

MILKEN  
INSTITUTE

# Best-Performing Cities 2023

THRIVING IN A CHANGING  
ECONOMIC LANDSCAPE

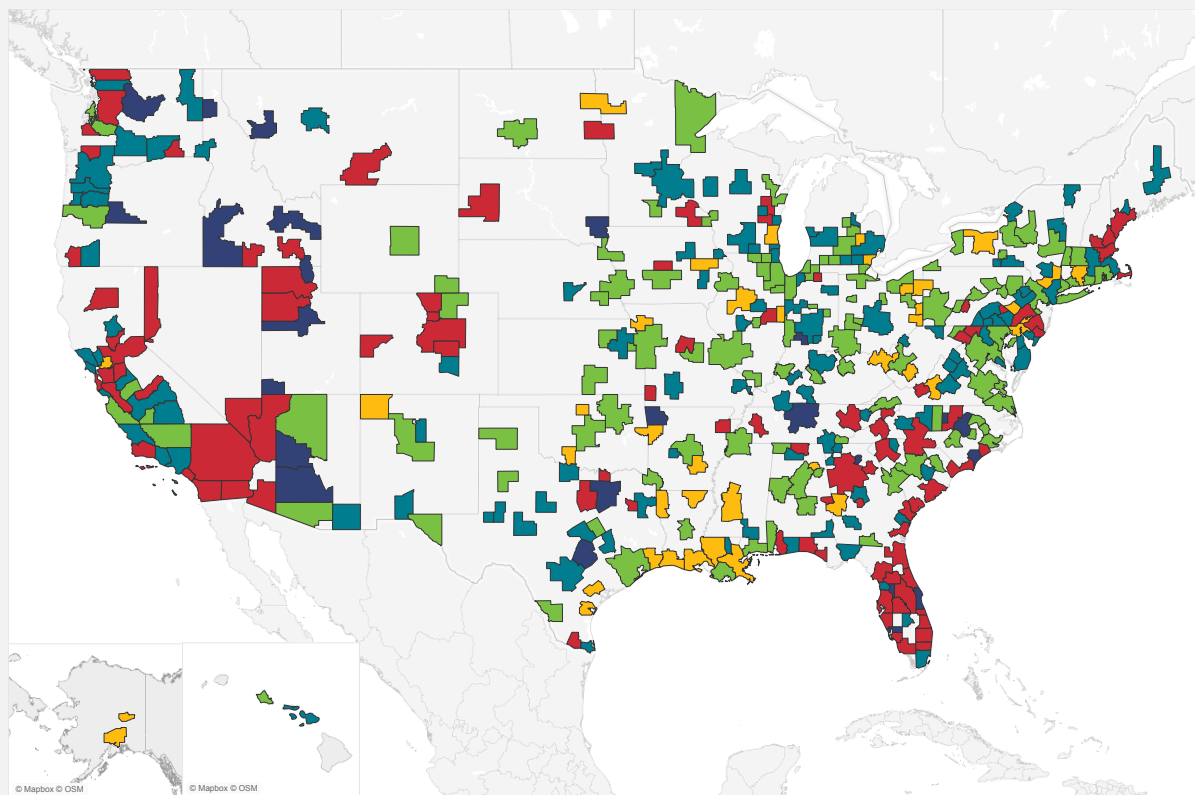
## Executive Summary



More than three years after the start of the COVID-19 pandemic, US cities maintain their status as the primary centers of economic activity. The Best-Performing Cities (BPC) rankings provide an objective framework for evaluating the relative performance of the cities driving US national growth. In addition to the rankings, the [BPC report](#) offers insights into short- and medium-term factors underlying the performance of top-ranked metropolitan areas. [Explore the full rankings and view cities' performance](#) across BPC's 12 components on our interactive website.

This year's rankings are based primarily on data from 2021, presenting an assessment of cities' performance amid the rapidly shifting social, demographic, and economic landscape that followed the first year of COVID-19. **Figure 1** illustrates the regional distribution of the best-performing cities. The 403 cities included in the BPC rankings are grouped into five tiers based on their performance, with top-ranked cities in Tier 1 and bottom-ranked cities in Tier 5. Notably, most of this year's Tier 1 large and small cities are in just six states: Idaho, Utah, Arizona, Texas, Florida, and North Carolina.

**Figure 1. 2023 Best-Performing Cities by Performance Tier**



■ Tier 1 ■ Tier 2 ■ Tier 3 ■ Tier 4 ■ Tier 5

Source: Milken Institute (2023)

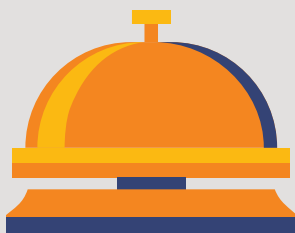
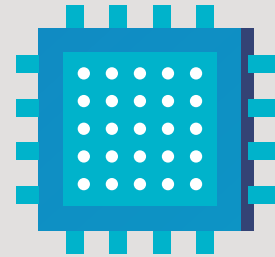


## Three trends emerge from this year's best-performing cities:



Cities' performance is closely related to growth in jobs and wages, and the expansion of high-tech industries largely drives this growth. **Provo-Orem, UT** (the top-ranked large city) and **Idaho Falls, ID** (the top-ranked small city) stand out in their growth of jobs and wages and in high-tech concentration. Overall, jobs and wages grew faster in cities with stronger high-tech growth in the past five years. Comparing cities in the top quartile by high-tech growth to those in lower quartiles, average jobs and wages grew 4.6 and 11.1 percentage points faster in large cities and 5.1 and 14.2 percentage points faster in small cities.

While high-tech industries retain a greater presence in large cities, the fastest high-tech growth was observed among top-ranked small cities. **Missoula, MT** performed particularly well: Ranked eighth overall among small cities, Missoula's high-tech GDP almost doubled over the past five years, growing by 96.4 percent (the fastest growth rate of all large and small cities). **Logan, UT**, **St. George, UT**, **Coeur d'Alene, ID**, and **Wenatchee, WA** were other top-performing small cities that experienced faster five-year high-tech GDP growth than any of the large cities.



As travel and tourism resumed over the course of 2021, the leisure and hospitality industry drove the highest gains in this year's rankings. **Atlantic City, NJ** had the highest rank increase among all cities, rising to 53rd from its 184th position in last year's rankings. Among large cities, **Asheville, NC** experienced the biggest gain. Other metropolitan areas with strong hospitality markets that rose markedly in this year's rankings include **Las Vegas-Henderson-Paradise, NV**, **Myrtle Beach-Conway-North Myrtle Beach, SC-NC**, and **Kahului-Wailuku-Lahaina, HI**.

For more information, visit  
<https://milkeninstitute.org/best-performing-cities-2023>  
or scan:

