mining, quarrying and gas extraction (significant declines locally while the U.S. saw huge gains), and information (Greater Des Moines' wages grew roughly one-third slower than national wages). Slower wage increases in health care and information jobs in the Des Moines MSA can be a concern because top talent often compares average wage data in regions there are considering for relocation.

BUSINESS CLIMATE

Companies carefully evaluate and compare regional business climates before relocating, expanding, or starting new enterprises. Every prospect must factor in the cost of doing business and opportunities for partnerships and growth into their relocation or expansion plans. Thus, it is contingent on communities to optimize their business climates as much as possible to remain competitive.

Tax Climate

A key business cost that consistently ranks highly on companies' priority location concerns is overall tax climate. Communities and states with non-competitive tax structures risk driving away companies already located in the area and discouraging prospective companies from investing in the region. Similarly, an inability or unwillingness to provide competitive incentive packages limits a region's ability to attract and expand high-value firms.

The following chart shows income tax, corporate income tax, sales tax, and property tax rates for the city of Des Moines, the comparison communities, and/or their home states. According to the Tax Foundation, the tax burden in Iowa is the 33rd lowest in the nation. In this regard, Iowa is ranked less favorably than Wisconsin and Nebraska and only slightly more favorable than Colorado. However, this ranking still positions Iowa in the middle-tier of states related to tax climate competitiveness.

Real estate taxes for each core city are also presented in the following chart. Businesses in Des Moines with a \$1 million commercial property can expect to pay \$46,781 in taxes, over double the city with the next highest commercial property tax burden, Omaha (\$21,343) and nine times the tax in Denver (\$5,185). This is a competitive disadvantage.

State and Local Tax Rates, 2010

		Iowa	Colorado	Wisconsin	Nebraska
<i>Individual Income Tax</i>	Rate and Bracket Thresholds	0.36% (\$1,407) - 8.98% (\$63,316), 9 brackets	4.63%, flat rate	4.6% (\$10,220) - 7.75% (\$225,001), 5 brackets	2.56% (\$2,400) - 6.84% (\$27,001), 4 brackets
<i>Corporate Income Tax</i>	Corporate Income Tax	6% (\$25,000) - 12% (\$250,000), 4 brackets	4.63%, flat rate	7.9%, flat rate	5.58% (<\$100,000), 7.81% (>\$100,000), 2 brackets
<i>Sales Tax</i>	Core City and State Combined Sales Tax	6%, food and RX exempt	7.72%, food and RX exempt	5.5%, food and RX exempt	7%, food and RX exempt
<i>Property Tax</i>	Commercial Property Taxes - Core City, \$1,000,000 property	\$46,781	\$5,185	\$20,570	\$21,343
	Residential Property Taxes - Core City, \$200,000 home	\$4,214	\$1,037	\$4,114	\$4,269
	Taxes as % of Median Home Values- Statewide Avg and Ranking (1=highest ratio of tax: value, statewide), 2009	1.29% 15	0.60% 39	1.76% 4	1.75% 5
<i>Per Capita Tax Burden</i>	Average State/Local Tax Burden as % of Income, 2008	9.30%	9.00%	10.20%	9.80%
	Average Tax Burden Per Capita ranking (1=highest burden), 2008	33	34	9	17

Source: Federation of Tax Administrators, the Tax Foundation, state departments of revenue, and county tax assessors.

Note: Because of the federal deductibility of Iowa's corporate income tax, the effective "tax cost" of this levy is more competitive than the high percentage rate would indicate.

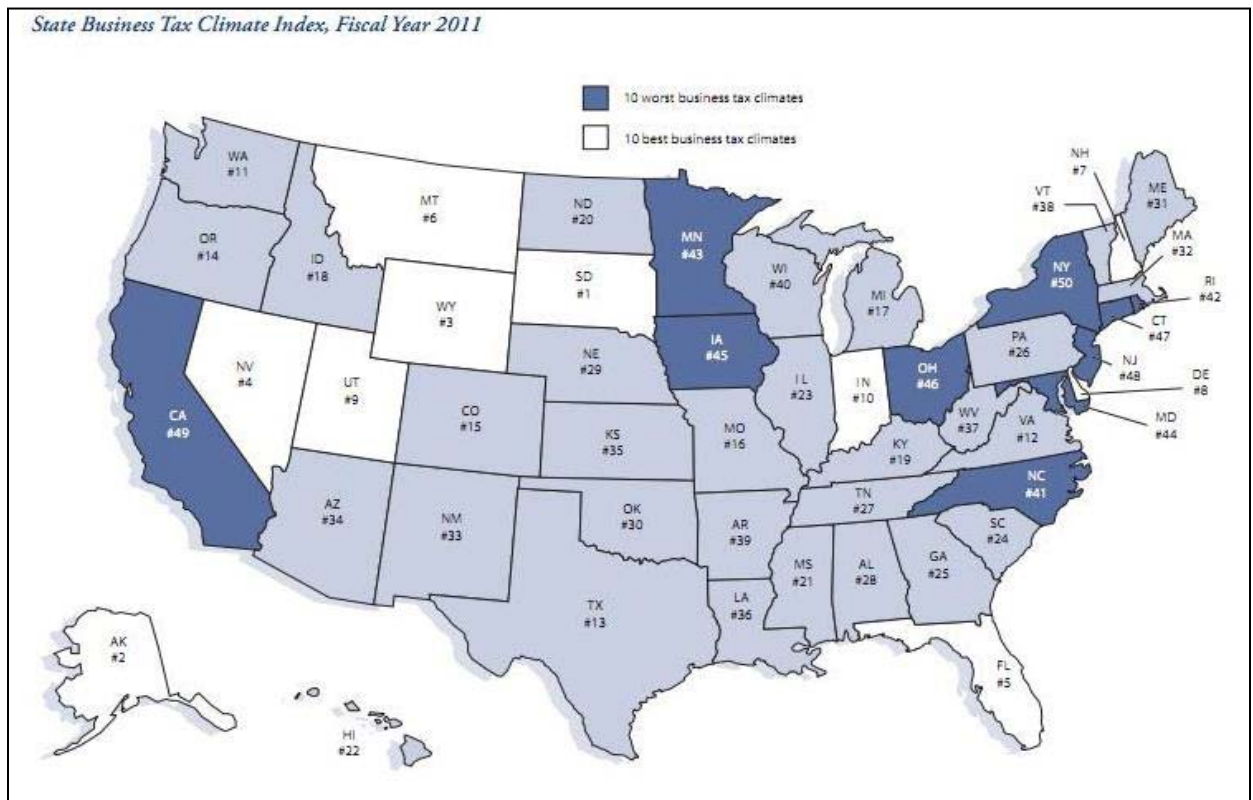
The Tax Foundation developed the *State Business Tax Climate Index* as a tool for policy makers to gauge the competitiveness of state tax systems. The Tax Foundation recognizes that several issues affect a state's overall business climate, including its transportation infrastructure, legal structures, quality of life, and workforce. This index does not take any of these other issues into account. It looks strictly at each state's taxing structure and ranks competitiveness in this regard alone.

The tax climate index has five components, which are not weighted equally. More weight is given to components that have greater variability among them.

- **Corporate tax:** Index includes top rate, graduated taxing structure, tax credits, net operating losses, gross receipts tax deductions, and other factors. Component weighted at 19.35 percent for the overall index.
- **Individual income tax:** Index includes the top marginal tax rate, graduated rate structure, marriage penalties, double taxation of capital income, and other factors. Component weighted at 29.64 percent for the overall index.
- **Sales tax:** Index includes the state sales tax rate, local sales tax options, rates, excise taxes, taxes on consumer goods, and other factors. Component weighted at 25.16 percent for the overall index.

- **Unemployment insurance tax:** Index includes minimum and maximum tax rate schedules, solvency taxes, temporary disability insurance, reserve taxes, and other factors. Component weighted at 11.28 percent for the overall index.
- **Property tax:** Index includes effective property tax rates, property tax collections per capita, capital stock tax rate, intangible property tax, and other factors. Component weighted at 14.57 percent for the overall index.

The following map shows state rankings, with white-shaded states representing the 10 best business tax climates and dark blue-shaded states representing the 10 worst. Iowa, ranked #45 is highlighted as having one of the worst business tax climates. The chart on the following page outlines the state's ranking in each index component. Iowa ranks lower than the comparison states of Colorado, Nebraska, and Wisconsin in all tax climate index components: corporate tax (#47), individual income tax (#42), sales tax (#31), unemployment insurance tax (#33), and property tax (#34).



Source: The Tax Foundation

The Tax Foundation uses a variety of data sources to develop its Index, including the Commerce Clearing House, U.S. Department of Labor, and the U.S. Census Bureau. Additionally, The Tax Foundation collects and develops its own data sets which are also used as Index inputs.

The Tax Foundation: State Business Tax Climate Rankings, 2011
(Chart 1 of 2)

State	Overall	Corporate Tax Index	Individual Income Tax Index	Sales Tax Index	Unemployment Insurance Tax Index	Property Tax Index
South Dakota	1	1	1	25	36	13
Alaska	2	26	1	5	31	12
Wyoming	3	1	1	13	28	46
Nevada	4	3	6	43	40	17
Florida	5	15	1	30	3	28
Montana	6	16	22	3	19	10
New Hampshire	7	50	10	1	38	35
Delaware	8	49	34	2	8	8
Utah	9	6	13	27	24	3
Indiana	10	21	11	20	12	4
Washington	11	32	1	50	25	19
Virginia	12	4	17	8	29	25
Texas	13	46	7	37	15	29
Oregon	14	45	46	4	37	5
Colorado	15	12	16	29	17	15
Missouri	16	5	25	15	9	11
Michigan	17	48	12	9	45	32
Idaho	18	17	29	12	48	2
Kentucky	19	42	32	7	34	20
North Dakota	20	30	28	18	20	7
Mississippi	21	13	19	33	4	31
Hawaii	22	10	41	10	23	14
Illinois	23	27	9	39	41	39
South Carolina	24	9	27	22	43	23
Georgia	25	8	30	23	22	38

1=Most competitive tax climate

The Tax Foundation: State Business Tax Climate Rankings, 2011
(Chart 2 of 2)

State	Overall	Corporate Tax Index	Individual Income Tax Index	Sales Tax Index	Unemployment Insurance Tax Index	Property Tax Index
Pennsylvania	26	38	14	28	42	44
Tennessee	27	11	8	47	35	50
Alabama	28	24	18	40	10	9
Nebraska	29	34	31	17	13	24
Oklahoma	30	7	24	42	1	27
Maine	31	43	37	6	44	26
Massachusetts	32	36	15	24	49	43
New Mexico	33	31	20	45	16	1
Arizona	34	22	23	48	2	6
Kansas	35	35	21	32	7	41
Louisiana	36	19	26	46	5	22
West Virginia	37	23	39	21	32	37
Vermont	38	28	40	16	21	36
Arkansas	39	40	33	41	18	21
Wisconsin	40	29	43	19	26	30
North Carolina	41	25	36	44	6	33
Rhode Island	42	37	35	14	50	47
Minnesota	43	44	38	38	39	18
Maryland	44	14	49	11	47	40
Iowa	45	47	42	31	33	34
Ohio	46	39	44	35	11	45
Connecticut	47	18	47	26	30	49
New Jersey	48	41	45	36	27	48
California	49	33	48	49	14	16
New York	50	20	50	34	46	42

Source: The Tax Foundation.

The Tax Foundation uses a variety of data sources to develop its Index, including the Commerce Clearing House, U.S. Department of Labor, and the U.S. Census Bureau. Additionally, the Tax Foundation collects and develops its own data sets which are also used as Index inputs.

1=Most competitive tax climate

Public input stakeholders identified high commercial property taxes as one of Central Iowa's top competitive constraints, making it difficult to bring new businesses to the region. Iowa Governor Terry Branstad and the Greater Des Moines Partnership have both identified Iowa's tax burden as a key legislative issue for the 2011 session. Property taxes are also "a shock" to new employees being recruited to Greater Des Moines from other states.

Online survey participants also singled out the state and region's tax climate as a major competitive disadvantage. Over 33% of survey respondents said that assessed taxes were a "Minor Problem" for the region, while 28.9% considered tax burden a "Significant Problem."

Property tax burdens vary more widely throughout the region with a delta of \$1,264 in taxes paid on a \$200,000 home between the communities with the highest and lowest milage rates. A home worth \$200,000 would incur the highest amount of annual property taxes in Des Moines (\$4,275), followed by Marshalltown (\$4,129). Cities with the lowest property tax rates are Pella (\$3,011), Ames (\$3,173), and Clive (\$3,221).

Iowa's state sales tax is six percent; cities have the option to levy an additional one percent sales tax. In 2009, the cities with the highest per capita retail sales in Greater Des Moines were West Des Moines (\$29,008), Altoona (\$25,154), and Clive (\$22,036). Those with the lowest per capita retail sales were Waukee (\$7,288), Johnston (\$9,836), and Indianola (\$10,672). These highest and lowest ranked communities all have a six percent sales tax, indicating the additional one percent levied by some regional communities does not put them at any significant competitive disadvantage.

Central Iowa Tax Climate

City	Sales Tax, 2010	Per Capita Retail Sales			Retail Pull Factor, 2009	Estimated Property Taxes (\$200K home), 2010
		2000	2009	Change		
Altoona	6%	\$12,738	\$25,154	97%	2.07	\$3,843
Ames	7%	\$14,536	\$13,064	-10%	1.21	\$3,173
Ankeny	6%	\$12,756	\$14,178	11%	1.17	\$3,781
Boone	7%	\$12,799	\$11,135	-13%	0.98	\$3,475
Clive	6%	\$24,594	\$22,036	-10%	1.66	\$3,221
Des Moines	6%	\$25,683	\$16,867	-34%	1.39	\$4,275
Indianola	6%	\$10,749	\$10,672	-1%	0.94	\$3,671
Johnston	6%	\$11,683	\$9,836	-16%	0.74	\$3,702
Marshalltown	7%	\$15,517	\$12,670	-18%	1.15	\$4,129
Newton	7%	\$12,766	\$17,916	40%	1.72	\$3,905
Pella	7%	\$14,865	\$13,337	-10%	1.24	\$3,011
Urbandale	6%	\$12,908	\$15,131	17%	1.14	\$3,543
Waukee	6%	\$14,662	\$7,288	-50%	0.6	\$3,896
West Des Moines	6%	\$23,078	\$29,008	26%	2.18	\$3,498

Sources: Iowa Department of Revenue, Iowa State University, county assessor and auditor offices

Note: Cities have the option to levy a 1% sales tax on top of the state's 6%

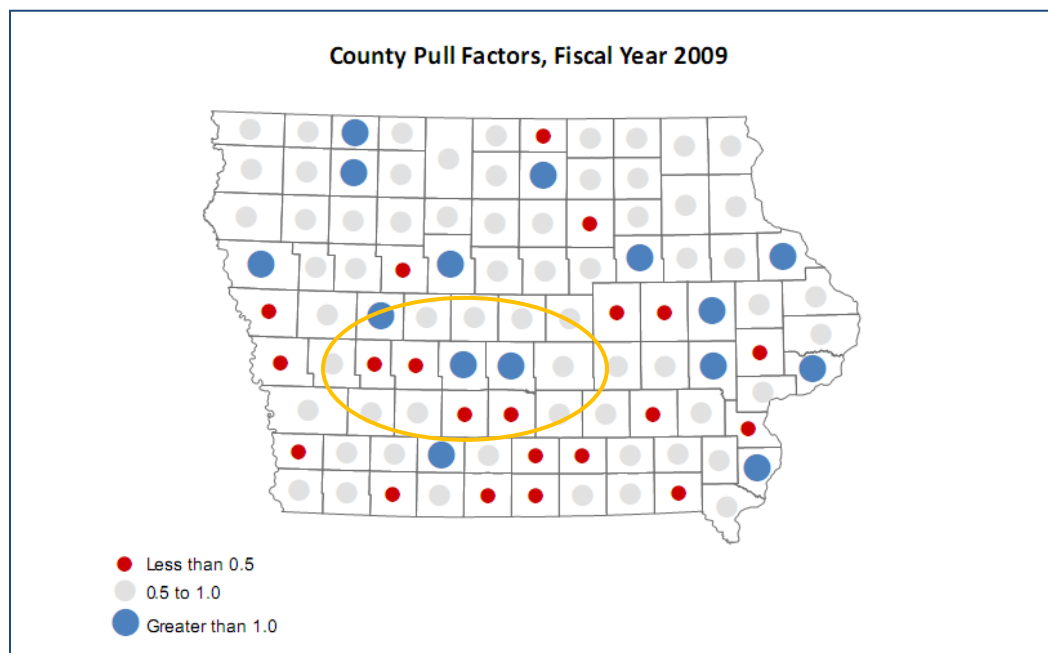
Note: Used the Micro Area core cities and the cities with 10K+ in population in the Des Moines and Ames MSAs

Note: Iowa's per capita retail sales for 2009 were \$11,209

Note: Roll back will increase next year: http://wcfcourier.com/news/local/article_bobaa74d-5876-5ceo-8916-50e4542fa0c7.html

A city's pull factor ratio is calculated by dividing its trade area capture measure by its resident population. A pull factor ratio equal to 1.0 suggests that the city's merchants are satisfying the retail demands of local residents. This is equivalent to the "break even" sales level where the city is experiencing neither a surplus nor leakage of sales. A pull factor ratio greater than 1.0, however, suggests that the city's merchants are attracting shoppers from outside the city. For example, a city whose retail customer base is 25 percent larger than its population would have a pull factor of 1.25. Finally, a pull factor ratio less than 1.0 indicates that the city's retail sector cannot satisfy all of the retail needs of its own residents.

The following map shows pull factor ranges by county in 2009. Dallas and Polk Counties have pull factors of over 1.0, indicating that they attract consumers from other counties. Guthrie, Madison, and Warren Counties have pull factors of less than 0.5. Pull factors by city are provided in the Central Iowa Tax Climate chart presented on the prior page. The cities that attract the most outside customers are West Des Moines (2.18) and Altoona (2.07), which are also top cities for per capita retail sales. Only four cities have pull factors of less than 1.0: Waukee (0.6), Johnston (0.74), Indianola (0.94), and Boone (0.98).



Source: Iowa State University Retail Trade Analysis Report

Incentives

Major incentives offered to Iowa businesses include:

- **Enterprise Zones:** The Enterprise Zones program provides property tax exemptions, sales tax refunds, state income tax credits, funding for employee

training, and other tax incentives for businesses and developers who invest in the areas and create jobs or housing.

- ***New Jobs Tax Credit:*** A one-time income tax credit for businesses who agree to expand their employment base in Iowa by at least 10 percent, the New Jobs Tax Credit provides credits based on wages and the first year the credit is claimed.
- ***High Quality Jobs Program:*** Tax credits, exemptions, and refunds are offered through this program for the creations and/or retention of quality jobs in Iowa.
- ***Brownfield/Grayfield Tax Credit Program:*** Projects that meet green building standards and are built on brownfields or grayfields are eligible for tax credits.
- ***Assistive Device Tax Credit:*** Through this program, small businesses may apply for credits for costs incurred from making their work places accessible for employees with disabilities.
- ***Research Activities Tax Credit:*** This credit is offered to offset the costs of Iowa companies' increasing their research activity. Up to 6.5 percent of a participating company's research expenditures in Iowa (up to 13 percent if the company also participates in the High Quality Jobs Program or the Enterprise Zone Program) may be credited.
- ***Targeted Jobs Withholding Tax Credit Pilot Program:*** Enacted in 2006, this program funds the growth and expansion of targeted businesses in Urban Renewal areas of pilot cities through a matching funds program where the pilot city matches withholding funds paid by an employer.
- ***Endow Iowa:*** Endow Iowa offers a tax credit of 25 percent of donations to qualified non-profit foundations and organizations for individuals, businesses, and financial institutions.
- ***Iowa Community Based Seed Funds:*** A six percent tax credit is available for the establishment of seed funds; investors may also receive tax credits for up to 20 percent of investments in Iowa companies.
- ***Revolving Loan Funds:*** This program provides a 20 percent tax credit for donations to the Revolving Loan Fund for individuals, businesses, and non-profits.

Other incentives, or tax alleviations, available for businesses in Iowa include:

- Fifty percent of federal taxes may be deducted from state corporate income
- Single-factor, nonunitary tax
- Lowest rate for unemployment insurance in the nation for new employers
- No tax on corporate inventories of goods-in-process, raw materials, or salable goods
- No sales and use tax on purchases of manufacturing machinery purchases, materials used in the manufacturing process, or electricity and natural gas used directly in the manufacturing process

- No sales and use tax on purchases of computers used for manufacturing or for processing data in insurance, financial, and commercial sectors
- No property taxes on new manufacturing machinery, equipment, and computers
- Low worker's compensation costs

Many of these incentives, abatement, rebates and other tools are provided to reduce the competitive impact of the state's anti-competitive tax rates. Critics of the system allege that Iowa should simplify its tax climate and reduce the number of complicated incentives tools that risk confusing existing and potential businesses considering investments in the state. Indeed, the attitudes of Iowa's leadership towards its tax and incentive climate are changing. A recent scandal in the state's film incentive program has led to a reassessment of the state's entire economic development structure and incentives policy. Governor Branstad has proposed restructuring the state's economic development department as a public-private partnership model. If enacted, the new department will likely examine the state's current incentives toolbox and recommend specific changes at that time.

Online survey respondents were mixed in terms of their support for the state's incentives offerings. Nearly 20% feel the program is a "Minor Advantage," 33.7% feel it is "Not an issue," 28.3% feel it is a "Minor Problem," while 13.5% feel Iowa's incentives policy is a "Significant Problem."

Additional Business Costs

While there are many components that factor into a region's overall cost of business, there are a handful of principal cost categories of greatest concern to businesses. Certainly, tax burden is one of these costs. Another is often "hidden" because there are no reliable data sources computing its impact. The ease in which individuals and companies can acquire building permits, gain regulatory approval for projects, and navigate the maze of departments and officials needed to move forward with a new development or expansion is a key element of local business climate.

Business people in public input were generally positive about the region's regulatory and permitting climate. "People regulating you understand your business; they're fair and honest," one respondent said. The city of Des Moines permitting and development review process has been streamlined greatly in recent years and was not said to be anti-competitive. Likewise, regulatory departments in suburban counties are also reportedly "business-friendly," according to input participants.

Another major business cost is the cost of maintaining an operating space. The following chart presents average asking commercial lease rates for the benchmark regions and the state. Charts are based on an index of data from the LoopNet database by a given property type in a given geography. Asking rent trends are obtained by weighting each rental rate by the space available and dividing it by the sum of the total space available.

In all three categories of space, the average lease rate in Greater Des Moines exceeds the state average. However, Greater Des Moines offers competitive rates compared to the comparison metros. In regards to office and retail space, Greater Des Moines offers the lowest average lease rate. The average industrial lease rate in Des Moines, however, is lower than that of only Denver.

Average Asking Commercial Lease Rates, June 2010 (price per square foot)

	<i>Industrial</i>		<i>Office</i>		<i>Retail</i>	
	Avg. Lease Rate	1-Year Change	Avg. Lease Rate	1-Year Change	Avg. Lease Rate	1-Year Change
Des Moines MSA	\$5.90	0.70%	\$12.36	-4.90%	\$11.37	-4.70%
Denver MSA	\$6.66	-3.90%	\$16.81	-4.20%	\$15.92	-4.30%
Madison MSA	\$5.28	-4.40%	\$13.20	-3.90%	\$14.23	-3.60%
Omaha MSA	\$5.28	-1.80%	\$13.40	-2.40%	\$13.05	-4.30%
Iowa	\$4.82	-0.20%	\$11.57	-3.70%	\$11.16	-3.20%

Source: Loopnet.com, accessed on October 26, 2010
 Note: "Asking" refers to the dollar amount listed on the LoopNet marketplace.

Online survey respondents predominantly feel that lease rates are a "Minor Advantage" or "Not an issue."

With recent relocations of major employers like Wells Fargo and Aviva to Des Moines' western suburbs, as well as Wellmark Blue Cross Blue Shield's consolidation of local employment in their new headquarters in Downtown Des Moines' Western Gateway district, the downtown core has been left with over one million square feet of vacant office space. Public input respondents in both the public and private sectors expressed real concern about the critical need to significantly increase absorption of downtown office space. Many said that creative, outside-the-box strategies might be needed to make progress on the absorption issue. Strategies proposed included using vacant office suites as short-term business incubation spaces, giving office space to artists as temporary studios, and converting Class B and C buildings to affordable rental housing.

In terms of utility costs, Des Moines and Ames offer the lowest costs for utilities of the examined metro areas. The Council for Community and Economic Research provides along with its Cost of Living Index, average prices for various items, including energy prices. Prices in Des Moines were lower than all comparison metros, including Ames. While this index covers only residential utility costs it does provide a reasonable benchmark for business utility costs.

Utility Costs, Third Quarter 2010

	Utilities Index	Average Prices		
		Part Electric	Other Energy	Total Energy
Des Moines, IA	89.4	\$64.63	\$75.11	\$139.73
Ames, IA	80.5	\$71.71	\$76.12	\$147.83
Denver, CO	98.5	\$78.15	\$90.50	\$168.65
Madison, WI	95.6	\$94.07	\$73.30	\$167.37
Omaha, NE	93.8	\$86.42	\$70.43	\$156.85

Source: The Council for Community and Economic Research

Note: No data were available for any of the communities in regards to all-electric homes. "Part Electric" refers to the cost of electricity in homes with electricity but have other forms of energy, such as natural gas, fuel oil, coal, and wood. The cost of these alternate forms of energy is included in "Other Energy."

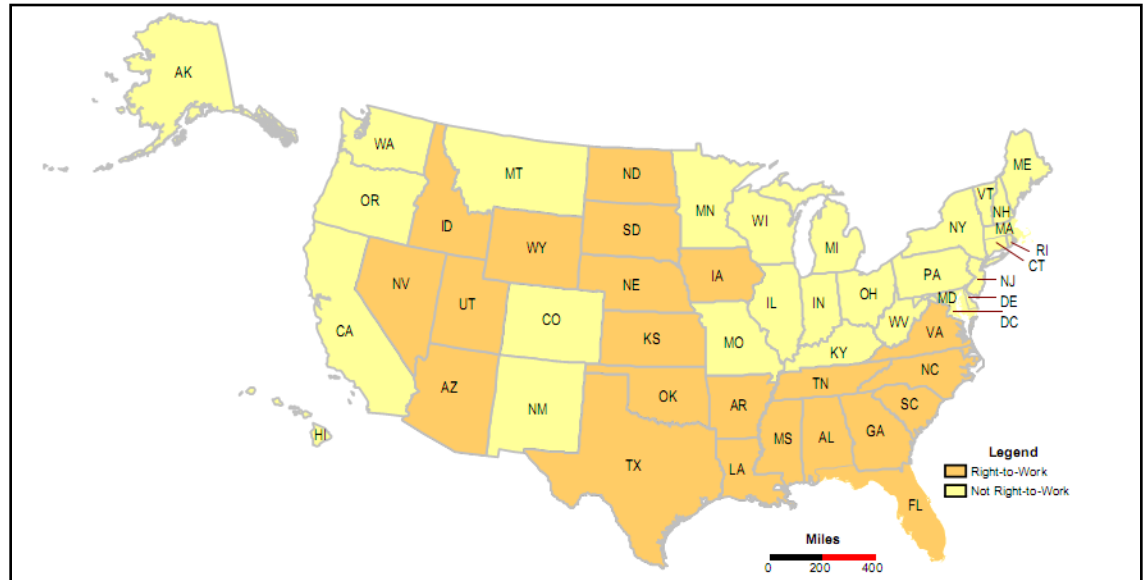
Online survey respondents and focus group and interview participants feel that Greater Des Moines utility costs – specifically electricity and water – are key competitive advantages. Certain input participants encouraged the region’s economic developers to more aggressively market Greater Des Moines low-cost utilities for the pursuit of prospects and expansion of existing firms.

One of the most restrictive costs identified by Greater Des Moines businesses is the cost of health care. Costs for health care have been rising across the nation at a much faster pace than the rate of inflation, and Central Iowa was said to be no exception.

On the Capital Crossroads online survey, 24.0% of respondents called health care costs a "Minor Problem" while 41.1% said they are a "Significant Problem." This was the highest percentage in this category of all business costs surveyed.

While constituents’ feelings on this issue vary, the economic development community largely feels that being a so-called "right-to-work" state is a competitive advantage related to labor costs. Advocates for right to work say that by letting employees decide for themselves whether or not to join or financially support a union enables a more business-friendly environment with regards to workforce. The fact that Iowa is a right-to-work state while most of its border states are not should be considered a competitive advantage in the context of industrial project expansion and attraction. It is largely the manufacturing-based companies that are most concerned about right-to-work laws due to high rates of unionization in their workforces.

Right to Work States



Source: National Right to Work Legal Defense Foundation

SMALL BUSINESS DEVELOPMENT

Individuals who start and grow small businesses are critical to local economic success, complementing companies recruited from outside the community and jobs retained and expanded at existing local firms. Providing the resources and support necessary to enable entrepreneurs and small business people to effectively launch and sustain companies is both necessary and vital to local economic development planning.

The resources available to finance a new business or to expand an existing one directly impact a community's ability to grow jobs. In the world of economic development, ensuring that financing methods are available to meet the needs of local businesses is critical to promoting positive economic health and growth.

Under the Community Reinvestment Act, commercial and savings banks having at least \$250 million in assets must report their small business lending activity. Currently, banks are making more small business loans, but the loans (on average) are for smaller amounts. As shown in the following chart, 14 loans per 1,000 residents were originated in Greater Des Moines in 2009, greater than in Madison and Omaha but significantly less than in Denver. From 2005 to 2009, Greater Des Moines experienced a decrease in total amount lent over the three year period (three percent), substantially lower than all the comparison communities. Over the same period of time, Greater Des Moines surpassed all comparison communities in average loan amount (\$18,065).

Small Business Lending Activity of Commercial and Savings Banks, 2009

Metro Area	Number of Loans			Amount Lent		Average Loan Amount	
	Loans made, 2009	Per 1,000 residents, 2009	Loans made, 2005	Total Amount (000s)	Change 05-09	Average Loan Amount	Change 05-09
Des Moines, IA	7,751	13.8	12,070	\$140,018	-3%	\$18,065	51%
Denver, CO	59,699	23.4	83,016	\$874,957	-22%	\$14,656	14%
Madison, WI	7,047	12.4	11,900	\$91,159	-71%	\$12,936	-1%
Omaha, NE	10,951	12.9	19,070	\$175,024	-36%	\$15,982	28%

Source: Federal Financial Institutions Examination Council, U.S. Census Bureau Population Estimates

Note: Data were not available at the state and national levels.

Launching and growing a small business takes more than capital, however. Supporting the vetting of ideas, writing of business plans, identification of funding sources, navigation of regulatory processes, creation of marketing programs and many other components are also critical to successful small business development.

The following entities and programs comprise key resources in the region's capacity to support entrepreneurs and small businesses:

- **Iowa Small Business Development Centers** provides counseling and business training workshops for entrepreneurs in Polk, Dallas, Jasper, Marion, and Warren counties. The small business development center manages the new 14-tenant West Des Moines Business Incubator.
- **Greater Des Moines Partnership** maintains a website with a list of resources for small business owners and entrepreneurs.
- Drake University houses two centers that enhance the region's entrepreneurial-development capacity. The **Buchanan Center for Entrepreneurial Leadership** offers entrepreneurship-focused majors and minors, Entrepreneurship Week activities, and Entrepreneur in Residence, incubation facilities and international and service-learning opportunities. The **Pappajohn Center for Entrepreneurial Outreach** coordinates an Iowa Business Plan Competition for students and non-students, an Iowa Venture Capital and Entrepreneurship Conference and a Collegiate Entrepreneur Iowa Conference.
- **SCORE** Des Moines connects business owners with retired executives, CEOs, and businessmen who can offer advice and answer questions. In Des Moines, they offer workshops every month on topics including business plans, financing, accounting, legal considerations, insurance, marketing, tax requirements, and personal factors.
- **Iowa MicroLoan** offers micro loans to Iowa residents for start-up, expansion, and refinancing of small businesses who have been denied loans from traditional credit sources. Loans are available from \$5,000 to \$35,000. The organization also provides co-financing arrangements of up to \$15,000.

- **Iowans for Social and Economic Development (ISED Ventures)** partners with community members, agencies, organizations and businesses across Iowa to provide asset-building services to help low- to moderate-income Iowans achieve financial stability. Available programs include: microenterprise business assistance; the Alliance for Business Owners Network; Iowa Women's Enterprise Center; financial education training; savings programs; job placement assistance; and free tax preparation services.
- The Ames-based **Community Vitality Center (CVC)** is an independent policy analysis center established as a joint collaboration between Iowa State University and rural community leaders from across the state of Iowa. CVC facilitates networking among small and medium size rural communities, sponsors policy analyses, and fosters discussion among rural and urban interests to develop projects and initiatives to improve the vitality of Iowa communities.
- **Center for Industrial Research and Service** provides industrial research, offers online courses, and hosts events in service of their mission to enhance the performance of Iowa industry. It is the industrial extension arm of Iowa State University. They also manage the Manufacturing Extension Partnership in the area (which provides small and medium-sized manufacturers with services and resources) and the Procurement Technical Assistance Program (which provides assistance in marketing products to federal, state, and local governments).

Respondents in the Capital Crossroads online survey were largely critical of the region's small business development support climate. Over 62% of respondents disagreed or strongly disagreed that it was clear what agency or departments a small business person should contact for support. Almost 75% disagreed or strongly disagreed that there was one central website to turn to for information on small business/entrepreneurial support. Close to 73% of respondents do not feel that small business assistance services in Central Iowa are coordinated or provide regular referrals to other agencies. One respondent commented, "A better coordinated effort to enhance business referrals and provide capital and support services is needed." Another wrote, "If there is a central point of contact or central agency through which a person could receive support and assistance it is not well known."

TECHNOLOGY COMMERCIALIZATION AND INNOVATION

It is said that research universities are the 21st Century's equivalent of steel mills in the 19th and 20th Centuries. Regions with active research campuses producing and optimizing technologies with market and commercialization potential are helping to revolutionize local economies and sustain employment growth. While Silicon Valley in Northern California is the most well-known center of technological research and development, regions as disparate as San Diego, Austin, Seattle, Raleigh-Durham, Boston, Orlando, Pittsburgh and others are relying on university- and private-sector driven research-based employment sectors to define their economic futures.

As one of the nation's top agriculturally-focused research universities, Iowa State has the potential to stimulate similar economic dynamism in Central Iowa. According to the Association of University Technology Managers, Iowa State University spent over \$242 million in research expenditures in 2007 (the most recent data that is publically available), more than the University of Denver but substantially less than the University of Wisconsin-Madison and the Wisconsin Alumni Research Foundation (W.A.R.F.), which spent over \$1 billion. Iowa State submitted 45 new patent applications in 2007, compared to none by the University of Denver and 175 by the University of Wisconsin-Madison. The same year, 26 patents originated from Iowa State were issued and two start-ups were launched from Iowa State.

University Licensing and Commercialization Statistics, 2007

Institution	2007 Research Expenditures	2007 Startups	2007 U.S. Patents Issued	2007 New Patent Applications
Des Moines, IA				
Iowa State University	\$242,412,000	2	26	45
Denver, CO				
University of Denver	\$1,340,500	NA	NA	NA
Madison, WI				
University of Wisconsin-Madison/W.A.R.F.	\$1,028,000,000	6	124	175
Omaha, NE				
None listed				

Source: Association of University Technology Managers
Note: W.A.R.F. is the Wisconsin Alumni Research Foundation.

With nearly \$250 million in research expenditures, Iowa State is certainly positioned among the top-tier of regional research institutions. Translating those expenditures more effectively into employment has been an ongoing emphasis for the university. While gains have been made, there are still opportunities to take the commercialization process to the “next level” at ISU.

Public input respondents with knowledge of research-and-development and technology-transfer processes at Iowa State said that intellectual property (IP) ownership requirements by the Iowa State University Research Foundation (ISURF) are potential constraints to companies working with the University on technology development. Restrictions ISU places on IP were said to “scare away” many companies looking to potentially partner with the University. It was also said to be difficult to “get into ISU and connect with the right faculty” for research partnerships. Comments from certain faculty indicate that ISU’s Conflict of Interest policy also hinders professors and researchers from developing technology. Working with external companies takes time away from faculty’s teaching roles with no guarantee that this time will ultimately lead to compensation. In general, input respondents said that processes to improve Iowa State’s technology transfer capacity are showing promise, the university has yet to develop an effective “research-commercialization culture” similar to the Massachusetts Institute of Technology, Stanford, the Georgia Institute of Technology,

the University of California, San Diego and other top economic-development focused institutions.

As with more traditional small-business-development support, a host of entities are purposed with assisting technology entrepreneurs, university-based researchers and other individuals and companies with the process of enterprise development. Among these are:

- Affiliated with the Greater Des Moines Partnership, **the BIZ (Business Innovation Zone)** is a non-profit business accelerator that provides resources, services, advice, and tools for entrepreneurs. The BIZ connects entrepreneurs with capital and state and local resource, hosts monthly networking events, and provides market-savvy assessment of potential technologies' commercialization potential. Because it does not take any ownership stake in companies it assists, the BIZ is regarded as one of Greater Des Moines most neutral and objective entrepreneurial-support entities.
- **LWBJ Angel Network** is a West Des Moines-based Angel Investor Network. Formed in 1992, this organization also provides tax, accounting, and business consulting services.
- The **Iowa State University Pappajohn Center for Entrepreneurship** connects ISU faculty, students and researchers with the world of entrepreneurship while also providing Iowa's business and entrepreneurial community with access to resources and information within the University. The Center is located in ISU's Research Park.
- The **Technology Association of Iowa** is a statewide membership-based organization that works to address the needs and challenges of technology organizations through efforts to influence public policy, enhance the state's talent pool for technology, connect business to resources, encourage collaborations, and promote Iowa's technology sector, its firms and organizations.
- The **Iowa Innovation Council** was formed in mid-2010 to work with the Iowa Department of Economic Development on public policy and initiatives to spur innovation-based economic development in Iowa. The Council is working to collect data on resources available to entrepreneurs and eliminating "silos" of these resources. Eventually, it will perform a gap analysis to determine strategic targets.
- The **Ames Laboratory** is a government-owned, contractor-operated research facility of the U.S. Department of Energy that is run by Iowa State University. The Laboratory works closely with ISU's Institute for Physical Research and Technology on the exploration of chemical, engineering, materials, mathematical and physical sciences.
- **VentureNet Iowa** is another West Des Moines based Angel Investor Network. They invest in biosciences, advanced manufacturing, value added agriculture, and information technology.

Some input participants said there is a shortage of capital on the “front-end” of the investment cycle. While this seed money is difficult to source, later-stage funding is available in Greater Des Moines if one knows where to look. In other words, those entrepreneurs who are plugged into the region’s business culture and technology networks are able to find dollars if their ideas are worthy of investment. However, formalizing access to established entrepreneurs, angel investors, business mentors, and others with knowledge of the region’s start-up culture was said by aspiring entrepreneurs to be a key need. Developing this “ecosystem” is an ongoing charge of entities such as the Technology Alliance of Iowa which organizes networking events such as Tech Brew and Pitch and Grow. Innovation-based economies such as Raleigh-Durham, according to one input respondent, offer a “conveyor belt” for enterprise creation that guides entrepreneurs through every stage of the business-development process. “You don’t even realize you’re on the ride until you get to the end of it,” the respondent said. Greater Des Moines was said to need its own version of this conveyor belt.

Though Greater Des Moines has a lack of business-incubation facilities, this was not said to be a competitive issue by local technology leaders. The presence of co-working spaces and the region’s overall low-cost business environment reduces the need for traditional incubators in the area.

KEY FINDINGS

Performance and Structure

- ✓ Greater Des Moines’ job growth has kept it near the top of the nation’s most vital economic regions, both in raw numbers and on rankings from the Milken Institute, Forbes, Money and other organizations and publications.
 - The Des Moines MSA’s five- and ten-year employment change percentages far exceeded all the benchmark areas’ performances, especially in the last five years.
 - Des Moines and Central Iowa businesses surveyed in this planning process feel confident that their companies will grow in the region and have no plans of leaving the area.
 - Local economic development professionals are happy with the processes that have been developed to ensure coordination and collaboration among municipalities for job and investment growth. However, certain stakeholders said that competition among local governments is still a barrier to more effective regional development efforts.
- ✓ Only metro Denver and the U.S. offered higher average wages than Greater Des Moines in 2009. Central Iowa wages were slightly lower.
 - However, wage gains in the Des Moines MSA and Central Iowa rose more slowly than all the comparison geographies from 2005 to 2009.

- ✓ Though finance and insurance is far and away Greater Des Moines and Central Iowa's most concentrated employment sector, economic diversity is provided by the health care, management of companies (headquarters), wholesale trade, information, and arts, entertainment and recreation sectors.
 - Some stakeholders believe that greater economic diversification will ensure that the region is better protected against potential downturns in finance and insurance employment.
 - Key potential opportunities can be found in life, plant and animal and biomedical sciences, notable strengths of Ames-Story County. Coupled with Greater Des Moines firms, this sector can grow into a truly integrated and robust employment cluster.

Business Climate

- ✓ Central Iowa and the state of Iowa's tax climate is a competitive disadvantage, though predominantly related to commercial and residential property taxes. Greater Des Moines aggregate tax burden is less restrictive.
 - Efforts have been announced at the state level to work towards tax reform in the 2011 legislative session, in addition to a reexamination of the state's incentive policies in the wake of a scandal in Iowa's film-incentives program.
- ✓ Regulatory and permitting costs for local businesses were said by public input respondents to be competitive. Though there are still discrepancies among local governments, costs to developers are not prohibitive.
 - The city of Des Moines has invested much effort into improving its regulatory climate and seen positive results.
- ✓ Greater Des Moines lease rates for industrial space are slightly higher than its competitor regions, but its office and retail lease rates are lowest among the benchmark areas and are dropping faster than all the comparison metros.
 - Due to recent relocations of three major employers, Downtown Des Moines has a glut of over 1 million square feet of vacant office space. This is of great concern to local leaders who feel that creative strategies may be needed to generate significant office-space absorption.
- ✓ The cost of utilities in Central Iowa is a competitive advantage for the region and one that many stakeholders should be more aggressively marketed to existing businesses and external prospects.
- ✓ Iowa's status as a right-to-work state provides it a competitive advantage for certain economic development projects versus most of its border states.

Small Business Development

- ✓ Per capita small-business lending in Greater Des Moines is higher than Madison and Omaha's metro rates but well below those of the Denver MSA.

- However, the average loan amount to Des Moines area small businesses is higher in the Des Moines MSA than all the comparison regions.
- ✓ Greater Des Moines and Central Iowa have a number of available small business development resources, but stakeholders said there is a lack of connectivity among support organizations and the absence of a prominent “go-to” resource for individuals looking to start or grow a small business.

Technology Commercialization and Innovation

- ✓ As the region’s principal research university and one of the nation’s most prominent agriculturally -focused campuses, Iowa State University has the potential to be a dominant technology transfer, commercialization and economic development force in the region.
 - Though strides have been made, ISU trails the nation’s top research institutions, including the University of Wisconsin-Madison profiled for this report, in total research expenditures, startup companies created and patents applied for and issued.
 - Stakeholders said that ISU still lacks a “culture” of entrepreneurship and, despite efforts to improve its tech transfer and commercialization processes, has intellectual property and Conflict of Interest policies that are said to discourage outside companies and faculty from engaging in research endeavors and partnerships.
- ✓ Local professionals said that Greater Des Moines’ technology, innovation and enterprise development climate is improving as more entrepreneurs successfully launch and grow tech-based businesses.
 - They added that capital and expertise to assist aspiring entrepreneurs is readily available in Des Moines, but the process of accessing these resources is still informal and prohibitive for individuals who are not aware of, or connected to, the local networking scene.
 - Even those that are aware of these resources said that a support system like those found in tech-hubs like Raleigh-Durham and Silicon Valley has yet to materialize in Greater Des Moines.

PLACE

This section examines the “place-based” qualities of Greater Des Moines and Central Iowa including infrastructure, cost of living, housing, crime, health care services, environmental factors, and entertainment and cultural amenities that make the community an attractive place to do business, live, work, and visit.

Respondents to the Capital Crossroads online survey were overwhelmingly positive in their regard for Greater Des Moines’ livability. Over 87 percent of respondents strongly agreed or agreed with the statement that “Greater Des Moines is an attractive and desirable place to live.” Only 3.5 percent disagreed or strongly disagreed. In addition, 83.1 percent said the likelihood they will remain in the community is “Excellent” or “Good,” 57.2 percent feel strongly they will raise children in the community. Respondents are less sure, however, that their growth children will live in Greater Des Moines, with 32.3 percent calling this likelihood “Excellent” or “Good” compared to 38.7 percent saying the chances are “Average,” “Below Average” or “Poor” that this will occur. Most common reasons cited by those who do not feel they or their children will remain in Greater Des Moines were: weather/climate; not enough entertainment options and/or desire to live in a larger community; taxes are too high; better jobs/career opportunities elsewhere; family does not live here; and the desire for greater population diversity.

INFRASTRUCTURE

One of the “traditional” components of local competitiveness, infrastructure affects a community’s capacity to effectively move people, goods and information and is still a key element of site-selection processes and companies’ location decision-making. While most communities and states have well-established mechanisms to measure and enhance transportation, telecommunications and utilities infrastructure, it is nevertheless important to broadly assess whether local capacity is competitive.

Certain public input respondents cautioned that new infrastructure developed in Greater Des Moines in recent years has been “visible” (new roads, art parks, cellular towers, etc.), but that “invisible” infrastructure such as the city of Des Moines’ 100-year-old sewer pipes must be priorities moving forward if the region’s growth is to be sustainable.

Road Transportation

The presence of federal interstate highways continues to be an important box on site consultants’ checklists. While many state and U.S. highways have been four-laned in Iowa, the interstate designation often companies and consultants “at ease” that the roadway has the capacity needed to cost-effectively move goods to market and workers to jobs.

Interstate Highways

	Des Moines MSA	Denver MSA	Madison MSA	Omaha MSA
North/south Interstate	I-35	I-25	I-39/90	I-29
East/west Interstate	I-80/I-235	I-70, I-76	I-94	I-80
Interstate loop	Yes *	Yes *	No	Yes

*Region has interstate-grade circumference highway but not all segments are designated as interstates.

Source: U.S. Department of Transportation

As seen in the previous table, Greater Des Moines and the comparison regions are all served by both east-west and north-south interstates. Only Madison does not have an interstate-grade circumference highway as well. As the largest region of analysis, metro Denver has the most advanced highway infrastructure; this is to be expected considering the size and breadth of the MSA.

Central Iowa's service by two major U.S. interstates - both north/south and east/west orientations - was cited by multiple input participants as a key competitive strength for the region. Many added that this capacity should be more effectively leveraged for growth in Central Iowa's transportation and logistics economy, adding that the region's strategic location central to the Minneapolis-St. Paul, Chicago, Kansas City and Omaha metros puts Greater Des Moines in a "sweet spot" for this sector.

Online survey respondents lauded Central Iowa's road and highway infrastructure, with nearly 75 percent rating the capacity as "Excellent" or "Good." They were less satisfied with the capacity of roads and highways serving undeveloped land with nearly 40 percent rating this capacity "Average."

In July 2010, the Des Moines Area Metropolitan Planning Organization sent a letter to the Iowa Department of Transportation to request the commissioning of an operational analysis study of the U.S. Highway 65/Iowa Highway 5 bypass south of Des Moines as a first step to determine if the existing corridor can be re-designated as an interstate highway. A coalition calling themselves the Purple Heart Highway Collaborative (PHHC) comprised of representatives from the Greater Des Moines Partnership and the six cities (Altoona, Carlisle, Des Moines, Norwalk, Pleasant Hill, West Des Moines) and two counties (Polk and Warren) along the U.S. 65/Iowa 5 bypass are working together to promote economic development along the highway.⁷

Additional transportation priorities as identified by the Greater Des Moines Partnership include a reconstruction of the I-80/Highway 65 interchange near Altoona and development of southeast and southwest connector roads in Des Moines.

Another highway segment that was the source of much discussion in the Capital Crossroads public input sessions and online survey was the stretch of I-35 between

⁷ Conetzkey, Chris. "A new Iowa interstate?" *Business Record*, July 10, 2010.

Ames-Story County and Greater Des Moines. Already one of the most heavily trafficked in the state, this corridor could potentially see even higher traffic volumes as the two regions continue to grow.

Despite their proximity, the Ames metropolitan area and the Des Moines MSA were said not to partner or coordinate on many efforts related to Central Iowa's growth, development or strategic positioning. The Interstate-35 corridor between the two regions is a virtual "chasm" that needs to be breached by leadership if collaborative efforts are truly to flourish. More dynamic partnerships between Ames-Story County and Greater Des Moines were said to be "no-brainers" or "low-hanging fruit" that could really advance the prospects of the greater Central Iowa geography. The Cedar Rapids-Iowa City corridor was cited by many as a model that could be followed by Ames-Des Moines, although there must be sensitivity to the fact that many in Iowa feel "threatened" by Des Moines and the role it place in the state.

Rail Transportation

Rail transportation continues to play a strong role in the nation's logistics and distribution sector, while access to rail spurs is important for many industrial businesses. Although there are no intermodal facilities in Greater Des Moines, the area is served by three Class I freight railroads: Burlington Northern Santa Fe, Norfolk Southern, and Union Pacific, more than all of the comparison communities.

Class I Freight Railroads

	Des Moines MSA	Denver MSA	Madison MSA	Omaha MSA
BNSF	x	x		x
Canadian Pacific			x	
Norfolk Southern	x			x
Union Pacific	x	x		
Intermodal Facilities		BNSF, UP		BNSF, UP

Source: Iowa Department of Transportation, Metro Denver Economic Development Corporation, Wisconsin Department of Transportation, Nebraska Department of Transportation

Public input confirmed Greater Des Moines competitive freight rail capacity. Nearly 33 percent of respondents rated this capacity "Excellent" or "Good." However, the fact that the "Average" and "Below Average" ratings were also commonly selected means that more must be done to communicate the region's commercial rail assets. Because Central Iowa is not served by Amtrak, nearly 90 percent of respondents rated this category as "Below Average" or "Poor."

Federal stimulus monies have been awarded for the study of a passenger rail line from Chicago to Iowa City that proponents hope will eventually pass through Des Moines on the way to Omaha. However, recently elected state legislators have said publicly that passenger rail in Iowa will not be pursued.

Air Transportation

Access to reliable, affordable, and well-connected air transportation is critical for business travel, personal travel, and tourism. Air cargo facilities also support companies in the logistics, manufacturing and agriculture sectors. The Des Moines International Airport (DSM) is the region's principal passenger and cargo air facility. Currently, DSM has nine airlines that provide non-stop service to 17 destinations.

For commercial clients, DSM has over 1 million square feet of cargo aircraft parking and more than 100,000 square feet of warehouse space. FedEx and UPS both have on-site facilities at DSM. As Iowa's only international Port of Entry, DSM has on-site U.S. Customs and U.S. Department of Agriculture inspectors working out of a newly-constructed customs facility. While not on-site at DSM, Foreign Trade Zone #107 adjacent to Interstate 80-35 is located within a few miles of the airport.

Denver International Airport (DIA) is far-and-away the highest-capacity passenger and cargo facility among the comparison communities, ranking #5 in passengers and #23 in cargo in 2009. Compared to slightly over 50 million enplanements at DIA in 2009, there were 1.75 million at DSM (passenger rank #93 and cargo rank #58), ranking it higher than only Dane County Regional Airport in Madison amongst the benchmark airports. From 2005 to 2009, DSM experienced a decrease in rank in both passengers (from #90 to #93) and cargo (from #54 to #58).

Airline Passenger and Freight Traffic, 2009

	Passengers				Cargo			
	2005 Rank	2009 Rank	Number of Passengers	1-Year Change	2005 Rank	2009 Rank	Metric Tons of Cargo	1-Year Change
Des Moines International Airport	90	93	1,752,469	-7.6%	54	58	65,982	-19.7%
Denver International Airport	5	5	50,167,485	-2.1%	26	23	224,375	-10.6%
Dane County Regional Airport	96	100	1,501,026	2.0%	117	118	8,030	-22.1%
Eppley Airfield	66	67	4,217,718	-3.5%	57	53	70,955	-10.6%

Source: Airports Council International

DSM had the highest average airfares of the benchmark airports and the U.S. rate in the second quarter of 2010, with fares averaging roughly \$8 more than Madison and slightly over \$100 more per trip than Denver. Omaha, the closest competitor airport to DSM, features airfares roughly \$65 cheaper per flight than Des Moines. However, fares in Des Moines have decreased by 8.1 percent from 2000 to 2010 compared to a 0.5 percent rise nationally and an 8.4 percent rise in Omaha during the period. From 2009 to 2010, airfares in Des Moines rose more slowly than the national average.

Average Domestic Airfares, 2000-2010

Airport (listed by size ranking)	Average Domestic Itinerary Fares					Pct. Change	
	2Q 2000	2Q 2007	2Q 2008	2Q 2009	2Q 2010	2000-2010	2009-2010
U.S. Avg. Domestic Itinerary Fare	\$339.16	\$325.39	\$346.10	\$301.26	\$340.72	0.5%	13.1%
Denver, CO	\$442.37	\$311.75	\$320.78	\$276.00	\$294.09	-33.5%	6.6%
Omaha, NE	\$305.81	\$320.83	\$332.69	\$290.27	\$331.42	8.4%	14.2%
Des Moines, IA	\$431.55	\$396.45	\$426.43	\$354.83	\$396.53	-8.1%	11.8%
Madison, WI	\$420.63	\$422.72	\$469.04	\$348.53	\$388.10	-7.7%	11.4%

Source: Bureau of Transportation Statistics

One of the most frequently cited competitive constraints in Central Iowa is the lack of direct flights and high airfares at Des Moines International Airport (DSM). Though comparable to the capacity of similarly-sized urban airports, DSM nevertheless was said to be a major impediment to attracting business, talent, and visitors to the region. Efforts have been attempted for years to incentivize carriers to provide additional capacity at DSM, some of them meeting with success. Two schools of thought were expressed related to investing public and private dollars into boosting air service in Des Moines. Many respondents said that passenger air service will improve as the Central Iowa region continues to grow. Others said that “playing the waiting game” will not work and that incentives to carriers must be greatly increased. The city of Des Moines is seeking to establish an airport authority to take over control and management of DSM in the hopes that this new oversight structure will advance efforts to boost service at the facility.

Respondents to the online survey’s infrastructure question ranked DSM’s cargo capacity more favorably than its passenger service. Nearly 40 percent rated the airport’s cargo capacity as “Excellent” or “Good,” with 41.4 percent rating it “Average.” However, nearly 80 percent of these same respondents⁸ categorized the cost/capacity of passenger air service as “Below Average” or “Poor.” When passenger air capacity was included in a quality-of-life-focused question, 63.4 percent rated the region’s service as “Below Average” or “Poor,” with 25.4 percent calling it “Average.”

Telecommunications

Connectivity is vital in the New Economy. High-speed Internet access is essential for communities seeking to drive high-tech innovation, job creation, or rural development. According to SpeedMatters, publishers of a survey of Internet speeds to gauge competitiveness in the United States, Iowa ranks #35 in the country for download speed.

⁸ Passenger air capacity was included in two survey questions. The first was directed at business executives and managers while the second was included in a quality of life question available to all survey respondents.

SpeedMatters High Speed Internet Access Rankings, 2009

	Number of Tests	Average Download Speed (kbps)	Average Upload Speed (kbps)	Download Speed Ranking
Iowa	3,059	4,453	947	35
Wisconsin	6,010	5,151	849	27
Nebraska	1,326	4,211	963	38
Colorado	5,543	5,301	1,307	26
United States	413,814	5,074	1,080	N/A

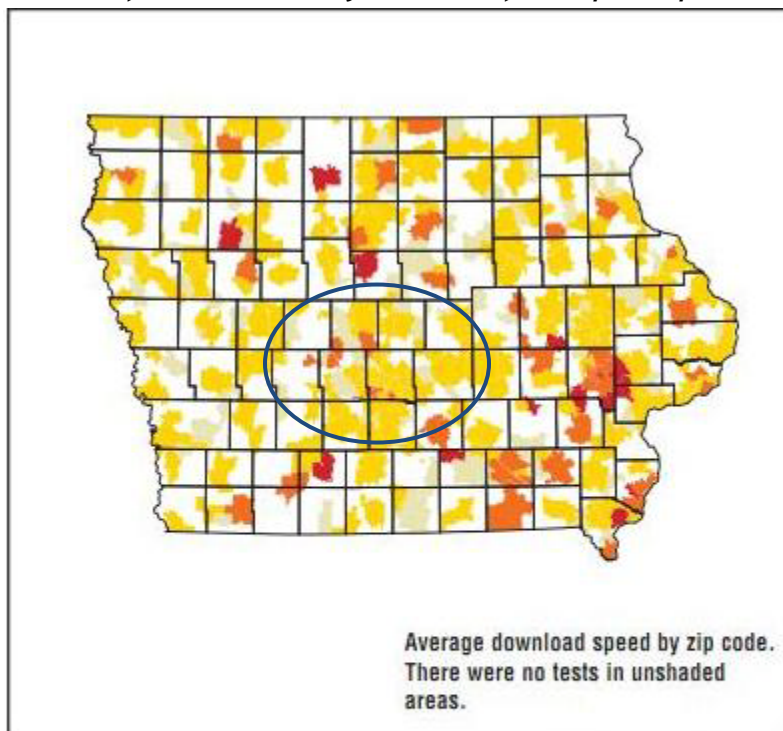
Source: SpeedMatters

Note: kbps= kilobits per second. #1 = fastest download times

The following map shows that Central Iowa's download speeds are slower than a number of other Iowa regions and counties.

Online survey respondents predominantly rated Central Iowa's high-speed telecommunications capacity as "Good" (36.4%) or "Average" (38.7%), consistent with the SpeedMatters data.

Iowa SpeedMatters Average Download Speeds by County, 2009



U.S. data from speedmatters.org test results.
International data from speedtest.net.

The Federal Communications Commissions defines basic broadband as speeds greater than 768 kbps in one direction.

- Less than 768 kbps
- 768 kbps to 6 mbps
- 6 mbps to 10 mbps
- More than 10 mbps
- County boundaries

Though not a point-of-presence on the following maps, Central Iowa nevertheless has access to two next-generation high-speed data-exchange networks, the National LambdaRail (NLR) and Internet2. NLR is a 12,000 mile, high-speed national network infrastructure that runs over fiber-optic lines owned and operated by the research and education community. The Iowa Health System is one of the not-for-profit entities connected to the NLR hub in central Iowa. An advanced network consortia, Internet2 connects over 60,000 educational, research, government, and community institutions over their advanced fiber-optic, dynamic circuit network. Iowa State University is the state's most prominent user of the Internet2 network.

National Lambda Rail



Internet2



ARTS, CULTURE, AND RECREATION

A key factor in the attractiveness of a community is the availability of, and access to arts, cultural, and recreational activities. With the integration of technology in nearly every aspect of business and the provision of broadband internet in most every community, top talent has more choice than ever before in terms of where they can live and work. Thus, it is incumbent on communities to provide the quality of life amenities skilled professionals seek when choosing where to locate.

This section assesses cultural and community assets in Greater Des Moines in order to determine its competitiveness for businesses, talent, and visitors.

Amenities and Capacity

The respected online and print publication *Cities Ranked & Rated* assigns scores for over 400 metropolitan areas in the following categories: economy and jobs, cost of living, climate, education, health and healthcare, crime, transportation, leisure, arts and culture, and quality of life.

The following chart provides rankings for leisure, arts and culture, and the ratings of their subcategories. Ratings are expressed on a 1-10 scale (1 worst, 10 best) and are based on availability, proximity, and quality of facilities in the area.

Greater Des Moines received a 1 rating in restaurants, amusement parks, national parks, arts radio, ballet and dance, and professional theatres. However, Des Moines received high ratings in botanical gardens (9), arts museums (8), children's museums (8), and science museums (7). Greater Des Moines also has a high number of libraries per capita (3.55), higher than Denver, Omaha, and the nation. These ratings are consistent with the region's strong performance in NGC's Handprint measurements.

On the recreation side, the city of Des Moines, Polk County, and many suburban communities have invested millions of dollars to develop a comprehensive system of biking and running trails – both on-street and off – throughout the region. Miles of trails now can be found winding through urban areas, adjacent to waterways and through forested areas. Greater Des Moines communities are now working together to better connect existing trails while also developing additional capacity to serve communities currently not on the trail system.

Sperling's Leisure and Arts Rankings and Ratings, Metro Areas. 2009

	Des Moines	Denver	Madison	Omaha	U.S.
LEISURE					
Overall ranking	221	27	185	132	-
<i>Dining and Shopping</i>					
Restaurant rating	1	3	1	1	2
Outlet mall score	17	217	26	0	42
Number of Starbucks	6	85	10	10	13
Number of warehouse clubs	2	10	0	2	2
<i>Entertainment</i>					
Professional sports rating	3	9	2	3	4
College sports rating	3	5	7	5	4
Zoo/aquarium rating	3	7	6	8	3
Amusement park rating	1	7	1	1	3
Botanical garden rating	9	10	9	4	4
<i>Outdoor Activities</i>					
Golf course rating	4	7	3	5	4
Ski area rating	4	10	2	4	3
Sq. miles inland water	2	3	4	4	4
Miles of coastline	0.0	0.0	0.0	0.0	10.7
National Park rating	1	3	1	2	3
ARTS AND CULTURE					
Overall ranking	115	19	156	86	-
<i>Media and Libraries</i>					
Arts radio rating	1	9	1	5	3
Number of public libraries	46	74	38	48	27
Library volumes per capita	3.55	2.59	3.75	2.93	2.78
<i>Performing Arts</i>					
Classical music rating	6	9	4	6	4
Ballet/dance rating	1	9	6	1	3
Professional theater rating	1	10	1	8	3
University arts program rating	6	9	2	8	5
<i>Museums</i>					
Overall museum rating	7	9	8	8	5
Art museum rating	8	9	7	7	5
Science museum rating	7	9	9	7	5
Children's museum rating	8	8	6	6	3

Source: Sperling, B. and P. Sander. *Cities Ranked and Rated*, 2nd ed. Hoboken, NJ: Wiley Publishing, Inc.

Stakeholders across all public-input venues praised Greater Des Moines complement of arts and culture amenities, including the city of Des Moines' impressive stock of architecturally-significant buildings. Said one respondent, "We have great cultural amenities, not just for 'a community of our size,' but for a community of any size. We have to stop being surprised that we're good." The creation of Bravo Greater Des Moines as a regional arts-coordination entity was said to be a great success and has helped unify the area's arts and culture resources and amenities under a common umbrella. However, focus group participants said that arts are not taken seriously for the economic impact it has on the region. They cite the opportunity to leverage arts and culture as a component of the community's "fabric" by transforming Greater Des Moines into a "creative capital" that can serve to help effectively "brand" the region.

Online survey respondents overwhelmingly ranked Greater Des Moines/Central Iowa's resources in art galleries, museums, live music shows, theater, festivals, shopping districts and other quality of life amenities as strong in both capacity and quality.

Downtown Development

Twenty years ago, the city of Des Moines hired noted planner Mario Gandelsonas to facilitate a vision strategy for Downtown Des Moines. Since that time, the city has made tremendous efforts to realize that vision. In the last five years alone, more than \$3 billion has been invested in development to make downtown more attractive as a destination to live, work, and enjoy a wide variety of entertainment options. The Des Moines Partnership's Downtown Community Alliance affiliate, the Des Moines Neighborhood Revitalization Program, and other entities have created a downtown with multiple cultural and entertainment resources including a restored Masonic Temple repurposed as a performing arts center, a \$40 million sculpture garden, a new public library designed by British architect David Chipperfield, the Science Center of Iowa, the Iowa Events Center, the revitalized Court Avenue District as well as hundreds of new Downtown condos and apartments.

Two entities critical to the success of Downtown Des Moines are **Vision Iowa** and **Prairie Meadows Racetrack and Casino**. Each has provided millions of dollars to facilitate planning, construction and operation of many of Downtown's most prominent facilities. Prairie Meadows also distributes hundreds of thousands of grant dollars to help fund Downtown events such as the 80/35 music festival, the Des Moines Arts Festival, the Saturday Farmers' Market, and other amenities.

Corporations such as Principal, Allied/Nationwide Insurance, Ruan, ING, Wellmark Blue Cross Blue Shield, Meredith and others have committed to maintaining Downtown Des Moines' vitality through investments in new office buildings and the support of Downtown-serving programs and events.

In 2011 the National Trust for Historic Preservation will hold its Main Streets Conference in Des Moines, showcasing the revitalization of numerous historic properties in such districts as Sherman Hill, Court Avenue and East Village.

Respondents in focus groups, interviews, and online surveys were very complimentary of the changes that have occurred in Downtown Des Moines in recent years, citing both “bricks-and-mortar” developments like the Wells Fargo Arena and Des Moines Public Library as well as programming such as the Downtown Farmer’s Market, the Des Moines Arts Festival, and music events such as 80/35 as some of the more successful elements retaining and attracting companies, talent and visitors to the region. With the local development climate mirroring the national slowdown, opportunities in the city core were said to now consist of “connecting” the recent developments with each other and surrounding neighborhoods; a key opportunity is the east-west corridor between East Village and the Western Gateway. Another potential connectivity model is the D-Line trolley’s recent extension to the Ingersoll district during weekends. In addition to connectivity, better leveraging downtown’s thousands of workers by providing more things for them to do during and after the workday is a strategy that will be pursued by downtown officials.

Current development opportunities were said to relate to the need for more “affordable” rental and for-purchase housing in the downtown. Existing product is above the entry-level price-point that stakeholders said is in most demand. Acreage south of the Martin Luther King corridor downtown is also reportedly a key potential growth area for the city.

In addition, public input respondents cited the need to expand the city of Des Moines’ focus from downtown to other city neighborhoods struggling to revitalize. Creating more dynamic, “walkable” districts was said by many to be a key element of the city’s continuing attractiveness to young-professional talent. Increasing the city’s tax base through investment in in-town neighborhoods could also improve Des Moines’ provision of services for those in need and the development of critical public infrastructure. The city has already designate applied tax-increment financing (TIF) incentives to certain key in-town districts and corridors as a means to stimulate renewed development there.

Nearly 50 percent of online survey respondents said the vitality and attractiveness of Downtown Des Moines was “Good.” Slightly over 25 percent called it “Average.”

LIVABILITY

With today’s top talent often choosing where they want to live first and then finding work second, a community’s capacity in quality of life and livability measures is critical to its economic development competitiveness. While efforts to make cities more attractive to the so-called “creative class” can often be taken too far, the enhancement of key livability factors should not be ignored by organizations charged with growing a region’s economy.

Cost of Living

A cost of living (COL) index considers the cost of housing, groceries, utilities, transportation, health care and miscellaneous goods and services in the context of national and regional averages. C2ER, a national community and economic development research organization, publishes quarterly cost of living indices for

metropolitan communities across the nation. While the data provide some indication about the cost of living differences between regions, they do not provide direct comparison of actual costs in metro areas.

The following chart shows the cost of living for the Des Moines urban area and its comparison communities for the third quarter of 2009. Overall cost of living in Des Moines is well below the national average due to comparatively lower prices for housing, miscellaneous good and services, and utilities. The miscellaneous goods and services category contains an array of everyday items including newspapers, sundries, alcohol, drying cleaning, repair services, and other goods and services. Compared to the benchmark communities, Des Moines urban area's COL is the lowest, with the exception of Omaha.

Cost of Living Index (by urban area), Third Quarter 2010

	Composite Index	Grocery Items	Housing	Utilities	Transportation	Health Care	Misc. Goods and Services
Des Moines, IA	90.0	91.0	88.6	89.4	96.1	91.0	88.7
Ames, IA	96.2	92.7	102.3	80.5	101.8	97.0	95.0
Denver, CO	103.9	104.1	111.3	98.5	95.6	108.1	101.4
Madison, WI	109.8	104.6	118.6	95.6	107.7	114.9	108.5
Omaha, NE	89.5	94.1	80.6	93.8	100.6	96.0	89.2

Source: The Council for Community and Economic Research

(100 = National Average)

Percentage in each category contributes to overall cost of living: Total (100%), Grocery (13%), Housing (29%), Utilities (10%), Transportation (12%), Health care (4%), and Miscellaneous Good and Services (32%).

Focus group participants and interviewees involved with talent attraction and retention efforts at their companies and organizations said that the low cost of living in Greater Des Moines is one of their principal selling points when trying to bring prospects to the region. This is especially true for talent being pursued from high-cost coastal metros and large cities such as Chicago and Minneapolis.

Housing

For a community to be sustainable, it must have housing that is both affordable and attractive to its workforce. The following table shows homeownership rates, median sale prices for existing single family homes and new home starts for Greater Des Moines and the comparison regions. In 2009, the home ownership rate in metro Des Moines was 71 percent, close to Iowa's rate of 72 percent and higher than all comparison communities and the nation.

In the second quarter of 2010, the median sales price of existing single family homes in Greater Des Moines was \$154,298, lower than in the Denver (\$229,258) and Madison (\$213,599) regions and the national median (\$173,178) yet higher than in the Omaha region (\$137,027). This is consistent with the cost of living data previously presented.

In September 2010, there were 2,623 home starts in Greater Des Moines, similar to Omaha (2,716), greater than Madison (952), and less than Denver (7,002). From 2005 to 2010, home starts decreased in Greater Des Moines by 63 percent, a greater decline than in the state and in Omaha but less than the remaining comparison geographies.

Key Homeownership Information

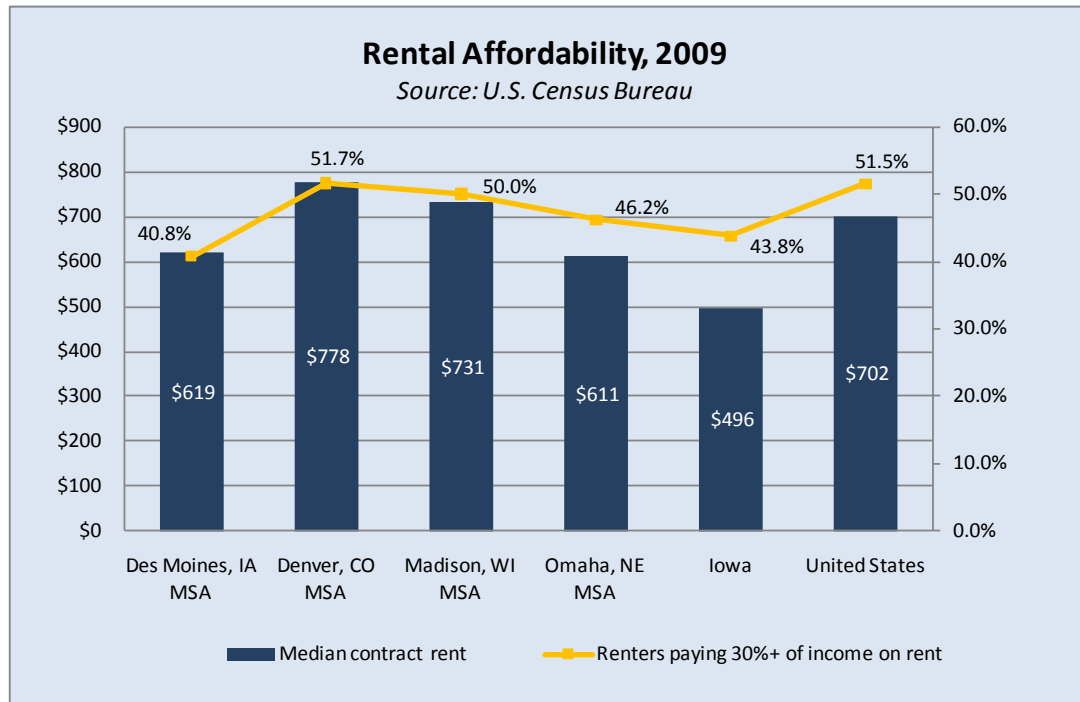
	Home-ownership Rates, 2009	Median Existing Single-Family Home Sales Price			New Home Starts		
		Q2 2005	Q2 2010	Change	Sept. 2005	Sept. 2010	5-Year Change
Des Moines, IA MSA	71%	\$143,405	\$154,298	8%	7,093	2,623	-63%
Denver, CO MSA	66%	\$244,269	\$229,258	-6%	21,850	7,002	-68%
Madison, WI MSA	62%	\$221,423	\$213,599	-4%	5,151	952	-82%
Omaha, NE MSA	67%	\$135,552	\$137,027	1%	6,722	2,716	-60%
Iowa	72%	-	-	-	18,305	7,542	-59%
United States	66%	\$215,423	\$173,178	-20%	2,151,000	610,000	-72%

Source: National Association of Realtors, U.S. Census Bureau

One local organization working to ensure that Des Moines' housing is affordable and accessible to low- to middle-income residents is the Neighborhood Finance Corporation (NFC). Since the issuance of its first mortgage loan in April 1991, NFC has originated over \$198,000,000 in loans and grants that have assisted more than 3,700 housing units in 27 designated neighborhoods in both Des Moines and West Des Moines, as well as in low to moderate income areas of the cities. NFC programs include forgivable home-improvement loans, closing-cost assistance, loan guarantees, and construction loans.

Online survey respondents felt that housing affordability in Greater Des Moines was primarily "Good" (43.7%) to "Average" (36.4%). This would seem to indicate that awareness of housing costs in other U.S. communities was low.

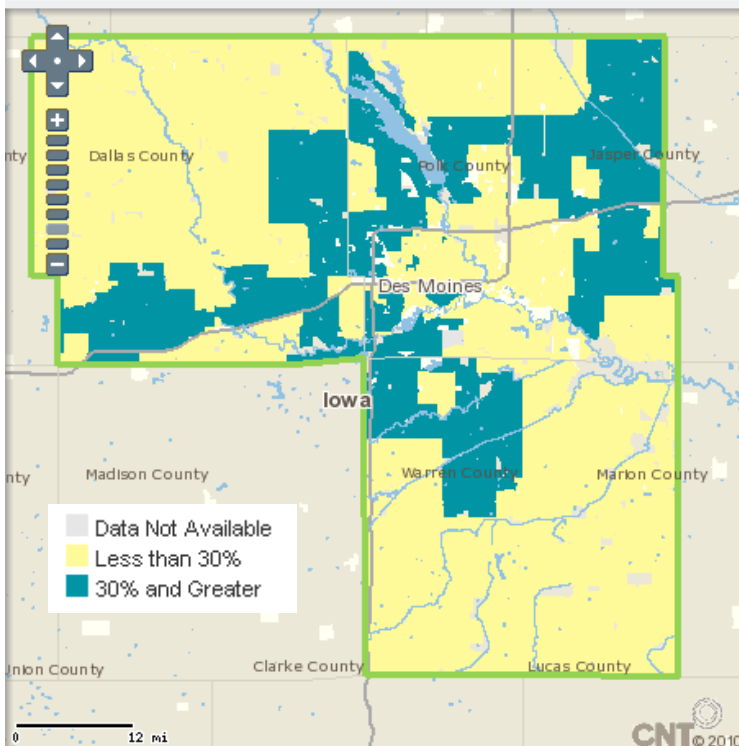
According to the U.S. Census Bureau, approximately 41 percent of renting households in Greater Des Moines spend 30 percent or more of their monthly income on rent (a commonly accepted threshold for housing affordability). This is a lower proportion of households than in all of the comparison geographies, including Omaha, the only metro area with a lower median contract rent.



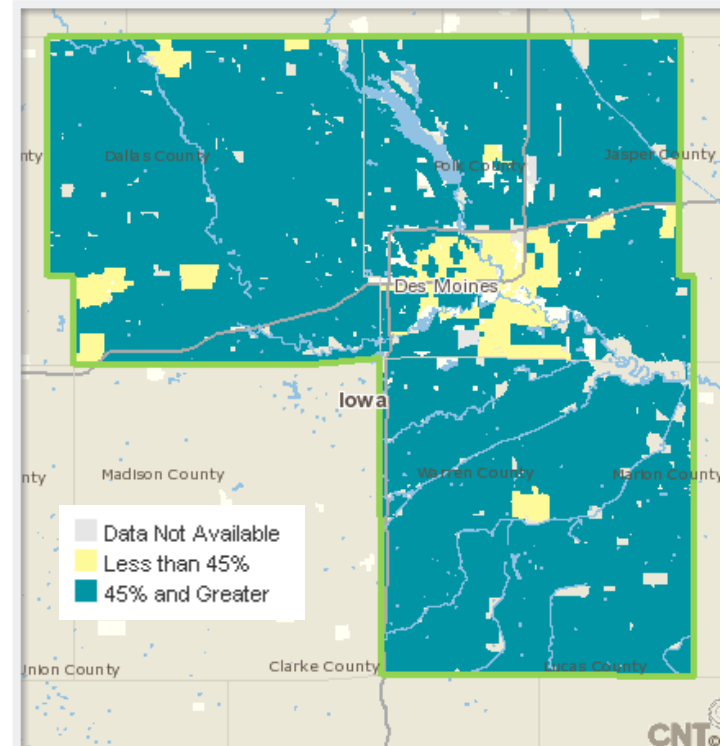
The Housing + Transportation (H+T) Affordability Index is another resource to evaluate affordability; it explores the combined impacts of housing and transportation costs. The Index takes into account transportation costs directly linked to a household's location and the characteristics of its neighborhood. For instance, walkable communities, communities with access to efficient public transit, and access to jobs have lower transportation costs.

According to the H+T Affordability Index, 85 percent of neighborhoods in Greater Des Moines are considered affordable for housing using the 30 percent standard measure. However, according to the H+T measurement of 45 percent of income spent on housing and transportation combined, only 58 percent of neighborhoods in Greater Des Moines are affordable. **Please note that comparable reports are not available for benchmark regions.**

**Housing
(% of Income)**



**Housing and Transportation Costs
(% of Income)**



Source: Center for Neighborhood Technology

Health Care

Accessibility to quality health care services is one of the most important factors affecting a community's overall quality of life and competitiveness. Greater Des Moines has competitive health care capacity in comparison to the benchmark communities. In 2009, eight percent of Des Moines residents were without health insurance, higher than only Madison (6.9 percent). In addition, Des Moines boasts the lowest average cost per doctor visit of all examined metro areas (\$83.71). While the region has fewer physicians per 100,000 residents (227.5) than Madison, Omaha, and Denver, it exceeded the state and national averages.

Though, as noted, data show that Greater Des Moines' health care costs are lower than the comparison regions, these costs have been rising across the board for all Americans. This may explain why the local perception of cost-burden is not aligned with the benchmark data. Forty-seven percent of survey respondents feel that their health care costs are "Average," with 29.2 percent feeling they are "Good." However, 76.6 percent of respondents still think that the availability of health care in the region is "Excellent" or "Good."

Health Care Capacity

	Percent of Uninsured Residents, 2009	Cost Per Doctor Visit, 3Q2010	Physicians per 100,000 Residents, 2010
Des Moines, IA MSA	8.0%	\$83.71	227.5
Denver, CO MSA	15.3%	\$104.40	238.9
Madison, WI MSA	6.9%	\$149.00	334.7
Omaha, NE MSA	12.2%	\$99.25	242.3
Iowa	8.6%	-	175.3
United States	15.1%	-	220.5

Source: U.S. Census Bureau, Sperling's, and the Council for Community and Economic Research

According to Gallup-Healthways, Iowa is the fifth healthiest state in the nation, and Des Moines ranks as the 30th healthiest metro area among 185 areas, the highest among the comparison metros. Of the four communities examined, Des Moines ranks highest in the area of emotional health (30th) and second highest in basic access (3rd), life evaluation (54th), and health behavior (108th).

Well-Being Index

	Well-Being Overall	Life Evaluation	Emotional Health	Physical Health	Healthy Behavior	Work Environment	Basic Access
Des Moines, IA MSA	30	54	30	40	108	76	3
Denver, CO MSA	52	52	118	45	70	69	51
Madison, WI MSA	33	79	75	19	127	62	2
Omaha, NE MSA	73	67	34	36	160	85	50
Iowa	5	26	4	3	29	8	2

Source: Gallup-Healthways

Note: Rankings based on 185 metro areas and 50 states where 1=healthiest place.

Local efforts such as Healthy Polk 2020 are contributing to this ranking. The program is focused on improving the overall health and wellbeing of Polk County residents by determining the strategies needed to achieve these results and the community partners that can help implement them. Ten priorities have been identified for Healthy Polk 2020 that are included in four categories: Supportive Environment; Access to Health Care; Lifestyles and Behavior; and Socioeconomic Factors. The initiative will now shift to the coordination and mobilization of local entities that will align their efforts with the program's goals.

Several of Greater Des Moines top leaders and companies such as Wellmark Blue Cross Blue Shield feel that the issue of wellness and making the community one of the healthiest in the country is a worthwhile civic goal for the region to pursue. In addition to lengthening life spans and improving citizens' quality of life, wellness proponents argue that health-improvement programming would build workforce capacity, lower companies' health care

costs and potentially stimulate economic development. Nearly 55 percent of online survey participants feel that the region encourages and supports healthy, active lifestyles.

An local entity that has put Greater Des Moines on the international map for issues of global health and sustainable food supply is the World Food Prize, often called the “Nobel Prize for food.” Created in 1986 by Nobel laureate Dr. Normal E. Borlaug, the annual World Food Prize is the foremost international award recognizing the achievements of individuals who have advanced human development by improving the quality, quantity, or availability of food in the world.

The Prize recognizes contributions in any field involved in the world food supply, including food and agriculture science and technology, manufacturing, marketing, nutrition, economics, poverty alleviation, political leadership and the social sciences. The World Food Prize Youth Institute was established in 1994 by The World Food Prize Foundation as a tool to increase awareness of The World Food Prize mission among Iowa youth.

Multiple public input participants cited the World Food Prize as a tremendous feather in Greater Des Moines’ cap, and one that should be promoted more actively to the national and international press as an example of the region’s key role in the global debate over sustainable food production and nutrition.

Public Safety

Another of the most important factors contributing to the attractiveness of a community for existing and potential residents is public safety. The FBI reports both property and crime at the community, state, and national level.

Greater Des Moines is safer than Omaha and Denver in regards to its ranking of 200 metro areas by the *CQ Press*. In 2009, Des Moines had a violent crime rate of 275 per 100,000 residents and a property crime rate of 2,763 per 100,000 residents, less than in Denver, Omaha, and the nation. Additionally, Greater Des Moines has a lower violent crime rate than the state.

By contrast, however, the city of Des Moines is the highest crime area when compared to the core cities of the comparison communities. In 2009, Des Moines led the four cities, the state, and the nation in property crimes with a rate of 4,415 property crimes per 100,000 residents. In violent crimes, Des Moines was surpassed only by the city of Denver.

Crime Rates, 2009 (1=Ranking of highest combined crime area)

	Combined Ranking	Crime Rates per 100,000 Residents	
		Violent Crime	Property Crime
United States	N/A	429	3,036
Iowa	N/A	279	2,308
Core City			
City of Des Moines	137	542	4,415
City of Denver	167	578	3,453
City of Madison	255	364	3,363
City of Omaha	150	533	4,129
MSA			
Des Moines, IA	200	275	2,763
Denver, CO	168	347	2,798
Madison, WI	277	228	2,624
Omaha, NE	119	394	3,364

Source: FBI "Crime in the United States" and Congressional Quarterly Rankings, which are based on the same source

Note: Rankings are based on 393 cities and 332 metro areas for which data are available. According to the FBI, because of changes in the state/local agency's reporting practices, figures are not comparable to previous years' data.

Overall, respondents to the Capital Crossroads survey feel that their sense of personal and property safety is "Excellent" (20.8%), "Good" (51.7%) or "Average" (22.5%). Similarly, 50.7 percent of respondents feel their police departments are "Good." The next highest response was "Average" at 27.2 percent.

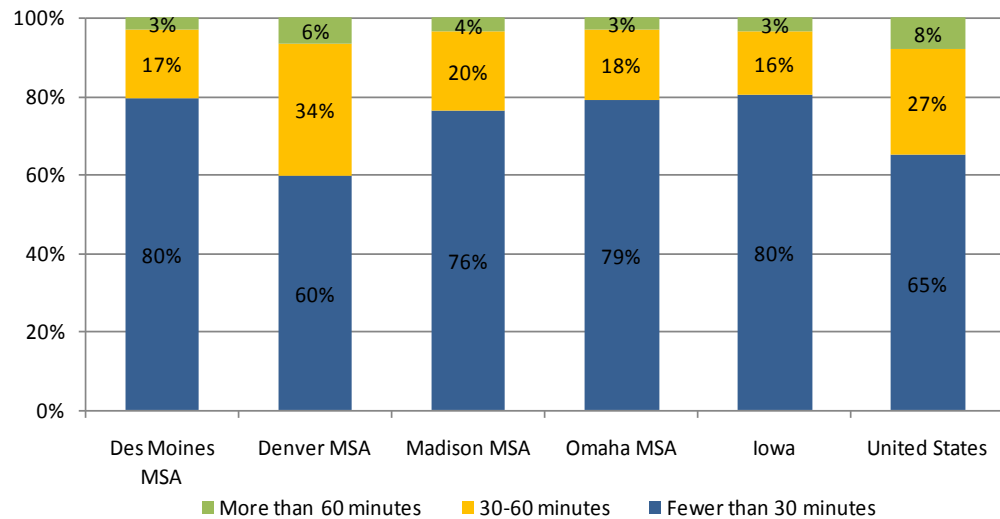
Mass Transit and Commuting Patterns

Data from the American Community Survey in 2009 sheds light on the means of transportation that residents are using to commute to work, as illustrated in the following two charts. Only 20 percent of metro Des Moines residents spend over 30 minutes travelling to work. This is comparable with the state of Iowa and less than all other comparison geographies. Nationwide, 35 percent of workers spend over 30 minutes travelling to work, including eight percent who spend over an hour in commute time.

Greater Des Moines is more dependent on cars than all geographical comparison areas except Omaha. Over 91 percent of Greater Des Moines residents drive alone or carpool to work. Greater Des Moines is ahead of only metro Omaha in the percentage of commuters who use transit, bike or walk to work and nearly a third lower than Madison's percentage.

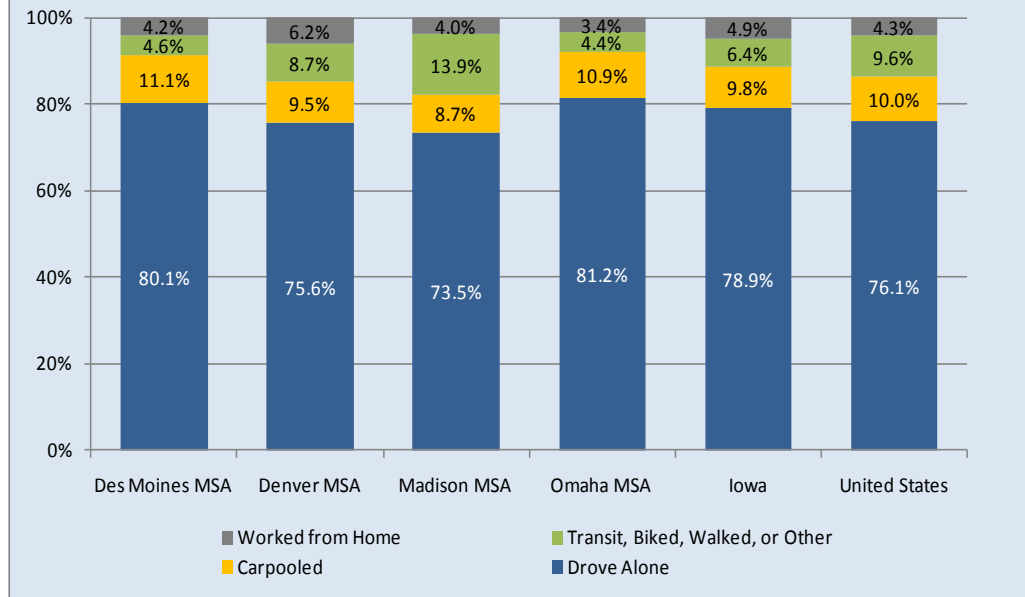
Commute Time to Work, 2009

Source: U.S. Census Bureau



Mode of Travel to Work, 2009

Source: U.S. Census Bureau



Central Iowa has done an effective job of developing transportation infrastructure to “stay ahead” of growth, but officials cautioned that in the future the region will not be able to simply add capacity to alleviate congestion. More coordinated transportation and land-use planning was said to be needed to ensure that Central Iowa’s growth does not overwhelm its

capacity to accommodate it. Alternative modes of transportation could help allay congestion pressures and provide more options for people to move around the region, but development of transit capacity will be a challenge according to numerous stakeholders. In addition to the “Midwest mindset of individuality” working against development of a bus culture, one input respondent said “our own worst enemy is that it’s so easy to drive to work. It’s a real challenge to attract ‘choice’ riders.” Funding and construction of light rail or passenger rail in Central Iowa will require a “mindset change” to move it forward; “it’s going to have to be a lot more crowded here to get people interested in light rail,” a stakeholder said. Commuter busses were said to be a better short-term option.

The Des Moines Area Regional Transit Authority is the largest public transit agency in the state of Iowa. DART has a fleet of over 90 buses that travel over 15,000 miles through Greater Des Moines, covering the cities of Altoona, Ankeny, Des Moines, Clive, Pleasant Hill, Urbandale, West Des Moines, and Windsor Heights.

According to the National Transit Database, DART has fewer buses than the comparison regions but operating expenses per passenger mile are low (only 71 cents). Fares for adults are competitive at \$1.75, higher than only in Omaha. DART is competitive in terms of usage with 2.5 trips per resident, higher than Denver (0.4) and Omaha (1.6) but less than Madison (3.8). Also notable is that DART’s annual passenger miles and average annual miles per resident are higher than those of Omaha.

DART will begin construction in 2011 on a new Downtown Transit Hub after receiving full funding for the project from local, state and federal sources. The Hub will replace an existing transit mall that was identified in the most recent Downtown Des Moines plan for redevelopment. The Hub design includes green-building elements such as solar panels and geothermal wells, leading DART officials to potentially apply for a Gold LEED rating for the building.

Online survey respondents were mixed in their opinion of Greater Des Moines public transportation capacity. Twenty-two percent of respondents called the capacity “Good,” but 34 percent named it “Average” and another 34 percent labeled it “Poor.” Input respondents also seemed to be split on whether the region should invest in quality roadways and bus rapid transit or pursue light rail service in the long-term.

Downtown Transit Availability and Usage, 2009

		Des Moines	Denver	Madison	Omaha
System Operator	<i>Central City Operator</i>	Des Moines Area Regional Transit Authority (DART)	Regional Transportation District (RTD)	Metro Transit System	Transit Authority of Omaha
Service Area Data	<i>Population (2000)</i>	369,143	2,619,000	245,181	579,212
	<i>Square Miles</i>	141	2,326	72	178
Bus Data	<i># Directly Operated</i>	94	527	168	128
	<i>Average Bus Age (in yrs)</i>	8	6.4	8.5	12
	<i>Adult Fare (2010)</i>	\$1.75	\$2.00	\$2.00	\$1.25
	<i>Operating Expense per Passenger Mile</i>	\$0.71	\$0.74	\$0.84	\$1.22
Usage Data	<i>Total Fare Revenues</i>	\$6,857,140	\$89,942,987	\$9,348,676	\$4,689,672
	<i>Trips Per Resident</i>	2.5	0.4	3.8	1.6
	<i>Annual Passenger Miles (millions)</i>	35,017,604	554,090,840	48,257,851	17,790,720
	<i>Average Annual Miles Per Resident</i>	95	212	197	31

Source: National Transit Database

Note: The 2000 service area population is utilized in this analysis because service areas are usually different than the MSA.

Note: Denver is the only of these regions with light rail. Denver's RTD operates 101 light rail cars. Its light rail system accounts for 1/3 of total system annual passenger miles at a lower cost per passenger mile (\$0.74 for buses versus \$0.31 for light rail). However, light rail construction required huge capital investments of approximately \$300 million by RTD.

CIVIC CAPACITY

Volunteer activities and charitable donations are a form of civic participation that underpins all stable, vibrant communities. It is often the capacity of a community's public and private leadership that serves to drive such efforts and ensures that transformative programs and processes are given voice and advanced based on their merits.

Market Street Technical Advisor **Dr. Jesse L. White**, the longest-serving director of the Appalachian Regional Commission, a professor in the University of North Carolina, Chapel Hill's School of Government, and the founder and director of the university's Office of Economic and Business Development, visited Des Moines to interview top local leaders on the subject of civic capacity, community engagement, and leadership. White found that the civic commitment of the traditional leadership of Des Moines is deep, strong, and remarkable. There is an historic sense of civic pride and generous financial support for major projects, like the aforementioned

sculpture garden, library, Principal Riverwalk, and others. He feels this civic participation should be celebrated and protected.

However, White cautions that this leadership structure is also “traditional” and seemingly limited to the top of the socio-economic structure. Current leadership is also not representative of the community’s growing ethnic and racial diversity. White feels that leadership development and institutional structures will need to be re-engineered “from the bottom up” to include Greater Des Moines’ growing non-white populations and lower and middle classes. This may also impact the seeming disparity between perceptions of issues such as public safety in the region and the reality of high crime rates in Greater Des Moines more diverse neighborhoods.

Respondents to the Capital Crossroads survey feel, on the whole, that Greater Des Moines has a strong civic capacity. Nearly 73 percent of respondents “Strongly Agree” or “Agree” that new members of the community are welcomed, while over 56 percent feel that the community values persons of diverse races, ethnicities, faiths, and sexual orientations. Nearly 1 in 5 residents, however, thinks that the public’s opinions are not valued by government.

Data show that Greater Des Moines is a very philanthropic community. As seen in the following chart, the Des Moines MSA has 16.4 nonprofit 501(c)(3) organizations per 1,000 people, a significantly greater proportion than all geographical comparison areas. The nonprofits in Greater Des Moines report higher revenues per capita (\$11,685) than all of the comparison geographies, despite it having the largest decrease in revenue per resident from 2005 to 2010 (-\$1,071).

Entities like the Community Foundation of Greater Des Moines and United Way of Central Iowa are long-standing regional stalwarts that have provided millions of dollars in grant funding to community-serving efforts in the region. The Foundation awarded over \$19 million in grants in 2009, and roughly \$27 million through October 31, 2010.

Registered Nonprofit Organizations, 2010

	<i>Organizations</i>		<i>Revenue</i>		Change in Revenue Per Resident, 2005- 10
	Number	Per 1,000 Residents	Total (in 000s)	Per Resident	
Des Moines MSA	9,300	16.4	\$6,614,833	\$11,685	-\$1,071
Denver MSA	8,301	3.2	\$11,967,007	\$4,627	-\$411
Madison MSA	3,177	5.5	\$6,395,376	\$11,109	-\$855
Omaha MSA	3,335	3.9	\$7,099,463	\$8,307	\$1,286
Iowa	22,175	7.3	\$16,327,478	\$5,408	\$262
United States	978,734	3.1	\$1,736,314,103	\$5,587	\$407

Source: National Center for Charitable Statistics; Moody's Economy.com

Note: Includes only not-for-profits with \$25,000 or more in total revenues.

Community capacity and transformative efforts in Greater Des Moines are sometimes challenged because the region is said to be “risk-averse,” with a “long memory of failed efforts.” An “inferiority complex” often makes it difficult to gain support for outside-the-box efforts. In addition, the “usual suspects” are said to be involved in many community-support and development efforts. Some do not see the next generation of leadership being developed in Greater Des Moines. “People who can make things happen are dying off, stepping away, or have less money to support” major efforts, leading to what was described as a “philanthropic gap” in the Des Moines area. While this “next generation” was complimentary of the openness of established leaders meet with and/or counsel them, there is not a formalized structure to facilitate these relationships. This leads to frustration among some young professionals about how to approach potential mentors and a handful of established mentors feeling “overextended.”

The city of Des Moines ranks 6th among mid-size cities in citizen-volunteer rates. In 2009, 39.7 percent of Des Moines residents participated in a volunteer effort. Des Moines volunteers devoted significant time to their charitable work with 45.2 hours of volunteer service per resident, ranking higher than all the comparison regions.

Volunteering, 2009

MSA Core City	Number of Volunteers	Percent of Total Residents	Ranking	Hours per Resident	Ranking	Estimated Economic Value
Des Moines	159,300	39.7%	6th/75 mid-size cities	45.2	14th/75 mid-size cities	\$378.9 million
Denver, CO	586,800	30.2%	12th/51 large cities	40.4	12th/51 large cities	\$1.6 billion
Madison, WI	187,900	40.0%	5th/75 mid-size cities	37.5	34th/75 mid-size cities	\$367.1 million
Omaha, NE	210,900	33.8%	19th/75 mid-size cities	41.6	22nd/75 mid-size cities	\$541.3 million
Iowa	883,900	37.8%	2nd/50 states	40.1	16th/50 states	\$2.0 billion
United States	62 million	26.5%	-	34.4	-	\$169 billion

Source: Corporation for National and Community Service "Volunteering in America" report

In the 2008 general election, Greater Des Moines trailed only Madison in voter turnout. This is another testament to the active civic culture in the region.

For the most part, online survey respondents feel that Greater Des Moines' levels of civic engagement are strong. Nearly 50 percent of respondents said that civic capacity is “Good,” while 31.9 percent found it average. They feel there are numerous opportunities to demonstrate this civic engagement, with 43.5 percent strongly agreeing there are opportunities to volunteer your time for worthy causes and 48.8 percent agreeing.

Voting Statistics, 2008 Elections

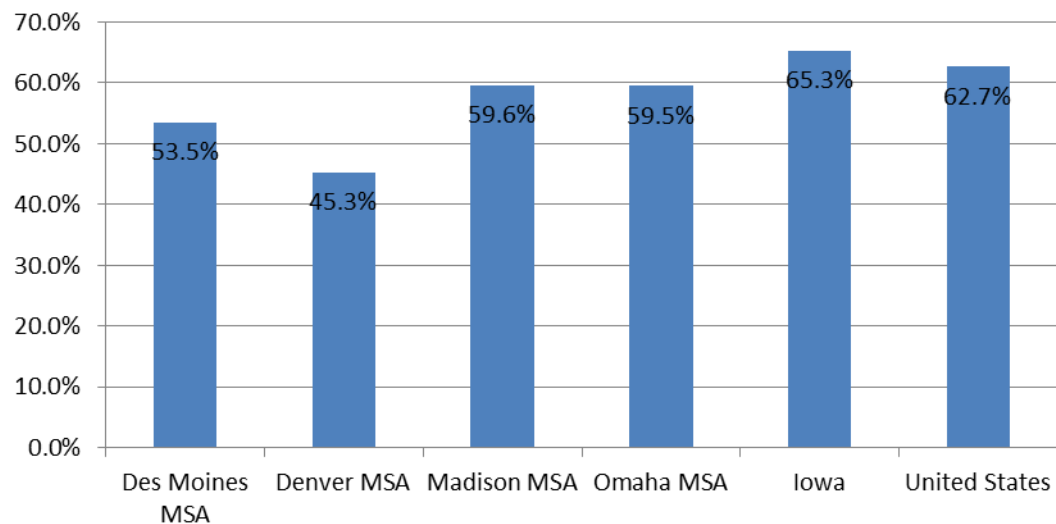
	% of Eligible Population Registered	Registered	Voted	Turnout (Registered/ Voted)
Des Moines MSA	92%	375,404	284,797	75.9%
Denver MSA	86%	1,612,155	1,124,063	69.7%
Madison MSA	89%	390,511	318,666	81.6%
Omaha MSA	87%	533,570	388,167	72.7%
Iowa	92%	2,105,531	1,528,714	72.6%
United States	71%	146,311,000	131,144,000	89.6%

Source: Iowa, Colorado, Nebraska, and Wisconsin Secretary of State,
The New York Times, and the U.S. Census Bureau

Many feel that another criterion for assessing social capital is the percentage of area residents that attend religious services, regardless of religion or denomination. Data in the following chart show that Greater Des Moines has a lower percentage of congregational adherents⁹ than all the comparison geographies except metro Denver. The year 2000 is the latest available data for this indicator.

Percentage of Congregational Adherents, 2000

Source: Association of Religion Data Archives



Because congregations often serve as key community meeting places and public-serving institutions, the fact that Greater Des Moines has a lower percentage of adherents means that these forums are less likely to be local change-agents than in regions with higher participation levels.

⁹ Congregational "adherents" include all full members, their children, and others who regularly attend services of any religion or denomination.

Environment

Protecting the region's environmental quality is important, as it is a factor that both families and businesses consider when making location decisions. The Environmental Protection Agency (EPA) releases information on the number of facilities in a given region producing or releasing pollutants that affect air and water quality through its Envirofacts database.

Compared to the benchmark communities, Des Moines has a high per capita number of facilities that produce and release air pollutants (106.3 per 100,000 residents) and that discharge into regional bodies of water (11.5), lower than only Denver (114.4 and 11.8, respectively). However, the Des Moines MSA is tied with Omaha with the fewest number of potential Superfund sites, which can be costly and time-consuming to remediate.

EPA Envirofacts (per 100,000 residents), November 2010

	Per 100,000 residents			Total
	Facilities that produce and release air pollutants	Facilities that have reported hazardous waste activities	Facilities issued permits to discharge to bodies of water	Potential Superfund sites
Des Moines, IA MSA	106.3	131.6	11.5	6
Denver, CO MSA	114.4	148.5	11.8	29
Madison, WI MSA	33.4	231.5	6.3	7
Omaha, NE MSA	36.9	58.4	8.3	6
Iowa	48.4	74.2	9.9	17

Source: EPA Envirofacts, Moody's Economy.com. Nationwide data not available.

Focus group participants said that environmental-protection issues are currently not effectively addressed in Central Iowa. Waterways are treated "like sewers" when rehabilitation of rivers, lakes, streams and watersheds actually costs ten times the price of proactive protection of these assets. Waterways should be treated like "valuable infrastructure" just like streets and sewer lines, one respondent said. More "big picture" thinking is needed to ensure the region's natural environments are protected and enhanced, including the pursuit of key policies like better watershed planning, enabling "floodplains to be floodplains," and the creation of a regional trails authority. Zoning tools could also be better used to preserve agricultural environments.

Respondents feel that development of additional passive and active recreation spaces like pocket parks, green roofs, and community and school gardens will help the region become more sustainable in addition to better attracting coveted "creative class" talent.

Among online survey respondents, almost 65 percent feel that the quality of the region's air, water and the environment is "Excellent" or "Good."

KEY FINDINGS

- ✓ Greater Des Moines and Central Iowa online survey respondents overwhelmingly agree (87 percent) that the region is an attractive and desirable place to live. Over 83 percent feel they will remain in the community, but are less sure their children will choose to live in Central Iowa.

Infrastructure

- ✓ With north-south and east-west interstates and an interstate-grade loop highway around Greater Des Moines, Central Iowa has a competitive highway and road capacity.
 - The region's interstate connectivity and geographic centrality to Minneapolis-St. Paul, Chicago, Kansas City and Omaha lead some stakeholders to believe that Greater Des Moines should more aggressively pursue logistics companies.
 - As the region's principal north-south artery, I-35 was said to be a key catalyst to improve connectivity and coordination between Greater Des Moines and the Ames-Story County region. Despite their proximity, many stakeholders said that the two areas generally operate independently and do not collaborate as much as Cedar Rapids and Iowa City, anchors of the state's other principal corridor.
- ✓ Central Iowa is served by one more Class I railroad than its three comparison regions, but does not have multi-modal trans-shipment capacity.
 - A potential passenger rail line from Chicago to Iowa City could one day serve Des Moines on its way to Omaha, but uncertain state support could jeopardize availability of federal dollars to fund the line.
- ✓ Des Moines International Airport (DSM) has suitable cargo capacity to serve existing and potential distribution and shipping firms but lacks the direct service and competitive airfares to support significant passenger capacity.
 - Public input participants were universally critical of DSM's number of non-stop destinations and the consistently high airfares charged by carriers serving Des Moines.
 - Opinions are mixed as to the best means to address these issues; some feel that continued regional growth will eventually lead to improved air service while others argue that an aggressive program of incentivizing additional air service is necessary to safeguard Greater Des Moines' economic competitiveness.
- ✓ Telecommunications infrastructure is provided to all Central Iowa communities but at varying download speeds. Other regions and counties in Iowa have faster connectivity than Greater Des Moines and its adjacent communities.
 - With access to the National LambdaRail and Internet2, Central Iowa institutions and business can take advantage of next-generation

transmission networks to improve their productivity and collaborative research efforts.

Arts, Culture, and Entertainment

- ✓ Public input respondents feel that Greater Des Moines has an enviable array of arts, culture and entertainment amenities not only for a “community of its size,” but for a much larger metro area.
 - When compared to Omaha, Madison and Denver, the Des Moines area’s capacity is more limited, but nevertheless serves an important role in the retention and attraction of businesses and talent. Some stakeholders would like to see the arts in Greater Des Moines taken more seriously as an economic driver and key component of the community’s “fabric.”
 - Input respondents said the creation of a regional arts agency (Bravo Greater Des Moines) has been a great benefit to the coordination and delivery of arts and culture programming in the area.
- ✓ Downtown Des Moines has experienced a renaissance with over \$3 billion invested in the city core in the last five years.
 - Revitalization of the Court Avenue and East Village districts, the construction of new corporate headquarters, a new library, sculpture park and arena and the development of hundreds of condominiums and rental units have made Downtown an increasingly viable attractor of young professionals and residents and businesses seeking a more vital urban environment.
 - Input participants noted that Downtown suffers from a shortage of affordable rental units that would help bring more younger residents to the district.

Livability

- ✓ Greater Des Moines features a very competitive cost of living, which serves as an incentive for companies seeking to bring talented professionals to the region to live and work.
- ✓ Housing prices in Greater Des Moines are lower than the U.S. average and above only Omaha among the comparison regions.
 - Average housing costs are nearly \$70 thousand per unit higher in metro Denver and \$65 thousand higher in the Madison region.
 - A lower percentage of Greater Des Moines renters pay more than 30 percent of their monthly income on rent than all the benchmark regions.
- ✓ Though Greater Des Moines has a lower per capita number of doctors than the competitor metros, it has the lowest average cost per doctor visit compared to the Omaha, Denver and Madison regions.
 - Overall wellbeing in Greater Des Moines as measured by the Gallup-Healthways index is higher than all the comparison regions.

- Health and wellness is poised to become a major initiative in Central Iowa due to the presence of Wellmark, Iowa Health-Des Moines, Mercy Medical Center, Broadlawns Medical Center, Des Moines University and other health-focused firms and institutions and the desire of local leadership to make the Des Moines region one of the nation's healthiest.
- ✓ Only the Madison region had lower combined property and violent crime rates than the Des Moines MSA among the benchmark metros.
 - However, the city of Des Moines' combined property and violent crime rates ranked higher than all the comparison cities.
- ✓ Greater Des Moines' rate of auto-dependency was higher than all the competitor metros except Omaha. However, its average commute time was lower than both Madison and Denver.
 - Public input respondents would like to see additional routes and more frequent service provided by the DART system in order for transit to serve as a viable option to auto commuting. Workforce development personnel and college students were also concerned about Greater Des Moines' transit capacity.
 - DART will be constructing a new Transit Hub in Downtown Des Moines that could potentially improve system performance and increase route frequencies.

Civic Capacity

- ✓ Metro Des Moines has a long history of strong civic capacity demonstrated by a succession of forward-thinking public and private leadership. This capacity has led to a number of high-impact programs, facilities and institutions being developed in the region.
 - However, some stakeholders are concerned that the "next generation" of leaders has yet to be identified, leading to a potential "philanthropic gap" as older leaders step aside. This next generation will also need to better reflect Greater Des Moines' changing population demographics.
- ✓ The Des Moines region has far more non-profit organizations per capita than all the benchmark metros. It also has higher per capita revenues in its non-profit organizations than all its benchmarks, though only slightly higher than Madison.
 - The positive and lasting impact of entities such as the Community Foundation of Greater Des Moines, the United Way of Central Iowa and others was cited as a major benefit for the health and welfare of Des Moines area residents.
- ✓ The Des Moines MSA has lower percentages of regular attendance at religious services than all the comparison geographies except metro Denver.
 - In the context of religious congregations' potential to serve as positive community change-agents, this can be seen as a competitive challenge for Greater Des Moines.

- ✓ Compared to its peer regions, Greater Des Moines has a higher number of facilities that produce/release air pollutants and facilities that are issued permits to discharge to bodies of water.
 - The poor water quality of Central Iowa's rivers and streams was cited by many input participants as a major detriment to the use of waterways for irrigation, consumption and recreation.

CONCLUSION

Unlike numerous U.S. regions that have experienced wrenching economic downturns and population loss, both before and during the recent Great Recession, Greater Des Moines' community trajectory is on a definite upswing. The region's population and economy have grown faster than the national average and one top-10 list after another has declared the Des Moines metro area the "best place" for a host of different criteria. The Capital Crossroads strategic visioning process is being launched from a position of strength, not weakness or alarm. That said, the most competitive economic climate in history compels Greater Des Moines to move forward aggressively with programs, processes, and partnerships designed to take its competitive position to its next level of effectiveness.

This *Competitive Capacity Assessment* has found that Greater Des Moines and Central Iowa are indeed well positioned competitively for a number of components that will affect how the region fares versus comparison communities for the retention, expansion, and attraction of jobs and talent. The maintenance and enhancement of these assets in addition to the development of additional competitive capacity is the goal of the Capital Crossroads process.

Among Greater Des Moines and Central Iowa's top strengths and opportunity areas¹⁰ are:

- ✓ Strong population growth and a more diverse residential base that is being welcomed by the community-at-large.
 - Continuing to leverage that diversity can foster Des Moines' reputation as a Midwestern melting pot.
- ✓ Public and private school systems that serve the needs of local families and businesses and retain/attract families to Central Iowa.
 - Ensuring that a variety of quality campus and curriculum options are available for area students will help the region maintain a tradition of educational excellence.
- ✓ Higher education resources, including one of the top agricultural-research institutions in the country in Iowa State, that draw thousands of young people to the region and produce skilled graduates who help local companies grow and excel.
 - Working with these institutions to capture the potential to advance regional economic development efforts can be a key strategy moving forward.
- ✓ A strong work ethic among current employees that provides value to existing businesses and helps marketers sell the region to prospects.

¹⁰ Do not reflect a prioritized order.

- Fostering that same level of commitment in successive generations of workers will help ensure that local and prospective employers still consider the region a competitive location for business.
- ✓ A growing base of networked young professionals that facilitates connections for new and existing residents and businesses.
 - Continued expansion and engagement of young professionals in Greater Des Moines' business, civic and cultural arenas will further drive the region's advancement as a community-of-choice for young talent.
- ✓ Well established economic development programs that have attracted and expanded major employers – especially in finance and insurance and healthcare – that provide stability to the local economy and a sustainable base for employment growth.
 - Key growth-sector opportunities in information technology and life, medical, plant and animal science can help to better diversify the regional economy and provide more career options for local youth.
 - Formalizing opportunities to better connect the Ames-Story County and Greater Des Moines economies along the I-35 spine can help to realize these diversification goals.
- ✓ A small but burgeoning cluster of young technology companies that is drawing attention to Central Iowa's advantages for start-up firms, including a ready availability of growth capital.
 - The potential to institutionalize a support system for these entrepreneurs and innovators can enable the region to steadily approach the dynamism of top entrepreneurial capitals such as Raleigh-Durham, Austin and San Francisco.
- ✓ A geographic location and competitive infrastructure capacity for roads and highways, telecommunications, utilities, and commercial rail.
 - Leveraging these strengths can position the region well for transportation, distribution, and logistics employment as well as opportunities in advanced manufacturing.
- ✓ A dynamic, affordable quality of life, revitalizing Downtown Des Moines, and arts, culture and recreation capacity that enriches the lives of current residents and provides “surprising” benefits to new migrants unfamiliar with Central Iowa.
 - Continuing to develop amenities while better connecting new and existing resources will bind these unique assets into a stronger whole.
- ✓ A philanthropic, active civic capacity built by strong, accessible, and forward-thinking public and private leadership that has guided Greater Des Moines to multiple high rankings on “best place” lists and produced enviable community resources.
 - Ensuring leadership continuity in future generations will perpetuate and accelerate these positive trends.

Among Greater Des Moines and Central Iowa's key challenges to addressⁱⁱ are:

- ✓ The external perception of Greater Des Moines and Central Iowa as a community of “corn and cows” that does not reflect the region’s true assets and opportunities.
- ✓ Rising, increasingly concentrated poverty in the city of Des Moines that is adversely affecting academic performance, reducing tax revenue, and straining the City’s and community-based agencies’ ability to meet the growing demand for social services.
- ✓ Public school performance issues – especially in the city of Des Moines and high-poverty rural districts – that reflect the challenges of educating an increasingly ethnically diverse, low-income and at-risk student population. This is compounded by a state that provides little flexibility to school districts that want to implement non-traditional campuses and programs.
- ✓ Workforce educational attainment levels below the nation’s most competitive information and technology-based economic regions. Increasingly impacted availability in high-demand community college degree programs.
- ✓ A high concentration of finance and insurance employment that puts the region at risk of major disinvestment and economic decline if one or more major companies were to be acquired or leave the region.
- ✓ Existing-business development programs that need to be fine-tuned to better capitalize on local expansion opportunities.
- ✓ A “risk-averse” community culture – reportedly derived from the region’s historical role as an insurance capital – that restricts the pursuit of unconventional efforts and prevents the development of a “culture of entrepreneurship” in Greater Des Moines.
- ✓ Lack of connectivity and a prominent centralized support entity for the region’s small business people, coupled with the lack of a formalized networking and support system for aspiring entrepreneurs and technologists.
- ✓ Evolving but still restrictive technology transfer and commercialization processes at Iowa State University that slow the movement of research to market.
- ✓ High commercial and residential property tax rates that create the perception that Iowa (and Central Iowa) are not cost-competitive for existing or prospective businesses and talent.
- ✓ Above average airfares and a lack of direct flights to top U.S. and foreign markets at Des Moines International Airport that hamstringing the region’s ability to retain and attract companies and talent, while limiting Greater Des Moines’ competitiveness as a convention and tourism destination.
- ✓ A lack of critical mass of entertainment amenities and districts that would enable Greater Des Moines to compete with larger metro areas for young

ⁱⁱ Do not reflect a prioritized order.

professional talent. Plus, a young professional cohort that is reportedly divided between so-called “corporate” and non-corporate membership and often does not serve as “ambassadors” for Central Iowa.

- ✓ A widening “philanthropic gap” as the community’s established, successful leadership corps declines in capacity without a clear secession of new leaders taking their places.
- ✓ The persistence of local parochialism that prevents the implementation of certain regional education, workforce, planning and infrastructure-development efforts. This includes a reported divide between the Greater Des Moines and Ames-Story County communities that many say holds the region back from achieving more dynamic success.

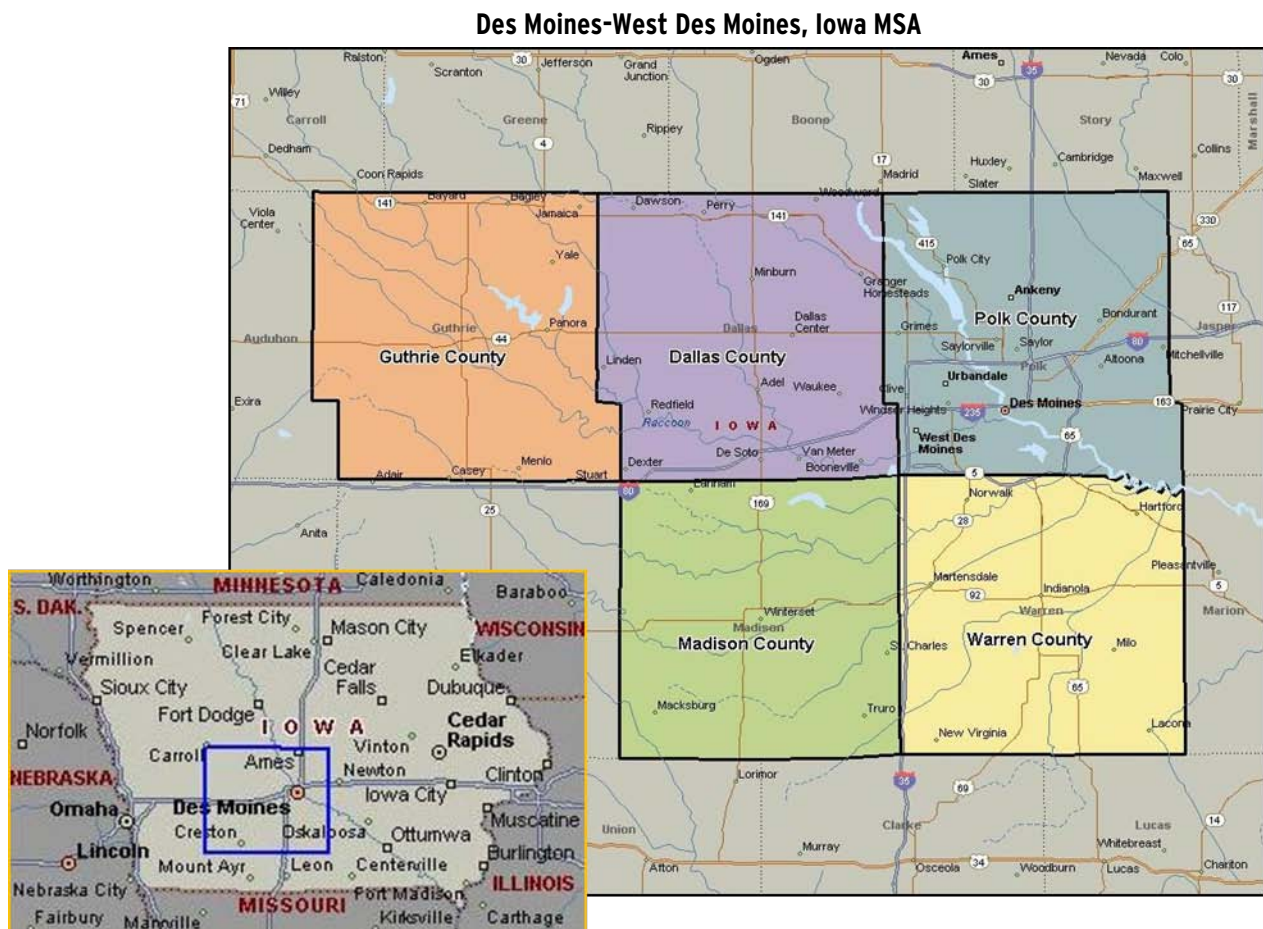
As the Capital Crossroads process advances, key findings from the *Competitive Capacity Assessment* as well as the *Target Cluster and Marketing Analysis* will combine to inform the development of the region’s strategic vision plan and an implementation process to achieve its recommended goals and objectives.

APPENDIX A: METHODOLOGY

This report comprehensively examines Greater Des Moines' and Central Iowa's trends and competitiveness related to People, Prosperity, and Place compared to three other regions, the state of Iowa, and the nation. The comparison communities are Denver, CO; Madison, WI; and Omaha, NE. This section describes the methodologies used in the research and data analysis of this report.

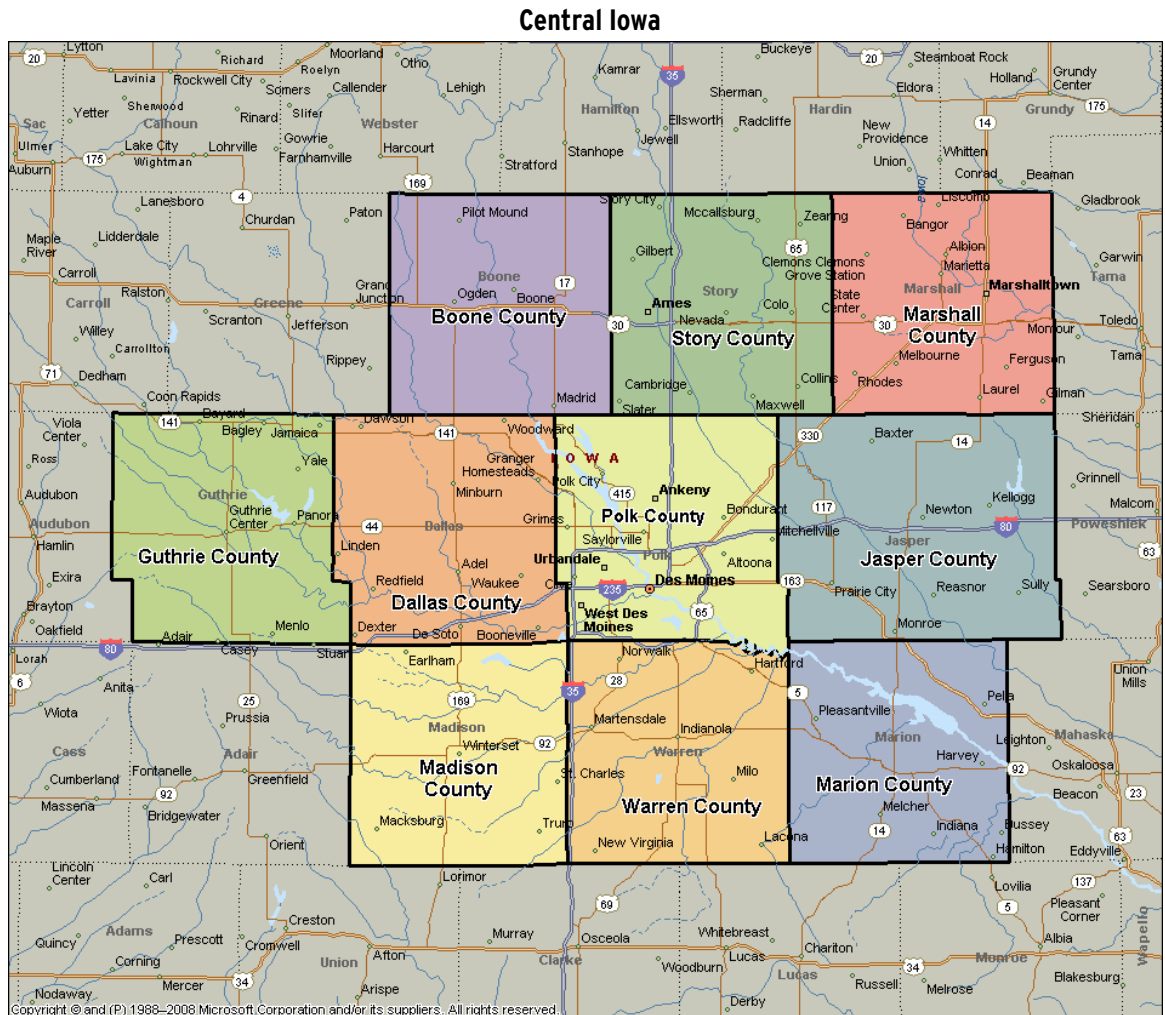
GEOGRAPHY

This report examines trends within the Des Moines-West Des Moines, IA metropolitan statistical area (MSA)¹², defined by the U.S. Office of Management and Budget (OMB). Dallas, Guthrie, Madison, Polk, and Warren Counties makes up the current definition of the Des Moines MSA. The following map shows the five counties included in the Des Moines MSA.



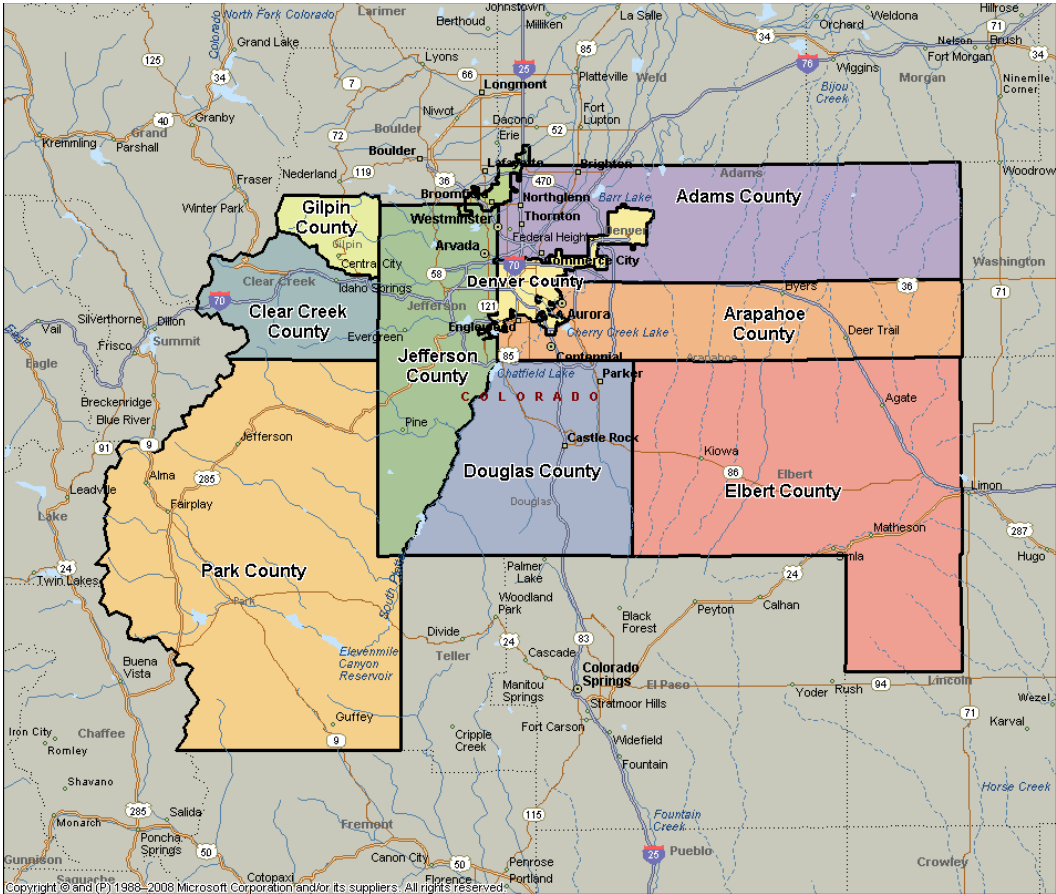
¹² In the report, the term "Greater Des Moines," when used in reference to Des Moines, is intended to refer to Des Moines-West Des Moines, IA MSA, or the five-county area.

The following map shows the ten counties included in the Central Iowa region, which is an amalgamation of the Des Moines MSA, the Ames MSA (Story County), and four surrounding micropolitan statistical areas (MiSA). These areas are Boone MiSA (Boone County), Marshalltown MiSA (Marshall County), Newton MiSA (Jasper County), and Pella MiSA (Marion County).

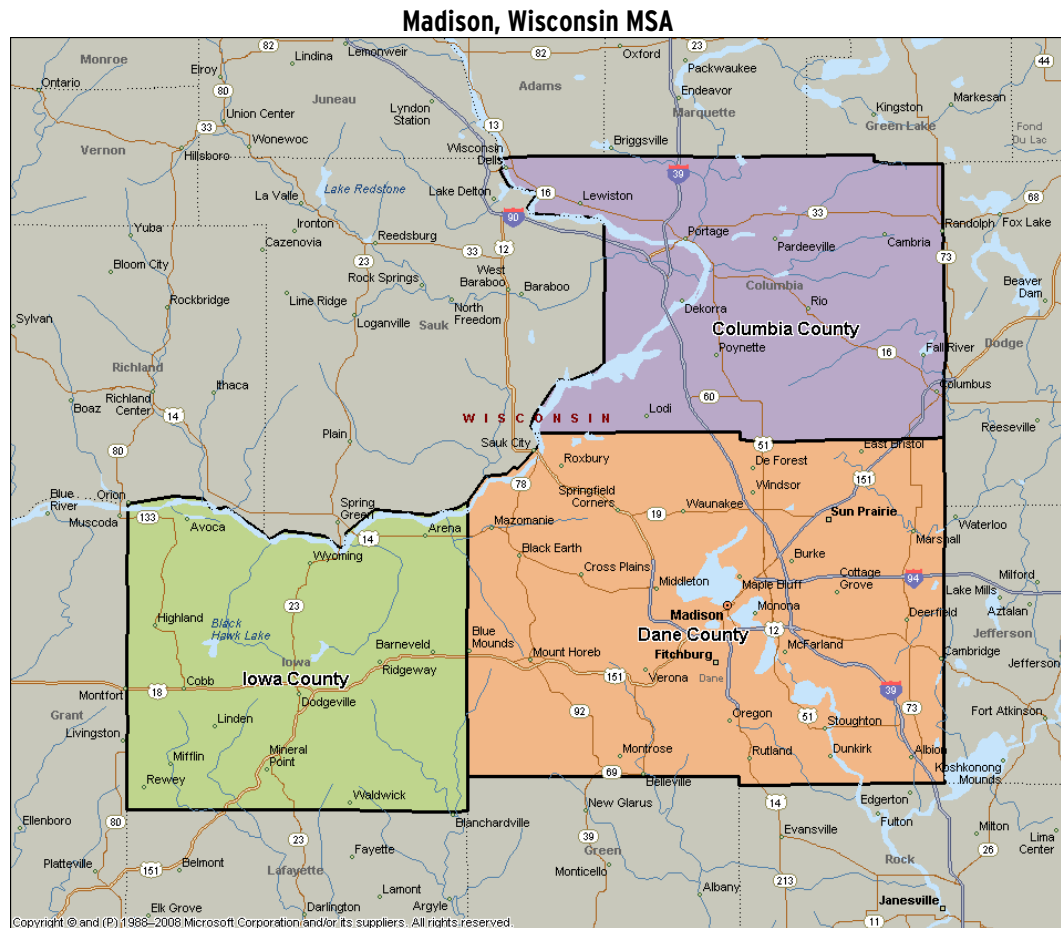


In *Market Street's* analyses, Greater Des Moines and Central Iowa are benchmarked against three comparison metropolitan areas: Denver, CO; Madison, WI; and Omaha, NE. These comparison communities were chosen based on total population, population growth, racial and ethnic composition, job growth, unemployment rates, per capita income, economic structure, educational attainment of adults, regional university enrollment, and presence of an ISU “peer” research institution.

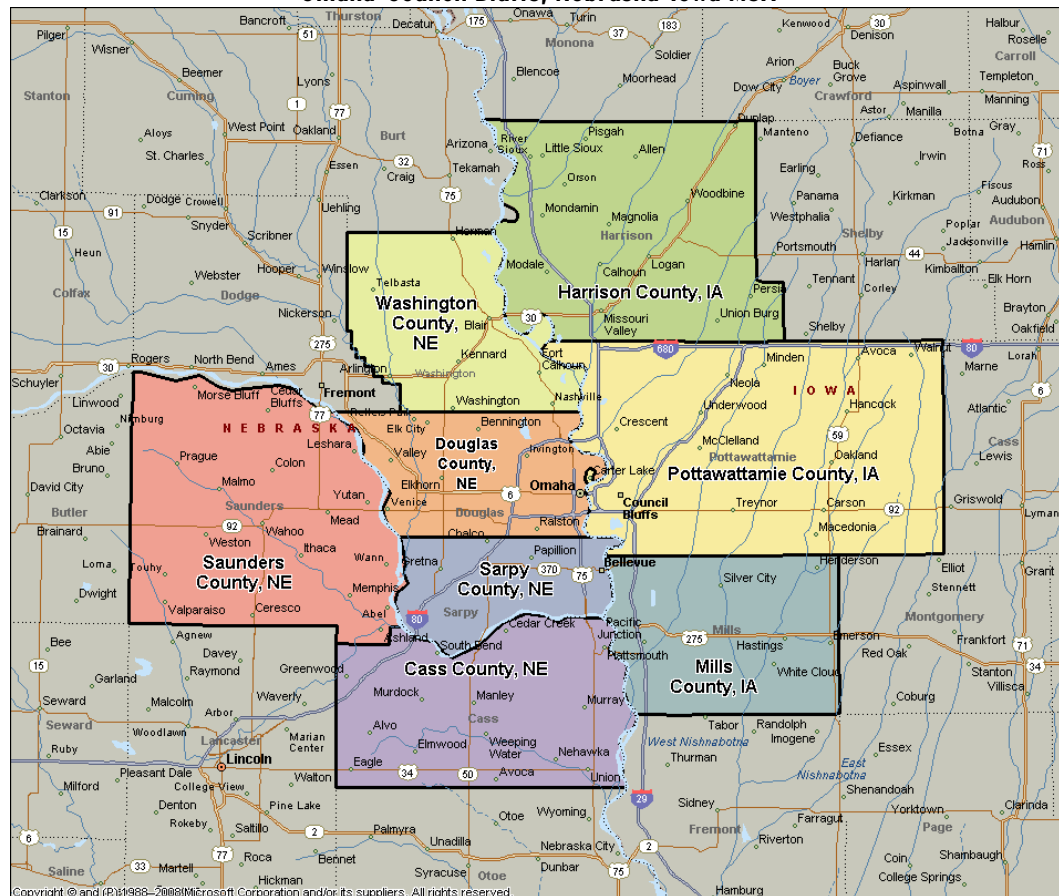
The following map illustrates the Denver, CO MSA, as defined by the U.S. Office of Management and Budget (OMB). It includes Adams, Arapahoe, Broomfield, Clear Creek, Denver, Douglas, Elbert, Gilpin, Jefferson, and Park Counties.

Denver-Aurora-Broomfield, Colorado MSA

The following map shows the three counties of the Madison, WI MSA: Columbia, Dane, and Iowa.



The Omaha, NE MSA is composed of counties in both Nebraska and Iowa. Five counties are located in Nebraska: Cass, Douglas, Sarpy, Saunders, and Washington. The remaining three counties are in Iowa: Harrison, Mills, and Pottawattamie. The eight-county region is illustrated in the following map.

Omaha-Council Bluffs, Nebraska-Iowa MSA


DATA SOURCES

Market Street used the most recent data available for this *Competitive Capacity Assessment*. Reputable and reliable private, non-profit, local, state, and national government data sources were leveraged, with every effort made to match methodologies and units of comparison across sources to provide the most accurate and informative analysis of Greater Des Moines' and Central Iowa's demographic trends, economic structure, and the overall competitiveness of the community's business climate.

National government sources used in this analysis included the U.S. Census Bureau; U.S. Bureau of Labor Statistics; U.S. Bureau of Economic Analysis; the Federal Bureau of Investigation; and the statistics or information divisions of several federal government department bureaus.

Iowa government data sources were also used throughout the analysis. A few of those sources were the Iowa Department of Education, the Iowa Department of Economic Development, and the Iowa Department of Transportation. Data provided by Iowa

State University were also utilized. The education, tax, health, and economic development departments/cabinets of Colorado, Nebraska, and Wisconsin were used for the benchmark comparisons.

Individual websites for colleges, universities, municipalities, counties, chambers of commerce, and economic development organizations were also used in this report as primary data sources. Additionally, the following sources were used: National Institute for Early Education Research; The Council for Community and Economic Research; Corporation for National and Community Service; the Tax Foundation; Milken Institute; National Association of Realtors; Loopnet.com; the Center for Neighborhood Technology; Gallup-Healthways; Association of University Technology Managers; SpeedMatters; National Center for Charitable Organizations; and *Cities Ranked and Rated*.¹³ Recent articles in *The Des Moines Register* were also referenced to provide information on relevant current events in the Greater Des Moines community.

MARKET STREET SERVICES' WORKFORCE RISK INDEX

Market Street Services' proprietary *Workforce Risk Index* measures the sustainability of metropolitan labor forces in the medium and long-term. Labor force sustainability refers to the capability and capacity of a region's workforce to support the region's businesses and operations, and accommodate additional demand for labor. A sustainable labor force is capable of absorbing the risks imposed upon regional economies from impending demographics trends and structural changes in the national economy.

The Workforce Risk Index includes two major components: demographic risk and structural risk. The demographic sustainability component measures the susceptibility of the workforce in 353 metropolitan areas to various demographic trends, including the retirement of the baby boom generation, the pipeline of young professionals, net migration, and the labor force participation of young professionals and those approaching retirement age. The structural risk component, still under development, will measure the susceptibility of a region's workforce to the changing industrial structure and occupational composition of the United States.

The demographic sustainability component of the Workforce Risk Index can be found in the tables presented in the **People** section of this report. These tables include the actual data values and associated rankings for each of six individual component indicators that are included within the demographic sustainability component.

The six components included are:

¹³ Sperling, B. and P. Sander. *Cities Ranked and Rated*, 2nd ed. Hoboken, NJ: Wiley Publishing, Inc., 2007.

- **Population Approaching Retirement:** The percentage of the non-college working age population (25-64) that is approaching retirement age in the coming decade (current ages 55-64, approaching 65-74 in coming decade).
- **Young Professional Population:** The percentage of the non-college working age population (25-64) that are young professionals' age (25-39).
- **LFPR (Ages 62+):** The labor force participation rate of those above the average retirement age in the United States.
- **LFPR (Ages 25-39):** The labor force participation rate of the young professional age population (ages 25-39).
- **Long-term Net Migration:** The net migration of individuals to/from the metropolitan area between 1997 and 2007.
- **Short-term Net Migration:** The net migration of individuals to/from the metropolitan area between 2005 and 2007.

An index value is calculated for each of the six individual components according to the following formula, which fits all values between zero and one hundred:

$$\text{Index value} = [(\text{actual value} - \text{minimum value}) / (\text{maximum value} - \text{minimum value})] * 100$$

This formula fits the distribution of values between zero and one hundred, ensuring that the top performer in a given category is assigned an index value of 100 and the worst performer is assigned an index value of zero. All other regions' index values are expressed relative to the deviation between the top performer and the worst performer. A ranking of one is assigned to the best performer in each component; a ranking of 353 indicates the worst performer.

A weighting scheme is applied to the six individual components to calculate the final composite index of demographic sustainability. The indicators measuring the age pipeline (population approaching retirement, and young professional population) each receive a weighting value equal to two. The indicators measuring labor force participation receive a weighting value equal to one. The indicators measuring trends in net migration receive weighting values of 1.5.

The following metropolitan areas were excluded from the analysis as a result of insufficient or unreliable data: Brunswick, GA MSA; Carson City, NV MSA; Casper, WY MSA; Columbus, IN MSA; Farmington, NM MSA; Lake Havasu City-Kingman, AZ MSA; Lewiston, ID-WA MSA; Palm Coast, FL MSA; Sarasota-Bradenton, FL MSA; Palm Bay-Melbourne-Titusville, FL MSA.

APPENDIX B: NGC YOUNG PROFESSIONAL ANALYSIS - SUPPLEMENTAL INFORMATION

Supplemental In-Depth Interview Findings

Next Generation Consulting (NGC) conducted five interviews with selected YP leaders in the region. Because a few of these YPs wished to keep their answers anonymous, all quotes are identified only with relationship to the region and the gender of the individual.

Key Theme: Young professionals are tied to the region primarily because of family, as well as it being a “family-friendly” place to live.

All interviewees indicated that a connection with family is what led them to stay, relocate, or brought them back to the Des Moines region.

“Really after high school and after college, I teetered on whether or not to move to other cities. For me, it was family that kept me here. My older siblings are here in town, and I’ve got nieces and nephews. Family kept me here.” (*Homegrown, Male*)

“We knew we were going to get married and start a family so that makes Des Moines a really attractive place. I’m not from the area, but my wife grew up in Iowa City and her family lives down in that area. So we had family ties there and that made Des Moines a more attractive place. It’s a great place to raise a family. It’s a great place to live.” (*Transplant, Male*)

“I grew up in Des Moines and I live in West Des Moines now. I boomeranged back to Des Moines. My wife and I met here and we both went to school on the East Coast. We chose to move back basically to be closer to our family...” (*Boomeranger, Male*)

“I grew up here... my family is from around here and have been here for about 160 years and my parents are still here now. I looked at a bunch of different cities and ultimately decided to go with Des Moines. The main reason being my family was here and I was interested in a mid-sized city where I could become involved, affordable living, easy commute, friendly people, good schools, low crime.” (*Boomeranger, Male*)

“I live here primarily because my family is close by, but also it’s been exciting to watch Des Moines grow and change over the last few years, which has solidified my decision to stay here.” (*Homegrown, Female*)

Key Theme: Young Professionals value how easy it is to get involved in the community and the accessibility of the region’s leaders.

Interviewees discussed that the region's established leaders are accessible and open to YP involvement.

"In Des Moines it's so easy to network. The leaders here are very accessible. I haven't had a problem reaching out to leaders. They are very eager and willing to help young professionals grow." (*Homegrown, Female*)

"In terms of getting plugged into the broader community, the community leaders here are accessible. I've found them to be more than willing to help. I don't know if that's because I sort of knew them before through my family. I found it to be a good community spirit throughout and everyone seems to have the common goal of making the city a better place to work." (*Boomeranger, Male*)

"There have been numerous people who had said it's really three degrees of separation. You're literally three degrees away from a CEO or a business leader. And the opportunities to meet and connect with those leaders here in Des Moines, from what I understand from people who have lived in other cities, is much more easily done. I can have that opportunity to eat lunch with business leaders without any real hesitation. They're much more open to the younger demographic and having conversations." (*Homegrown, Male*)

Key Theme: YPs think the region needs to promote itself better, to displace the stereotype that it is a boring, Midwestern, farming community.

Interviewees indicated that the region, and perhaps State, is still impacted by stereotypes and negative perceptions. Some felt the region needs to do a better job of telling its "truth" and story.

"I knew a little about Iowa from having visited in-laws in Keokuk, but before I moved not much at all. You recognize it from the caucuses. You think it is covered in corn." (*Transplant, Male*)

"We've also gotten a lot of press in the last year: the number one place to do business, the number one place to raise a family. I think there's an opportunity there to start building on the idea that there is a lot to offer. I think this is an exciting time." (*Transplant, Male*)

"I don't think that people sometimes know much about Des Moines. I think they often think it's a nondescript Midwest city. The media has definitely portrayed Des Moines as a place that's out in the corn fields and just a farming type community" (*Homegrown, Female*)

"Maybe perception might still be a hurdle. There is a new vibrancy that people feel, but I think there's work to do on changing people's attitudes." (*Homegrown, Female*)

"There's always the misconception that it's fly-over country and all the other things like that that people say, or 'why would you want to live there?'" (*Homegrown, Male*)

“I think the biggest weakness or area that we need to focus on -- and we are, we as an organization and as a community -- is telling people about Des Moines and telling people about the great things here, and really we’re being our own champions and vocalists in doing that.” (*Homegrown, Male*)

Interviewees identified the following as top strengths in the region:

- Affordability
- Spirit of community improvement
- Accessibility of leaders and ease of getting involved
- Ease of getting around - short commutes and minimal traffic
- Recreational activities (e.g. sports, outdoor activities)
- High-quality jobs/”solid economic fundamentals”

Interviewees identified the following as top challenges or wishes they have for the region:

- Urban sprawl and managing growth
- Negative perception of Des Moines (both residents and outsiders)
- Accessibility (e.g. small airport, no train lines)
- Lack of walkability
- Lack of economic diversity and high-paying jobs in exciting industries
- Not enough after-hours activities
- Development of downtown (e.g. vacant office spaces, no grocery store, not enough parks)
- Lack of healthy restaurants (e.g. organic, vegetarian)
- No professional sports teams

Supplemental Handprint Findings

The following is a summary analysis of Greater Des Moines’ scores against its peers in each of the indexes’ data measures.

VITALITY: 6

The Des Moines region earned a score of 6 in the Vitality index, which indicates that Greater Des Moines’ overall vitality is better than the average of its peers. Compared to its 7 peer regions, Greater Des Moines scored second highest in air quality and farmers’ markets per capita (behind Minneapolis/St. Paul and Madison, respectively). Greater Des Moines also scored above average in water quality. There is room for improvement in physicians per capita and dog parks, however, as Greater Des Moines scored below average in both measures.

EARNING: 4

In the Earning index, Greater Des Moines scored slightly below average overall with a score of 4. There are definitely some bright spots in this index, however. Greater Des Moines earned the highest score relative to its peers in future job growth (33.5 percent) and also had a relatively low unemployment rate compared to its peers (August 2010 unemployment was 6.5, compared to a peer average of 7.2). Greater Des Moines scored slightly below average in the percent of knowledge workers (38.5 percent) and average household income (\$56,954). Greater Des Moines has the most room for improvement in venture capital investment and employment stability, both of which were well below average.

(Note: Greater Des Moines' scores in "unemployment rate" and "employment stability" indicate that its most recent unemployment rate (August 2010) is relatively low compared to its peers. However, Greater Des Moines' unemployment rate has actually risen significantly compared to its peers over the last year (from 5.6 to 6.5), which is why the region received a low score in "employment stability.")

LEARNING: 5

Compared to its peer regions, Greater Des Moines earned an average score of 5 in the Learning index. High points include its lower-than-average student/teacher ratio (14.7), and the third highest WiFi hotspots per capita (22.2 per 100,000 residents). Greater Des Moines scored about average in the number of community/technical colleges per capita, and below average in educational attainment, education expenditure (at the K-12 level), and public libraries per capita.

SOCIAL CAPITAL: 7

The Des Moines region scored above average compared to its peers in the Social Capital index, which measures how safe and open the community is to its diverse residents. Greater Des Moines earned the second highest score (next to Madison) in the number of Civil Rights and Social Advocacy Organizations per capita, as well as the second highest score (next to Denver) in religious diversity. Greater Des Moines also earned higher than average scores in women-owned businesses per capita, and social integration (i.e. how integrated, versus segregated, majority and minority ethnic groups are in the community). In addition, Greater Des Moines has lower than average property crime rates. Greater Des Moines has room to improve in its ethnic diversity, however, with the lowest score of its peers.

COST OF LIFESTYLE: 8

Compared to its peers, the Des Moines region scored well above average in the Cost of Lifestyle index. A major highlight is that Greater Des Moines is the most affordable region of its peers in terms of student cost of living, which measures the cost of living for a student sharing an apartment and earning minimum wage. Greater Des Moines is also the most affordable of its peers in median rent, and is tied for most affordable (with Nashville) in utilities. Greater Des Moines was second (next

to Austin) in affordability of food/groceries, and second (next to Indianapolis) in median homeowner expenses (e.g. mortgage, property taxes, homeowner's insurance, etc.). The only area where Greater Des Moines was slightly less affordable than its peers was the price of gas, which was slightly above average.

AFTER HOURS: 5

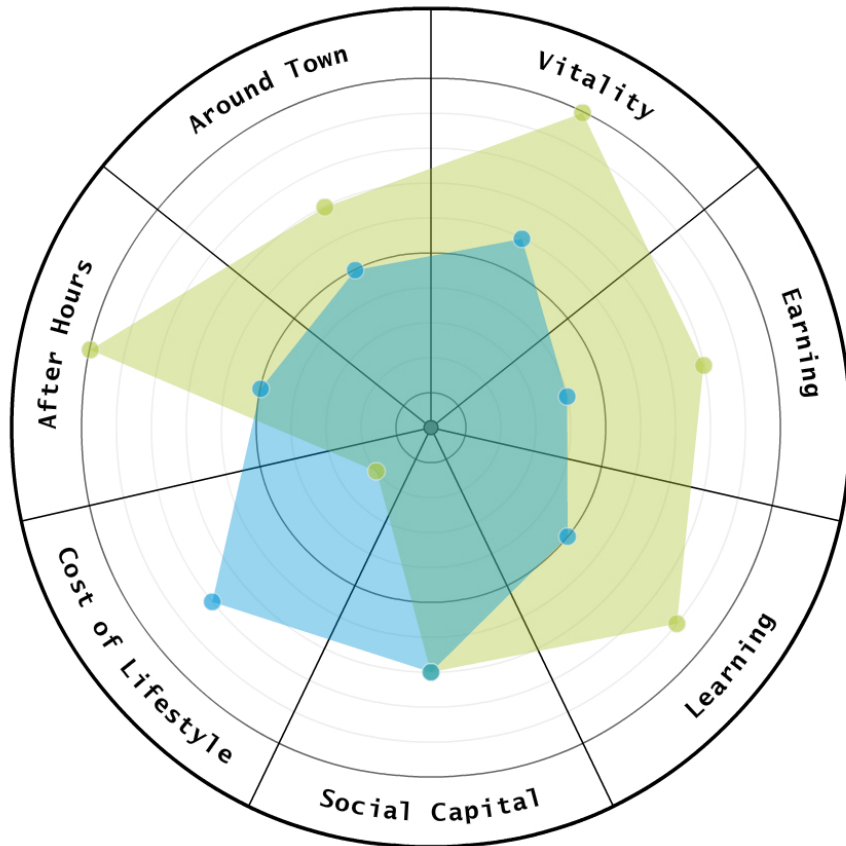
Greater Des Moines earned an overall average score of 5 in the After Hours index, which measures things to do in the community on nights and weekends. Greater Des Moines scored significantly above average in the number of full-service restaurants and book/periodical/music stores per capita, and slightly above average in the number of festivals per capita. Greater Des Moines scored below average in the number of arts/entertainment/recreation establishments, independent coffee shops, and local music shows per capita.

AROUND TOWN: 5

In the Around Town index, Greater Des Moines scored on par with its peers, with an overall score of 5. Greater Des Moines can, however, brag about having the lowest average commute time of its peers (19.7 minutes) as well as the highest percentage of employees who carpool to work (11.1 percent). Greater Des Moines' overall walkability was slightly lower than its peers, and the region scored below average in the percent of people who walk to work, as well as the percent that commute using mass transit. Lastly, because the region's airport is classified as a "small hub," it received a lower score relative to its peers in the "airport activity" measure.

The following pages contain Handprint images for the Des Moines MSA vs. each comparison city. Please note that Handprint scores are determined for each city against the comparison group as a whole, not against the Des Moines MSA individually.

Des Moines MSA vs Madison (WI) MSA



Des Moines-Madison (WI)



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Des Moines MSA

Vitality	6
Earning	4
Learning	5
Social Capital	7
Cost of Lifestyle	8
After Hours	5
Around Town	5

Madison MSA

Vitality	10
Earning	8
Learning	9
Social Capital	7
Cost of Lifestyle	2
After Hours	10
Around Town	7

Des Moines MSA vs Denver (CO) MSA



Des Moines-Denver (CO)



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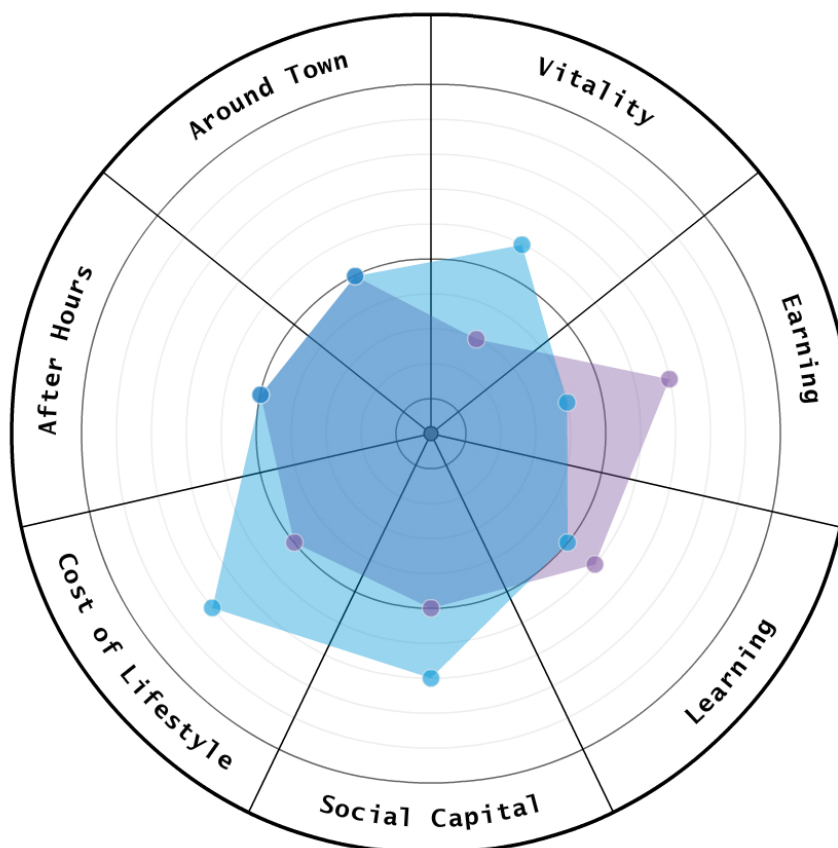
Des Moines MSA

Vitality	6
Earning	4
Learning	5
Social Capital	7
Cost of Lifestyle	8
After Hours	5
Around Town	5

Denver MSA

Vitality	5
Earning	5
Learning	5
Social Capital	8
Cost of Lifestyle	3
After Hours	5
Around Town	6

Des Moines MSA vs Austin (TX) MSA



Des Moines-Austin (TX)



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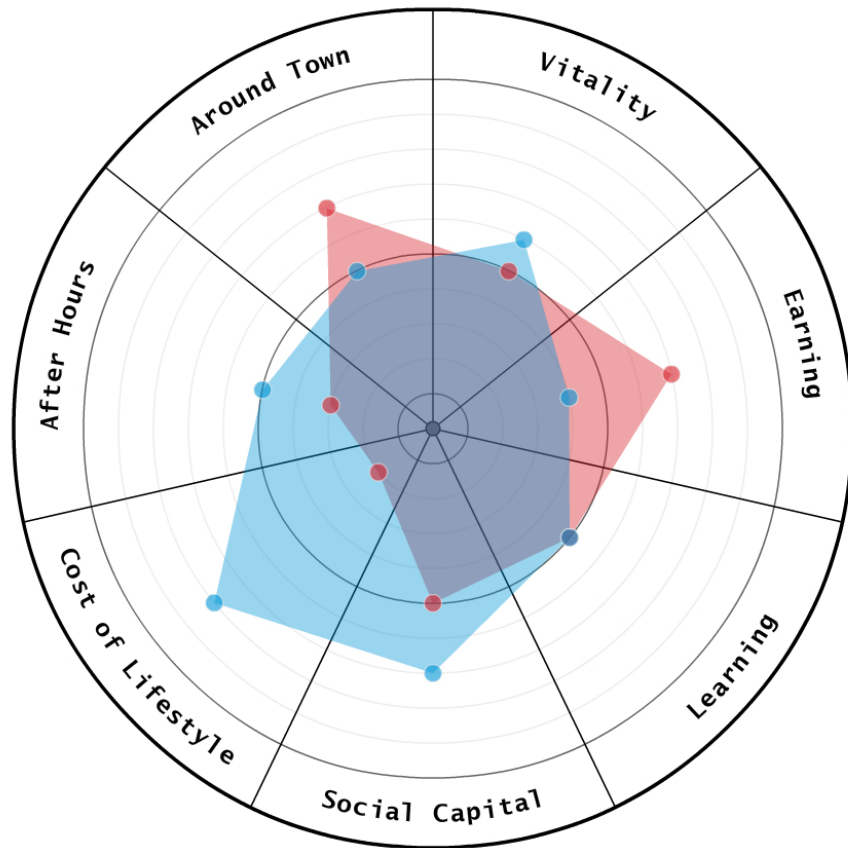
Des Moines MSA

Vitality	6
Earning	4
Learning	5
Social Capital	7
Cost of Lifestyle	8
After Hours	5
Around Town	5

Austin MSA

Vitality	3
Earning	7
Learning	6
Social Capital	5
Cost of Lifestyle	5
After Hours	5
Around Town	5

Des Moines MSA vs Minneapolis (MN) MSA



Des Moines-Minneapolis



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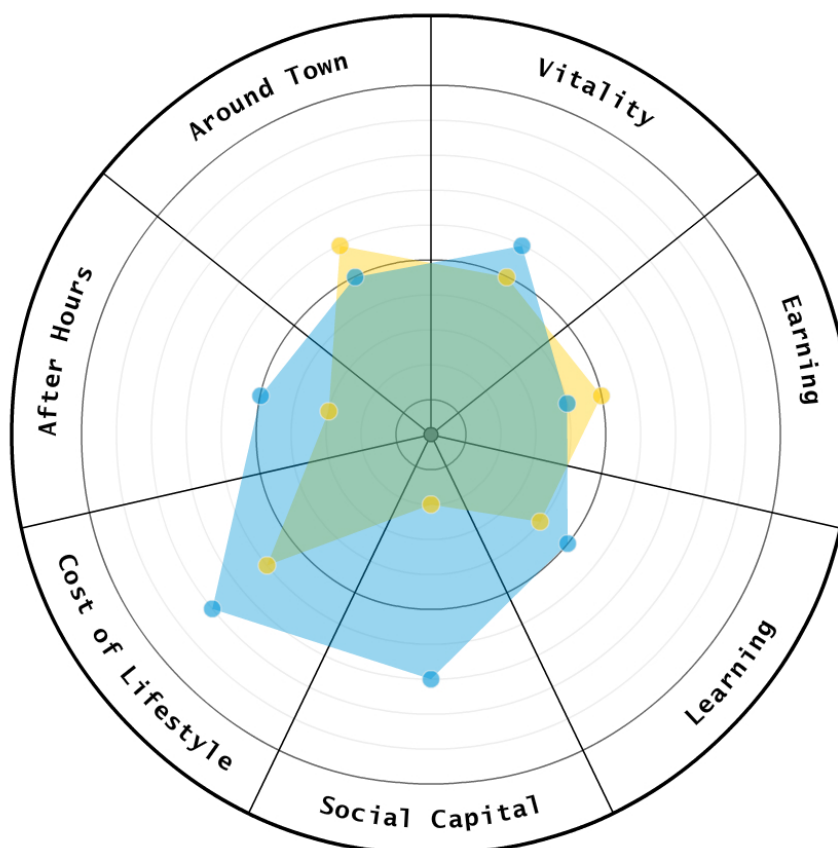
Des Moines MSA

Vitality	6
Earning	4
Learning	5
Social Capital	7
Cost of Lifestyle	8
After Hours	5
Around Town	5

Minneapolis MSA

Vitality	5
Earning	7
Learning	5
Social Capital	5
Cost of Lifestyle	2
After Hours	3
Around Town	7

Des Moines MSA vs Omaha (NE) MSA



Des Moines-Omaha (NE)



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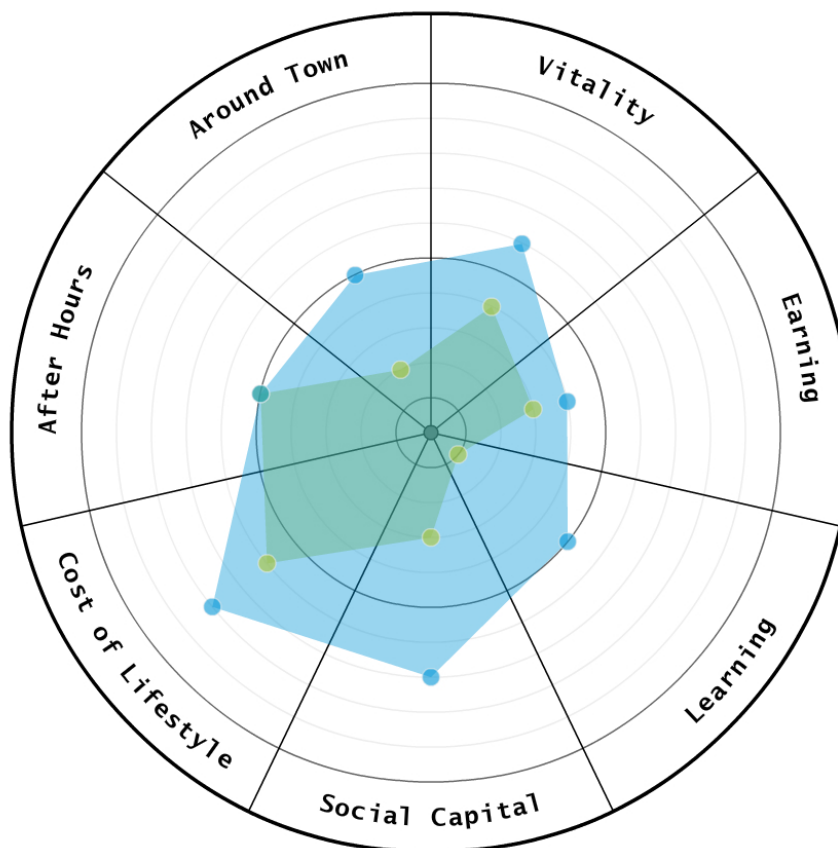
Des Moines MSA

Vitality	6
Earning	4
Learning	5
Social Capital	7
Cost of Lifestyle	8
After Hours	5
Around Town	5

Omaha MSA

Vitality	5
Earning	5
Learning	4
Social Capital	2
Cost of Lifestyle	6
After Hours	3
Around Town	6

Des Moines MSA vs Nashville (TN) MSA



Des Moines-Nashville (TN)



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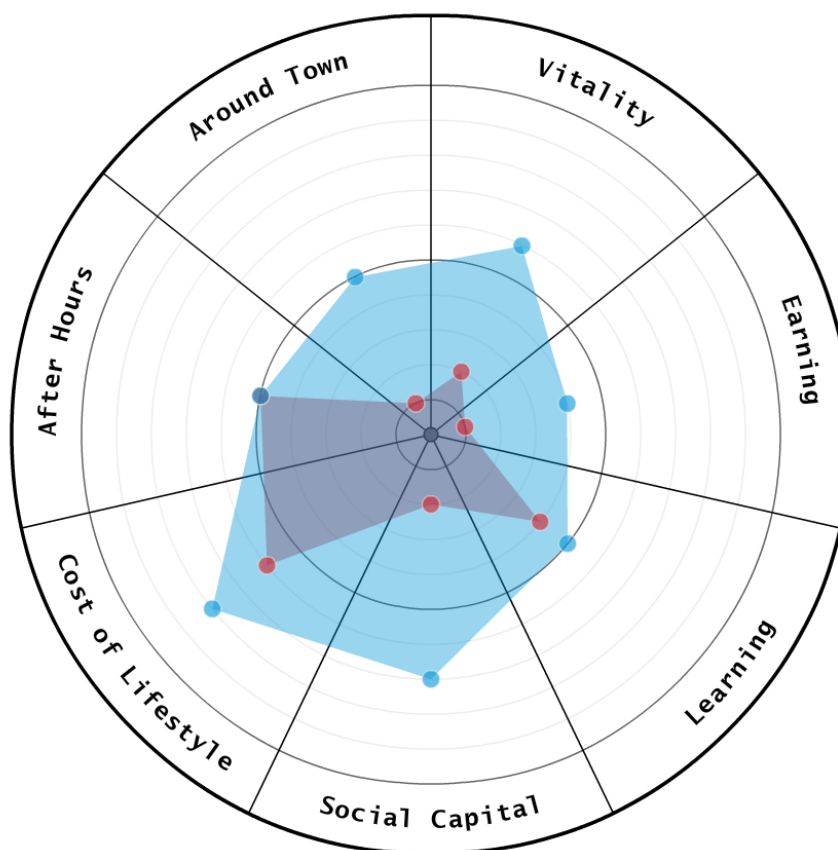
Des Moines MSA

Vitality	6
Earning	4
Learning	5
Social Capital	7
Cost of Lifestyle	8
After Hours	5
Around Town	5

Nashville MSA

Vitality	4
Earning	3
Learning	1
Social Capital	3
Cost of Lifestyle	6
After Hours	5
Around Town	2

Des Moines MSA vs Indianapolis (IN) MSA



Des Moines-Indianapolis



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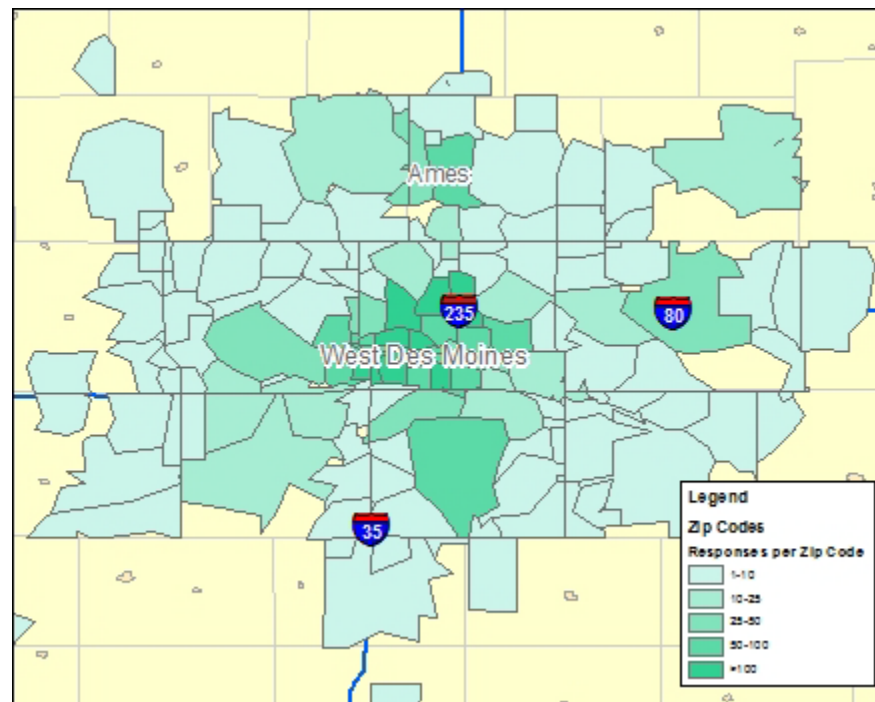
Des Moines MSA		Indianapolis MSA
Vitality	6	Vitality 2
Earning	4	Earning 1
Learning	5	Learning 4
Social Capital	7	Social Capital 2
Cost of Lifestyle	8	Cost of Lifestyle 6
After Hours	5	After Hours 5
Around Town	5	Around Town 1

APPENDIX C: CAPITAL CROSSROADS ONLINE SURVEY

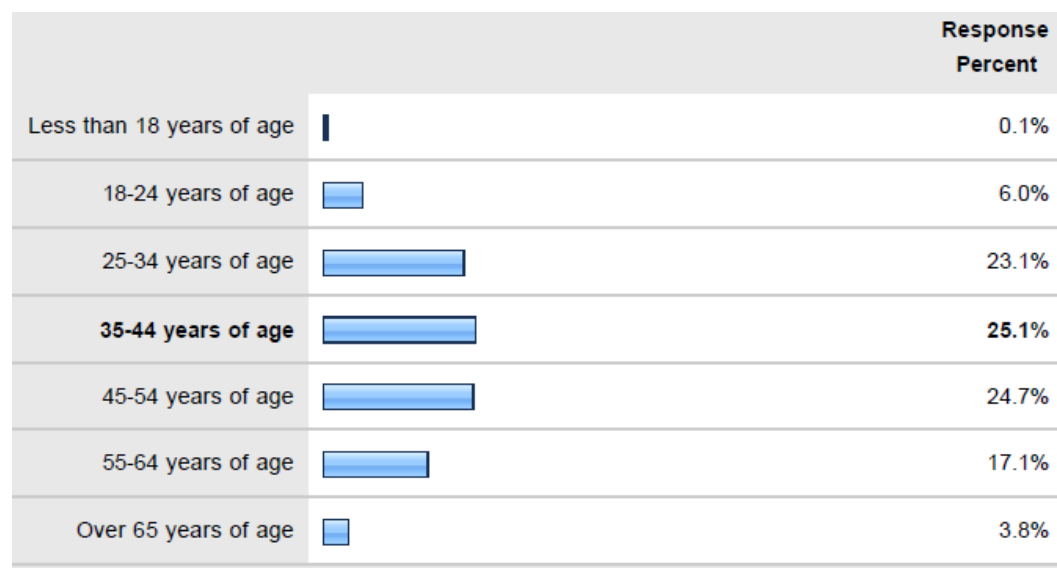
An online survey corresponding to the Capital Crossroads process was available at the project website for a period of roughly six weeks. It was also distributed to the memberships of the Greater Des Moines Partnership and its partner chambers as well as the employees of the region's top employers. During that time, the survey received **3,448 responses**. Response percentages and a select number of comment responses are included on the pages that follow. *Note: The responses are selected at random and do not represent the tenor of the entire complement of survey comments.*

“Logic” was built into the survey to direct respondents to – or past – questions that they are most qualified to answer. For example, if a respondent did not indicate he or she was at management level or above, they were taken past questions related to business climate, workforce capacity and other issues.

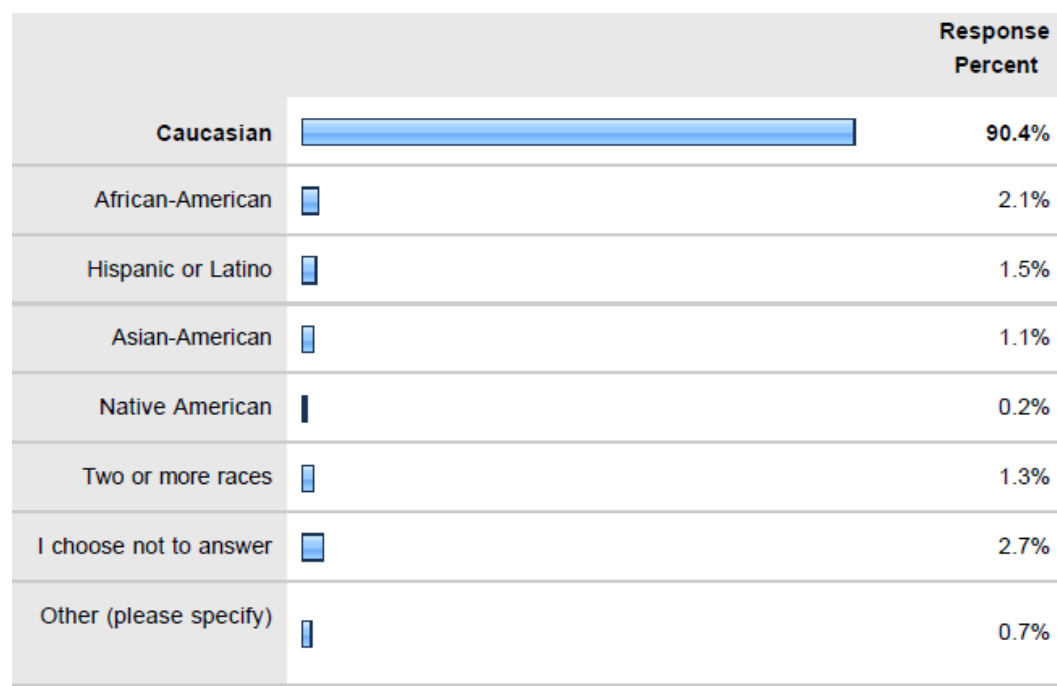
What is the zip code of your primary residence?



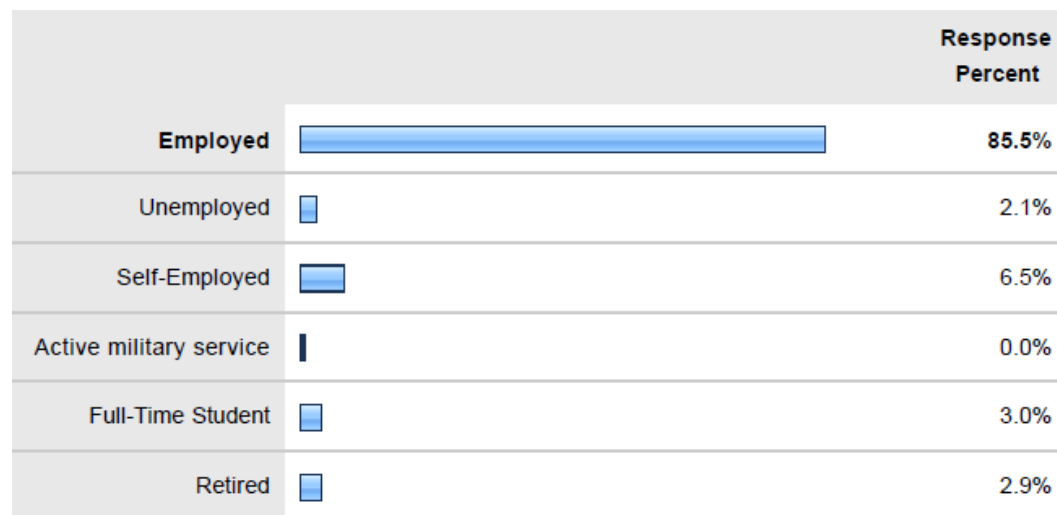
What is your age?



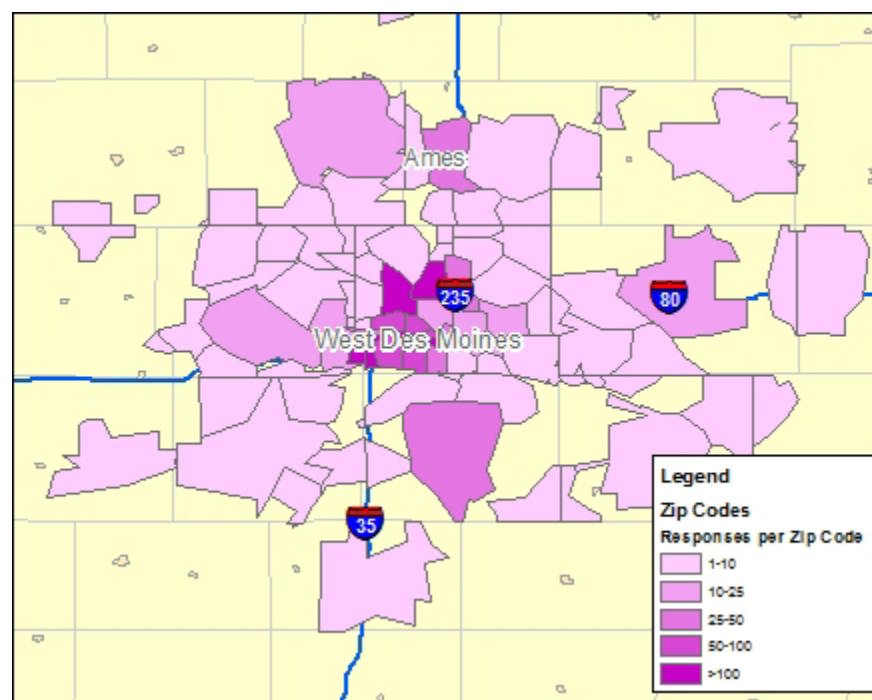
What is your race/ethnicity?









What is your employment status?




















What is the zip code of your company or organization's primary location?



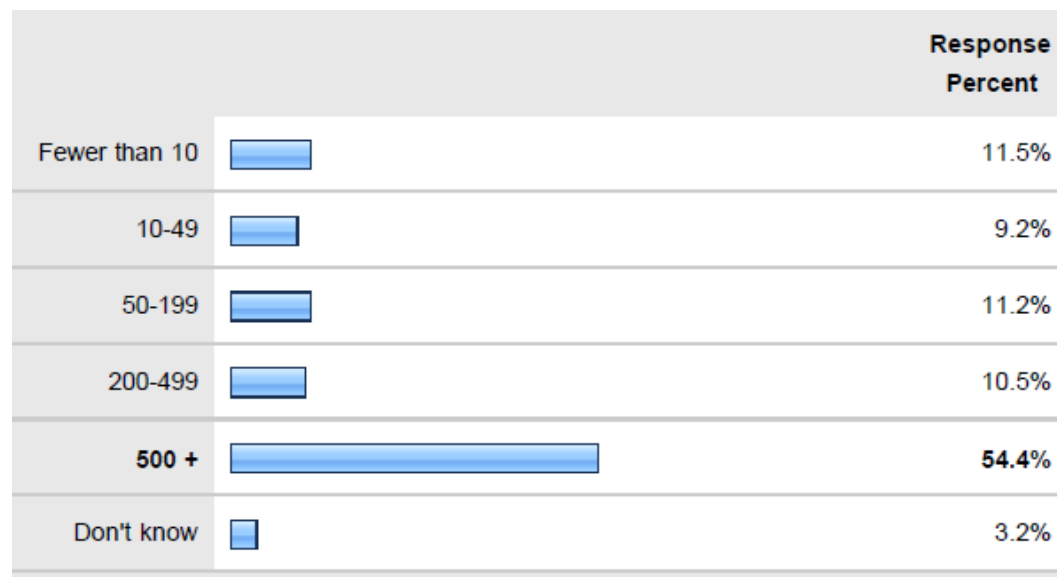
How long have you worked at your current place of employment?

		Response Percent
Less than one year		10.5%
1 - 3 years		19.6%
4 - 5 years		16.0%
6 - 10 years		16.1%
10 years+		37.3%
Doesn't apply to me		0.6%

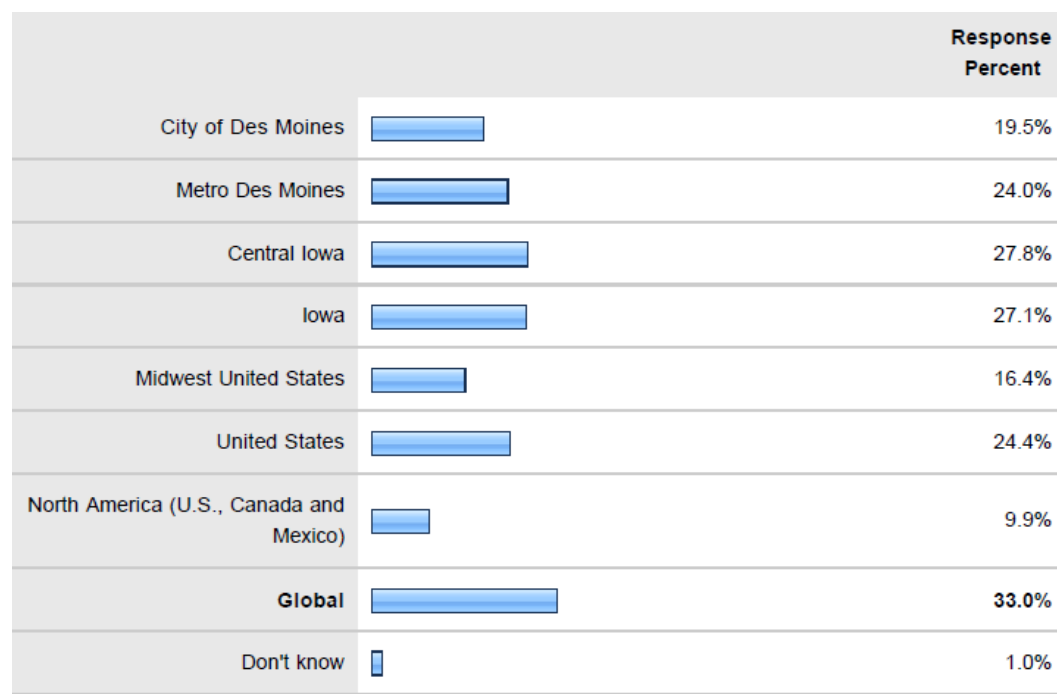
How would you characterize your company or organization's type of business?

		Response Percent
Administrative services and waste services		0.3%
Agriculture		4.7%
Arts, entertainment, and recreation		1.9%
Construction		1.2%
Education services		14.4%
Health care services		3.6%
Hospitality (accommodation and food services)		1.1%
Finance and insurance		36.6%
Government		7.6%
Information (media, publishing, broadcasting, data processing)		2.1%
Manufacturing		0.8%
Non-Profit		7.7%
Professional and technical services (legal, accounting, engineering, design, scientific research, advertising, computer services)		8.2%
Real estate		2.5%
Retail trade		1.2%
Logistics (transportation and warehousing)		0.5%
Wholesale trade		0.4%






How many employees work for your company or organization at all locations?



What is the primary market/service area of your company or organization? Please check all that apply.



What is your role in your company or organization?

		Response Percent
Entrepreneur or Small Business Owner		7.8%
C-Level Executive (CEO, CFO, CIO, etc.), President or Vice President		10.2%
Manager/Department Head		19.6%
Human Resources/Personnel Department		2.3%
Staff/Other		61.3%

Please rate the following components of Central Iowa's small business and entrepreneurial climate. If you are unsure of your answer, please select "Don't Know." (Note: "Don't know" answer percentages are not listed in the below table.)

Answer Options	Excellent	Good	Average	Below Average	Poor
Availability of venture capital	2.0%	17.5%	37.0%	28.3%	15.2%
Capacity of Angel investors	0.9%	16.3%	33.5%	38.9%	10.4%
Availability of seed capital (not venture or Angel)	1.0%	12.6%	36.4%	36.4%	13.6%
Availability of working capital (not venture or Angel)	2.5%	21.9%	40.6%	25.1%	9.9%
Networking opportunities with other entrepreneurs	10.8%	43.2%	33.2%	10.0%	2.9%
Business incubation or low-cost business space	5.5%	26.7%	35.6%	22.5%	9.8%

Please respond to the following statements.

Answer Options	Strongly Agree	Agree	Disagree	Strongly Disagree
It is clear what agency or department a small business person or entrepreneur should contact to receive support and assistance.	2.1%	35.2%	52.3%	10.4%
There is one central website people can turn to for information on small business and entrepreneurship support in the region.	1.7%	14.1%	65.7%	18.5%
Small business assistance services in the region are coordinated. Referrals between different agencies are common.	2.1%	25.1%	55.3%	17.5%
Support is available both for business start-ups and established small businesses looking to grow.	4.0%	48.3%	36.8%	10.9%

SELECTED ADDITIONAL COMMENTS:

- A better coordinated effort to enhance business referrals, and provide capital and support services is needed.
- I am considering starting a small business and have found questions of financing/capital and where to turn regarding support and assistance to be a stumbling block in our planning.
- Resources are available; the challenge is to connect people and businesses with these resources.
- The entrepreneur support system is too fragmented - i.e. SCORE, SBDCs, ISU, ISED, Pappajohn Center, Iowa Foundation for Microenterprise and Community Vitality, IDED...
- It seems that there is no coordination among and between government agencies. There needs to be "one stop" shopping for government regulations, permits, and other requirements. This should be the case with all rules and regulations governing business.
- The BIZ is the closest thing to accomplish the networking mentioned on this page.
- I think that capital access and the coordination of information and support resources related to business start-up and growth is lacking for all businesses and especially for minority/immigrant-owned businesses.
- If there is a central point of contact or central agency through which a person could receive support and assistance it is not well known.
- The area is resource rich for assistance to entrepreneurs, but the resources aren't easily found or well known.

Please respond to the following statements to the degree that you agree.

Answer Options	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
My business will remain in the region for the long-term.	62.8%	29.9%	5.3%	1.5%	0.5%
My business receives the support from economic development organizations it needs to grow.	8.6%	20.6%	40.6%	20.9%	9.3%
My business receives the support from government it needs to grow.	7.3%	21.9%	29.9%	26.6%	14.3%
I have no trouble finding quality employees for my business.	10.4%	40.2%	24.3%	20.6%	4.4%

Please comment on the following components of Greater Des Moines and Central Iowa's business climate. (Note: "No Opinion" answer percentages are not listed in the below table.)

Answer Options	Significant Advantage	Minor Advantage	Not an Issue	Minor Problem	Significant Problem
Assessed taxes	2.8%	7.3%	27.6%	33.4%	28.9%
Provision of economic incentives	4.8%	19.8%	33.7%	28.3%	13.5%
Turn-around time for permit acquisition	4.8%	10.7%	44.5%	28.2%	11.8%
Cost of permit acquisition	4.6%	8.8%	56.6%	22.2%	7.8%
Cost of utilities	5.1%	15.6%	49.7%	24.6%	5.0%
Telecommunications costs	2.6%	14.2%	53.7%	22.0%	7.5%
Labor costs	8.3%	30.3%	42.2%	15.8%	3.5%
Healthcare costs	2.3%	13.8%	18.8%	24.0%	41.1%
Air quality and remediation costs	12.7%	21.7%	51.6%	10.0%	4.1%
Cost of office, commercial and industrial rental space	8.9%	30.2%	33.9%	20.1%	6.9%

SELECTED ADDITIONAL COMMENTS:

- Quality and cost of space is competitive against other communities. Our states tax structure is confusing so it is hard to make accurate comparisons to other regions outside Iowa. The State could improve the tax structure for commercial properties in reviewing the overall business taxation.
- Permits vary greatly around the Metro, so cost in one city can be a benefit where another is a problem
- Iowa has high property and income taxes. I ran businesses in other states before taking an Iowa government job. If and when I return to the private sector, it will not be in Iowa due to high taxes.
- Air service is disadvantage.
- When trying to rent or buy business space, you are facing the same troubles the person is facing who is trying to make a business off selling/renting the space
- Cost of rental space is lower now due to vacancies - was more of an issue 3 years ago.
- Viewing these questions from the perspective of a Hispanic business owner, I would say Hispanic-owned businesses and minority-owned businesses are most disadvantaged by economic incentives that non-minorities benefit from simply because they are better networked.
- Healthcare costs are outrageous. I try to provide my employees with good care, but it is hard! It is necessary for me to do as an ethical business owner, but I'd love to see a group plan small business owners in Des Moines can buy into for their employees!

Please comment on the following components of Greater Des Moines and Central Iowa's infrastructure. (Note: "No Opinion" answer percentages are not listed in the below table.)

Answer Options	Excellent	Good	Average	Below Average	Poor
Road and highway capacity serving existing developed areas	22.4%	52.2%	21.1%	3.6%	0.7%
Road and highway capacity serving undeveloped areas	10.3%	40.4%	38.0%	10.4%	0.9%
Water and sewer capacity to support growth	10.2%	45.4%	31.5%	9.3%	3.6%
Class 1 freight rail capacity	5.6%	26.8%	34.5%	26.4%	6.7%
Passenger rail capacity	0.9%	4.0%	6.0%	25.6%	63.4%
Cost and capacity of passenger air service	0.6%	4.5%	15.7%	40.5%	38.6%
Airport cargo capacity	7.5%	32.0%	41.4%	10.0%	9.1%
River transport capacity	0.4%	11.5%	17.1%	20.1%	50.9%
High-speed telecommunications	5.4%	36.4%	38.7%	14.0%	5.5%
Availability of Class A office space	20.6%	48.8%	23.7%	5.2%	1.8%
Availability of industrial sites and buildings	14.6%	49.2%	29.0%	5.3%	1.9%

SELECTED ADDITIONAL COMMENTS:

- Our community is built around the automobile and we should continue to recognize and support this efficient mode of transportation over all others. Passenger rail is an inefficient high cost method of transportation that will at best supplement air transport to medium (300 - 500 mi) distant locations.
- Amtrak needs to run between Omaha, Des Moines, Quad Cities and Chicago.
- Des Moines should take the lead in modernizing information infrastructure. The 22 responses to the Google Fiber project from Iowa suggest community support for such an initiative. It could be in the form of municipal broadband or in the form of increased competition by open access mandates. Right-of-way permits could be simplified and fees reduced.
- Levees need to be strengthened. Sewers need updating. Many industrial sites and buildings exist downtown, why do developers steer industries towards new construction in West Des Moines and Altoona?
- Rural internet access is a problem.
- Des Moines needs fast, frequent, and dependable passenger rail service. This is a need so that business people may easily travel to Chicago and other destinations. As the cost of air travel in terms of dollars and sense as well as time increases, passenger train service is a needed and desired alternative.
- Flying out of Des Moines is too expensive. It is unacceptable that most people drive to a surrounding airport to get a reasonable rate. Truly, if it wasn't so expensive, the airport could be another area of growth and commerce.
- Due to high vacancy fueled by the demise of the commercial real estate market.
- The number and location of roads are excellent.

If you are involved in management/staffing decisions within your organization, please rate to what level you agree with the following statements (“No Opinion/Don’t Know” answers removed).

Answer Options	Strong Yes	Yes	No	Strong No
I am aware of Central Iowa’s workforce development resources that can help my business find or train workers.	10.3%	68.6%	18.4%	2.7%
I have had success finding employees through the local Iowa Workforce Center.	1.4%	16.7%	71.8%	10.2%
I utilize local Iowa Workforce Center staff to conduct on-the-job training at my business.	0.4%	3.5%	87.4%	8.7%
I partner with the workforce development staff at the Greater Des Moines Partnership to assist with my skills-development and hiring needs.	1.3%	8.4%	82.0%	8.3%
My local community college is a partner in my staff development needs.	5.8%	29.5%	59.4%	5.3%
I have the opportunity to communicate my workforce skills needs to a local economic developer who works to address the issue.	2.9%	21.6%	67.7%	7.8%

SELECTED ADDITIONAL COMMENTS:

- Many feel their jobs need to be trained in house by experienced employees, many of whom can't teach. Not sure DMACC has addressed this problem.
- We need to expand adult learning opportunities, especially in emerging tech and software fields.
- DMACC is a great partner in Trades development, not just staff development.
- I thank heaven for Iowa Workforce redevelopment - I have a seasonally employed laboring spouse who has finally been able to take advantage of them.
- There is a need for affordable housing or even an Employer Assisted Housing program.
- There is a lack of awareness/support among economic development folks on how food systems can advance economic, environmental and health of central Iowans.
- DMACC is not recognized for its tireless partnerships with Des Moines business and workforce development.
- I believe that the Iowa Workforce Center is a bit behind the times--we had a person from IWC speak at an event, and the person seemed confused by even some of the simpler suggestions we made regarding things that had to do with using Internet resources and technology.
- DMACC needs much more technical training and classes. I end up using Kirkwood in Cedar Rapids.

- I think a public-private effort should be strengthened to build a pipeline of diverse professionals with financial service expertise and a global perspective. I have not explored workforce development resources and would appreciate more knowledge and awareness about how we can partner.
- Des Moines Partnership is extremely helpful.
- We work with youth and provide best practices training for other agencies that have staff that work with youth. Workforce does not have a job classification of "youth worker" nor anything specific to working in afterschool settings with youth ages K-12. We would love if they did and/or recognized this work as something that requires training to do.
- I do use a small HR firm for some of these needs, I was not aware that the other organizations could help me!
- The time to use Iowa Workforce Development exceeds its benefit because of the number and quality of individuals introduced.

The ability for local workers and families to find quality employment and build personal wealth is very important. Please assess how Greater Des Moines and Central Iowa provides the following (Note: "Don't Know" answers are not reflected in the following table.):

Answer Options	Excellent	Good	Average	Below Average	Poor
Access to jobs that provide a living wage	4.4%	42.0%	38.0%	11.3%	4.2%
Access to health insurance benefits	5.8%	37.6%	37.4%	13.4%	5.9%
Access to affordable education/training programs	10.4%	45.9%	34.8%	7.3%	1.7%
Access to affordable, accredited child care	3.6%	35.6%	40.1%	14.4%	6.4%
Access to reliable, connected public transportation	2.2%	15.8%	29.7%	32.1%	20.3%

SELECTED ADDITIONAL COMMENTS:

- In this community one cannot do a good job of raising a family, gathering needed goods and services, and maintaining a quality of life without an automobile. Our leadership needs to recognize and embrace this and support it with quality roads, systems and parking.
- Interesting that the word "affordable" was not included in the "access to health insurance benefits" item, but was included for education and child care. That is a critically important word. Yes, benefits are available, but they are not affordable for many and the lack of competition is a concern to me.
- Almost impossible to get to a job without a car if you live outside the downtown city area.
- We need fewer roads and more alternative transportation especially for later shifts.

- Childcare is WAY too expensive.
- Again, Des Moines has a good system of streets and highways, but it does not have an interconnected public transportation network. Such a network needs to include passenger train service that is fast, frequent, and dependable. I would use passenger trains to travel to eastern Iowa and Chicago if they were available.
- Public transportation is lacking. For those workers that are newer arrivals and work service, agriculture, construction, or manufacturing jobs, all of these questions would fall in the negative spectrum. We need to do more to increase wages, improve access to healthcare, childcare, transportation, and education for our most disadvantaged if we hope to gain strength as an overall community.
- We have child care, some of which is accredited, none of which is all that affordable. Once you move beyond pre-school, affordable options are fairly limited for families, especially those outside of the metro area.
- Regional planning and higher population density are crucial to developing a higher-capacity economic zone.
- Don't bother with rail... Get cheap reliable direct bus service.

What do you feel is the GREATEST STRENGTH of the Central Iowa workforce?

Rank	Response	Count
1	Work Ethic	284
2	Education level	136
3	Available skills	23
4	Willingness to learn	22
5	Availability of workers	18
6	Dedicated	13
7	Loyal	12
8	Honest	12
9	Affordable cost of labor	11
10	The people	10

SELECTED ADDITIONAL COMMENTS:

- Ability to attract and retain quality employees with "Midwestern" work ethic at less cost than other markets due to Iowa's lower cost of living versus larger east coast markets
- Always willing to pick up extra work/duties even if there is no additional compensation involved.

- Committed - Midwest values of working hard for an honest day's living.
- For the most part, people are hard workers. I think, given the opportunity to advance their skills or education, they would. HOWEVER, that would need to come with a fair increase in wages and respect.
- I feel that most Iowans take pride in their work, regardless of the field they are in.
- Reputation that central Iowans are hardworking sends a positive message to other workers and businesses interested in relocating.
- The workforce is highly educated and has Midwest personalities and ethics.

What do you think is the MOST CRITICAL WEAKNESS of the Central Iowa workforce?

Rank	Response	Count
1	Lack of specialized skills	62
2	Too many low wage positions	41
3	Lack of diversity	39
4	Lack of education	35
5	Not enough quality workers	26
6	Lack of available jobs	25
7	Retention of talent/"Brain Drain"	23
8	Aging workforce	18
9	Lack of public transportation	17
10	Lack of "world views"/close minded	13

SELECTED ADDITIONAL COMMENTS:

- Brain drain - well educated move to other states for higher incomes.
- It's a challenge competing with opportunities their peers have in larger metro areas, including items that add significantly to the quality of life such as a complete transportation system.
- Lack diversity and depth of experience, mostly home grown - a virtual monoculture, lack the intensity and focus on growth and innovation you find on the coasts.
- Need for more two year/technical skilled workers. Need more innovative ways to get school drop-outs back to school or in GED programs.
- Not enough opportunities for people to move from blue collar work to white collar work. We also do not have the amount of younger workers needed to fill

our soon retiring baby boomers. Without bringing up younger workers we are at the mercy of recruiting into our state rather than within it.

- Ongoing weakness in teaching writing and other communication skills, and analysis. Similar criticism could be applied even to local college grads.
- Our education system is not providing the caliber we need to progress and innovate.
- The majority does not have a very global view of government or business - they see things in local terms. This is more pronounced in smaller, more rural areas.
- Retaining the smartest and the brightest young workers in Iowa is key.

Please respond to the following statements:

Answer Options	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
"Our community has a commitment to quality, public K-12 education."	23.2%	46.1%	13.2%	13.2%	4.3%

SELECTED ADDITIONAL COMMENTS:

- We feel strongly about public schools but want to see more great options... e.g., the Downtown School has an insane wait list, why isn't that a drive to create more public schools like that? I'm interested in year-round schools, but the schools available with that option are neither convenient nor preferred.
- Ankeny has a long history of quality education. The district and our school in particular want all children to succeed. The curricula are established to allow for quality education at all schools in the district. Research and emerging trends are looked at before decisions are made.
- Appears it depends on which school your child goes to for the quality of education received.
- Because the community is too quick to accept status quo, not enough change agents available to support administration efforts to change/improve education offerings. DMPS is struggling for a myriad of reasons-part of the reason we moved to suburbs was educational offerings.
- Being the home of Iowa State University, quality education is extremely important in Ames, but "how" to provide it is debated to the point of lessening the community's overall commitment.
- Commitment to education begins with parental support in the home. Many parents give lip service to the concept of supporting what teachers do in the classroom, but in practice they place other activities and relationships ahead of insuring academic success.

- Compared to other parts of the country our public system is better than most, but as the saying goes: "There's no thrill in winning a slow race." I am thankful my youngest is graduating. I believe the public education system is deteriorating.
- Des Moines has a very high rating in the education community as compared to other similar cities in the US, however, if the Des Moines School District is compared to other local, suburban schools (Ankeny, SE Polk, WDSM, etc.) Des Moines ranks fairly low in terms of quality of education, quality of staff, and student assessment tests.
- Des Moines takes education seriously and has been an innovator (in the past!) with programs such as Central Academy and Downtown School. Unfortunately, not everyone is on board the innovation train and the engine is stalling.
- Does not seem to be a metro wide commitment to quality education. We have pockets of excellent schools in the community and other areas seem to be lagging.
- Funding is not there. There are no variations in schools, charter schools, anything alternative whatsoever. We are completely falling behind in public education in the Des Moines area.
- I agree because my teachers in the past and present (I am a full time student at DMACC) have always been there to help. I don't strongly agree, because the Des Moines School District is slowly weeding out the arts programs. If the community was really fully committed to public schools education, they wouldn't write off those classes as less important than the others.
- I feel lucky we are at the Downtown School. I wasn't confident in our neighborhood school, which is unfortunate. If it weren't for the Downtown School, we may have moved to the suburbs or gone to a private school.
- I think that overall people care and want a quality, public K-12 education system, but they are not always willing to take the necessary steps to ensure that funding is in place. There is also inequity in how different schools are funded, which continues to affect the equality of educational services provided from school to school or district to district.
- Our public school district has a lot of innovative problems and many different options for students, including international baccalaureate schools, project-based learning schools, Central Campus (for technical or advanced courses), and the Sciencebound Program (to encourage minority students to choose careers in science and earn a scholarship to an Iowa public university).
- The community does not take ownership in education. There are so many more things, events, partnerships that could be formed where people use their talents and gifts to affect younger people. Many of our students need mentors and positive role models as they do not get the attention or help at home.
- There is a lot of lip service to education, but not a lot of follow through. Ames is in need of an alternative high school and has been for a long time, but the school

administration focuses on the high achieving students to the detriment of those who are not special ed, but are struggling academically and socially

- With the exception of certain members of the current school board, the community as a whole has embraced providing ongoing and needed improvements to the school system through their almost universal support of bond issues.

How would you rate the quality of the education your child (or children) is receiving?

Answer Options	Response Percent
Very Good	40.0%
Good	37.1%
Average	17.4%
Poor	4.2%
Very Poor	1.3%

Please rate the areas that the public K-12 districts in your area should focus on?

	Most Important	Important	Of Average Importance	Not Important	Least Important
Reducing the drop out rate	22.7% (482)	48.7% (1,034)	22.5% (478)	4.8% (103)	1.7% (36)
Providing leadership, professional, and technical skills training	29.6% (630)	54.8% (1,164)	14.4% (307)	1.6% (34)	0.1% (3)
Focused attention on STEM (Science, Technology, Engineering, Mathematics) curricula	41.6% (894)	47.9% (1,028)	10.3% (221)	0.5% (11)	0.1% (3)
Providing career guidance and hands-on work experiences	26.7% (570)	51.8% (1,107)	20.3% (435)	1.4% (31)	0.2% (4)
Providing alternative schools (or "schools inside schools") focused on training for a local industry	12.5% (266)	38.9% (826)	38.4% (814)	8.6% (183)	2.0% (43)
Providing opportunities for advanced academic education (i.e., dual-enrollment with two-year colleges)	35.5% (763)	46.6% (1,000)	15.7% (338)	2.0% (43)	0.6% (12)
Providing quality after-school programming	20.6% (435)	42.3% (894)	28.8% (608)	6.1% (130)	2.4% (51)
Providing a safe environment	60.5% (1,300)	31.9% (686)	7.1% (152)	0.6% (13)	0.1% (3)
Obtaining sufficient funding for schools	51.6% (1,093)	36.0% (762)	10.6% (224)	1.0% (22)	0.8% (18)
Other	50.7% (141)	24.5% (68)	21.2% (59)	1.4% (4)	4.3% (12)

What do you think needs to be done to improve your school or school district?

SELECTED COMMENTS:

- 1. Ask the experienced educators about their effective teaching strategies and be prepared to implement them in addition to those from consultants or driven by grant requirements. 2. Formulate a very clear vision for the DMPS district. 3. Raise expectations for learning each year for all curricula, not just STEM. 4.

Assess block scheduling and discard it if assessments indicate student performance is not improving. 5. Stop social promotion and allow students to fail if they do not perform, show up, or do expected academic work. This behavior is not tolerated in the workplace.

- Increase school funding (multiple answers).
- Better partnership with non-profits and businesses to ensure youth have access to newest information and teachers have supports to offer alternative learning opportunities provided through work study, service-learning, etc. Offering a silver cord [volunteer] program at the middle and high school level. Provide middle school afterschool programming.
- Better pay for teachers, more after school care programs that is affordable. More teachers so they can be in more control and help the students they are teaching.
- Develop programs to attract teachers from outside of Iowa. Improve programs designed to recognize and take advantage of new teaching methods and processes. While there are a small handful of schools that do some interesting things in terms of curriculum, there is much room for improvement.
- Ensure early childhood education receives emphasis. Working with or without the teacher's union to ensure high quality teachers are rewarded and that poor quality teachers are either improved or dismissed.
- Flexibility in scheduling options. Small schools cannot provide all the opportunities that large districts can, but flexibility to allow students to take advantage of as many of those opportunities as possible is key to success. Example: AP classes that do not conflict in scheduling with core requirements so that a student cannot possibly attend them. This occurs often between language, arts, and math and science.
- Focus on all aspects of education (soft skills, behavior, etc.) not just test scores and performance. Allow the kids more time to have fun (especially the younger grades) and less time being drilled and tested. Kids don't get to have much fun during the day because the teachers are forced to have high scores and cram as much educational time in as possible.
- Hold parents accountable. We currently have a law that states the student must be in school until the age of 17. If the parents will not support their child's learning, then the student cannot attend, and they will either need to PAY for a private school or home school them -- or face jail time for their students not attending school. Then they can decide if they want to support their child's education or not.
- More parental involvement (multiple answers).
- Raise performance standards (multiple answers).
- Smaller class sizes (multiple answers).
- More focus on STEM education (multiple answers).

- STEM should be changed to STEAM: Science, Technology, Engineering, ARTS, Math. Study after study shows arts education enhances, strengthens and supports learning in other subject areas (examples include transferable learning skills from music to engineering and from art to architecture). But administrators turn first to the arts in response to budget issues. That is short-sighted, backwards thinking. Arts should be considered a main staple of any education program.
- More stringent teacher evaluations (multiple answers).
- Charter schools (multiple answers).
- Year-round schools (multiple answers).

Please rate the quality of the following four-year not-for-profit universities in Central Iowa (Note: “Don’t Know” responses were removed from the following table).

Answer Options	Excellent	Good	Average	Below Average	Poor
Central College	28.8%	50.1%	19.1%	1.6%	0.4%
Drake University	48.8%	42.3%	8.1%	0.5%	0.3%
Grand View University	18.3%	47.3%	28.3%	4.9%	1.3%
Iowa State University	40.4%	46.6%	11.4%	0.9%	0.7%
Simpson College	28.4%	51.0%	18.4%	1.9%	0.4%

Please rate the quality of the following specialized not-for-profit colleges in Central Iowa (Note: “Don’t Know” responses were removed from the following table).

Answer Options	Excellent	Good	Average	Below Average	Poor
AIB College of Business	14.9%	46.7%	30.0%	6.7%	1.6%
Des Moines University	39.5%	46.8%	12.2%	1.3%	0.2%
Faith Baptist Bible College and Theological Seminary	11.3%	35.7%	32.6%	11.1%	9.2%
Iowa Health-Des Moines School of Radiologic	18.1%	51.5%	27.7%	2.2%	0.5%
Mercy College of Health Sciences	22.2%	54.5%	19.4%	3.0%	0.9%

Please assess the following aspects of Des Moines Area Community College (Note: “No Opinion/Don’t Know” responses were removed from the following table.).

Answer Options	Excellent	Good	Average	Poor	Very poor
Applicability of degree programs to available local jobs	22.6%	57.1%	18.4%	1.5%	0.4%
Responsiveness to the needs of area businesses	23.3%	55.3%	18.7%	2.0%	0.7%
Quality of instruction	17.7%	50.9%	27.9%	2.7%	0.8%
Accessibility of branch campuses	32.5%	53.4%	12.3%	1.3%	0.5%
Awareness in the community of available programs	15.0%	43.8%	31.5%	8.3%	1.4%
Partnerships, cooperation and outreach with regional K-12 systems	21.6%	45.6%	25.6%	6.2%	1.0%

Please respond to the following statement:

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	No opinion
“Greater Des Moines is an attractive and desirable place to live.”	35.1% (918)	52.7% (1,377)	8.1% (212)	2.6% (69)	0.9% (23)	0.5% (13)

Please rate the following:

Answer Options	Excellent	Good	Average	Below Average	Poor	Don’t Know
Likelihood you will continue to live in the community	49.8%	34.2%	9.7%	3.6%	1.8%	0.9%
Likelihood you will raise children in the community	50.4%	30.9%	9.4%	3.5%	3.1%	2.7%
Likelihood your children (once grown) will choose to live in the community	11.0%	28.4%	26.2%	12.2%	8.8%	13.4%
Likelihood you will retire in the community	20.6%	27.5%	20.8%	10.6%	12.3%	8.3%

If you will not continue to live in the community, and/or you feel your children will not choose to live in the community, why do you feel this way?

MOST COMMON ANSWERS:

- Weather/climate/Winter (top overall response)
- More entertainment/larger community
- Better job/career opportunities
- Taxes are too high
- Family lives elsewhere
- Looking for more cultural diversity

Please rate to what degree you agree with the following statements (Note: “No Opinion/Don’t Know” answers were removed):

Answer Options	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
New members of the community are welcomed	17.9%	54.9%	19.4%	6.4%	1.4%
The community values persons of diverse races, ethnicities, faiths, and sexual	10.7%	46.6%	24.5%	14.6%	3.6%
Young professionals are actively engaged in leadership	13.5%	51.7%	22.7%	10.9%	1.2%
There are opportunities to volunteer your time for worthy causes	43.5%	48.8%	5.8%	1.5%	0.4%
The public's opinions are valued by government	5.8%	32.0%	31.8%	20.8%	9.5%
Healthy, active lifestyles are encouraged and supported	15.1%	54.8%	18.8%	9.3%	2.0%

SELECTED ADDITIONAL COMMENTS:

- The Iowa I knew as a kid was traditional yet strongly educated and supporting ideals of civil liberties AND acceptance (which takes much more self-confidence than intolerance). The recent state bend on voting out the Supreme Court judges AND some of the hatred I see (rather than a practical, even tough but compassionate) take on the issue of immigrants (legal or not) really make me question the ability of the state to think past selfishness... which was hugely disappointing for me (who returned to Iowa this past year).
- Des Moines has done a lot for healthy lifestyles, put in bike lanes, and made a lot of improvements in the outdoor recreation areas.

- Des Moines seems fairly diverse to me, but others of diverse backgrounds tell me that they find it stifling and difficult to ways to fit in. Its history of refugee resettlement under Robert Ray is valuable, but the current climate of disparaging immigration causes nervousness, even if under the radar.
- Des Moines still needs to do a lot to further encourage use of bicycles, public transportation, and our own two feet. If people were freed of their cars, it would go a long way to support healthier, more active lifestyles.
- Despite the recent elections and ousting of three judges for political reasons, this community does a decent job over all of valuing persons of diverse sexual orientations; I believe the community will continue to improve in this area--as will the country.
- I am proud of the metro area's dedicated emphasis on the Master Bike Plan and on the amazing system of trails in and around the city. The trail system is a primary reason that I enjoy the city of Des Moines.
- Local corporate leaders and government officials are easily accessible, but many at the state level are not. There is a strong disconnect between the people living in Iowa's rural communities and those in the more urban environments. The urban areas embrace diverse communities, but I don't feel the rural areas are as accepting of alternate cultures or lifestyles.
- The city does a good job encouraging healthy, active lifestyles. I wish the employers in the area would also support it and provide more opportunities for it.
- The Iowa Civil Rights Commission and the Des Moines Human Rights Commission continue to do extraordinary work to ensure that Iowans of all races, national origins, religions, sexual orientations, and ability levels are appreciated and given equal opportunities. Without these groups, I'd hate to see what would happen to diversity in central Iowa.
- Young people, not necessarily professionals, need to be engaged more. Reach out to young people and college students, as well as DMACC students and those young residents that aren't connected to an educational institution or professional organization.

Please rate the following public services in your city (Note: “Don’t Know/No Opinion” responses were removed from the following table.):

Answer Options	Very Effective	Good	Average	Poor	Very Poor
Provision of quality affordable housing	7.5%	43.7%	36.4%	9.6%	2.8%
Homelessness services and prevention	3.7%	27.4%	41.6%	21.6%	5.8%
Drug or alcohol dependency services and prevention	3.7%	32.0%	45.5%	14.2%	4.5%
Public health services	7.9%	42.1%	40.3%	8.0%	1.8%
Code enforcement	6.8%	38.0%	41.6%	10.0%	3.5%
Public transportation	5.2%	22.3%	34.0%	27.6%	10.8%
Police	17.9%	50.7%	27.2%	2.7%	1.4%
Fire	23.6%	53.4%	21.9%	0.8%	0.3%
Emergency response	25.1%	51.2%	21.6%	1.4%	0.6%

Please rate the following aspects of regionalism in Central Iowa (Note: “Don’t Know/No Opinion” responses were removed from the following table.):

Answer Options	Excellent	Good	Average	Poor	Very Poor
Coordination of transportation planning and development	3.5%	28.4%	39.8%	21.4%	6.8%
Coordination of land use planning	2.6%	23.3%	39.9%	26.1%	8.0%
Collective advocacy on policy and legislation at the state level	3.2%	23.8%	44.9%	22.1%	5.9%
Collective advocacy on policy and legislation at the federal level	3.8%	23.5%	44.2%	21.4%	7.2%
Coordinated environmental protection efforts	2.7%	24.1%	42.0%	23.2%	8.0%
Coordinated economic development efforts	4.3%	31.1%	39.3%	19.3%	6.0%
Coordinated workforce development efforts	2.9%	27.8%	43.3%	20.0%	6.0%




SELECTED ADDITIONAL COMMENTS:

- As has always been the case in Central Iowa, the left hand never knows what the right hand is doing. It's a mess in terms of executing the plans we have.
- Cities continue to want to develop flood plains into 'useable space' when they should be left as flood plain and green space. Too many roads are being proposed and built in areas that should remain natural undeveloped green space.
- I am concerned that by developing to the west and north we will simply shuffle people around the Greater Des Moines area, leaving once healthy communities struggling. We should improve the communities already in place, rather than expanding outward.
- I think the area does a good job of coordinating discussion, but the implementation is difficult because of so many decision making bodies (i.e.

individual governments). This question assumes that land use planning should happen regionally! It shouldn't. Most land use issues are very localized (NIMBY) and are best dealt with at the local level. More regional things such as wastewater treatment, etc. have regional authorities that work well.

- Probably the biggest obstacle to the area's success is the parochial competition among DM and the suburbs. I would love to see it all one city and get rid of the fiefdoms.
- There is no cohesiveness to development and business in the area. The development of the Jordan Creek area (Wells Fargo and Aviva for example) is great for West Des Moines and Dallas County but detrimental to the area as a whole, especially Des Moines and the downtown business district.
- We lack follow through and innovation in planning. We do many studies in the region but don't seem to actually raise expectations to any great level.

More specifically, what do you think about the relationship between Greater Des Moines and the Ames-Story County area?

		Response Percent
The two regions work well together and partner on many efforts.		13.3%
Relations are friendly, but the two regions do not cooperate very often.		81.3%
The relationship is strained.		5.4%

SELECTED ADDITIONAL COMMENTS:

- I didn't know that they had a relationship. It would be VERY beneficial if they did though.
- I live in DSM and works in Ames. People in Ames want nothing to do with DSM, and people in DSM constantly mock Ames. Neither group seems to have an honest clue about what they are talking about.
- I wish there was better public transportation between the two areas.
- I work at a job where DM and Ames work closely together and the communities mesh very well together.
- I would have chosen: There is no relationship.

- Is there a relationship? Ames doesn't want to grow and DSM continues to appease the folks out west. Need to focus development on I-35 corridor. What a wonderful success story that could be.
- I've lived in both and they are two clearly separate entities. There could be a bus line that runs exclusively between Des Moines and Ames since so many students have to fly home or want to shop in the city.
- The connection between the two can create a dynamic regional area. I am a bit cynical at how leading this question is, in that it seems it's predetermined that efforts will revolve around that corridor, and land will be bought by large developers displacing some people and harming natural resources. I also think Iowa State University has a long way to go to contributing the global perspective and preparation that we need to feed the global competitiveness of a larger metro area.

Please rate the following components of quality of life in Greater Des Moines and Central Iowa (Note: “Don’t Know/No Opinion” responses were removed from the following table.):

Answer Options	Excellent	Good	Average	Below average	Poor
Availability of health care	32.4%	44.2%	19.0%	2.8%	1.6%
Cost of health care	4.5%	29.2%	47.3%	8.5%	10.6%
Availability of quality child care	8.7%	39.4%	36.9%	10.4%	4.7%
Sense of personal and property safety	20.8%	51.7%	22.5%	3.3%	1.7%
Affordability of overall cost of living	15.6%	49.2%	25.9%	6.6%	2.7%
Cost and capacity of passenger air service	1.0%	10.3%	25.4%	36.9%	26.5%
Availability of quality rental housing	5.9%	33.4%	42.1%	12.1%	6.5%
Quality of air, water, and the environment	14.8%	49.0%	25.9%	6.8%	3.6%
Vitality and attractiveness of Downtown Des Moines	15.0%	49.2%	25.8%	7.3%	2.7%
Local levels of civic engagement	11.9%	49.2%	31.9%	5.2%	1.9%
Overall community appearance	12.4%	57.9%	25.5%	3.2%	1.0%

Please comment on the following quality of life amenities in the Greater Des Moines/Central Iowa region (Note: “Don’t Know/No Opinion” responses were removed from the following table.):

Answer Options	Quality and capacity (#) are good	Quality is good, but capacity is poor	Capacity is good, but quality is poor	Quality and capacity are poor
Art galleries	56.1%	33.3%	5.0%	5.6%
Museums	47.3%	34.6%	5.5%	12.6%
Live music shows and concerts	66.1%	21.5%	6.4%	6.0%
Live theater	62.6%	26.1%	5.8%	5.5%
Movie theaters	82.5%	8.9%	6.5%	2.1%
Major festivals (i.e., art, music, holiday)	75.2%	16.2%	4.8%	3.9%
Shopping districts/centers	73.3%	12.6%	9.7%	4.4%
Lectures and discussion forums	48.3%	29.7%	8.7%	13.2%
Family-friendly events	65.0%	23.3%	5.6%	6.2%
Sporting/athletic events	60.3%	20.3%	10.4%	9.0%
Fine dining establishments	73.6%	17.7%	4.2%	4.6%
Parks	71.5%	16.8%	7.0%	4.7%
Bike trails	72.6%	19.2%	3.8%	4.4%
Hiking trails	54.5%	24.7%	5.2%	15.7%

Do you think Greater Des Moines and Central Iowa does a good job of retaining and attracting young professional (25-34) residents?

	Response Percent
Yes	34.9%
No	45.8%
No Opinion	19.3%

Please rate the following elements of the region's attractiveness to young professionals (Note: "Don't Know/No Opinion" responses were removed from the following table.):

Answer Options	Excellent	Good	Average	Poor	Very Poor
Nightlife and entertainment options	9.9%	40.1%	33.3%	14.0%	2.7%
Number of quality entry-level jobs	5.2%	28.1%	43.0%	19.7%	4.0%
Tolerance of diverse races, cultures, faiths and sexual orientations	10.0%	36.1%	35.1%	14.8%	3.9%
Opportunities for young professionals to network	12.1%	41.4%	33.2%	11.5%	1.8%
Marketing of the region's attractiveness for young professionals	5.8%	26.1%	36.1%	25.9%	6.0%
Opportunities for young professionals to assume positions of leadership	8.5%	32.9%	36.7%	17.7%	4.2%

What does Greater Des Moines and Central Iowa need to do to better retain and attract young professionals?

TOP RESPONSES:

- Higher numbers of better paying and more diverse job opportunities (most popular answer).
- Continuing to support development of more arts, culture, entertainment, and live music options.
- Better promotion/marketing of region's assets.
- More affordable housing.
- Better engagement of YPs in leadership.
- Encouragement of increasing population diversity.

What do you think is Greater Des Moines and Central Iowa's most important challenge to overcome?

Rank	Response	Count
1	Des Moines/Iowa 'image'	192
2	Unemployment/Lack of jobs	164
3	Young professionals leaving/attract younger people	155
4	Educational performance	109
5	Public transportation	105
6	Need to revitalize downtown	67
7	Attracting quality businesses	78
8	High property and sales taxes	57
9	Tolerance of diversity	52
10	Weather	45

SELECTED ADDITIONAL COMMENTS:

- Ability to keep young people in the state and provide opportunities for advancement. Not just college graduates - but all young people.
- Better public transportation. DART is a great asset in our community, but we need to look at communities that have added light rail, train, subway and determine how we can do something similar so that we can make public transportation a reality for Greater Des Moines including suburbs. People need to be able to travel to downtown beyond the workday, for sporting and theater events, to the malls and to the living areas that are being built in those areas.
- Continue to attract businesses that offer the opportunity for good entry level jobs that can lead to advancement.
- Embracing diversity (of thought, race, ethnicity, culture, etc.) with tolerance and openness.
- Getting out-of-state people and workers to recognize Des Moines as a premier city to work & live. Also, retain college students and introduce them more to the surrounding community while they are going to school here.
- Getting over the "small town in the middle of nowhere image" people have of it.
- It's hipness factor. When you think of Iowa you don't think of hip. You think of nice Midwestern people on farms. Des Moines needs a way to find a balance of Midwestern family values and hipness to make it attractive to both in-staters and out of staters.

What do you think is Greater Des Moines and Central Iowa's top opportunity to capitalize on?

Rank	Response	Count
1	Quality of life	136
2	Quality of education	123
3	Family friendly	120
4	Cost of living	115
5	Downtown revitalization	104
6	Workforce/work ethic	81
7	Outdoor recreation/Bike trails	75
8	The people	70
9	Low crime rate	67
10	Art scene	45

SELECTED ADDITIONAL COMMENTS:

- A hard-working, energetic, educated work force. A comfortable-size community in which an individual can get involved and make a difference.
- Affordable living which creates a better quality of life, enables people to do more here as well as travel and explore other areas of life. We have great accessibility to volunteering and leadership that cannot be found in larger cities.
- Best places to raise a family, send children to excellent school, and have rewarding career opportunities.
- Downtown Des Moines is booming and still growing. With further growth supported by government and civic leaders, the downtown area could become a national model for a vibrant cultural and social downtown.
- I think that it has started to establish itself in the areas of music and art. If you can show that central Iowa is more than just corn fields and farmers (which I know is not true, it's just the view of many people outside of the state) than I feel like we will start to grow.
- It is a solid and safe place to raise a family.
- Our people...that is for sure. We have great PEOPLE in this area! We need to help them to step up...LEAD...and grow our communities.
- People who are willing to work hard, learn new skills and build a good life for themselves and their families.
- Downtown has plenty of opportunity for growth and revitalization. If services and residential can continue to grow I think downtown will once again be seen as a place to live instead of just work/play.
- The bike trails and the big city amenities, while keeping a smaller town feel. Cosmopolitan without the metropolitan.

Share your vision for the future of Greater Des Moines and Central Iowa.**SELECTED COMMENTS:**

- A cool, culturally welcoming and diverse place with interesting cities and scenic rural attractions that offers all people access to world class education, career employment opportunities in 21st Century industries while enjoying a very interesting and stimulating quality of life outside of the workplace.
- A vibrant, mid-sized, culturally active home to great citizens who take care of and participate in their community.
- Build on the growth momentum of the past twenty years by continuing a pro-business environment, supporting quality of life amenities including the performing arts and spectator sports venues, our museums, expanding the zoo, recreation, and other leisure time opportunities. Maintain and expand Des Moines' role as an attractive place to live and the center of business, culture and recreation, as well as government for Iowa. Continue to grow and attract people and businesses as an emerging growth center in the Midwest.
- Government in the Des Moines area is coordinated, spending on government is brought under control. There are no boundaries among and between the various communities; there is no Des Moines versus the suburbs with the suburbs getting the growth and Des Moines having to pay for the costs of a lot of services.
- I want to be able to brag about my city and how great it is to other young people. I want to be able to say that, living in Des Moines, so many of the cultural opportunities I am interested in come right to my doorstep. I also want to be able to say that, no matter what your career goal, Des Moines has something to offer.
- I'm concerned about the strong leadership that will be necessary to continue to move the region forward. Continue to focus on excellent educational opportunities from K-16 and family friendly communities. Somehow accomplish this without increasing the tax burden.
- My vision is one of a "healthy community" that values and encourages education, social, racial and cultural diversity, economic/entrepreneurial activity, opportunities for healthy living and quality healthcare, and finally an overpowering sense of community.
- Sustainable practices and an emphasis on environmentally-healthy businesses and government policies will pay off in the long run. I hope central Iowa will invest long-term in accessible mass transit, improving air and water quality, securing civil rights for all residents, and attracting quality jobs, among other things.
- This is a great community. Our future relies on sharing that pride with people of influence. Government needs to stay out of the way and operate in a fashion that supports free thinking men and women who are willing to take risks. Our future includes innovating new companies, specialized educational opportunities, grass

roots political groups that spawn from the caucuses, and a community that comes together despite disagreements - it grows in the face of them.

- VIBRANT, diverse, cultured. Distinct neighborhoods with their own feel, good dining/shopping -enough to merit "spending the afternoon". More access to shopping locally. Revitalize neighborhood shopping/dining. Keep going with awesome stuff downtown -love plans for Market District and Grey's Landing. Make DM a little more spunky... Do unexpected things, take risks. Counter national perception.

Do you have any final comments on the Greater Des Moines and Central Iowa area or this strategic process?

- A huge amount of progress has already been made. There are strong and capable leaders moving things ahead. I have a great deal of confidence that time is on our side.
- As much as the land/water quality problems pain me, I still love this place and have remained here 13 years even though I could live anywhere I want.
- Central Iowa has the right people in the right places to accomplish anything it sets its mind on.
- Des Moines has had historically had an incredibly unusual and valuable culture of self-giving -- people volunteering and giving \$\$ for the public good. Keeping that spirit alive will help to successfully propel the metro into the decades to come.
- For the 33+ years that I have lived in Des Moines I have been continually impressed with the forward thinking and planning that goes on and the resulting progress made. It is and should continue to be an ongoing cycle among Greater DSM and now Central Iowa that continually expands the discussion of what is possible along with what is attainable and doable next.
- I do not want to see Greater Des Moines suffer some of the problems of large metropolitan cities (e.g., the traffic of the east coast, the wreckage of central Detroit and Newark). We have a wonderful place in which to work and live and need to allocate resources to maintain a vibrant core in older parts of Des Moines, West Des Moines and other cities in the area with an older stock of streets, sewers, and houses.
- I grew up in Des Moines, moved away for most of my life, and returned to help care for my senior parents. Des Moines has changed phenomenally in those years, and for the good. But it needs to keep moving forward with its momentum. For if something isn't moving forward, it is stagnating.
- I think it is important to involve willing leaders of all ages, different disciplines, and talents to serve long-term on the committee that continually upgrades this vision as the world evolves and implements its plans

- Please avoid the pitfalls of the talking heads, experts, and stay true to what makes Iowa unique in terms of who we are as a state. We do not want to become another Kansas City, Minneapolis, or St. Louis.
- Please keep making opportunities for input available to the public and please keep striving to make improvements to quality of life in central Iowa!
- Some leaders do not realize they ARE leaders. There should be mindfulness toward cultivating those who would normally not speak up, but may have the greatest impact if incorporated into this process.
- Thank you for including Ames and Story County in the process. I hope we can continue to look at this as one region.
- The Greater DM area has a lot to offer, and offerings have only grown in the past 20 years. Let's get over our low opinion of the area and maybe others will follow. Continue to work on a Greater Des Moines area that works for the people that currently live here as those are the people that are truly invested in future improvements.
- We need to think outside of the box and gear ourselves to national and global opportunities.

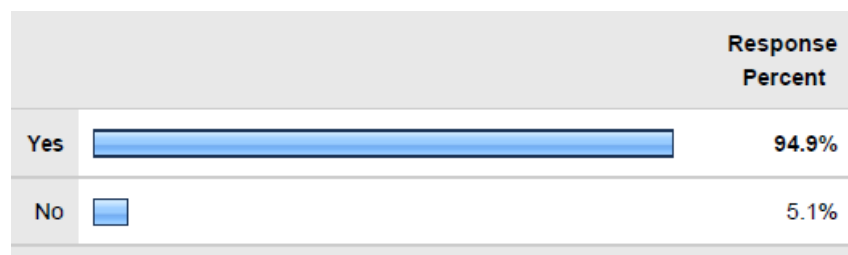
APPENDIX D: YOUNG PROFESSIONAL ONLINE SURVEY

An online survey geared towards young professionals (ages 20-39) was distributed to potential respondents through the Young Professional Connection membership and to the student bodies of all regional colleges and universities. A link to the survey was also publicized on Twitter, Facebook and through other forums. The survey was available for over six weeks and received **793 responses**.

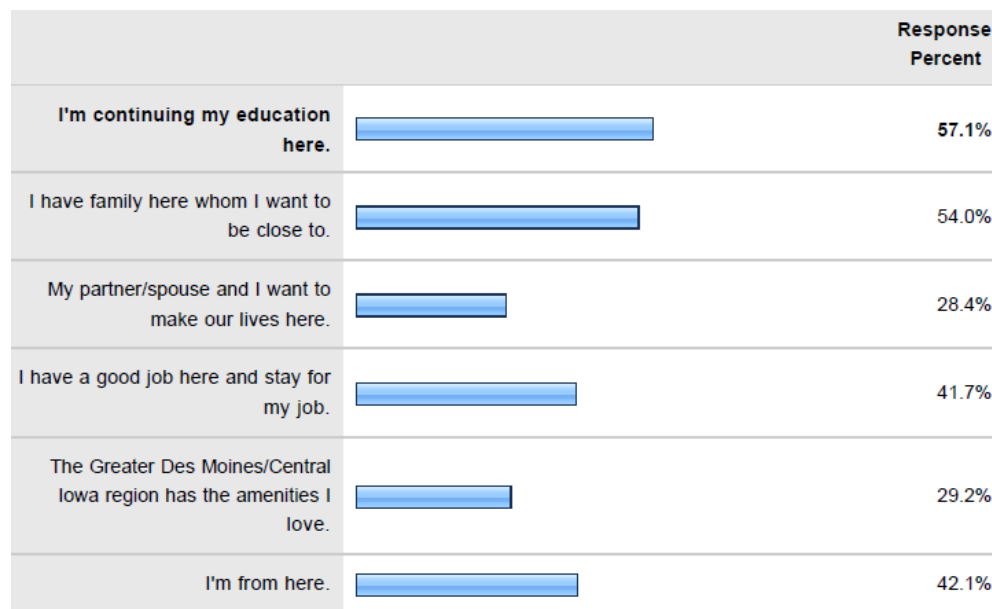
“Logic” programmed in the survey directed respondents to particular sets of questions based on their answers to previous questions.

Note: Due to the low number of non-resident respondents, ONLY the responses of those survey participants who currently live and/or work in Central Iowa are shown below.












Do you currently live and/or work in the Greater Des Moines/Central Iowa region?




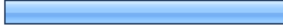

What keeps you in the Greater Des Moines/Central Iowa region? (Please check all that apply.)



What do you value most about living in the Greater Des Moines/Central Iowa region? Please check the THREE answers that best represent what you value:






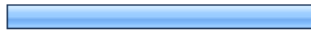




		Response Percent
Being near my family		54.8%
Transportation and ease of getting around		31.1%
Strong arts and culture scene and/or a vibrant nightlife.		17.4%
Affordable and plentiful residential housing opportunities		32.8%
Quality educational opportunities for all ages		37.3%
Job and career growth opportunities		36.6%
Salaries that are in balance with the cost of living.		26.4%
Recreation, sports, and outdoor options (e.g. parks, bike paths, soccer leagues, etc.)		21.0%
Diversity and inclusion		8.3%
It's a good place to raise children.		36.3%
Community-mindedness (i.e. people have the opportunity and want to be engaged in all aspects of the community)		21.6%

What is your relationship to the Greater Des Moines/Central Iowa region?

		Response Percent
I'm HOMEGROWN : I was born and/or raised in the Greater Des Moines/Central Iowa region and have attended school, lived, and worked in the Greater Des Moines/Central Iowa region all or most of my life.		40.1%
I'm a TRANSPLANT : I was born and/or raised in another city and then came to the Greater Des Moines/Central Iowa region for college and/or work and eventually settled in the Greater Des Moines/Central Iowa region.		50.3%
I'm a BOOMERANGER : I was born and/or raised in the Greater Des Moines/Central Iowa region, moved away, and then eventually came back to live in the Greater Des Moines/Central Iowa region.		9.6%





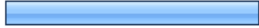
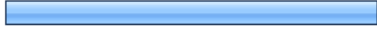





“BOOMERANGERS”

Thinking back to the time you decided to return to the Greater Des Moines/Central Iowa region, what factors attracted you back? Please check the THREE answers that best capture your MAIN reasons for moving back:

		Response Percent
My family is there.		79.7%
Transportation and ease of getting around		20.3%
Strong arts and culture scene and/or a vibrant nightlife.		3.1%
Affordable and plentiful residential housing opportunities		28.1%
Quality educational opportunities for all ages		17.2%
Job and career growth opportunities		54.7%
Salaries that are in balance with the cost of living.		14.1%
Recreation, sports, and outdoor options (e.g. parks, bike paths, soccer leagues, etc.)		3.1%
Diversity and inclusion		0.0%
It's a good place to raise children.		43.8%
Community-mindedness (i.e. people have the opportunity and want to be engaged in all aspects of the community)		14.1%

“TRANSPLANTS”

Thinking back to the time you relocated to the Greater Des Moines/Central Iowa region, what factors attracted you here? Please check the THREE answers that best capture your MAIN reasons for moving here:

		Response Percent
My family is there.		23.6%
Transportation and ease of getting around		11.0%
Strong arts and culture scene and/or a vibrant nightlife.		9.5%
Affordable and plentiful residential housing opportunities		23.0%
Quality educational opportunities for all ages		45.4%
Job and career growth opportunities		66.9%
Salaries that are in balance with the cost of living.		24.8%
Recreation, sports, and outdoor options (e.g. parks, bike paths, soccer leagues, etc.)		12.3%
Diversity and inclusion		7.7%
It's a good place to raise children.		19.3%
Community-mindedness (i.e. people have the opportunity and want to be engaged in all aspects of the community)		11.3%

How long do you plan to live in the Greater Des Moines/Central Iowa region?

		Response Percent
I plan to leave in the next 12 months		5.4%
1-2 years		8.3%
3-4 years		12.7%
5-9 years		10.1%
10-15 years		5.2%
16 or more years		30.0%
Don't know		28.3%

What is your favorite aspect of life in the Greater Des Moines/Central Iowa region?

- It's getting better all the time - arts/culture/nightlife, international-mindedness and community vibrancy are greatly increasing. Also very easy to jump in and get involved. I've lived around the globe and came back because of the recession. Found a good job here, and am happy for now, but we need to continue to work hard on improving public transport, cultural & outdoor opportunities, and celebration of diversity, for YPs like me to want to stay.
- It's just big enough that it attracts businesses and stores that you would find in larger cities (e.g. Minneapolis or St Louis).
- As a college student, it is nice to have a clean, safe city that always has something going on and something for me to do. Des Moines has a lot to offer someone of any age.
- My family and friends live here and I choose to stay close to them.
- Connectedness of the young professional community; networking and meeting new people is relatively easy, and people are willing to help each other get ahead.
- Strong community of interesting people who are looking to make a difference.
- The availability of shopping, dining, events all within easy distance. I feel comfortable almost anywhere around the area.

- General quality of life, affordability, access to urban cultural/entertainment amenities as well as green space, outdoors opportunities, and many natural resources in rural areas surrounding the city.
- I am excited to start my professional career in Des Moines. There is a lot of opportunity here for everything. The education system is amazing. I am glad to be getting my education in Des Moines. It has a great reputation.
- I love being able to experience new things, cultures, and events all in one city.
- The people. Iowans are so welcoming and forgiving and are so important to our quality of life.
- If you don't see something you want, the city is small enough that you can be the one to implement an idea, or have access to leaders who can.
- The way the community pulls together to keep growing and developing in positive and productive ways. This sense of contribution at all levels is the foundation for so many great things in the community: the arts, the events that are held here, even how people come together when disaster strikes. It's the vibrancy of the community that is deeply attractive in so many ways. I feel very proud and grateful to live here.

Following are some typical reasons that people stay in a community. Please rate their importance to you on a scale of 1 to 5, where 1 is “Not at all Important” and 5 is “Very Important.”

	1	2	3	4	5	Rating Average
LEARNING: I want to plug into a smart community with strong schools and lifelong learning opportunities (e.g. yoga or cooking classes, book clubs, traditional college classes)	2.4% (15)	4.1% (25)	13.0% (80)	33.5% (206)	47.0% (289)	4.19
EARNING: I want a broad choice of places to work and an environment that is friendly to entrepreneurs.	1.8% (11)	3.1% (19)	14.3% (88)	33.0% (203)	47.8% (294)	4.22
AFTER HOURS: I want authentic local places to have dinner, meet for coffee, hear live music, or just hang out.	2.6% (16)	5.7% (35)	16.4% (101)	32.4% (199)	42.9% (264)	4.07
AROUND TOWN: I want to live in a community that's easy to navigate. I don't want long commute times and I like to be close to large urban centers.	1.3% (8)	3.6% (22)	13.8% (84)	32.8% (200)	48.5% (296)	4.24
SOCIAL CAPITAL: I value living in a diverse community, where all people are engaged and involved in community life.	2.6% (16)	9.9% (61)	24.6% (151)	32.8% (202)	30.1% (185)	3.78
COST OF LIFESTYLE: I want a community where I can afford to live, work, and play.	1.0% (6)	1.1% (7)	5.2% (32)	23.2% (142)	69.5% (426)	4.59
VITALITY: I value living in a vibrant community where people are healthy, "out and about" using public parks, trails and recreation areas, and attending farmer's markets.	2.6% (16)	3.0% (18)	17.7% (107)	34.2% (207)	42.6% (258)	4.11

What is your level of agreement with the following statements about the Greater Des Moines/Central Iowa region? Please rate your level of agreement on a scale of 1 to 5, where 1 is “Completely Disagree” and 5 is “Completely Agree.”

	1	2	3	4	5	Rating Average
LEARNING: The Greater Des Moines/Central Iowa region is a smart community with strong schools at all levels and lifelong learning opportunities (e.g. yoga or cooking classes, book clubs, traditional college classes)	1.3% (8)	7.5% (46)	27.4% (169)	44.1% (272)	19.8% (122)	3.74
EARNING: The Greater Des Moines/Central Iowa region provides a broad choice of places to work and an environment that is friendly to entrepreneurs.	2.4% (15)	10.7% (66)	30.5% (187)	38.6% (237)	17.8% (109)	3.58
AFTER HOURS: The Greater Des Moines/Central Iowa region has authentic local places to have dinner, meet for coffee, hear live music, or just hang out.	2.0% (12)	9.1% (56)	27.9% (171)	40.9% (251)	20.1% (123)	3.68
AROUND TOWN: The Greater Des Moines/Central Iowa region is easy to navigate and offers short commute times. I don't get stuck in traffic and it's close to other large urban centers.	2.3% (14)	5.9% (36)	18.7% (115)	39.7% (244)	33.5% (206)	3.96
SOCIAL CAPITAL: The Greater Des Moines/Central Iowa region is a diverse community where people are engaged and involved in community life.	3.1% (19)	9.4% (58)	34.0% (209)	39.6% (243)	13.8% (85)	3.52
COST OF LIFESTYLE: The Greater Des Moines/Central Iowa region is a community where I can afford to live, work, and play.	2.3% (14)	4.3% (26)	19.4% (118)	42.2% (257)	31.9% (194)	3.97
VITALITY: The Greater Des Moines/Central Iowa region is a vibrant city where people are healthy, "out and about" using public parks, trails and recreation areas, and attending farmer's markets.	2.1% (13)	8.0% (49)	31.1% (191)	40.0% (246)	18.9% (116)	3.66

What ONE WISH do you have for the Greater Des Moines/Central Iowa region that would make it a MAGNET for talented people?

- A website that shows all the ways to get involved in Greater Des Moines, where to live work and play, and how we can continue to grow and thrive as a community.
- Affordable housing meets diverse culture & entertainment.
- Airport needs to add more cheaper flights to major cities.
- Be more spontaneous/diverse with artists and projects they bring to town...also more consistent. If one activity/concert is successful, line it up again.
- Better transit. I don't want to use my car!
- Central Campus is great but we need to offer a public "school of the arts" to keep a portion of the "art diversity" here.
- Easy transportation to bigger cities to get people live and play here usually but be able to get to other cities easily so they don't choose to just live there. High speed rail between Omaha, KC, DSM, Minneapolis, and Chicago would be ideal.
- Higher paying jobs and affordable housing.
- I wish that Des Moines would open up new activities for teens to participate in. Like a battle of the bands or something along those lines. That way people who are talented but don't have a way to show it can come out and show what they are made of.
- Lower property taxes.
- More job opportunities other than insurance/financial industries.
- More resident friendly spending of city improvement funds. Stop spending it all in wealthy neighborhoods and tourist routes. Low income residential areas matter too. Not everyone can afford to live in wealthy neighborhoods, but they don't want to live in run-down neighborhoods either.
- Progressive thinking politicians finding ways to create economic conditions conducive to growth of jobs requiring higher education.
- Some type of education incentive- tuition incentives to go to college here, loan forgiveness for staying in the area after college.
- That Des Moines would become more racially and ethnically diverse and that our racial and ethnic minorities would be more empowered to make a significant mark on the city culturally and politically.
- Would love to see a greater focus on health, specifically at restaurants and in creating environments that support health. Also, a greater focus on creativity in architecture and mindfulness of land use.

On a scale of 0 to 10, 0 being not likely and 10 being very likely, how likely are you to promote the Greater Des Moines/Central Iowa region to friends and family who are considering relocating?

