

The

Greater Omaha Area

An economic scorecard of the Omaha region 2017

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Where Does Omaha Stand?

Steady, forward momentum. Greater Omaha continues to generate it, tapping into our Midwestern work ethic, always looking to a more prosperous future. Building a vibrant community where residents and businesses thrive takes hard work and determination. **We Don't Coast** means we are dedicated to this process and won't settle for second best.

This Barometer is our measuring stick – a chance to take a hard look at our progress and evaluate our region compared to others.

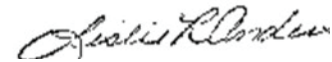
In the 2017 Barometer, we gauge our standing in eight key economic and performance-related areas: growth, human capital, private capital, innovation, entrepreneurship, infrastructure, cost of doing business and quality of life. We benchmark ourselves against nine selected cities that are either our peers, competitors or thriving centers of growth and innovation.

The Barometer shows that Omaha performs well across several areas and often ranks in the middle. Our strengths include abundant arts and cultural opportunities, affordable costs of living, entrepreneurship and low costs of doing business. We lag behind in innovative capacity, concentration of knowledge workers and employment growth.

Together, let's celebrate our successes and acknowledge our shortcomings. Let's work to focus our vision, channel passion into action and solidify our status as one of the truly great American cities.



David G. Brown
President and CEO
Greater Omaha Chamber



Leslie Andersen
Chairman of the Board
Greater Omaha Chamber Board of Directors

We innovate, accelerate – and always strive to do better.



COMPARISON CITIES

We chose each of the nine comparison cities for the 2017 Barometer for very specific reasons.

PEERS

► Salt Lake City, UT

SLC has a metropolitan area population of 1.2 million people. While the landscape of the region is very different than ours, we have aspects in common, including proximity to an air force base that serves as one of the state's largest employers. The SLC region is a center for healthcare in Utah, and a national hub for innovation and entrepreneurship in the technology industry.

► Louisville, KY

This region of 1.3 million people crosses state lines into Indiana and is home to several post-secondary institutions, including University of Louisville and several smaller private four-year colleges. Located 40 miles northeast of Fort Knox, Louisville, like Omaha, has a strong military presence. It is also the cultural and healthcare center for Kentucky and boasts a large transportation industry. Louisville is also located 100 miles southwest of Cincinnati, a much larger city with professional baseball and football teams, similar to Omaha's relationship with Kansas City.

► Colorado Springs, CO

With a metropolitan population of more than 700,000, Colorado Springs is smaller than Omaha. Colorado Springs boasts two major military installations — Peterson Air Force Base and Colorado Springs Army Air Base. Major industries include healthcare and professional, scientific and technical services.

COMPETITORS

► Des Moines, IA

A fellow Midwestern city, Des Moines' major industries are finance and insurance, healthcare and social assistance. Its metropolitan population comes in at over 600,000 and much like Omaha, it sits at the intersection of two major interstates, I-80 and I-35. Des Moines' low cost of living and affordable wages make it attractive to potential businesses.

► Kansas City, MO

This region's population of 2.1 million famously straddles two states, just like Omaha. Known as a hub for financial services as well as an entrepreneurial and startup community. KC's population is well-educated: 33 percent of those 25 and older hold a bachelor's degree or higher.

► Oklahoma City, OK

With a population of almost 1.4 million, the Oklahoma City region boasts two medical schools and several major institutions like Omaha. OKC is a healthcare center for its state and a national hub for the energy industry. Tinker Air Force Base is a major asset to the region.

ASPIRATIONAL CITIES

► Austin, TX

Austin has been overshadowed by Dallas and Houston for much of its life, but in the last 30 years, the city has come into its own. With its population of over 2 million, Austin is home to a thriving creative class of entrepreneurs, innovators and musicians, as well as higher education institutions, including Texas State University and the Big 12 powerhouse of University of Texas at Austin.

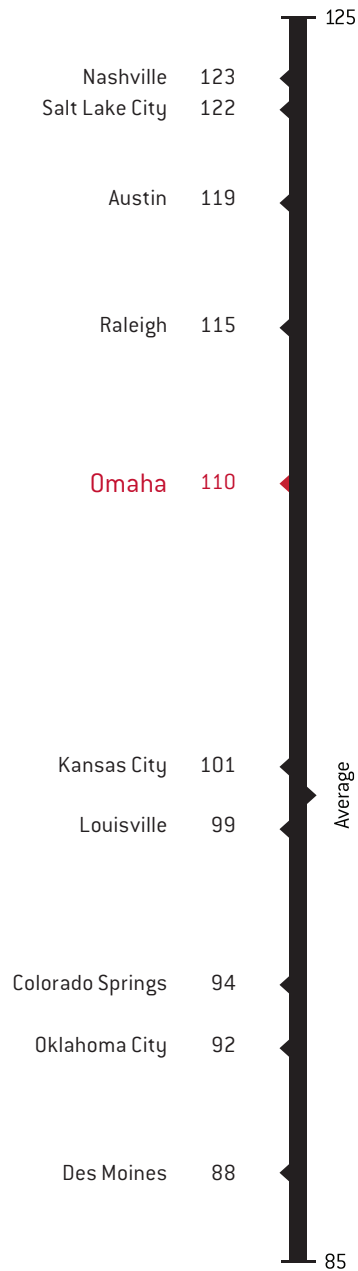
► Raleigh, NC

Raleigh, with a population of 1.3 million, is positioned inside the research triangle where University of North Carolina at Chapel Hill, North Carolina State University, Duke University and three medical schools reside. Raleigh is a hotbed of high-tech activity and innovation, specifically in the areas of information technology and biotechnology.

► Nashville, TN

Nashville is known as the cradle of the country music industry, but it's also seen major economic development over the past four decades. Almost 1.9 million people reside in the region's 13 counties and are the engine to its thriving entertainment scene, advanced manufacturing industry and higher education systems, including Middle Tennessee State University and Vanderbilt.

THE RESULTS REPORT



The *2017 Barometer* updates one component of the 2016 Barometer. To maintain our forward momentum, we made some changes to better measure our region.

Changes to this year's report:

- ▶ In previous Barometer reports, the quality of life index contained one natural amenities measure, which has now been divided into two separate components (natural recreation amenities and climate) that highlight different aspects of the index.

The Results

- ▶ Greater Omaha maintained its overall rank of 5 out of 10 regions.
 - ▷ There was no change in Omaha's rankings for the economic growth, human capital, innovation, infrastructure capacity, cost of doing business or private capital indexes.
- ▶ Omaha increased its ranking in one index and two individual measures.

Index:

- ▷ Entrepreneurship: Moved up one spot from 4 to 3

Why? Greater Omaha saw an increase in the income of area entrepreneurs. Over the past year, Greater Omaha became the city with the highest average income of entrepreneurs out of all of the comparison cities. Greater Omaha also moved from 3 to 2 in entrepreneurs' share of the city's total income.

Individual Measures:

- ▷ Quality of Life: Violent Crime Rate, a quality of life measure, moved up two spots from 6 to 4.

Why? Greater Omaha saw a decrease in violent crime. In the last Barometer, Omaha's violent crime rate was 3 percent above the U.S. average. Now it has improved to 3 percent below the national average.

- ▷ Cost of Doing Business: Space rental rates, a cost of doing business measure, moved up two spots from 4 to 2.

Why? Greater Omaha's rental rates remain below the average of the ten comparison cities. Furthermore, Greater Omaha actually saw a slight decrease in the rental rate of industrial space, helping to push it ahead in the rankings for affordable space costs.

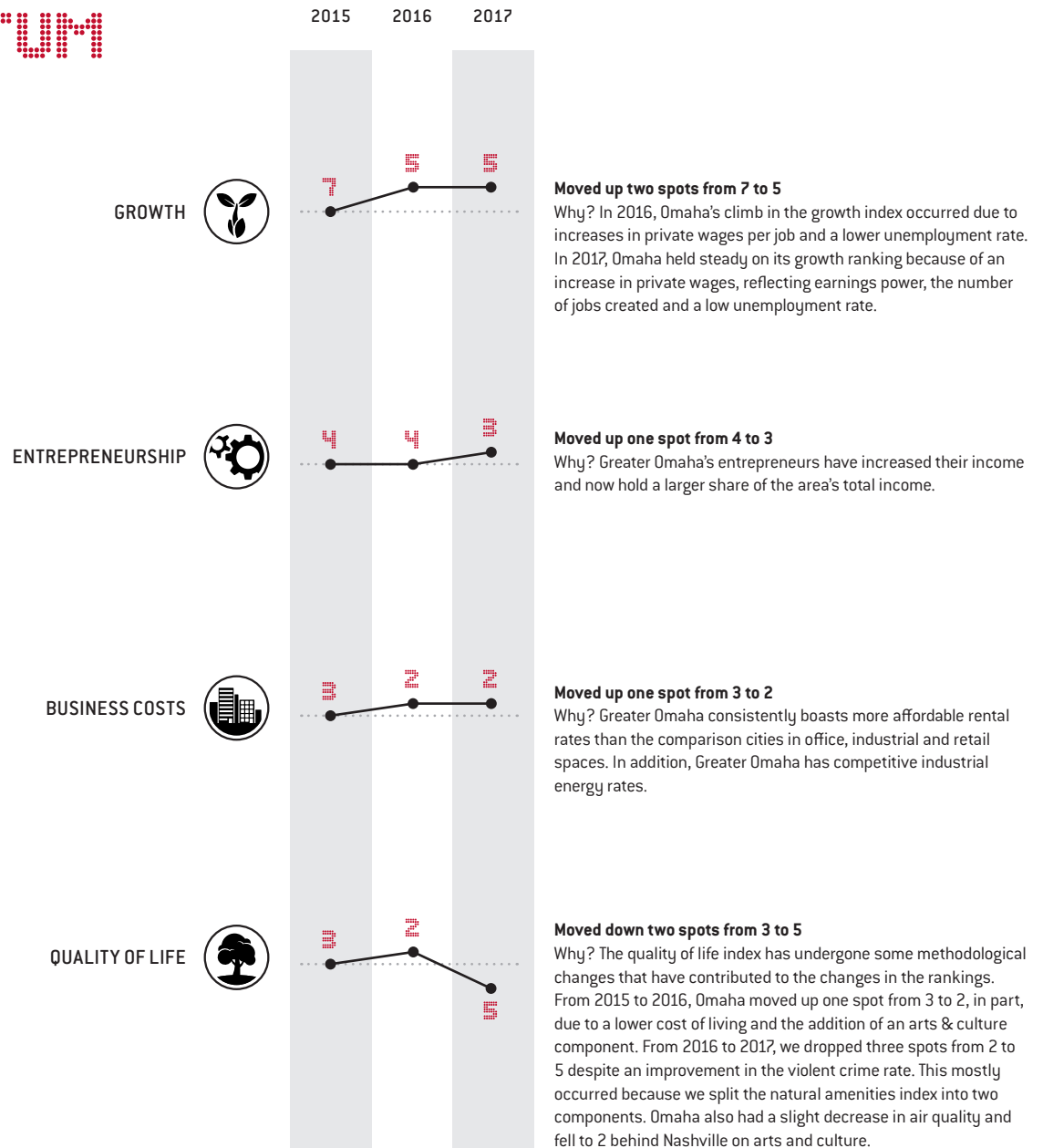


FORWARD MOMENTUM

The Barometer presents a perfect opportunity to take a step back and evaluate our progress over the years. In what areas have we advanced or maintained momentum? What areas should we focus on for further improvement? How competitive is our region?

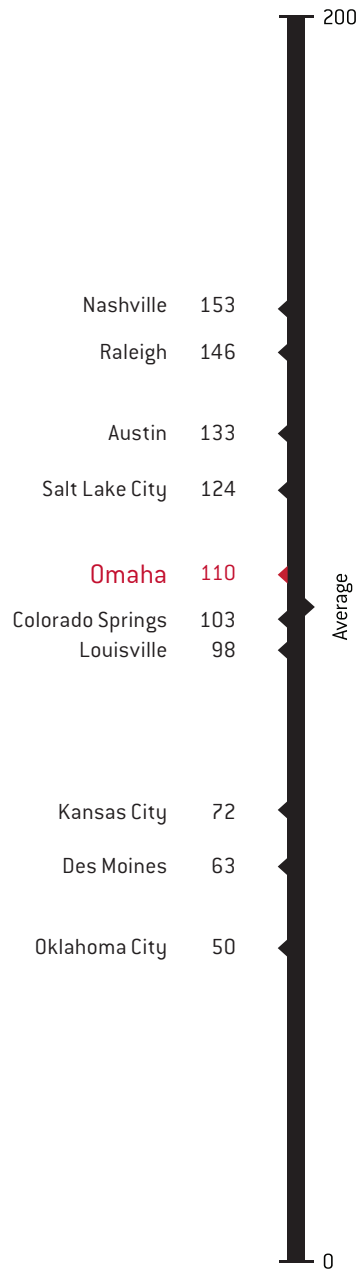
Over the past three years, Greater Omaha has maintained its overall ranking of 5. Our consistent ranking means we have maintained steady, forward momentum in several aspects of community life while experiencing some setbacks in others. Since 2015, Greater Omaha has improved in growth, entrepreneurship and the cost of doing business. We have fallen slightly behind in quality of life. Greater Omaha has held steady in human capital, innovation, infrastructure capacity and private capital (first included in 2016 Barometer).

GREATER OMAHA'S RANKING	2015	2016	2017
Overall Index	5	5	5
Growth Index	7	5	5
Human Capital Index	6	6	6
Innovation Index	6	6	6
Entrepreneurship Index	4	4	3
Infrastructure Capacity Index	5	5	5
Business Cost Index	3	2	2
Quality of Life Index	3	2	5
Private Capital	n/a	3	3





GROWTH



Prosperity depends in many ways on economic growth. Solid economic growth supports the performance of labor and property markets and ensures opportunity for locally-oriented businesses. It also improves the likelihood that workers will stay employed and advance in their careers. Indicators of growth are the first and, perhaps, most interesting barometer for a metropolitan economy.

Indicators of Growth include:

- ▶ Total Employment Growth
- ▶ Private Wage Growth
- ▶ Private Wages per Job
- ▶ Unemployment Rate





GROWTH



Total Employment

Source: Current Employment Statistics, Bureau of Labor Statistics, 2013-2016

1	AUSTIN	223
2	NASHVILLE	193
3	RALEIGH	186
4	SALT LAKE CITY	153
5	COLORADO SPRINGS	133
6	LOUISVILLE	124
7	DES MOINES	94
8	KANSAS CITY	72
9	OKLAHOMA CITY	71
10	OMAHA	70

Total employment growth captures the expansion of private sector and government job opportunities.

Rank – Total Employment Growth: Omaha #10



Unemployment Rate

Source: Local Area Unemployment Statistics program, U.S. Department of Labor, 2016

1	AUSTIN	66
2	SALT LAKE CITY	67
3	OMAHA	68
4	DES MOINES	73
5	NASHVILLE	74
6	COLORADO SPRINGS	78
7	OKLAHOMA CITY	85
8	RALEIGH	87
9	KANSAS CITY	88
10	LOUISVILLE	89

The unemployment rate typically rises during an economic recession and falls after the economy begins to recover. A low unemployment rate suggests an economy has experienced consistent growth.

Rank – Unemployment Rate: Omaha #3



Private Wages

Source: Current Employment Statistics, Bureau of Labor Statistics, 2013-2016

1	NASHVILLE	157
2	RALEIGH	156
3	AUSTIN	126
4	SALT LAKE CITY	110
5	LOUISVILLE	96
6	OMAHA	96
7	COLORADO SPRINGS	93
8	KANSAS CITY	64
9	DES MOINES	37
10	OKLAHOMA CITY	25

Growth in private wages provides a more comprehensive measure of economic growth. This category reflects both the increase in hourly wages and hours worked per week as well as change in the level of private employment. Thus, the measure reflects earnings power and the number of jobs created.

Rank – Private Wages Growth: Omaha #6



Private Wages per Job

Source: Current Employment Statistics, Bureau of Labor Statistics, 2013-2016

1	RALEIGH	127
2	NASHVILLE	127
3	OMAHA	125
4	SALT LAKE CITY	83
5	LOUISVILLE	60
6	COLORADO SPRINGS	58
7	KANSAS CITY	37
8	AUSTIN	31
9	OKLAHOMA CITY	-11
10	DES MOINES	-15

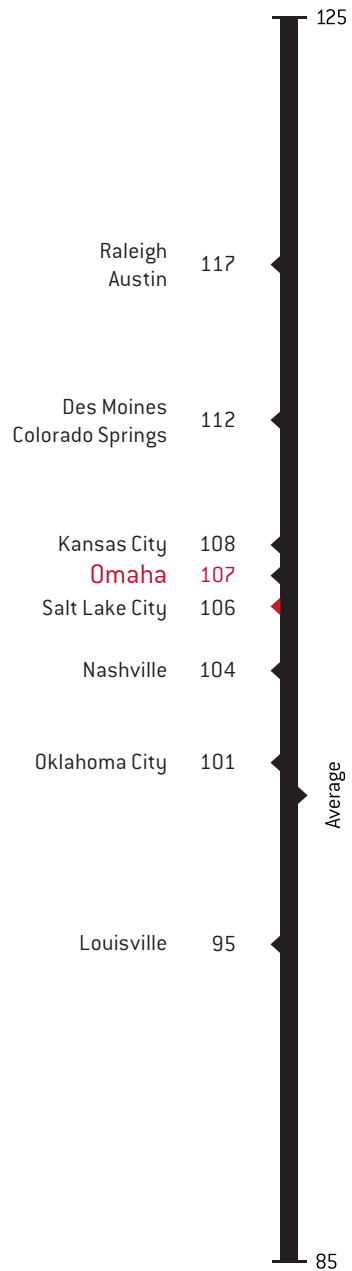
Growth in private wages per job shows improvement in the standard of living within a metropolitan area. Wages per job typically rise over time with inflation (and as the standard of living improves) – but can fall when the economy creates new jobs with lower wages than existing jobs.

Rank – Private Wages per Job Growth: Omaha #3





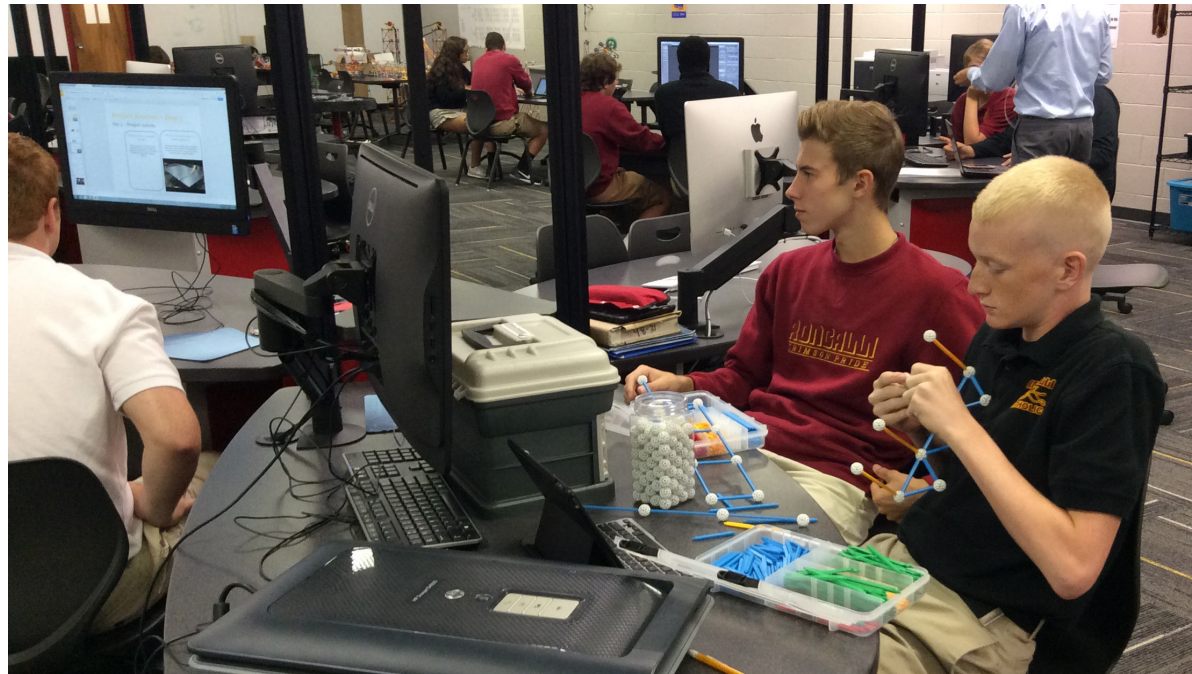
HUMAN CAPITAL



Human capital – the accumulated educational and occupational skill of the workforce – is critical for economic growth. A human capital index includes indicators of both experience and education, capturing the share of the workforce that continues to gain work experience, particularly in knowledge-intensive fields.

Indicators of Human Capital:

- ▶ High School Attainment
- ▶ College Attainment
- ▶ Labor Force Participation Rate
- ▶ Share of Knowledge Workers





HUMAN CAPITAL



High School Attainment

Source: American Community Survey, U.S. Census Bureau, 2011-2015

1	COLORADO SPRINGS	108
2	DES MOINES	107
3	OMAHA	105
4	KANSAS CITY	105
5	RALEIGH	104
6	SALT LAKE CITY	103
7	AUSTIN	102
8	LOUISVILLE	102
9	NASHVILLE	102
10	OKLAHOMA CITY	101

Graduating high school or obtaining a GED remains an important first step for individual success. Graduates are much better prepared to pursue opportunities in a changing economy compared to individuals who fail to finish school.

Rank – High School Attainment (Adults age 25+): Omaha #3



Share of Knowledge Workers

Source: Occupation Employment Survey, Bureau of Labor Statistics, 2013–2015

1	AUSTIN	114
2	COLORADO SPRINGS	113
3	RALEIGH	111
4	DES MOINES	108
5	KANSAS CITY	105
6	OKLAHOMA CITY	103
7	SALT LAKE CITY	101
8	OMAHA	100
9	NASHVILLE	98
10	LOUISVILLE	86

Workers who find employment in knowledge-based occupations can better maintain and grow their skills. The share of workers in knowledge-based occupations – such as: managers; financial workers; scientists; teachers and health care professionals – is a key human capital indicator.

Rank – Share of Knowledge Workers: Omaha #8



College Attainment

Source: American Community Survey, U.S. Census Bureau, 2011-2015

1	RALEIGH	145
2	AUSTIN	140
3	COLORADO SPRINGS	120
4	DES MOINES	119
5	KANSAS CITY	115
6	OMAHA	113
7	NASHVILLE	108
8	SALT LAKE CITY	106
9	OKLAHOMA CITY	97
10	LOUISVILLE	92

Graduating college provides improved opportunities for careers in a variety of higher paying, knowledge-intensive industries. Omaha has 13 percent more college graduates than the national average.

Rank – College Attainment (Adults age 25+): Omaha #6



Labor Force Participation Rate

Source: American Community Survey, U.S. Census Bureau, 2011-2015

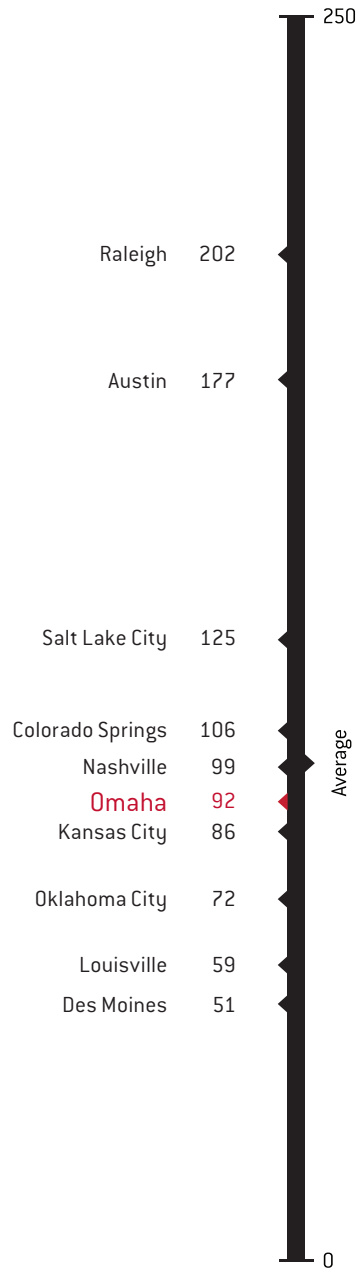
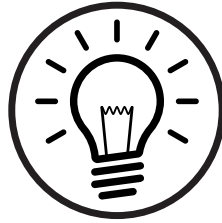
1	DES MOINES	114
2	OMAHA	112
3	SALT LAKE CITY	111
4	AUSTIN	110
5	RALEIGH	109
6	KANSAS CITY	107
7	COLORADO SPRINGS	107
8	NASHVILLE	106
9	OKLAHOMA CITY	103
10	LOUISVILLE	102

Workers gain experience fastest in regions where a larger share of the population is participating in the work force. Thus, the labor force participation rate is a key measure of human capital development.

Rank – Labor Force Participation Rate: Omaha #2



INNOVATION



Innovation can spur high-value entrepreneurial ventures and enhance the productivity of workers. It is measured via technical progress in both private industry and the education sector.

Indicators of Innovation:

- ▶ Share of Jobs in Tech Positions
- ▶ IT Sector Share of Jobs
- ▶ Patents per 10,000 Workers
- ▶ NIH Funding per Job
- ▶ Science Graduate Students





INNOVATION



Share of Jobs in Technology Positions

Source: Occupation Employment Survey, Bureau of Labor Statistics, 2013-2015

1	AUSTIN	180
2	RALEIGH	162
3	COLORADO SPRINGS	152
4	SALT LAKE CITY	116
5	KANSAS CITY	113
6	OMAHA	103
7	DES MOINES	101
8	OKLAHOMA CITY	99
9	NASHVILLE	80
10	LOUISVILLE	67

Private sector innovation occurs at businesses throughout the economy and can be tracked through the concentration of workers in occupations and industries where scientific work and product-development take place.

Rates of innovation are elevated in metropolitan areas with a larger share of the workforce in the following occupations: computer and mathematical; engineering; and life, physical, and biological science. Omaha is 3 percent above the national average for the share of workers in these occupations.

Rank – Share of Jobs in Technology Positions: Omaha #6



Science Related Graduate Students per Workers

Source: National Center for Education Statistics, 2014-2015

1	RALEIGH	257
2	AUSTIN	129
3	SALT LAKE CITY	128
4	OMAHA	116
5	OKLAHOMA CITY	107
6	LOUISVILLE	96
7	NASHVILLE	71
8	KANSAS CITY	52
9	COLORADO SPRINGS	45
10	DES MOINES	0

Innovative research in biomedical, computer science, engineering and physical science fields is achieved through a combination of faculty and graduate students. A concentration of graduate students in a metropolitan area indicates a focus on research activity.

Rank – Science Related Graduate Students per Workers: Omaha #4



Share of Jobs in Information Technology Industries

Source: County Business Patterns database, U.S. Census Bureau, 2013-2014

1	AUSTIN	236
2	COLORADO SPRINGS	234
3	RALEIGH	222
4	SALT LAKE CITY	140
5	KANSAS CITY	135
6	OMAHA	112
7	NASHVILLE	91
8	DES MOINES	84
9	OKLAHOMA CITY	50
10	LOUISVILLE	37

Rates of innovation also are elevated in metropolitan areas with a larger share of the workforce in software publishing, data processing and hosting, internet publishing and broadcasting, and computer systems design industries. Omaha's average is 12 percent above the nation's for employment in these industries.

Rank – Share of Jobs in the Information Technology Industries: Omaha #6



NIH Awards per Workers

Source: National Institutes of Health, 2013-2016

1	NASHVILLE	228
2	SALT LAKE CITY	145
3	RALEIGH	105
4	OMAHA	94
5	OKLAHOMA CITY	78
6	LOUISVILLE	54
7	KANSAS CITY	48
8	AUSTIN	44
9	COLORADO SPRINGS	12
10	DES MOINES	2

The National Institutes of Health (NIH) provide grant funding to innovative biomedical research. The level of NIH funding per worker in a metropolitan area shows biomedical innovation in universities, research institutes and private businesses.

Rank – NIH Awards per Workers: Omaha #4



Patents per 10,000 Workers

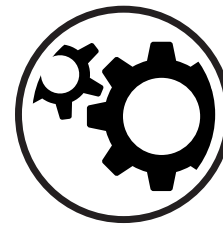
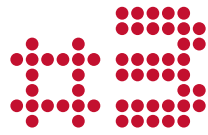
Source: U.S. Patent and Innovation Office, 2013-2015

1	AUSTIN	296
2	RALEIGH	265
3	SALT LAKE CITY	96
4	COLORADO SPRINGS	86
5	KANSAS CITY	85
6	DES MOINES	70
7	LOUISVILLE	42
8	OMAHA	38
9	NASHVILLE	27
10	OKLAHOMA CITY	25

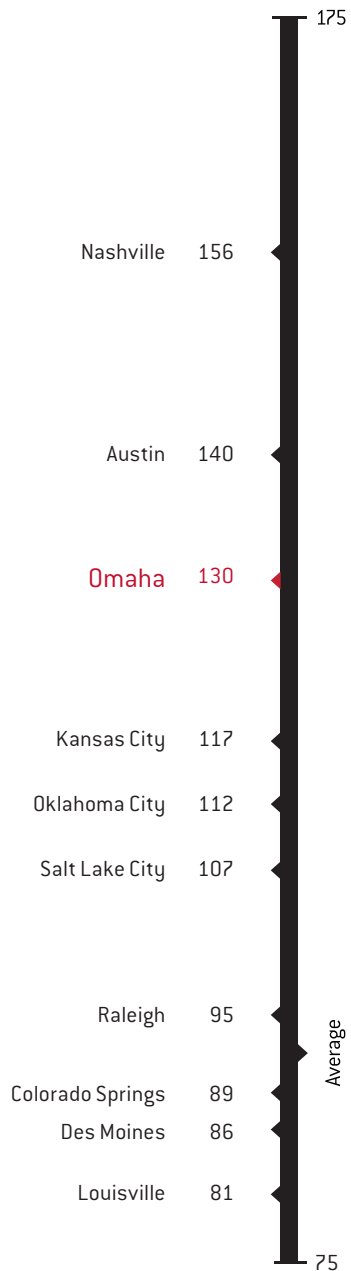
Patent activity broadly measures innovation by capturing the development of new products and technologies throughout the economy. This indicator provides a measure of the concentration of patent activity within a metropolitan area.

Rank – Patents per 10,000 Workers: Omaha #8





ENTREPRENEURSHIP



Arguably the most critical type of human capital in a market economy, entrepreneurs combine workers, capital and the other key resources to introduce new or improved products and meet growing demand. As a result, metropolitan areas with a more entrepreneurial population achieve faster growth.

Indicators of Entrepreneurship:

- ▶ Non-Farm Proprietors per Person
- ▶ Non-Farm Proprietor Income Share
- ▶ Business Services Share of Employment
- ▶ Average Income per Non-Farm Proprietor





ENTREPRENEURSHIP



Non-Farm Proprietor per Person

Source: Regional Economic Information System, U.S. Bureau of Economic Analysis, 2013-2015

1	AUSTIN	131
2	NASHVILLE	120
3	OKLAHOMA CITY	117
4	SALT LAKE CITY	113
5	RALEIGH	106
6	COLORADO SPRINGS	102
7	DES MOINES	98
8	KANSAS CITY	94
9	OMAHA	87
10	LOUISVILLE	85

The proportion of the population that owns a proprietorship (non-farm) is the first measure of the amount of entrepreneurial activity in a metropolitan area.

Rank – Non-Farm Proprietor per Person: Omaha #9



Business Services Employment Share

Source: Current Employment Statistics, U.S. Bureau of Labor Statistics, 2013-2016

1	AUSTIN	155
2	RALEIGH	142
3	COLORADO SPRINGS	141
4	KANSAS CITY	133
5	SALT LAKE CITY	121
6	NASHVILLE	99
7	OMAHA	91
8	DES MOINES	85
9	OKLAHOMA CITY	81
10	LOUISVILLE	77

The share of employment in the business services sector captures the percentage of people working in dynamic sectors such as information technology, consulting or architecture where self-employment and new business creation are more common.

Rank – Business Services Employment Share: Omaha #7



Non-Farm Proprietor Income Share

Source: Regional Economic Information System, U.S. Bureau of Economic Analysis, 2013-2015

1	NASHVILLE	217
2	OMAHA	153
3	AUSTIN	151
4	OKLAHOMA CITY	138
5	KANSAS CITY	115
6	SALT LAKE CITY	107
7	DES MOINES	78
8	LOUISVILLE	77
9	RALEIGH	67
10	COLORADO SPRINGS	60

The share of non-farm income due to non-farm proprietor income provides another measure of the entrepreneurship within the economy. This indicator reflects both the number of people engaged in entrepreneurship as well as the earnings of entrepreneurs. Omaha is 53 percent above the national average for non-farm proprietor income share.

Rank – Non-Farm Proprietor Income Share: Omaha #2



Income per Non-Farm Proprietor

Source: Regional Economic Information System, U.S. Bureau of Economic Analysis, 2013-2015

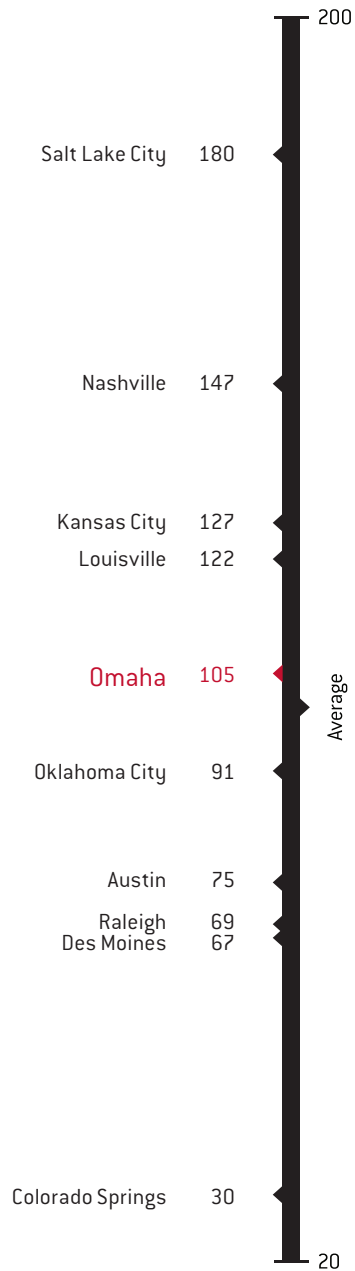
1	OMAHA	189
2	NASHVILLE	188
3	KANSAS CITY	124
4	AUSTIN	122
5	OKLAHOMA CITY	114
6	SALT LAKE CITY	87
7	LOUISVILLE	84
8	DES MOINES	83
9	RALEIGH	64
10	COLORADO SPRINGS	54

Income per proprietor rises when business owners operate in fields that are more lucrative and engage in full-time rather than part-time entrepreneurship. Omaha is 89 percent above the U.S. average.

Rank – Income per Non-Farm Proprietor: Omaha #1



INFRASTRUCTURE



Metropolitan areas need sufficient infrastructure capacity to accommodate economic growth. Metropolitan areas that serve as a hub for transportation activity have important additional advantages for growth.

Indicators of Infrastructure:

- ▶ Miles of Interstate Highway
- ▶ Air Passenger Enplanements
- ▶ Transportation Services





INFRASTRUCTURE



Miles of Interstate Highway

Source: Transportation maps of relevant state transportation agencies

1	NASHVILLE	171
2	OKLAHOMA CITY	151
3	SALT LAKE CITY	134
4	KANSAS CITY	129
5	OMAHA	120
6	LOUISVILLE	109
7	DES MOINES	87
8	AUSTIN	39
9	RALEIGH	32
10	COLORADO SPRINGS	28

Metropolitan areas served by multiple interstate highways – or with abundant industrial sites along highways – have significant advantages for location and growth of manufacturing and warehousing activity. The miles of interstate highway located within a metropolitan area reflect both the length and number of interstates that traverse each metro.

Rank – Miles of Interstate Highway: Omaha #5



Passenger Enplanements

Source: Federal Aviation Administration, 2013-2015

1	SALT LAKE CITY	269
2	NASHVILLE	143
3	AUSTIN	141
4	KANSAS CITY	132
5	RALEIGH	125
6	OMAHA	53
7	OKLAHOMA CITY	48
8	LOUISVILLE	44
9	DES MOINES	30
10	COLORADO SPRINGS	17

Airports that serve as hubs for national travel or draw on a large regional passenger base generate high levels of passenger travel and a variety of route options. Consequently, metropolitan areas containing airports with high passenger enplanements would provide an advantage to local business travelers.

Rank – Passenger Enplanements: Omaha #6



Transportation Services

Source: Quarterly Census of Employment and Wages, U.S. Bureau of Labor Statistics, 2013-2015

1	LOUISVILLE	213
2	OMAHA	142
3	SALT LAKE CITY	138
4	NASHVILLE	126
5	KANSAS CITY	120
6	DES MOINES	85
7	OKLAHOMA CITY	73
8	RALEIGH	49
9	COLORADO SPRINGS	46
10	AUSTIN	46

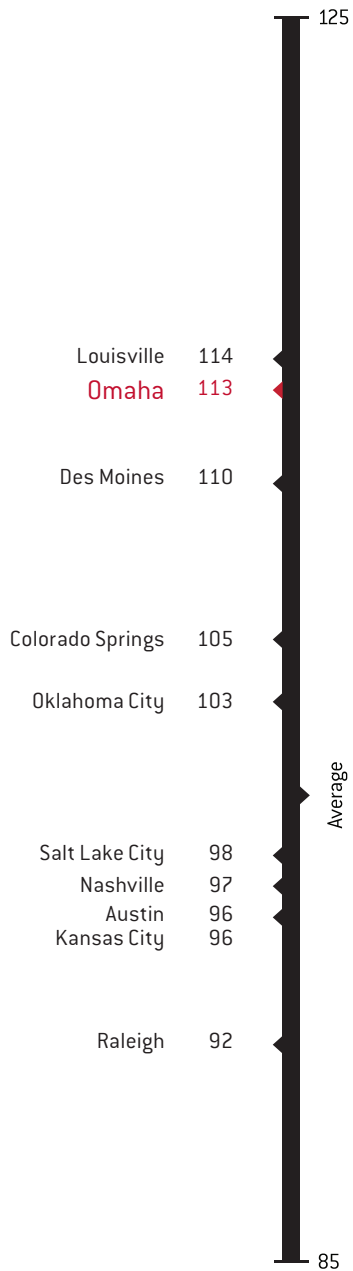
A large, entrepreneurial local transportation and logistics industry provides an advantage for local business. Such advantages can be captured through an indicator of the share of metropolitan area employment in the transportation and warehousing industry. Omaha is 42 percent above the national average.

Rank – Transportation Services: Omaha #2





COST OF DOING BUSINESS



Businesses operating within a metropolitan area face a variety of common “costs of doing business” that can make a serious impact on the bottom line.

Indicators of this index:

- ▶ Hourly Wage Rates
- ▶ Space Rental Rates
- ▶ Industrial Energy Rates





COST OF DOING BUSINESS



Labor Costs

Source: Occupation Employment Survey, U.S. Bureau of Labor Statistics (2013-2015) in seven specific occupations: accountants, software developers, lawyers, retail salesperson, licensed practical nurses, industrial machinery mechanics, and heavy truck and tractor-trailers drivers

1	LOUISVILLE	84
2	OKLAHOMA CITY	86
3	OMAHA	88
4	NASHVILLE	92
5	COLORADO SPRINGS	93
6	DES MOINES	93
7	KANSAS CITY	95
8	RALEIGH	95
9	SALT LAKE CITY	97
10	AUSTIN	99

Labor costs, the highest cost for many businesses, refers to the general level of wages required for workers given a particular skill level. Labor costs are best measured by comparing hourly wages across metropolitan areas for a set of specific occupations that reflect various skill and education levels.

Rank – Labor Costs: Omaha #3



Space Costs

Source: LoopNet Real Estate, 2017

1	DES MOINES	86
2	OMAHA	87
3	COLORADO SPRINGS	87
4	LOUISVILLE	88
5	OKLAHOMA CITY	91
6	KANSAS CITY	95
7	SALT LAKE CITY	105
8	NASHVILLE	110
9	RALEIGH	116
10	AUSTIN	135

Space costs are compared on a per square foot basis and reflect the costs for all types of business properties, including industrial, commercial and retail properties.

Rank – Space Costs: Omaha #2



Industrial Energy Costs

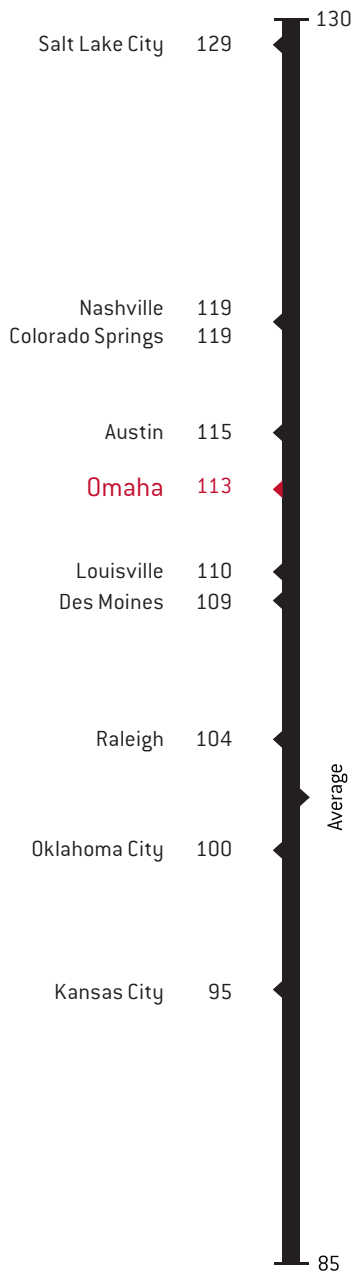
Sources: Lincoln Electric Systems' National Electric Rates Survey (industrial electricity rates), 2013-2016
Energy Information Administration, U.S. Department of Energy (state natural gas rates), 2013-2016

An aggregate industrial energy cost indicator was developed reflecting the average industrial rates for electricity and natural gas.

1	AUSTIN	89
2	OMAHA	90
3	LOUISVILLE	91
4	DES MOINES	94
5	SALT LAKE CITY	106
6	COLORADO SPRINGS	108
7	NASHVILLE	110
8	RALEIGH	115
9	OKLAHOMA CITY	119
10	KANSAS CITY	130

Utility costs refer to the bundle of utilities, including electric, natural gas, water and sewer, and broadband access. Consistent, comparable measures of cost, however, are limited for utilities and are most feasible for electric and natural gas utility rates.

Rank – Industrial Energy Costs: Omaha #2



QUALITY OF LIFE



Quality of life plays a key role in attracting and retaining talent in a metropolitan area, making it a significant consideration for businesses that rely on those employees.

Please note the natural recreation amenities and climate indicators were separated from a single measure in previous editions. This methodological change affected the rankings of all the cities, changing them from previous years.

Key Quality of Life components include:

- ▶ Cost of living
- ▶ Commute time
- ▶ Health care access
- ▶ Violent crime rate
- ▶ Air quality
- ▶ Climate
- ▶ Natural recreation amenities
- ▶ Arts and culture





QUALITY OF LIFE



Cost of Living

Source: Council for Community and Economic Research, 2016 01 – 03 Average (Data is gathered for the principal city of each metropolitan area.)

1	OKLAHOMA CITY	84.1
2	LOUISVILLE	88.3
3	DES MOINES	89.9
4	OMAHA	91.5
5	KANSAS CITY	92.6
6	COLORADO SPRINGS	93.4
7	RALEIGH	93.7
8	SALT LAKE CITY	93.9
9	NASHVILLE	94.9
10	AUSTIN	96.4

Cost of living refers to both money and time. We capture it through a cost of living and a commuting time indicator.

Metropolitan cost of living is a comprehensive measure of the cost of household goods and services.

Rank – Cost of Living: Omaha #4



Health Care Access

Source: Occupational Employment Survey, Bureau of Labor Statistics, 2013-2015

1	OMAHA	135
2	LOUISVILLE	130
3	NASHVILLE	122
4	KANSAS CITY	121
5	OKLAHOMA CITY	119
6	DES MOINES	117
7	SALT LAKE CITY	116
8	RALEIGH	89
9	COLORADO SPRINGS	83
10	AUSTIN	82

Access to health care, a key quality of life amenity, generally rises when doctors, nurses and other health care professions account for a larger share of the workforce. Omaha beats the national average by 35 percent.

Rank – Health Care Access: Omaha #1



Commute Time

Source: American Community Survey, 2011-2015

1	DES MOINES	78
2	OMAHA	78
3	OKLAHOMA CITY	86
4	COLORADO SPRINGS	87
5	SALT LAKE CITY	87
6	KANSAS CITY	88
7	LOUISVILLE	92
8	RALEIGH	97
9	AUSTIN	101
10	NASHVILLE	103

Commute time is a measure of the cost of living in terms of time, showing the ease of travel to destinations around a metropolitan area.

Rank – Commute Time: Omaha #2



Arts and Culture

Source: U.S. Bureau of Labor Statistics and U.S. Census Bureau, 2013-2014

1	NASHVILLE	218
2	OMAHA	179
3	DES MOINES	144
4	SALT LAKE CITY	119
5	LOUISVILLE	98
6	KANSAS CITY	98
7	COLORADO SPRINGS	92
8	AUSTIN	84
9	OKLAHOMA CITY	75
10	RALEIGH	63

Access to arts and cultural opportunities is another key component to quality of life. Access rises with the level of activity and number of at performance companies, presenting organizations, museums and zoos, along with the employment by those organizations.

Rank – Arts and Culture: Omaha #2



QUALITY OF LIFE (CONTINUED)

04 Violent Crimes Rate

Source: Unified Crime Statistics, Federal Bureau of Investigations, 2013-2015

1	RALEIGH	62
2	AUSTIN	77
3	DES MOINES	86
4	OMAHA	97
5	SALT LAKE CITY	99
6	COLORADO SPRINGS	101
7	LOUISVILLE	123
8	OKLAHOMA CITY	129
9	KANSAS CITY	134
10	NASHVILLE	164

Personal safety is a critical component of quality of life and can be signified by the violent crime rate.

Rank – Violent Crime Rate: Omaha #4

05 Climate

Source: Economic Research Service, U.S. Department of Agriculture

1	COLORADO SPRINGS	206
2	AUSTIN	140
3	SALT LAKE CITY	128
4	OKLAHOMA CITY	119
5	RALEIGH	109
6	KANSAS CITY	71
7	LOUISVILLE	70
8	NASHVILLE	67
9	OMAHA	56
10	DES MOINES	45

Quality of life also depends on climate. Key aspects of climate that contribute to comfort and outdoor activity include temperature, humidity and sunshine. The Economics Research Service has developed an index to measure climate amenities in metropolitan areas.

Rank – Climate Rate: Omaha #9

07 Air Quality

Source: Air Quality Index Report, Environmental Protection Agency, 2013-2015

1	DES MOINES	103
2	RALEIGH	103
3	NASHVILLE	103
4	OKLAHOMA CITY	102
5	COLORADO SPRINGS	102
6	AUSTIN	102
7	OMAHA	102
8	LOUISVILLE	99
9	SALT LAKE CITY	95
10	KANSAS CITY	90

Air quality is a critical indicator of pollution, measured for metropolitan areas by the Environmental Protection Agency (EPA). The EPA reports the share of days with good or moderate air quality each year.

Rank – Air Quality: Omaha #7

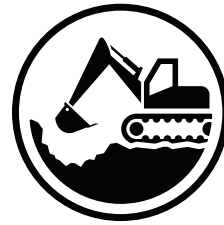
08 Natural Recreation Amenities

Source: Economic Research Service, U.S. Department of Agriculture

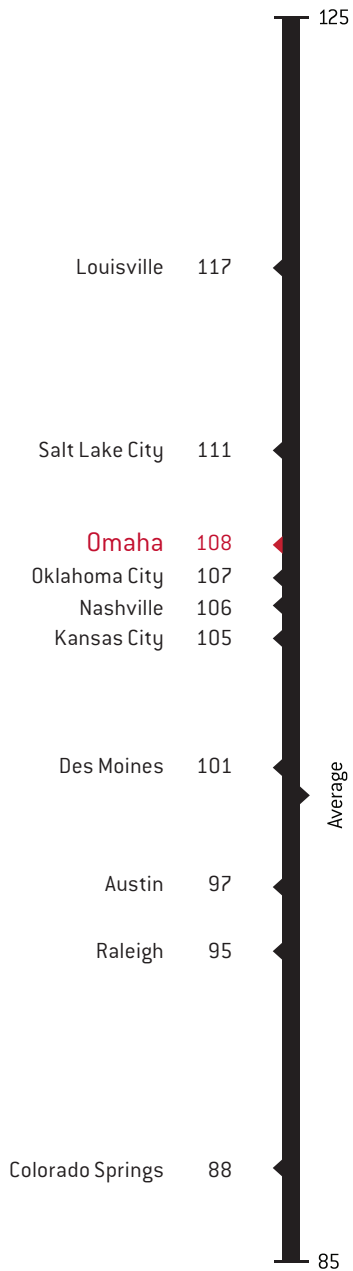
1	SALT LAKE CITY	254
2	NASHVILLE	183
3	AUSTIN	182
4	LOUISVILLE	175
5	COLORADO SPRINGS	145
6	DES MOINES	103
7	RALEIGH	94
8	OMAHA	92
9	KANSAS CITY	83
10	OKLAHOMA CITY	74

The natural recreation amenities available to a metropolitan area – such as temperature, humidity, sunshine, topography and access to water – affect quality of life as well.

Rank – Natural Amenities: Omaha #8



Private Capital



Private capital such as machinery, software and buildings are a cornerstone of a productive economy. A stock of private capital raises worker productivity, ensuring a larger metropolitan economy.

Indicators of Private Capital include:

- ▶ Equipment/machinery used in factories, construction sites, warehouses, offices, health care facilities and stores
- ▶ Structures (buildings)
- ▶ Intellectual property products (software and other processes that businesses use in production)





PRIVATE CAPITAL



Private Equipment

Source: U.S. Bureau of Economic Analysis and U.S. Bureau of Labor Statistics data for 2013-2015

1	LOUISVILLE	121
2	SALT LAKE CITY	110
3	OMAHA	110
4	DES MOINES	106
5	NASHVILLE	105
6	KANSAS CITY	105
7	OKLAHOMA CITY	100
8	AUSTIN	91
9	RALEIGH	89
10	COLORADO SPRINGS	83

Private equipment includes the machinery that employees use to produce goods and services. The unique industry structure of each metropolitan area determines whether the region has a concentration of capital-intensive businesses. Metropolitan areas with more of these businesses have higher levels of private equipment per worker.

Rank – Private Equipment: Omaha #3



Private Structures

Source: U.S. Bureau of Economic Analysis and U.S. Bureau of Labor Statistics data for 2013-2015

1	OKLAHOMA CITY	144
2	LOUISVILLE	119
3	OMAHA	116
4	SALT LAKE CITY	109
5	NASHVILLE	105
6	KANSAS CITY	105
7	DES MOINES	105
8	AUSTIN	94
9	RALEIGH	92
10	COLORADO SPRINGS	91

Private structures house the factories, inventory, offices and stores that businesses use to serve their customers. The use and value of structures vary by industry with industries such as manufacturing and warehousing often requiring more square feet of structures per worker.

Rank – Private Structures: Omaha #3



Intellectual Property Products

Source: U.S. Bureau of Economic Analysis and U.S. Bureau of Labor Statistics data for 2013-2015

1	SALT LAKE CITY	113
2	LOUISVILLE	110
3	NASHVILLE	107
4	AUSTIN	107
5	RALEIGH	105
6	KANSAS CITY	105
7	OMAHA	98
8	DES MOINES	94
9	COLORADO SPRINGS	89
10	OKLAHOMA CITY	77

Intellectual property products such as software or patented processes are key to the efficient and productive operation of businesses. The use of intellectual property products varies by industry but is especially prevalent in manufacturing.

Rank – Intellectual Property Products: Omaha #7



All of the diverse industries and residents of Greater Omaha can make an impact how we capitalize on our strengths and improve our weaknesses.

Our Strengths

- ▶ **Thriving Entrepreneurship**
Not only does Omaha have a strong concentration of entrepreneurs, those innovators are also more successful – with income almost \$30,000 higher than the national average.
- ▶ **Low Business Costs**
We consistently have low rental costs, low utility rates and reasonable employee wages, making Greater Omaha attractive to businesses.
- ▶ **Strong Private Capital**
Our region possesses numerous assets needed for workers to be highly productive, spurring business success and economic growth.
- ▶ **Aspects of Quality of Life**
Greater Omaha's moderate cost of living, access to a variety of leisure and entertainment activities, and amenities make the region a great place to live.
- ▶ **Substantial Basic Human Capital**
Educational attainment is one of the most important components of human capital. Greater Omaha has a higher graduation rate and a larger share of people with a bachelor's degree or post-graduate degree compared to the national average.

Our Weaknesses/Opportunities

- ▶ **Employment Growth**
Omaha adds new jobs each year, but at a slower pace than our comparison cities. How do we increase the employment growth rate?
- ▶ **Patent Activity**
How do we create education-business partnerships that fuel inventors in colleges and businesses to create solutions that are unique and marketable? Do we have the proper concentration of science-related graduate students in our institutions to focus on research activity that could result in patents?
- ▶ **Information Technology**
Do we encourage students to explore careers in IT-related occupations? How do we make resources accessible and engaging? Are we a competitive marketplace for tech talent when it comes to wages and benefits?
- ▶ **Advanced Human Capital**
Do we encourage students to pursue careers in knowledge-based occupations – like managers, financial workers, scientists, teachers or health care professionals – where there are better opportunities to maintain and grow their skills? Are we providing students with enough resources to make informed career decisions? Are we a competitive marketplace for knowledge-based jobs?

CHANGE IN ACTION:

How is Omaha's business and educational community addressing these weaknesses?

Data is power and having concrete evidence of where we lag behind provides us all with an opportunity to take specific steps to improve.

In April 2017, Omaha's businesses, community partners and education leaders launched CAREEROCKIT, an initiative to connect businesses and the educational community to meet current and future talent needs. Students were given the opportunity to engage in more than 10,000 career experiences, gaining applicable real-world knowledge and excitement about career options in Omaha.

In addition, the Tech Talent Growth Initiative is underway, engaging business and education leaders to address the region's shortage of tech workers. Launched in December 2015, it aims to increase the number of tech workers in Greater Omaha to 4,000 workers by 2020. At the end of 2016, Greater Omaha had climbed to an average of 17,369 IT-related jobs.

These are only two examples of actions taken to drive employment growth. The Greater Omaha Chamber will continue to serve as a catalyst for growth creating an environment where businesses and residents prosper and thrive.

METHODOLOGY

In 2014, the Greater Omaha Chamber Business Intelligence Department developed The Barometer: an Economic Scorecard of the Omaha Region. The Barometer compares Omaha with a set of prosperous metropolitan areas from around the United States in order to identify areas of strength and areas for improvement within the Omaha economy. This report, the 2017 Barometer, is the fourth edition of the Barometer report. It was developed by the University of Nebraska-Lincoln Bureau of Business Research (BBR), in coordination with the Greater Omaha Chamber Business Intelligence Department.

The 2017 Barometer is designed to evaluate the performance of a metropolitan area economy from a broad perspective, including growth in overall economic activity and key labor market outcomes such as unemployment and growth in employment and wage rates. The Barometer report also examines the economic characteristics that determine growth. These are the sources of comparative advantage for a metropolitan economy, which economic research has found to be related to growth, including human capital stock, private capital, infrastructure capacity, innovation, entrepreneurship, quality of life for households and the cost of doing business.

In this report, an index is calculated for each of these eight growth determinants in Omaha and the nine comparison metropolitan areas of Austin, Colorado Springs, Des Moines, Kansas City, Louisville, Nashville, Oklahoma City, Raleigh and Salt Lake City. These indexes are calculated utilizing data from 2013 through 2016 (or 2013 through 2015 if 2016 data is not yet available). The 2017 Barometer therefore reflects current conditions and recent growth in metropolitan economies.

Changes to the 2017 Barometer from earlier editions include:

- ▶ **Natural Amenity:** This year, we split the Natural Amenity measure within the Quality of Life Index into two measures, Climate and Natural Recreation Amenities, utilizing the current sub-indexes from the USDA-Economic Research Service natural amenity data base.

All indicators were given an average index value equaling 100, based on either national averages or the average of all comparison cities, and then each comparison city was measured against that index value.

The data gathering and analysis work was completed by the Bureau of Business Research during January through March of 2017 and all data sources are cited within the report.

Any questions regarding this report should be directed toward the Greater Omaha Chamber Business Intelligence Department at 402-346-5000.





We are a catalytic community, full of change makers, and when we work together we can accomplish so much more.

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