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Foundation



**VETERAN ENTREPRENEUR
INVESTMENT PROGRAM**

**2020 TOP US CITIES
FOR VETERAN
ENTREPRENEURS**

METHODOLOGY

Edelman Intelligence (EI) collected a robust set of quantitative data from existing PenFed Foundation partners and openly available data sources to paint the full picture of veteran support, city characteristics and entrepreneurship ability across the US and rank US Metropolitan areas (MSAs) by these characteristics. Using a custom scoring algorithm, EI highlighted the MSAs that are the best places for Veteran Entrepreneurship.



OUR DATA

30+ Data Sources*

- Government Databases (ex. BLS)
- Census Information
- Private Foundations (ex. Kauffman)
- NAVSO and VA

100% Quantitative Data

390 Metropolitan Statistical Areas (MSAs) Analyzed**

SCALED Data collection by scraping open source data on veteran support networks across the web

SCORING APPROACH

4 Main categories evaluated

- Livability
- Growing Economy
- Support for Veterans
- Ability to start a business

10-15 Weighted factors in each category*

NORMALIZED Data to account for differences in data sources

TRANSFORMED Data to eliminate any bias within the dataset

*Full lists can be found in the appendix

**Top 100 can be found in the appendix



KEY FACTORS THAT AFFECT VETERAN ENTREPRENEURSHIP*

LIVABILITY

1. Change in Standard of Living
2. Park Score
3. Public Transit Rank
4. Food/Drinking Establishments per Capita
5. Health Establishments per Capita
6. Best Schools
7. Infant Care Cost
8. Children living in Child Care Deserts
9. Homelessness
10. COVID Cases
11. Regional Price Parities

GROWING ECONOMY

1. Unemployment Rate
2. Change in Unemployment Rate
3. Job Growth
4. Productivity Growth
5. Change in Median Earnings
6. Number of New Businesses
7. Spouse Unemployment %
8. PPP Loans given
9. Jobs created by PPP loans
10. Investment in new housing
11. Bankruptcy Filings
12. Foreclosure Rate
13. Median Home Price Increase
14. SMB COVID loan programs
15. GDP per Capita

SUPPORT FOR VETERANS

1. Places with Veteran Support Groups
2. Veteran Unemployment Rate
3. VA Expenditures per Veteran
4. VA Medical Care Expenditures
5. VA Accredited Attorneys
6. Number of Student Veterans on the GI Bill
7. Veteran Concentration in Cities
8. National Veteran Associations
9. Veteran Homelessness
10. Local Veteran Associations

ABILITY TO START A BUSINESS

1. Top Corp. Income Tax Rate
2. VC Investment
3. Veteran Entrepreneurs
4. Incubators
5. Rate of new Entrepreneurs
6. Opportunity Entrepreneurship Share
7. Survival Rate
8. Kauffman Index
9. Share of Coworking Space
10. Most Educated Labor Force
11. Veteran-focused Incubators

*Full list with descriptions and weights can be found in the appendix



ACCOUNTING FOR COVID

Due to impacts of COVID-19, cities and businesses had to face health and economic issues like never before. To account for that in our approach, we built in factors related to COVID in a few places:

LIVABILITY

- Average Annual Infant Care Cost
- Percent of Population that lives in a childcare desert
- Homelessness
- Number of COVID Cases

GROWING ECONOMY

- PPP Loans Distributed and Jobs Created
- Investment in New Housing and Median Home Price Increase
- Business Bankruptcy Filings and Personal Foreclosure Rate
- SMB Grant Programs due to COVID



KEY FACTORS THAT AFFECT VETERAN ENTREPRENEURSHIP*

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4. Food/Drinking Establishments per Capita
5. Health Establishments per Capita
6. Best Schools
7. Infant Care Cost
8. Children living in Child Care Deserts
9. Homelessness
10. COVID Cases
11. Regional Price Parities

GROWING ECONOMY

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SUPPORT FOR VETERANS

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ABILITY TO START A BUSINESS

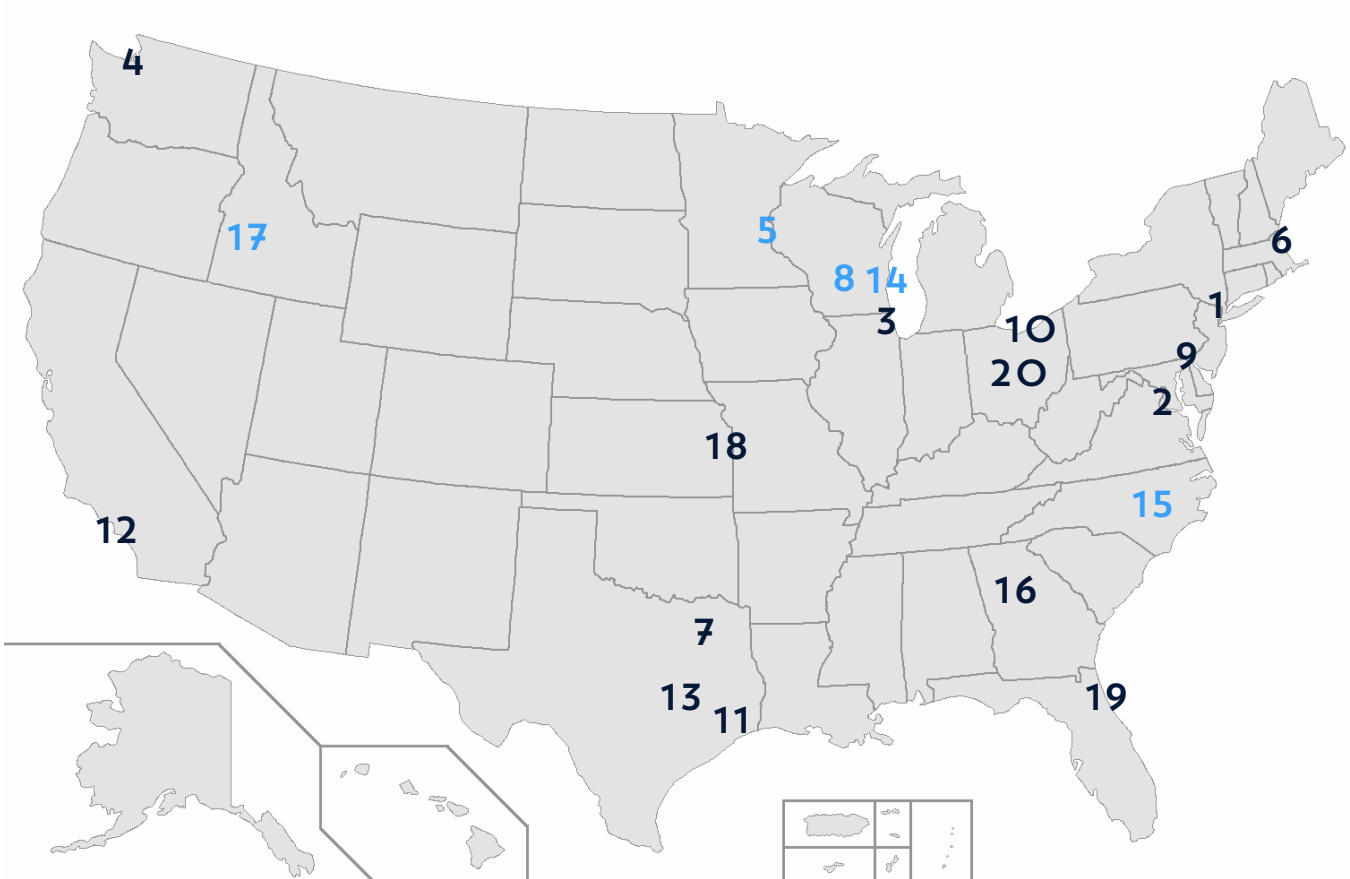
1. Top Corp. Income Tax Rate
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VETERAN ENTREPRENEUR INVESTMENT PROGRAM

TOP 20 CITIES



1	New York – Newark – Jersey City	-
2	Washington – Arlington – Alexandria	+4
3	Chicago – Naperville – Elgin	-1
4	Seattle – Tacoma – Bellevue	-1
5	Minneapolis – St. Paul – Bloomington	+9
6	Boston – Cambridge – Newton	+3
7	Dallas – Fort Worth – Arlington	-3
8	Madison	+21
9	Philadelphia – Camden – Wilmington	+3
10	Cleveland-Elyria	+1
11	Houston – The Woodlands – Sugar Land	-4
12	Los Angeles – Long Beach – Anaheim	+1
13	Austin – Round Rock	-5
14	Milwaukee – Waukesha – West Allis	+40
15	Raleigh	+12
16	Atlanta – Sandy Springs – Roswell	-6
17	Boise City	+27
18	Kansas City	-
19	Jacksonville	-3
20	Columbus	-5

EDELMAN INTELLIGENCE / PENFED CREDIT UNION

Please note that scores are weighted averages of the categories & subcategories described on the previous slide and each city's score within each subcategory

Key

- Top City
- Emerging City

TOP 5 FOR EACH MAJOR CATEGORY



LIVABILITY

- 1 Madison, WI Metro Area
- 2 Milwaukee-Waukesha-West Allis, WI Metro Area
- 3 McAllen-Edinburg-Mission, TX Metro Area
- 4 Los Angeles-Long Beach-Anaheim, CA Metro Area
- 5 New York-Newark-Jersey City, NY-NJ-PA Metro Area



GROWING ECONOMY

- 1 Boise City, ID Metro Area
- 2 Greeley, CO Metro Area
- 3 Fort Collins, CO Metro Area
- 4 Fayetteville-Springdale-Rogers, AR-MO Metro Area
- 5 Lincoln, NE Metro Area



SUPPORT FOR VETERANS

- 1 New York-Newark-Jersey City, NY-NJ-PA Metro Area
- 2 Washington-Arlington-Alexandria, DC-VA-MD-WV Metro Area
- 3 Chicago-Naperville-Elgin, IL-IN-WI Metro Area
- 4 Philadelphia-Camden-Wilmington, PA-NJ-DE-MD Metro Area
- 5 Seattle-Tacoma-Bellevue, WA Metro Area



ABILITY TO START A BUSINESS

- 1 San Francisco-Oakland-Hayward, CA Metro Area
- 2 Cleveland-Elyria, OH Metro Area
- 3 Boston-Cambridge-Newton, MA-NH Metro Area
- 4 Jacksonville, FL Metro Area
- 5 Pittsburgh, PA Metro Area

MAIN DRIVERS OF SUCCESS

Within each category, the cities that performed best tended to have:



LIVABILITY

1. Have a relatively cheap cost of living
2. Have an increased standard of living YoY
3. Have access to affordable and nearby childcare



GROWING ECONOMY

1. Have a high GDP per capita
2. Have a low unemployment rate, and a small increase relative to last year
3. Have been resilient to COVID by multiple economic factors



SUPPORT FOR VETERANS

1. Have a high veteran population
2. Have a plethora of support groups and associations for Veterans
3. Have a low veteran unemployment rate



ABILITY TO START A BUSINESS

1. Have a low corporate income tax
2. Have multiple incubators, with specifically vet-focused ones
3. Have a highly educated workforce



EMERGING CITIES

Cities in the top 20 that made the biggest jump in the rankings this year

	<u>CITY</u>	<u>STRENGTHS</u>	<u>OPPORTUNITIES</u>
1	MILWAUKEE-WAUKESHA-WEST ALLIS, WI METRO AREA +40	Great Schools & Median Home Price Increase	Business Survival Rate & VA Expenditures per Vet
2	BOISE CITY, ID METRO AREA +27	Low Infant Care Costs & Unemployment Rate	VC Investment & Number of Student Vets
3	MADISON, WI METRO AREA +21	Low Unemployment Rate & Educated Labor Force	Median Earnings & Number of New Businesses
4	RALEIGH, NC METRO AREA +12	Productivity Growth & Investment in New Housing	Homeless Vets & Business Bankruptcy Filings
5	MINNEAPOLIS-ST PAUL-BLOOMINGTON, MN METRO AREA +9	Park Score & Health Establishments per Capita	YoY Change in Unemployment Rate & Business Bankruptcy Filings



NEXT 10 UP

<u>OVERALL RANK</u>	<u>MSA</u>	<u>BIGGEST NEED TO BECOME AN EMERGING MSA</u>	<u>YoY CHANGE</u>
21	Cincinnati, OH Metro Area	Higher Rate of New Entrepreneurs	-1
22	Denver-Aurora-Lakewood Metro Area	More Medical Expenditures per Veteran	-5
23	Omaha-Council Bluffs, NE-IA Metro Area	More Student Veterans	-2
24	Virginia Beach-Norfolk-Newport News, VA-NC Metro Area	More New Businesses	+16
25	San Antonio-New Braunfels, TX Metro Area	Higher Business Survival Rate	+3
26	McAllen-Edinburg-Mission, TX Metro Area	Higher GDP Per Capita	+48
27	San Francisco-Oakland-Hayward, CA Metro Area	Cheaper cost of living (regional price parity)	-22
28	Portland-Vancouver-Hillsboro, OR-WA Metro Area	Less Homelessness	+3
29	St. Louis, MO-IL Metro Area	More New Businesses	-7
30	Phoenix-Mesa-Scottsdale, AZ Metro Area	Higher Business Survival Rate	+4

BIGGEST MOVERS

Within the top 30, several cities made significant moves throughout the rankings. Highlighted below are the largest risers and fallers, and the categories that drove most of that change.

LARGEST RISERS

Largest Category Rise

**MCALLEN-
EDINBURG-
MISSION, TX** **+48**

Growing Economy –
Investment in New Housing

**MILWAUKEE-
WAUKESHA-WEST
ALLIS, WI** **+40**

Livability – Top
Schools

LARGEST FALLERS

Largest Category Fall

**SAN FRANCISCO-
OAKLAND-
HAYWARD, CA** **-22**

Livability – Cost
of Childcare

**ST. LOUIS,
MO-IL** **-9**

Support for Veterans – Low
VA Expenditures per Veteran

APPENDIX



CATEGORIES AND DESCRIPTIONS (LIVABILITY & SUPPORT FOR VETERANS)

CATEGORY	SUBCATEGORY	DESCRIPTION	WEIGHT
LIVABILITY – 20% - The degree to which an MSA provides the amenities one looks for when choosing where to live	Change in Standard of Living	YoY change in the standard of living per capita	15.0%
	Park Score	Score for parks relative to other cities	5.0%
	Public Transit Rank	Ranking of public transit relative to other cities	10.0%
	Food/Drinking Establishments per Capita	Food/drink establishments per Capita	5.0%
	Health Establishments per Capita	Health establishments per capita	10.0%
	Best Schools	Best primary public schools ranking	10.0%
	Infant Care Costs*	Average Annual Infant Care Cost	5.0%
	Children in child Care Deserts*	Percent of population that lives in a child care desert	5.0%
	Homelessness*	Homelessness	5.0%
	COVID cases*	Number of COVID cases	5.0%
	Regional Price Parities	Price parity score for an MSA compared to average	25.0%
SUPPORT FOR VETERANS – 30% - The degree to which an MSA provides the foundation for a veteran to have support and provided with the tools to be successful	Places with Veteran Support Groups	Number of Community Support Groups with Military Focus per Capita	10.0%
	Veteran Unemployment Rate	Veteran Unemployment Rate	10.0%
	VA Expenditures per Veteran	VA Expenditures per Veteran	5.0%
	VA Medical Care Expenditures	VA Medical Care Expenditures per Veteran	5.0%
	VA Accredited Attorneys	VA Accredited Attorneys per Capita	5.0%
	Number of Student Veterans on the GI Bill	Student Veterans on GI Bill & Post 9/11 Bill per Capita	10.0%
	Veteran Concentration in Cities	Veteran Concentration in Cities	15.0%
	National Vet. Associations	National Vet. Associations per Capita	15.0%
	Total Veteran Homelessness*	Number of Homeless Vets per capita	5.0%
	Local Vet. Associations	Local Vet. Associations per Capita	20.0%



CATEGORIES AND DESCRIPTIONS (ECONOMY & STARTING A BUSINESS)

CATEGORY	SUBCATEGORY	DESCRIPTION	WEIGHT
GROWING ECONOMY - 25% - The relative growth of an MSA across multiple economic indicators and economic resiliency to COVID-19	Change in Employment Rate	YoY change in the employment rate	5.0%
	Job Growth	YoY change in jobs	5.0%
	Productivity Growth	YoY change in GDP	5.0%
	Change in Median Earnings	YoY change in median earnings	5.0%
	Number of new businesses	New businesses started, per capita	5.0%
	Spouse Unemployment %	Unemployment rate for working spouses	5.0%
	PPP Loans*	PPP Loan Amount Distributed	5.0%
	PPP Jobs Created*	Jobs Created from PPP Funds	7.5%
	Housing Supply*	Investment in New Housing	7.5%
	Bankruptcy Filings*	Business Bankruptcy Filings	5.0%
	Foreclosure Rate*	Foreclosure Rate	5.0%
	Housing Demand*	Median Home Price Increase	5.0%
	SMB Programs*	SMB Programs	5.0%
	GDP per Capita	GDP per capita	10.0%
ABILITY TO START A BUSINESS - 25% - The ability of an MSA to foster new business development and entrepreneurial success	Top Corporate Tax Income Rate (State Level)	Top Corporate Tax Income Rate (State Level)	10.0%
	VC Investment/New Business Loans	Value of Venture Capital Investment/New Business Loans per Capita	15.0%
	Veteran Entr. Per MSA	Veteran Entrepreneur Per MSA	15.0%
	Incubators	Incubators per Capita	10.0%
	Rate of New Ent.	Rate of New Entrepreneurs based on Kauffman	10.0%
	Opp. Ent. Share	% of entrepreneurs who start a business based on opportunity - based on Kauffman statistics	10.0%
	Survival Rate	5 year Survival Rate based on Kauffman statistics	7.5%
	Kauffman Index	Kauffman Index	0.0%
	Share of Coworking Space	Share of Coworking Space among overall retail space	0.0%
	Most Educated Labor Force	Most Educated Labor Force	7.5%
	Vet Focused Incubators	Vet Focused Incubators per capita	15.0%



FULL LIST OF DATA SOURCES

- The Brookings Institution
- The Trust for Public Land
- WalletHub
- US Census Data
- US News & World Report
- Bureau of Economic Analysis
- US Census/American Community Survey
- U.S. Small Business Administration
- Bureau of Labor Statistics
- Measuring Communities
- Department of Veteran Affairs
- Tax Foundation
- Baker Institute
- Survey of Business Owners/U.S. Census
- Ewing Marion Kauffman Foundation
- Yelp
- Statista
- U.S. Census
- Google
- National Association of Veteran Serving Organizations (NAVSO)
- Washington Post
- Central Intelligence Agency
- Guam Economic Development Authority
- Guam Regional Transit Authority
- Child Care Deserts
- Economic Policy Institute
- Realtor.com
- Construction Coverage
- USA Today
- US Interagency Council on Homelessness
- Institute for local self-reliance
- NPR



TOP 100 MSA'S OVERALL (1/5)

Ranking	MSA	Score	Strongest Category
1	New York-Newark-Jersey City, NY-NJ-PA Metro Area	0.299	Support for Veterans
2	Washington-Arlington-Alexandria, DC-VA-MD-WV Metro Area	0.293	Support for Veterans
3	Chicago-Naperville-Elgin, IL-IN-WI Metro Area	0.275	Support for Veterans
4	Seattle-Tacoma-Bellevue, WA Metro Area	0.273	Support for Veterans
5	Minneapolis-St. Paul-Bloomington, MN-WI Metro Area	0.252	Livability
6	Boston-Cambridge-Newton, MA-NH Metro Area	0.251	Ability to Start a Business
7	Dallas-Fort Worth-Arlington, TX Metro Area	0.247	Support for Veterans
8	Madison, WI Metro Area	0.246	Livability
9	Philadelphia-Camden-Wilmington, PA-NJ-DE-MD Metro Area	0.246	Support for Veterans
10	Cleveland-Elyria, OH Metro Area	0.245	Ability to Start a Business
11	Houston-The Woodlands-Sugar Land, TX Metro Area	0.244	Support for Veterans
12	Los Angeles-Long Beach-Anaheim, CA Metro Area	0.244	Livability
13	Austin-Round Rock, TX Metro Area	0.242	Livability
14	Milwaukee-Waukesha-West Allis, WI Metro Area	0.240	Livability
15	Raleigh, NC Metro Area	0.240	Livability
16	Atlanta-Sandy Springs-Roswell, GA Metro Area	0.240	Support for Veterans
17	Boise City, ID Metro Area	0.234	Growing Economy
18	Kansas City, MO-KS Metro Area	0.234	Support for Veterans
19	Jacksonville, FL Metro Area	0.232	Ability to Start a Business
20	Columbus, OH Metro Area	0.231	Ability to Start a Business



TOP 100 MSA'S OVERALL (2/5)

Ranking	MSA	Score	Strongest Category
21	Cincinnati, OH-KY-IN Metro Area	0.230	Livability
22	Denver-Aurora-Lakewood, CO Metro Area	0.229	Support for Veterans
23	Omaha-Council Bluffs, NE-IA Metro Area	0.228	Livability
24	Virginia Beach-Norfolk-Newport News, VA-NC Metro Area	0.227	Ability to Start a Business
25	San Antonio-New Braunfels, TX Metro Area	0.225	Support for Veterans
26	McAllen-Edinburg-Mission, TX Metro Area	0.224	Livability
27	San Francisco-Oakland-Hayward, CA Metro Area	0.224	Ability to Start a Business
28	Portland-Vancouver-Hillsboro, OR-WA Metro Area	0.221	Ability to Start a Business
29	St. Louis, MO-IL Metro Area	0.220	Livability
30	Phoenix-Mesa-Scottsdale, AZ Metro Area	0.220	Support for Veterans
31	Tampa-St. Petersburg-Clearwater, FL Metro Area	0.220	Support for Veterans
32	Colorado Springs, CO Metro Area	0.220	Ability to Start a Business
33	Memphis, TN-MS-AR Metro Area	0.218	Support for Veterans
34	Detroit-Warren-Dearborn, MI Metro Area	0.217	Support for Veterans
35	San Diego-Carlsbad, CA Metro Area	0.216	Support for Veterans
36	Lincoln, NE Metro Area	0.216	Growing Economy
37	Rapid City, SD Metro Area	0.216	Growing Economy
38	Toledo, OH Metro Area	0.215	Ability to Start a Business
39	Baltimore-Columbia-Towson, MD Metro Area	0.214	Ability to Start a Business
40	Miami-Fort Lauderdale-West Palm Beach, FL Metro Area	0.214	Livability



TOP 100 MSA'S OVERALL (3/5)

Ranking	MSA	Score	Strongest Category
41	Fayetteville-Springdale-Rogers, AR-MO Metro Area	0.214	Growing Economy
42	Lexington-Fayette, KY Metro Area	0.213	Ability to Start a Business
43	Sioux Falls, SD Metro Area	0.213	Growing Economy
44	Reno, NV Metro Area	0.211	Growing Economy
45	Pittsburgh, PA Metro Area	0.211	Ability to Start a Business
46	Corpus Christi, TX Metro Area	0.211	Livability
47	Augusta-Richmond County, GA-SC Metro Area	0.210	Support for Veterans
48	Dayton, OH Metro Area	0.210	Ability to Start a Business
49	Provo-Orem, UT Metro Area	0.209	Growing Economy
50	Nashville-Davidson--Murfreesboro--Franklin, TN Metro Area	0.209	Support for Veterans
51	Canton-Massillon, OH Metro Area	0.209	Ability to Start a Business
52	Sacramento--Roseville--Arden-Arcade, CA Metro Area	0.209	Support for Veterans
53	Grand Rapids-Wyoming, MI Metro Area	0.208	Livability
54	Wichita, KS Metro Area	0.208	Livability
55	Tulsa, OK Metro Area	0.208	Livability
56	Grand Island, NE Metro Area	0.207	Growing Economy
57	Huntsville, AL Metro Area	0.206	Growing Economy
58	Chattanooga, TN-GA Metro Area	0.206	Support for Veterans
59	Buffalo-Cheektowaga-Niagara Falls, NY Metro Area	0.205	Livability
60	Albuquerque, NM Metro Area	0.205	Livability



TOP 100 MSA'S OVERALL (4/5)

Ranking	MSA	Score	Strongest Category
61	Clarksville, TN-KY Metro Area	0.205	Support for Veterans
62	Orlando-Kissimmee-Sanford, FL Metro Area	0.205	Livability
63	Amarillo, TX Metro Area	0.205	Support for Veterans
64	Jefferson City, MO Metro Area	0.205	Growing Economy
65	Beckley, WV Metro Area	0.204	Livability
66	Portland-South Portland, ME Metro Area	0.204	Growing Economy
67	Tucson, AZ Metro Area	0.204	Ability to Start a Business
68	Springfield, MO Metro Area	0.204	Ability to Start a Business
69	Birmingham-Hoover, AL Metro Area	0.203	Support for Veterans
70	Durham-Chapel Hill, NC Metro Area	0.203	Ability to Start a Business
71	Danville, IL Metro Area	0.203	Support for Veterans
72	Huntington-Ashland, WV-KY-OH Metro Area	0.203	Ability to Start a Business
73	Louisville/Jefferson County, KY-IN Metro Area	0.203	Livability
74	Fargo, ND-MN Metro Area	0.203	Growing Economy
75	Knoxville, TN Metro Area	0.203	Support for Veterans
76	Oklahoma City, OK Metro Area	0.203	Support for Veterans
77	Cape Girardeau, MO-IL Metro Area	0.202	Growing Economy
78	Akron, OH Metro Area	0.202	Ability to Start a Business
79	Ann Arbor, MI Metro Area	0.202	Ability to Start a Business
80	Little Rock-North Little Rock-Conway, AR Metro Area	0.202	Ability to Start a Business



TOP 100 MSA'S OVERALL (5/5)

Ranking	MSA	Score	Strongest Category
81	Jackson, MS Metro Area	0.202	Ability to Start a Business
82	Jonesboro, AR Metro Area	0.201	Livability
83	Savannah, GA Metro Area	0.201	Support for Veterans
84	Albany, GA Metro Area	0.201	Support for Veterans
85	El Paso, TX Metro Area	0.200	Livability
86	St. Cloud, MN Metro Area	0.200	Growing Economy
87	Greensboro-High Point, NC Metro Area	0.200	Livability
88	Laredo, TX Metro Area	0.200	Livability
89	Richmond, VA Metro Area	0.199	Ability to Start a Business
90	Cheyenne, WY Metro Area	0.199	Growing Economy
91	Waco, TX Metro Area	0.199	Growing Economy
92	St. Joseph, MO-KS Metro Area	0.199	Growing Economy
93	Columbia, MO Metro Area	0.199	Growing Economy
94	Mansfield, OH Metro Area	0.199	Livability
95	Killeen-Temple, TX Metro Area	0.198	Ability to Start a Business
96	Topeka, KS Metro Area	0.198	Growing Economy
97	Salt Lake City, UT Metro Area	0.198	Ability to Start a Business
98	Auburn-Opelika, AL Metro Area	0.198	Growing Economy
99	Asheville, NC Metro Area	0.198	Ability to Start a Business
100	Hartford-West Hartford-East Hartford, CT Metro Area	0.198	Ability to Start a Business



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