

the promise of Agenda 360 and Vision 2015—to become a leading region for talent, jobs, and economic opportunity for all who call our region home.

### In short, this report—

- Is entirely data-driven, monitoring key indicators that define our region in hard economic terms.
- Sketches a baseline for continuous assessment of our progress toward our goals.
- Lays the foundation for rigorous benchmarking against competing regions.
- Allows us to align our growth strategies and initiatives with the drivers of economic vitality.
- Provides a sobering reality and a sense of urgency to focus on actions that can significantly change this picture.

### Why It Matters

Even before the current recession, our region was lagging behind national averages on a number of indicators of economic growth. While we can point to many signs of progress (you can find a list of some at the back of this report), we must accelerate the pace of recovery for Greater Cincinnati and Northern Kentucky. This report lays out the scale of our challenge; right now, we aren't performing well on many indicators, especially when compared to other regions.

But unlike many other regions, we have a plan for changing the picture. Through implementation of Agenda 360 and Vision 2015, Greater Cincinnati and Northern Kentucky can win in the global marketplace. It will take purposeful, region-wide commitment to be successful and we all have a role to play on our journey to prosperity.

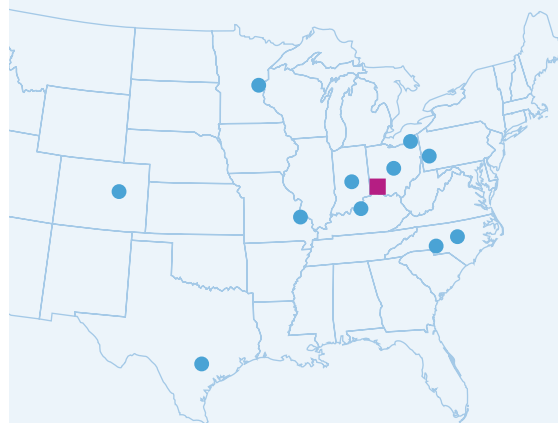
## Our Competition

*If we are to achieve economic prosperity, we must perform a critical self-examination of our performance as compared to those regions with which we compete.*

*For this reason, we matched Greater Cincinnati and Northern Kentucky against 11 peer metropolitan statistical areas selected for their similar geography, population size, and/or demographic makeup, and because they often compete with us for people and jobs.*

*While this report compares “regional snapshots,” our competing regions are moving targets. Even when we improve, other regions might be on an improvement path faster than ours.*

*Incremental improvements are necessary steps on a longer journey to success. Measurable progress is clearly a good thing, yet its true importance can only be measured in terms of outperforming our peers.*



Austin, TX  
Charlotte, NC  
Cincinnati, OH  
Cleveland, OH  
Columbus, OH  
Denver, CO

Indianapolis, IN  
Louisville, KY  
Minneapolis, MN  
Pittsburgh, PA  
Raleigh, NC  
St. Louis, MO

# People Indicators

Data focusing on our most important resource.


While there are countless ways to assess our region, 15 indicators emerged as the most telling. The most current data available were used to measure our region's standing and progress in relation to our peer regions. These indicators are reliable, diverse, have comparable regional benchmarks and are regularly updated. Together, these indicators compose our regional dashboard and offer an objective snapshot of where we are today and point to the necessary steps for the future.

Seven of the 15 are People Indicators and they tell us we have work to do in creating a more equitable community and a higher quality of life for all. The following graphs show the top and bottom two regions for each indicator, highlighting Cincinnati's position and ranking among its peers. The ranking was determined from the most recently available data. The peer region average is also listed for comparison.

**Poverty Level.** We score fairly well in "poverty avoidance," but too many people in our region still live in poverty. The number of people in our region who live at less than 200% above the federal poverty level has declined recently, and we're outperforming most of our peers. Yet there continues to be great disparity between our high- and low-income earners. It's important to move more people to self-sufficiency.

## PEOPLE INDICATOR: 200% POVERTY

The percent of population whose income falls below 200% of the federal poverty level.




	2007	2008
1 Minneapolis	20.6%	19.8%
2 Raleigh	24.6%	24.5%
<b>3 Cincinnati</b>	<b>26.5%</b>	<b>25.9%</b>
<b>Peer Region Avg.</b>	<b>26.9%</b>	<b>26.9%</b>
11 Austin	29.0%	29.5%
12 Cleveland	28.8%	29.6%

**Cost of Living Index.** Our region is an affordable place to live. Data show that we continue to enjoy our cost-of-living competitive advantage, a hallmark of our regional profile. This will always be one of the most important factors when companies and families consider where to locate.

## PEOPLE INDICATOR: COST OF LIVING INDEX

The cost to live in an area based on relative price levels for consumer goods and services in that area.




	2008	2009
1 Indianapolis	91.7	88.8
2 St. Louis	90.7	89.5
<b>4 Cincinnati</b>	<b>92.6</b>	<b>91.1</b>
<b>Peer Region Avg.</b>	<b>96.7</b>	<b>95.9</b>
11 Denver	105.0	102.9
12 Minneapolis	110.6	112.7

**Housing Opportunity Index.** Our housing costs are affordable compared to other regions. A big part of our low cost of living is housing. All types of housing are more affordable here than in most other places—across all income levels. But a key need is to better connect housing to transportation and jobs.

## PEOPLE INDICATOR: HOUSING OPPORTUNITY INDEX

The share of homes sold in an area considered to be affordable for a family earning the local median income. Affordable is considered to be 28% or less of yearly income going toward housing.

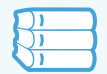


	2008	2009
1 Indianapolis	93.1	95.7
2 Cleveland	86.0	89.2
<b>3 Cincinnati</b>	<b>82.6</b>	<b>88.2</b>
<b>Peer Region Avg.</b>	<b>77.8</b>	<b>83.7</b>
11 Raleigh	64.4	76.4
12 Charlotte	72.2	75.2

**Educational Attainment.** We trail other regions in college graduation levels. As the economy has evolved, the need for more education has grown. We fare poorly when compared to our peers in the percentage of population age 25+ with a bachelor's degree or higher. This is a red flag with significant ramifications and requires strong regional action.

## PEOPLE INDICATOR: EDUCATIONAL ATTAINMENT

The percent of population 25 years of age or older who have earned a bachelor's degree or higher.



	2007	2008
1 Raleigh	41.4%	41.5%
2 Austin	38.4%	38.2%
<b>Peer Region Avg.</b>	<b>31.9%</b>	<b>32.4%</b>
<b>10 Cincinnati</b>	<b>28.2%</b>	<b>28.1%</b>
11 Cleveland	26.8%	27.0%
12 Louisville	23.6%	24.0%

**Net Migration. We must tip the scales on people moving in vs. moving out.** People send the strongest, bottom-line message about our region's desirability by "voting with their feet." Our low score versus peer regions says that we must work harder to attract and retain people.

**PEOPLE INDICATOR: NET MIGRATION**

The number of persons moving into an area each year minus the number of persons moving out of an area.

	2008*	2009*
1 Austin	40,229	32,060
2 Denver	27,981	28,569
<b>Peer Region Avg.</b>	<b>13,181</b>	<b>11,048</b>
<b>10 Cincinnati</b>	<b>-1,526</b>	<b>1,861</b>
11 St. Louis	-2,307	-1,604
12 Cleveland	-10,663	-7,365

\*Negative signs indicates more people leaving than migrating to an area.



**Population 20-64. We must grow our labor pool.** When evaluating potential relocation or expansion opportunities, the first thing businesses look for is a skilled labor force that can fill jobs long-term. We lag behind the majority of our peer regions.

**PEOPLE INDICATOR: POPULATION 20-64**

The percent of population that is between the ages of 20 – 64.

	2007	2008
1 Austin	63.6%	63.4%
2 Raleigh	63.1%	63.0%
<b>Peer Region Avg.</b>	<b>61.3%</b>	<b>61.2%</b>
<b>9T Cincinnati</b>	<b>60.2%</b>	<b>60.2%</b>
11 Pittsburgh	59.4%	59.5%
12 Cleveland	59.3%	59.3%

T=tie

**Old Age Dependency. The ratio of people over 65 versus those 20-64 is not in our favor.** While populations are aging everywhere, this metric alerts us to the fact that our region is beginning to skew older at a faster rate than our peers. This affects our future economic prosperity as an aging population requires more services and support.

**PEOPLE INDICATOR: OLD AGE DEPENDENCY**

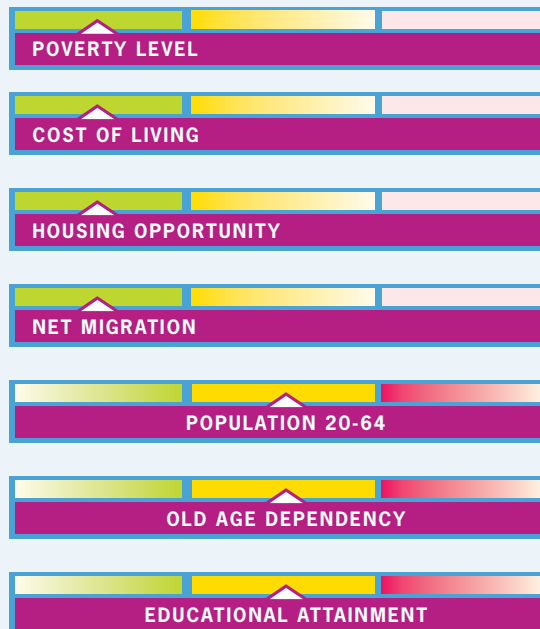
The number of people aged 65 years and older compared to total number of people 20-64 years of age.

	2007	2008
1 Austin	11.7 %	11.9 %
2 Raleigh	12.8 %	12.9 %
<b>Peer Region Avg.</b>	<b>18.3 %</b>	<b>18.5 %</b>
<b>8 Cincinnati</b>	<b>19.7%</b>	<b>20.0%</b>
11 Cleveland	24.5 %	24.7 %
12 Pittsburgh	28.8 %	28.9 %

**People Indicators Dashboard, 2010**

**Metropolitan Statistical Area (MSAs)**

CINCINNATI-MIDDLETOWN OH-KY-IN MSA



**KEY:**

- ▲ = Improving
- ▲ = Little or No Change
- ▲ = Worsening

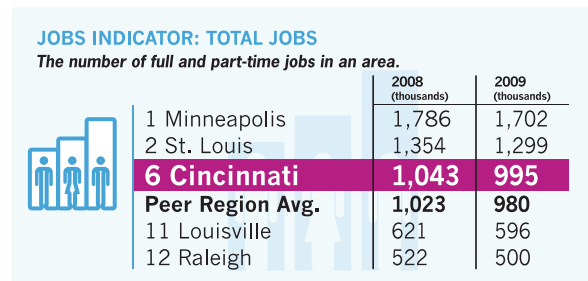
# Jobs Indicators

Key data points offer the unvarnished truth.

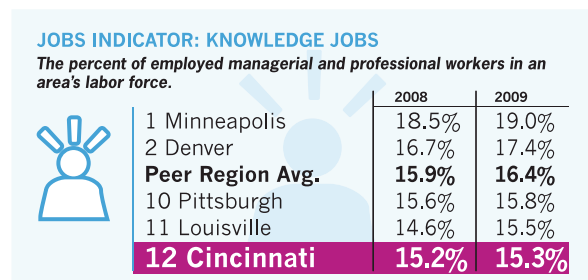
The following eight indicators were identified to represent the overall jobs picture in our region. Many of the People Indicators shared on the previous pages predict our success in the Jobs Indicators category. Lead indicators such as educational attainment and workforce size and readiness impact our ranking and performance on the Jobs side.

Take a look at how we stack up on these critical Jobs Indicators as compared to our competitive set. Again, the graphs show the top and bottom two regions for each indicator, highlighting Cincinnati's position and ranking among its peers. The peer region average is also listed for comparison.

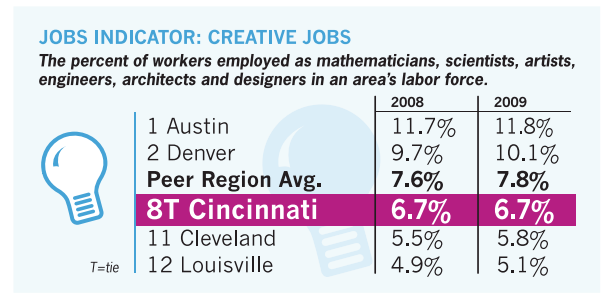
**Total Jobs.** Our need for job growth has reached a crucial point. The recession's toll on jobs spared no one—every region has suffered. But Greater Cincinnati and Northern Kentucky were hit harder than most of our peers, losing 48,300 total jobs between 2008-09.



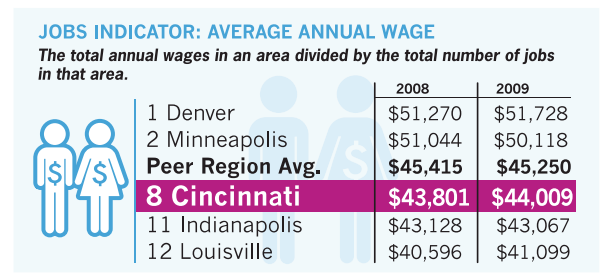
**Knowledge Jobs.** The percentage of managerial and professional jobs places us last among all regions. “Knowledge jobs” typically come with above average wages and are also a key indicator for projecting future economic growth. Our region's position among our peers means we must focus on attracting more knowledge jobs.



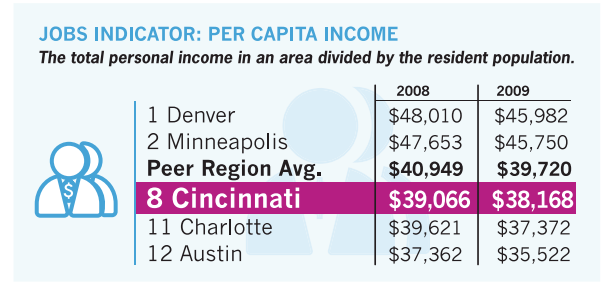
**Creative Jobs.** We must fuel more creative jobs. “Creative jobs” bring new ideas and technologies to their local economies. Moreover, creative jobs are often filled by young professionals, a critical demographic. In this increasingly important metric, we rank in the bottom third of peer regions.



**Average Annual Wage.** We must attract more high-paying jobs. While our overall regional affordability partially explains and offsets our low ranking here, a rising average annual wage will make our region more attractive.



**Per Capita Income.** We've seen a decline for the first time in 40 years. After years of keeping pace with national patterns, we've seen a slight decline in per capita income. Putting more people back to work may help reverse this trend.



**Metropolitan GDP. We're squarely in the middle of the pack when it comes to GDP.**

Similar to national GDP, Metropolitan Gross Domestic Product is a measure of local area economic output and is a key indicator of local economic growth and well being. Metropolitan GDP measures the total value of all goods and services produced within a metropolitan area in a given year. Our mediocre performance doesn't match our aspirations.

**JOBS INDICATOR: METROPOLITAN GDP**

The total value of all goods and services produced in a region in a given year. A Metro GDP includes all spending (consumer, investment and government) plus the value of exports minus the value of imports.

	2007 (millions)	2008 (millions)
1 Minneapolis	\$186,738	\$193,947
2 Denver	\$143,914	\$150,810
<b>Peer Region Avg.</b>	<b>\$103,528</b>	<b>\$107,127</b>
<b>7 Cincinnati</b>	<b>\$96,141</b>	<b>\$98,750</b>
11 Louisville	\$55,538	\$56,320
12 Raleigh	\$51,341	\$53,464

**Unemployment. Unemployment here is higher than many of our peers.**

After absorbing the brunt of the national economic downturn and seeing our unemployment figures reach unacceptable levels, we need to work the various levers that will increase employment rates.

**JOBS INDICATOR: UNEMPLOYMENT**

The number of persons actively seeking work divided by the total number of persons employed in the labor force.

	2008	2009
1 Austin	4.4%	6.9%
2 Pittsburgh	5.1%	7.4%
<b>Peer Region Avg.</b>	<b>5.6%</b>	<b>8.8%</b>
<b>9 Cincinnati</b>	<b>5.8%</b>	<b>9.3%</b>
11 Louisville	6.3%	10.1%
12 Charlotte	6.4%	11.7%

**Venture Capital. We need more focused commitment and funding for local start-ups.**

Venture capital helps bring new ideas and new investment into the region, which directly and indirectly impacts the other key Jobs indicators. We don't fare well when compared with our peers. Since start-ups are the key driver of future job creation, it's imperative that we turn this around.

**JOBS INDICATOR: VENTURE CAPITAL**

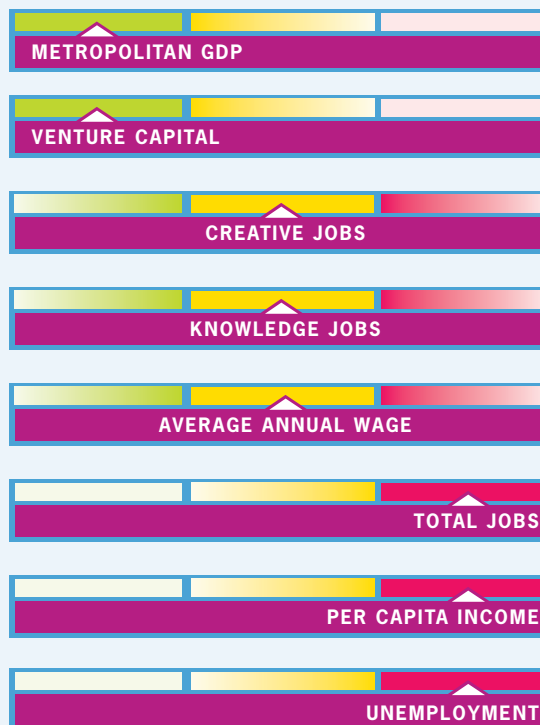
The amount of capital invested in local start-up firms and small businesses that involve an investment risk but offer high growth and profit potential. Because of the year-to-year volatility, this indicator is a three-year rolling average of venture capital invested.

	2006-2008 (millions)	2007-2009 (millions)
1 Cleveland	\$2,490	\$2,503
2 Pittsburgh	\$856	\$817
<b>Peer Region Avg.</b>	<b>\$609</b>	<b>\$559</b>
<b>9 Cincinnati</b>	<b>\$68</b>	<b>\$115</b>
11 Charlotte	\$100	\$41
12 Columbus	\$30	\$22

**Jobs Indicators Dashboard, 2010**

**Metropolitan Statistical Area (MSAs)**

CINCINNATI-MIDDLETOWN OH-KY-IN MSA



**KEY:**

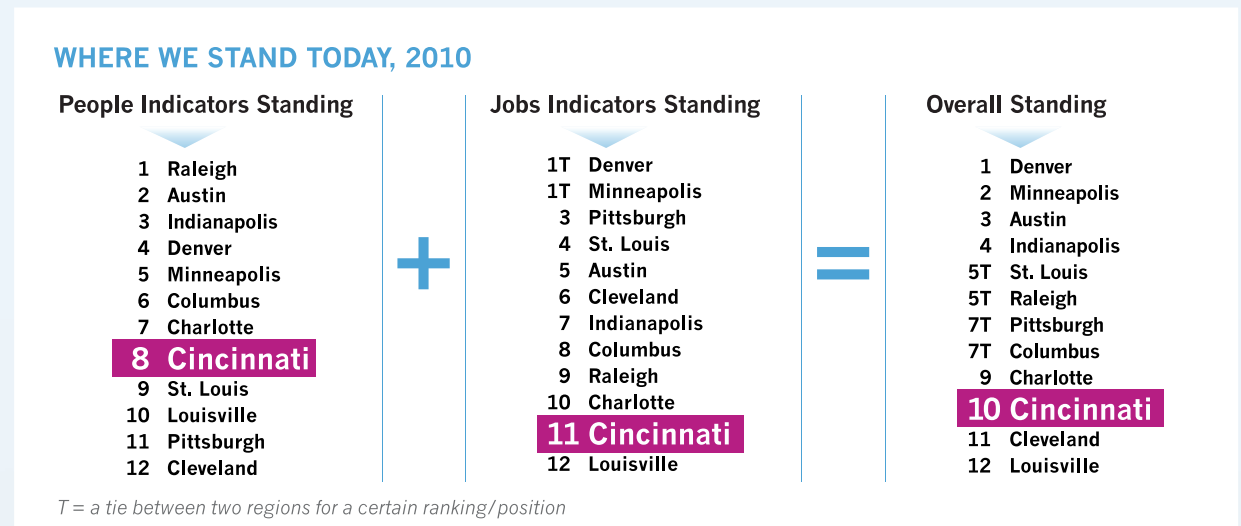
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# How We Stack Up

Our performance vs. our competition.

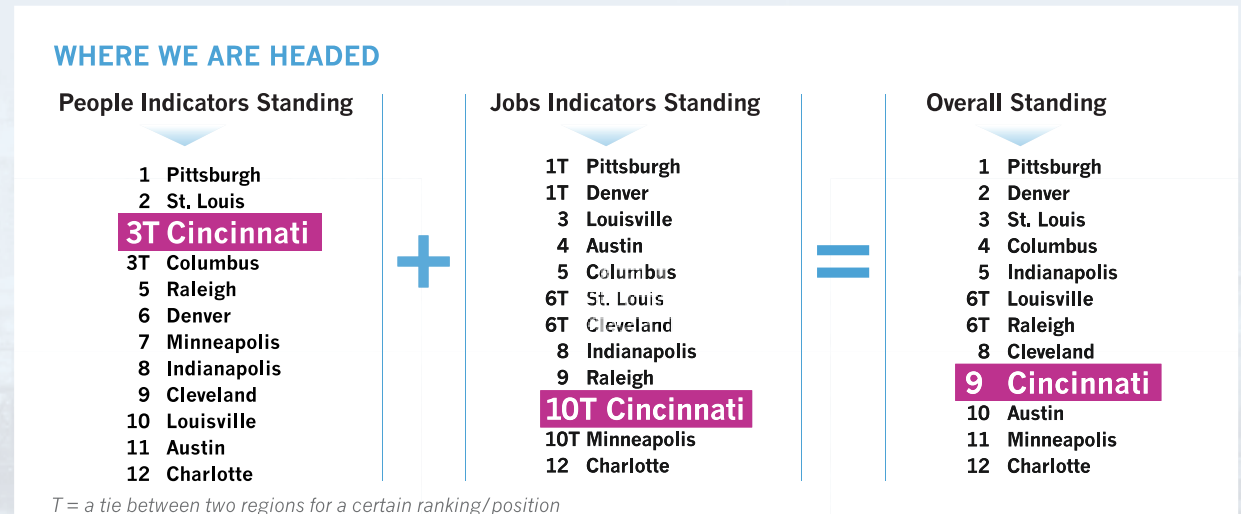
## Where we stand today

It's been said more than once that Greater Cincinnati and Northern Kentucky has been protected from the worst effects of an economic downturn because of our diversified economy. But a clear-eyed appraisal of our standing against our primary competition for people and jobs suggests a different picture. If we took a snapshot of where we stand today, and held it up to a snapshot of each of our competitive regions, we would be disappointed in the results. The rankings below represent how we stack up on a straightforward comparison with our peer regions—at a single point in time on each indicator.



## Where we are headed

If we look at our progress on each indicator from one point in time to the next, we can track our rate of growth (or decline). In simple terms, if our current growth rate exceeds our peers, it suggests that we could move up in the rankings over time, effectively changing the picture described above. Right now, it's encouraging to know that our overall growth rate on People Indicators is pacing ahead of most of our competitive regions. But there's no time for celebration, as our positions in Jobs and Overall Standing provide plenty of room for improvement.



# What This Means

Observations and opportunities.

## Working together, we can position our region to compete and win.

An astute observer once said that “poverty in Greater Cincinnati and Northern Kentucky is largely invisible.” While this may not be true for the 26% of people in our region living near the poverty level, the speaker’s point was that it was easy for most of us to go through our days without ever meeting poverty face-to-face.

Yet the deepening recession—or the “Economic Storm,” as our philanthropic sector calls it—has exposed the ragged edges of our community in some unprecedented ways. But there are issues still out of our line of sight—

- We can’t see the young professionals leaving the region for cities with more opportunities.
- We can’t see the lack of venture capital dampening entrepreneurial spirit.
- We can’t see the lack of education holding many people back.

To ignore the challenges in our region is to risk the future health of our community—and to leave the consequences to our children.

### **We have assets we can build on.**

It’s true that we have many assets. Like our nine Fortune 500 headquarters, our strong “eds and meds,” our thriving arts and culture community, and our beautiful hills and waterways. Plus there are new signs of opportunity, such as the Strive educational partnership, the acceleration of technology start-up companies, and increased investment in downtowns on both sides of the Ohio.

But it’s unwise to believe that this is enough to sustain us over time. We have to build upon our assets and achieve greater leverage from our strengths. In an economy that will be driven more and more by knowledge workers and innovation, our degree of educational attainment barely gets us on the playing field, let alone positions us to win against our peer regions.

While each statistic in this report has something to teach us, the real power is in the comparison to regions with which we compete for people and jobs. Without this comparison, complacency can reign. With it, we can see that other regions are outpacing us on many key economic levers.

This report should serve as a call to action for all of us who want to see Greater Cincinnati and Northern Kentucky grow and thrive. The more we can work together, the more likely we are to position our region for future growth. Now, more than ever, we must commit to presenting ourselves to the larger world as one region, *indivisible*.

### **We have plans to change the story.**

Our two regional action plans, Vision 2015 and Agenda 360, have aligned their resources and their goals in the creation of this report. Both plans have identified transformational initiatives and investments that will truly change the game for Greater Cincinnati and Northern Kentucky.

Every day, we are making progress on our path to improve educational attainment, grow the number of skilled workers, increase venture capital investment, enhance housing options and affordability, attract and retain young professionals, and solve our transportation challenges. Still, we know we will achieve our goals much faster if more leaders in our community step up.

Every individual can be a leader and contribute to improving our future. On the next page, learn how you can play a part in this journey. Our region’s success depends on you, your neighbors, your colleagues at work, the leaders of our community—working together to change this picture. The time is now.

# What We Can Do Together

From indicators to action.

It's easy to read this report and then go about our business in the same way we did yesterday. Yet the price we pay for this complacency is steep; the comparisons to our competitor regions make the consequences abundantly clear. If we want to be a leading region for talent, jobs and economic opportunity, we must work together on those transformative initiatives and investments that will move us up the economic ladder. Here are a few suggestions of what you can do to help.

**If you are a corporate leader** . . . Create a clear path to advancement and opportunity for all your employees through tuition assistance and other knowledge-building activities. Step up and support our regional HYPE initiative to attract and retain young talent. Assist with business attraction and retention across the region, so we can grow jobs more quickly. Walk the talk as you travel the nation and the globe, telling all about why this is a region on an upward trajectory.

**If you own a small business** . . . Encourage your employees to complete their education—whether it's high school or beyond. Support achievement in your local school systems.

**If you are a young professional** . . . Use your powerful social networks to tell others why you love our region. Get involved with a community organization and a cause you can be passionate about—it's the best way to feel at home here. Invite out-of-town friends to come for a visit and then show them all the things that make Greater Cincinnati and Northern Kentucky unique, exciting, and cool.

**If you work in the public sphere** . . . Adopt policies that support job growth. Partner with non-profits and others to bring more investment into our region—both private capital and public funding. Reach across jurisdictional boundaries to implement more impactful change. Solve our transportation



issues by advocating for more efficient transit (connecting homes and jobs).

**If you are a parent** . . . Spend time with your kids and their school work. Make it a goal to encourage everyone in your household to graduate with a two- or four-year degree from a college or university. Sharpen your professional skills and continue to advance your own career and compensation.

The nature of our region and our economic realities must engage us all—there are no sidelines to sit on anymore. At a minimum, each of us can do three things:

**Be informed.** Become familiar with Agenda 360 and Vision 2015. Understand this scorecard, our challenges and their implications, and our opportunities to make meaningful progress.

**Be involved.** We've provided a short list of ways you can engage directly in changing the picture for our region. We challenge you to think of additional ways you can be a driver of economic health.

**Believe we can be successful.** Be an ambassador for this important work. Set aside skepticism and reignite your civic pride. Trumpet our assets to all who will listen, even while we work on our many challenges.