

**Evaluating the Maquoketa / Jackson County  
Regional Trade Area: Economic and Social Overview**

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## **Introduction**

This is an overview of regional economic dynamics for the Jackson County area considering Maquoketa as the dominant economy in the area. It defines and describes what constitutes a regional trade center (RTC) and why our research pays attention to central economy cities in manners somewhat differently than other researchers and government agencies. Having done so, the Maquoketa and Jackson County economies are subsequently scrutinized.

The Jackson County economy has witnessed job gains and declines over the past 15 years. Its population has been trending slowly downward for the past two decades. Within the county, Maquoketa has established itself as a regional employment and service center notwithstanding the dominant demographic changes occurring in the region. This research demonstrates the flow of workers into the city of Maquoketa, and it then describes the same worker flow in terms of the overall county. The research will show that more people living outside of Maquoketa have wage and salary jobs in the city than persons who live in the city. In short, the city is significantly dependent on a regional workforce, and the region is highly dependent on the jobs located in Maquoketa. The region is also highly dependent on employment opportunities outside of the county.

The county is further compared to all 40 of Iowa's RTCs so that its aggregate industrial strengths can be gauged with its peers. These comparisons draw out the dominant industrial mix of the Jackson County economy compared to other similar counties as measured by jobs, labor income, the propensity to produce for export sales, and productivity. Last the county's top 30 industries are evaluated. These top 30 industries account for 75 percent of labor incomes in the region and 69 percent of all jobs.

While this section of the report contains detailed analysis of the regional industrial make-up, it is not intended to be a comprehensive assessment of the Jackson County industrial structure. Rather, the focus of this overview is to provide a broad analysis of the greater Maquoketa regional economy. This effort helps to establish and document a common sense of the region's industrial and attributes, knowledge of which is important when developing regional plans.

## **What is a Regional Trade Center?**

There is a hierarchy of urban activity in Iowa and the nation. At the top are metropolitan areas, which by definition have an urbanized population of 50,000 or more. There are ten metropolitan core cities in Iowa, and they serve as major employment centers for the

surrounding region. In addition, by virtue of their size, metropolitan areas have a much more diverse array of industries, so they are more self-reliant than smaller communities. Counties with an urbanized population of 10,000 to 49,999 constitute micropolitan areas. Iowa has 15 of these areas, and they also serve as major regional employment, trade, and service centers for much of Iowa, though their economies have somewhat less industrial diversity than metropolitan areas.

Figure 1 below illustrates shares of population and employment in Iowa between Iowa's metropolitan counties, its micropolitan areas, and the remainder of the state. Metropolitan areas have a lower share of population than wage and salary jobs because they depend on a labor supply that extends beyond their borders. Micropolitan areas have a more matched relationship between population and job shares, while the remainder of the state has significantly more population than jobs. Combined, Iowa's 25 metropolitan or micropolitan urbanized areas account for 74 percent of its population and 78 percent of all jobs.

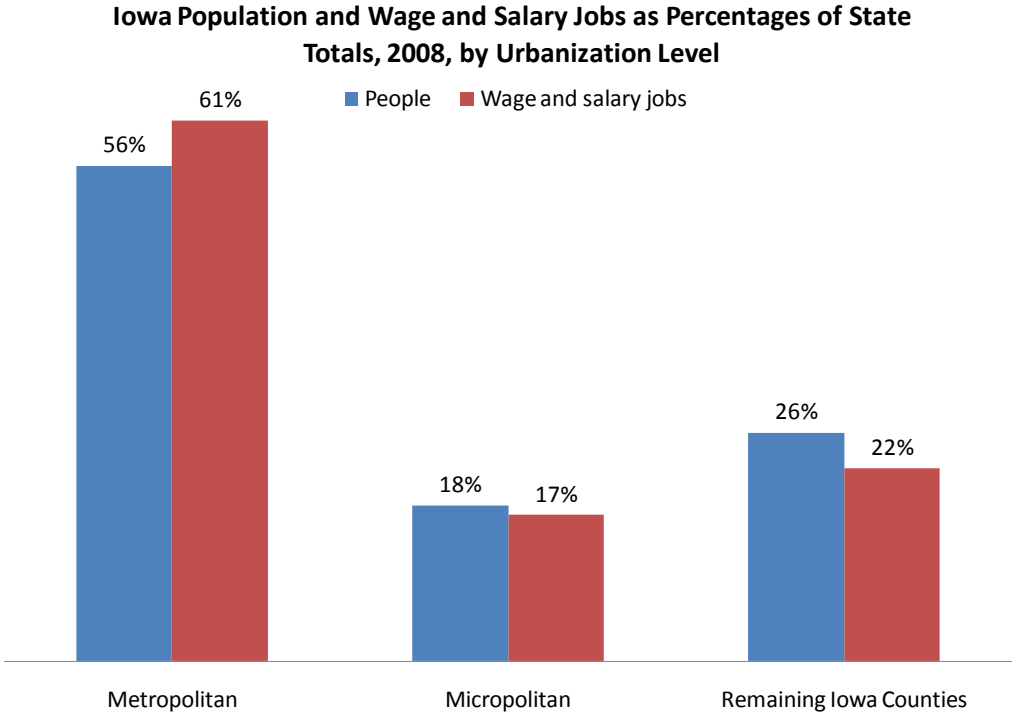


Figure 1

As important as the aforementioned formal urban regions are to the state's economy, Iowa's smaller cities also serve as important centers of trade and service. When we look at Iowa's cities with populations of from 5,000 to 9,999, which generally have relatively high resident employment levels in their community and in their host county, and which have comparatively high retail trade performance for both the city and the county, it is quite evident those communities are also regional trade centers with diversified retail, service, and governmental capacities significantly distinct from the remainder of Iowa's smaller cities. In short, these communities tend to have more in common with micropolitan cities than the remainder of the state's communities. Our convention is to call these important, but smaller Iowa places, "nanopolitan" urban areas.<sup>1</sup>

For the purposes of our research, technical assistance, and outreach on this project, we focus on the non-metropolitan trade centers in Iowa. Figure 2 displays Iowa's metropolitan, micropolitan, and nanopolitan trade centers. Iowa's nine core metropolitan counties serve as multi-county trade centers. They are noticeably absent from Iowa's southern and northern tiers of counties. Iowa's 15 micropolitan counties are more distributed, but there are large areas of the state that are not served by this second tier of urban centers.

Readers will notice that the nanopolitan cities provide important employment, trade, and service coverage to areas of the state that do not have more urbanized populations, most especially in the southwest and the northeast. The nanopolitan counties, therefore, exemplify much of Iowa's rural development territory and are undeniably important components of Iowa's rural economic and service support structure. Finally, many Iowa counties have no RTC – these are Iowa's most rural areas whose economies are primarily farm-dependent with limited urban services and trade capacities.

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<sup>1</sup> The term "nanopolitan" is not an official definition, but one coined for descriptive purposes for this project to describe small trade centers of from 5,000 to 9,999 in population that were nonetheless urban in nature, but not especially designated by the U.S. Census Bureau. These communities do, however, fall within the Rural-Urban Continuum Codes (also known as Beale Codes) maintained by the USDA Economic Research Service. In that system, counties with urban communities of from 2,500 to 19,999 are classified as "other urban."

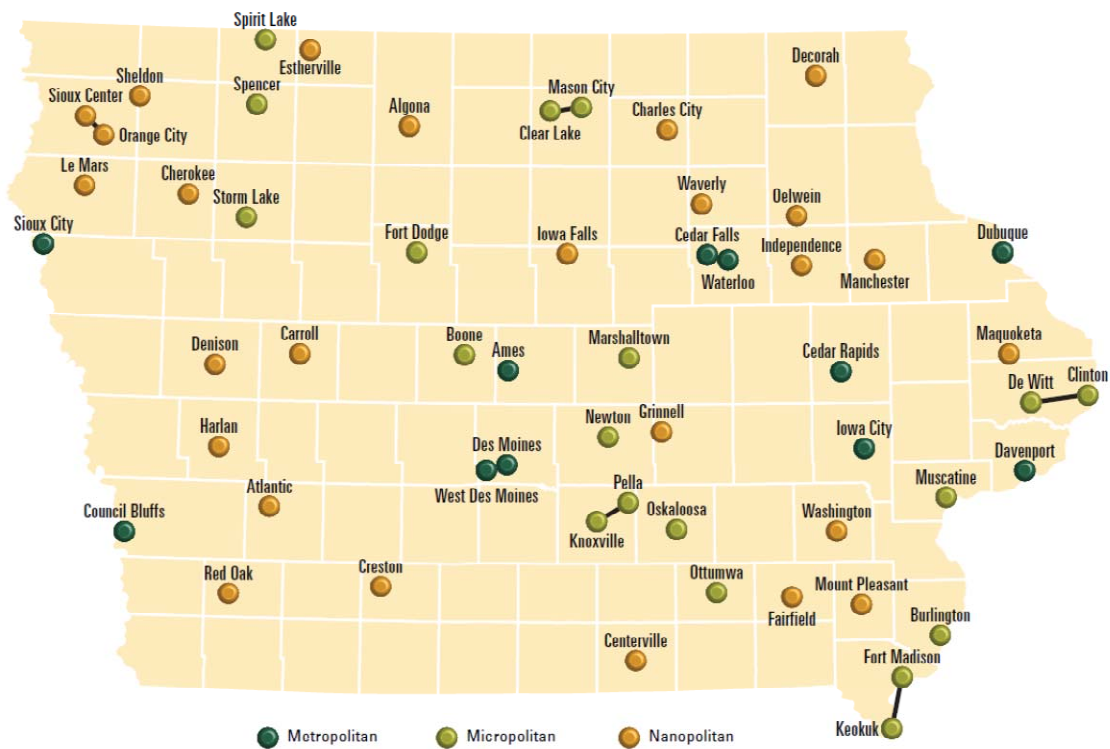


Figure 2

## Maquoketa as a Regional Trade Center

The classification of the city as a nanopolitan community for our research purposes allows for further differentiation from metropolitan and micropolitan areas that acknowledges that the community and its host county have diversified economies. For example, in 2009, 13.0 percent of all county jobs were in agriculture, 12.2 percent were in retail trade, 9.3 percent were in health and social services, and nearly 15 percent were in local, state, and federal government.

As has been the case with many of Iowa’s regional trade centers, area economic activity consolidated in Jackson County over the past three decades. During the late 1980s through the mid 1990s, the county realized job gains. However, since then, jobs in the county have trended downward, and especially so after the beginning of the most recent recession. Population also trended persistently down through 1991 before stabilizing for nearly two decades. In recent years population has been estimated to be declining, and the 2000 to 2010 change between census counts yielded a 2 percent overall decline in county population.

Figure 3

### Jackson County Job and Population Changes Indexed to 1980 = 1.0

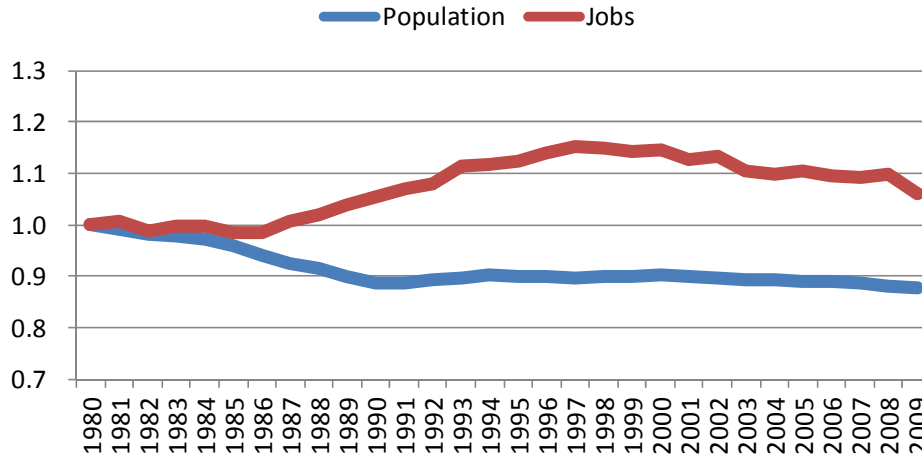
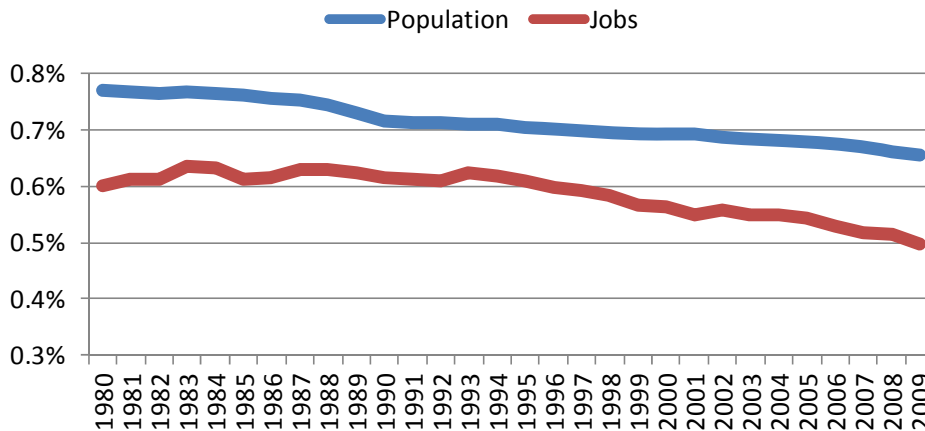


Figure 4 shows the twin dynamics of job and population change at work in the county as it compares to the rest of the state. Though its population remained relatively stable as a fraction of the state total during the early 1980s, it slowly began to lose ground thereafter and continued to on through the last decade. Furthermore, the county saw its shares of jobs decline at a faster rate than population since the early 1990s.

Figure 4

### Jackson County Share of Statewide Jobs and Population



The following map, Figure 5, demonstrates the regional labor force dynamics for the city of Maquoketa for 2009. According to the Bureau of Labor Statistics, there were 3,248 payroll jobs in the city. A minority of those jobs, 35 percent, were held by persons that lived in Maquoketa. Persons from either the remainder of Jackson County or from other counties accounted for 65 percent of jobs in the city (this count does not include proprietors). We also see that 1,856 persons who lived in the city of Maquoketa worked outside of the community, either elsewhere in the county or in some other county. In terms of a net exchange, the city attracts 1.14 workers from outside of the community for every Maquoketa city resident worker who works elsewhere. This is a general characteristic of Iowa's RTCs: they tend to attract more workers than they deliver to other places.

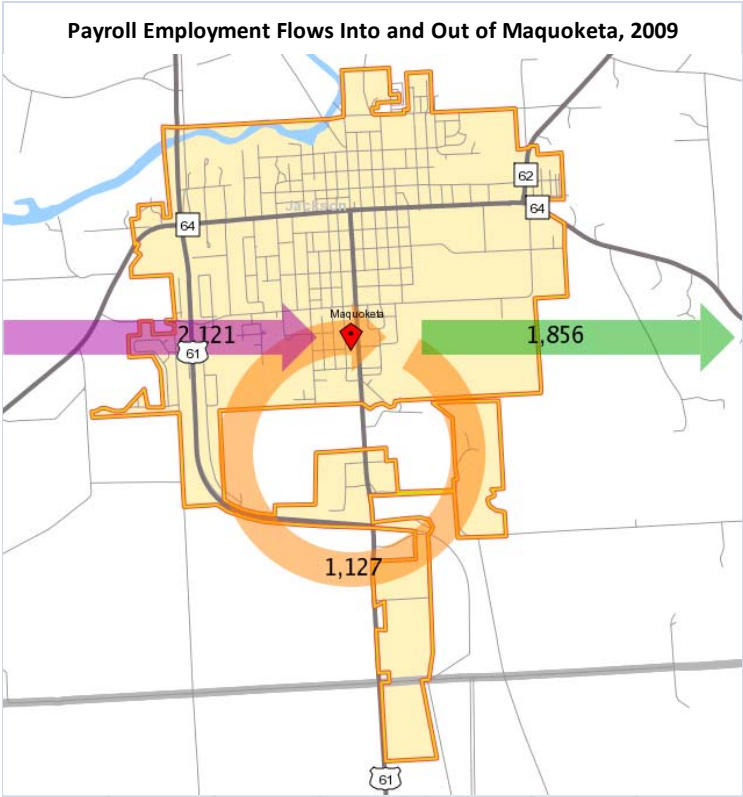


Figure 5

As important as Maquoketa city is for employment and trade, Figure 6 informs us that the same overall regional labor draw potency does not hold for the county at-large. For the same period

as in Figure 5 above, Jackson County had 5,754 payroll employees, of which 3,599 came from Jackson County and 2,155, or 39 percent, came from outside of county (see Figure 6). On a county-wide basis, the region is much less dependent on outside labor as it is on external jobs. On a net exchange basis, for every person that came into Jackson County for a job in 2009, there were 2.8 Jackson County residents leaving the county for their jobs. Nearly 63 percent of the employed persons living in Jackson County work elsewhere.

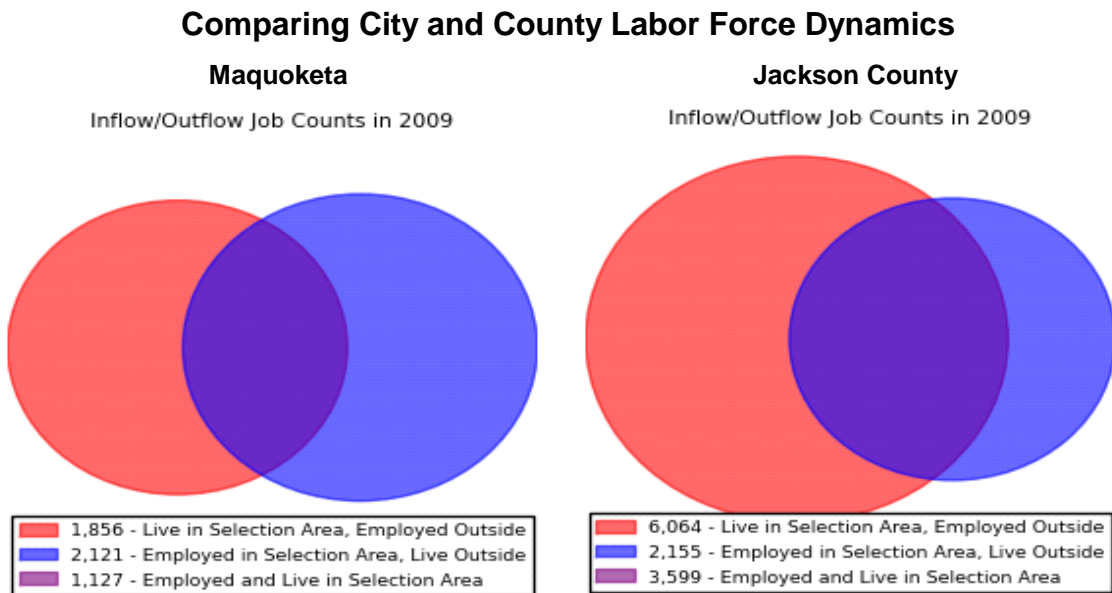


Figure 6

## Comparing the Jackson County Industrial Structure to its Peers

### *Summary Measures*

There are 15 micropolitan areas and 25 nanopolitan areas in Iowa. **Error! Reference source not found.** Table 1 compares Jackson County to the weighted average characteristics of those 40 RTCs.<sup>2</sup> The employment column counts the number of jobs in the RTCs regardless of the home of residence of the job holders. Jackson County had 9,236 full and part time jobs in 2009, which

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<sup>2</sup> The data for these estimates come from the input-output (IO) data sets for all of the RTCs. IO models are based in large part on actual county and industry specific data on payroll employment as reported quarterly by all firms via the Quarterly Census of Employment and Wages. The IO data are for calendar year 2009.



represented 1.6 percent of the RTC total.<sup>3</sup> Average labor income in Jackson County was \$30,969 per job, over 20 percent less than the peer average of \$38,948. Labor income is composed wage and salary payments to employees plus all of their benefits, and it is composed of payments to proprietors that represent a normal return to management.

Per worker value added in Jackson County was \$48,630, which is over 21 percent less than the peer group average. Value added is composed of the aforementioned labor income amounts plus all returns to investment income (dividends, interests, or rents) and all indirect tax payments associated with production (sales, excise, use, and property taxes).

Table 1

Jackson County Summary Economic Comparisons with Peer Counties

	Employment	Labor Income \$	Value Added \$
Peer Counties	577,737	22,501,914,935	35,769,624,259
<i>Average Peer County</i>	14,443	562,547,873	894,240,606
<i>Per Peer County Job</i>		38,948	61,913
Jackson County	9,236	286,021,188	449130105.4
<i>Per Jackson County Job</i>		30,969	48,630
<i>Jackson County as a Percentage of Peer Group</i>	1.6%	1.3%	1.3%

More summary information about Jackson County’s major industrial characteristics is found in Table 2. In terms of total jobs, the top five industrial aggregations are federal, state, and local governments at 1,370, followed by retail at 1,128 jobs, health care and social services, at 855, ag crop production at 696, and entertainment and leisure industries jobs at 661.

For community evaluation purposes, we concentrate on jobs and labor income. The job count tells us the distribution of industries where people work, and labor income gives us a sense of the value of work for job holders. Value added is useful, as well, as it is the same thing as gross domestic product (GDP), and GDP is the standard measure of regional, state, or national economic performance. On a value added or GDP basis, then, all governments, wholesale, and retail comprise the top three producers.

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<sup>3</sup> There is a significant difference in the count of jobs comparing **Error! Reference source not found.** Figure 6 data with Table 1 because the IO data count all jobs, including all farm proprietors, as well as nonfarm proprietors. Payroll job counts do not include proprietors or workers that are otherwise not covered by social insurance reporting and withholding rules. Readers are also reminded that there are more jobs than employed persons in an economy because many workers hold more than one job.

Table 2

**Aggregated Industrial Characteristics of Jackson County, 2009**

Industry Group	Employment	Labor Income \$	Value Added \$
Ag Crops	696	22,002,630	30,070,589
Ag Animals	504	7,328,754	17,392,346
Other Ag & Forestry	156	2,030,712	1,980,690
Mining	9	39,275	92,763
Utilities	5	422,780	912,687
Construction	447	13,945,084	16,391,264
Food & Kindred Mfg	47	2,003,420	4,235,171
Other Non Durable Mfg	122	3,482,204	5,516,060
Durable Mfg	563	25,483,372	41,796,906
Wholesale	539	30,066,635	51,562,210
Retail	1,128	27,805,554	42,443,706
Transportation	500	18,992,333	24,069,798
Information & Publishing	164	5,196,778	10,251,464
Banking	179	9,464,701	20,463,904
Insurance & Related	73	2,559,751	4,405,834
Real Estate	68	634,688	4,589,998
General & Business Services	189	3,362,061	4,854,254
Professional Services	203	6,695,778	8,559,763
Education Services	36	833,860	846,581
Health & Social Services	855	22,981,648	24,369,024
Entertainment & Leisure	661	7,667,890	11,167,604
Household Services	330	8,054,534	9,837,984
Religious and other	392	4,842,862	4,832,973
Government	1,370	60,123,885	68,560,560
All Industries	9,236	286,021,188	449,130,105

Table 3 allows for an industrial compositional comparison of jobs and labor incomes in Jackson County with all RTCs. Shaded industrial groups are areas where the county had a 25 percent greater share than the RTC average. It shows industry aggregations demonstrating comparative specializations. Using that classification, ag crop, ag animal, and other agricultural services demonstrate area specialization compared to the peers, as do wholesale, transportation, information and publishing, banking, and religious, grantmaking or other services. The list is similar for labor incomes except retail labor incomes and government incomes show comparative prominence while ag crop incomes do not. Of course, when proportions of totals are higher in some categories when compared to peer-group averages, they must be smaller in others. The county had proportionately much less food and kindred manufacturing as well as

other nondurable manufacturing employment than would have been the RTC norm, as well as fewer than expected jobs in general and business services and education services.

**Table 3**

**Aggregated Economic Characteristics of Jackson County and All Regional Trade Centers, 2009, as Percentages of Column Totals**

	Jackson County Employment	All RTC Employment	Jackson County Labor Income	All RTC Labor Income
Ag Crops	7.5%	4.9%	7.7%	7.8%
Ag Animals	5.5%	3.4%	2.6%	2.0%
Other Ag & Forestry	1.7%	0.9%	0.7%	0.5%
Mining	0.1%	0.3%	0.0%	0.3%
Utilities	0.1%	0.4%	0.1%	0.9%
Construction	4.8%	5.3%	4.9%	5.3%
Food & Kindred Mfg	0.5%	4.3%	0.7%	5.7%
Other Non Durable Mfg	1.3%	3.2%	1.2%	5.1%
Durable Mfg	6.1%	6.8%	8.9%	10.0%
Wholesale	5.8%	3.5%	10.5%	5.0%
Retail	12.2%	11.2%	9.7%	6.9%
Transportation	5.4%	4.2%	6.6%	4.8%
Information & Publishing	1.8%	1.3%	1.8%	1.3%
Banking	1.9%	1.4%	3.3%	2.1%
Insurance & Related	0.8%	1.4%	0.9%	1.7%
Real Estate	0.7%	1.6%	0.2%	0.3%
General & Business Services	2.0%	4.0%	1.2%	3.1%
Professional Services	2.2%	3.0%	2.3%	3.2%
Education Services	0.4%	2.4%	0.3%	1.5%
Health & Social Services	9.3%	10.8%	8.0%	10.1%
Entertainment & Leisure	7.2%	6.9%	2.7%	2.7%
Household Services	3.6%	3.7%	2.8%	2.5%
Religious, Grantmaking, & Other Services	4.2%	2.1%	1.7%	1.1%
Government	14.8%	13.2%	21.0%	16.2%
All Industries	100.0%	100.0%	100.0%	100.0%

### ***Jackson County Top 30 Industries***

The previous compilation provided an indication of the county’s broad industrial competitive strengths. The next table describes, in much greater detail, the county’s top 30 industries as ranked by total labor income production. The modeling system that we use has 440 industrial sectors. Our model found that 138 of those industrial sectors were in evidence in the Jackson County economy. Table 4 lists the county’s 30 primary sources of labor income among those 138 industrial groups. Wholesale trade led by a small margin at \$30.1 million in labor income and 539 jobs, followed, on an income basis, by state and local government non-education, state

and local government education, and grain farming, and, again on an income basis, the offices of physicians and dentists.<sup>4</sup> In all, these 30 industries explain 69 percent of countywide jobs, 75 percent of incomes, and 67 percent of value added or regional GDP. As the labor income percentage is greater than the jobs percentage, these top 30 industries also pay higher labor incomes per worker than the county average.

**Table 4**

**Jackson County Top 30 Industries (as Sorted by Labor Income)**

Industry	Employment	Labor Income	Value Added
Wholesale trade businesses	539	30,066,635	51,562,210
State and local government non-education	684	28,678,072	32,578,702
state and local government education	447	18,229,198	20,708,630
Grain farming	555	13,675,991	20,644,139
Offices of physicians, dentists, and other health practitioners	177	9,639,857	10,285,954
Nursing and residential care facilities	324	8,207,298	8,859,271
Retail Stores - Motor vehicle and parts	168	7,563,480	9,128,657
Monetary authorities and depository credit intermediation activities	147	7,241,890	15,138,386
Valve and fittings other than plumbing manufacturing	125	6,702,150	14,103,916
Retail Stores - General merchandise	239	6,168,644	10,035,109
Oilseed farming	135	6,034,876	8,208,274
Transport by pipeline	84	5,733,881	6,955,368
Warehousing and storage	188	5,504,637	7,058,081
Food services and drinking places	474	5,424,381	7,675,755
Search, detection, and navigation instruments manufacturing	90	5,356,036	6,945,173
Transport by truck	133	5,227,985	6,738,339
Construction of other new nonresidential structures	157	4,937,236	5,613,241
Automotive repair and maintenance, except car washes	172	4,675,200	5,719,281
* Employment and payroll only (federal govt, military)	93	4,245,531	6,134,021
Retail Stores - Food and beverage	165	3,406,955	5,529,262
US Postal Service	47	3,191,051	2,959,753
Motor and generator manufacturing	110	3,137,145	6,150,530
Construction of new nonresidential commercial and health care structures	99	3,089,662	3,485,202
Community food, housing, and other relief services, including rehabilitation services	207	3,064,430	3,018,501
Other state and local government enterprises	57	3,058,415	3,240,291
Retail Stores - Building material and garden supply	89	2,987,342	4,711,729
Cattle ranching and farming	229	2,794,404	7,744,038
Civic, social, professional, and similar organizations	267	2,475,681	2,497,646
Motor vehicle parts manufacturing	50	2,369,141	3,342,193
Grantmaking, giving, and social advocacy organizations	124	2,367,181	2,335,326
Subtotal, Top 30 Industries	6,376	215,254,383	299,106,979
<i>Percent of Grand Total</i>	<i>69%</i>	<i>75%</i>	<i>67%</i>

<sup>4</sup> All agricultural related activities combined exceed county warehousing labor incomes. It is important, however, to differentiate among sub-sectors in major industries so that the relative value of specific sectors (grain, animal production, oilseeds, etc.) are itemized just like it is important to distinguish among major manufacturers or other overly-broad industrial or service sector aggregations.

## ***Industries Producing for Export***

The last summary measure of regional industrial strength and as a comparison to peer counties involves industrial production that is, on a statistical basis, intended for consumption external to the Jackson County economy. We classify those jobs as export producing, and we estimate those jobs using a measure of industrial specialization called a location quotient (LQ). An LQ is merely the percentage of jobs in an industry in a county divided by the national average for that same industry. For example, if manufacturing employment in a county was 30 percent of the total jobs, and the national average was 10 percent, then the county manufacturing LQ would be  $30 / 10 = 3.0$ .

We use the formula

$$(1 - 1/LQ) \times \text{total local employment in an industry}$$

to estimate the number of jobs the number of local jobs producing for external consumption. So, if my hypothetical example economy had 500 manufacturing jobs (with an LQ of 3.0), then

$$500(1-1/3) = 333 \text{ export producing jobs}$$

An export is defined in this methodology as sales beyond the borders of the territory being analyzed. Net exports occur when a county statistically is satisfying local demand (meaning it has an LQ greater than 1.0) and then is free to sell its surplus to others. A county can export sales to a neighboring county, the rest of the state, the nation, or to another country. In doing so it attracts money from outside of its economic territory which, in turn, maintains additional production of support services as well as the goods and services demanded by workers who provide labor to exporting industries and workers that provide commodities and services to those exporting firms.

Regional trade centers are much more likely to be industrially self-sufficient than smaller communities, and they generally provide manufactured goods as well as general trade and services to a population substantially larger than the RTC.

Table 5 aggregates export producing jobs for the peer RTCS and Jackson County. For the peers, 26 percent of all employment is producing for export sales. The percentage in Jackson County is a substantially higher 41 percent. And while Jackson County jobs in their top 30 industries were 69 percent of the total jobs (see Table 4 above), those industries constituted 74 percent of the county's export producing jobs.

Table 5

<b>Export Producing Jobs</b>	
Peer Counties	151,867
<i>Percentage of all Peer County Jobs</i>	26%
Jackson County	3,811
<i>Percentage of all Jackson County Jobs</i>	41%
<i>Top 30 Industry Export Jobs as a Percentage of Total</i>	74%

For any RTC and its host county, it is usually the case that agriculture, manufacturing, retail sales, banking and finance, business and consumer services, health care, and sometimes governments are producing for populations in excess of regional demand. Table 6 informs us, using the broad industrial categorizations in Table 3, that the most export producing jobs in Jackson County are found in its ag crops sector followed by durable goods manufacture, ag animals, health and social services, and retail. On a percentage basis, though, food and kindred manufacturing ranks highest followed by ag crops and ag animals.

Table 6

**Jackson County Export Producing Jobs**

Top Industries by Export Jobs	Jobs	Top Industries by Export Job Percentage	Percentage
Ag Crops	637	Food & Kindred	96%
Durable	487	Ag Crops	92%
Ag Animals	454	Ag Animals	90%
Health & Social Services	338	Durable	87%
Retail	291	Other Ag & Forestry	75%

***Scoring Jackson County’s Top 30 Industries***

The next three tables are a simple, visual scorecard for the top 30 industries in the Jackson County economy. This evaluation uses somewhat subjective, but reasonable, interval values to gauge whether, among the criteria displayed, the regional economy scores well (a green rectangle), is about average ( a white rectangle), or scores low (an orange circle).

The evaluation criteria and their critical values are displayed in Table 7. Earnings and value added per job tell us the relative worth of working in the region.<sup>5</sup> Export producing employment indicates the dependence of local industries on external demand and external economic conditions. The local linkage value is a measure of the degree to which area industries rely on regionally-supplied production inputs. The last three indicators tells us whether the region’s top 30 industries grew during the last decade or are projected to grow in the next based on the performance of those industries nationally.

Table 7




Evaluation Criteria	Low	Medium	High
Color Codes			
Earnings Per Job (Compared to RTC Median)	< 90%	90% to 110%	> 110%
Value Added Per Job (Compared to RTC Median)	< 90%	90% to 110%	> 110%
Export Producing Jobs	< 33%	33% to 66%	> 66%
Local Linkages (Type 1 Multiplier)	< 1.15	1.15 to 1.25	> 1.25
U.S. Job Growth Annual Rate Past 10 Years	< 0%	0% to 1%	> 1%
Projected U.S. Annual Job Growth Next 10 Years	< 0%	0% to 1%	> 1%
Projected U.S. Annual Output Growth Next 10 Years	< 2%	2% to 3%	> 3%

Table 8 lists regional competitiveness and inter-industrial dependence indicators. Of the 30 industries, only motor vehicle and parts sales scored in the high grouping for value added or earnings. Low scores in these two categories were recorded in 19 industries for earnings, and 18 industries for value added.

Export producing employment is a function of an industry’s location quotient (LQ). The higher the LQ, the higher the percentage of jobs in an industry that are producing for export. This indicator therefore serves as a measure of regional industrial competitiveness given employment in that particular industry nationwide. It also is an indication of industries that are therefore dependent on external conditions, to include vulnerability to national business cycles. High export producing employment was found among 10 industries, and 12 had comparatively lower export job levels, or in the case of those with LQs less than 1.0, no export producing jobs. That is to be expected. Many important industries in the region typically serve primarily the

<sup>5</sup> Earnings and labor income are the same thing and used interchangeably in this report at times.

local population, such as local government, retail sales, or dining and drinking establishments. One would not expect those activities to produce for export.

Last is the local linkage measure. This is derived from an input-output multiplier table for the Maquoketa economy. It measures the fraction of industrial production that is dependent on local inputs. Just five industries had comparatively high local linkages, 11 had medium linkages, and 14 had low linkage levels.

Table 8

Indicators of Regional Competitiveness and Interindustrial Linkages

Industry	Value Added Per			
	Earnings Per Job	Job	Export Producing Employment	Local Linkages
Wholesale trade businesses	□	□	□	□
State and local government non-education	●	●	□	●
state and local government education	□	□	●	●
Grain farming	●	●	■	□
Offices of physicians, dentists, and other health practitioners	□	□	●	●
Nursing and residential care facilities	□	□	□	●
Retail Stores - Motor vehicle and parts	■	■	□	●
Monetary authorities and depository credit intermediation activities	●	●	●	■
Valve and fittings other than plumbing manufacturing	●	□	■	●
Retail Stores - General merchandise	□	□	□	●
Oilseed farming	●	●	■	□
Transport by pipeline	●	●	■	□
Warehousing and storage	●	●	■	□
Food services and drinking places	●	●	●	□
Search, detection, and navigation instruments manufacturing	●	●	■	□
Transport by truck	□	□	●	□
Construction of other new nonresidential structures	●	●	●	□
Automotive repair and maintenance, except car washes	●	●	□	●
Federal government	□	□	●	●
Retail Stores - Food and beverage	□	□	●	●
US Postal Service	□	□	●	●
Motor and generator manufacturing	●	●	■	□
Construction of new nonresidential commercial and health care structures	●	●	●	●
Community food, housing, and other relief services, including rehabilitation services	●	●	■	□
Other state and local government enterprises	●	●	●	■
Retail Stores - Building material and garden supply	□	□	●	●
Cattle ranching and farming	●	●	■	■
Civic, social, professional, and similar organizations	●	●	□	■
Motor vehicle parts manufacturing	●	●	□	●
Grantmaking, giving, and social advocacy organizations	●	●	■	■

Table 9 looks at Jackson County’s top 30 industries in terms of how those industries performed nationally over the past decade and how they are projected to perform over the next decade. Of the top 30 industries, as ranked by total labor incomes, 9 posted average annual job growth nationally between 1998 and 2008 exceeding 1 percent per year. Those Jackson County



industries are coded green. Among Jackson County's top 30, however, 13 industries posted annual average job growth declines nationally. Those industries are coded orange.

The alignment of the County's top industries with national industrial growth expectations is slightly different. The number and kind of industries expected to grow by at least 1 percent per year nationally are the almost the same, another 13 are expected to grow, but by less than 1 percent per year, and nine are expected nationally to post employment declines.

Future real output growth is measured on a more optimistic scale than jobs as, historically, real output<sup>6</sup> has exceeded job growth due to ongoing efficiencies and the substitution of technology for labor. Among Jackson County's top 30 industries, nine are expected to post real output growth in excess of 3 percent per annum nationally, and four are expected to post from 2 to 3 percent growth. However, 16 of the top 30 industries in the county are expected to post output growth rates nationally that are less than 2 percent.

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<sup>6</sup> The term "real" means the data are adjusted to remove the effects of inflation. Real values are also called constant values as they are indexed to a particular year's purchasing power as measured by the Bureau of Economic Analysis's implicit price deflator.

Table 9

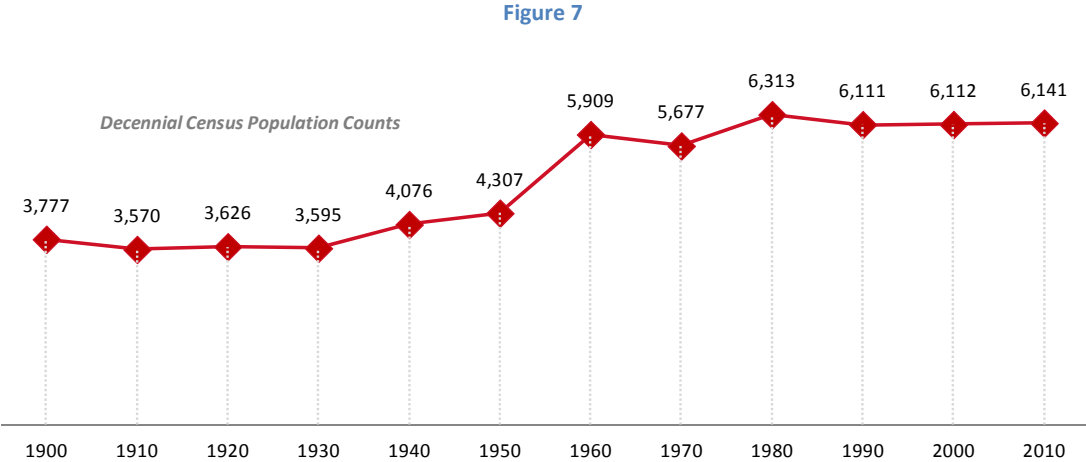
Indicators of Industrial Growth Potential

Industry	U.S. Job Growth Past 10 Years	Projected U.S. Growth Next 10 Years	Projected U.S. Output Growth Next 10 Years
Wholesale trade businesses	□	□	■
State and local government non-education	●	□	●
state and local government education	●	□	●
Grain farming	●	●	●
Offices of physicians, dentists, and other health practitioners	■	■	■
Nursing and residential care facilities	■	■	□
Retail Stores - Motor vehicle and parts	□	□	■
Monetary authorities and depository credit intermediation activities	□	□	■
Valve and fittings other than plumbing manufacturing	●	●	●
Retail Stores - General merchandise	□	□	■
Oilseed farming	●	●	●
Transport by pipeline	●	●	●
Warehousing and storage	■	■	□
Food services and drinking places	■	□	●
Search, detection, and navigation instruments manufacturing	●	●	■
Transport by truck	□	□	■
Construction of other new nonresidential structures	■	■	□
Automotive repair and maintenance, except car washes	□	□	●
Federal government	●	□	●
Retail Stores - Food and beverage	□	□	■
US Postal Service	●	●	●
Motor and generator manufacturing	●	●	●
Construction of new nonresidential commercial and health care structures	■	■	□
Community food, housing, and other relief services, including rehabilitation services	■	■	■
Other state and local government enterprises	●	□	●
Retail Stores - Building material and garden supply	□	□	■
Cattle ranching and farming	●	●	●
Civic, social, professional, and similar organizations	■	■	●
Motor vehicle parts manufacturing	●	●	●
Grantmaking, giving, and social advocacy organizations	■	■	●

# General Population Characteristics

## Total Population

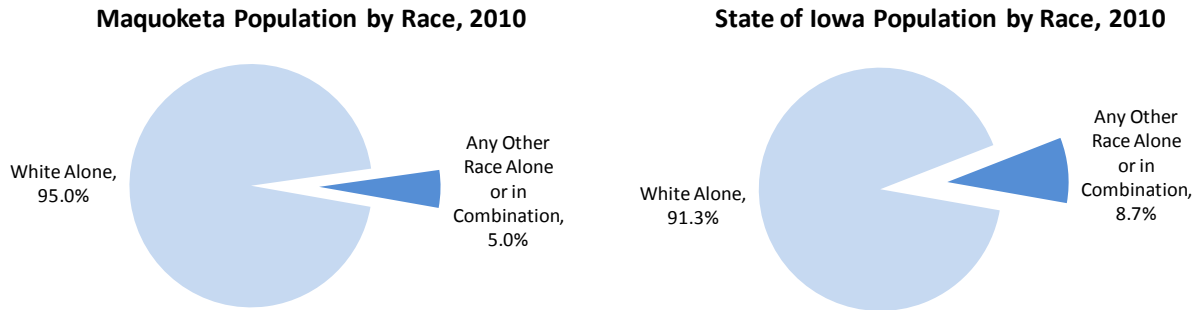
The city of Maquoketa had 6,141 residents in 2010, up slightly from its 2000 population of 6,112 residents. Maquoketa recorded its peak population of 6,313 residents in the 1980 Census.



## Racial and Ethnic Diversity

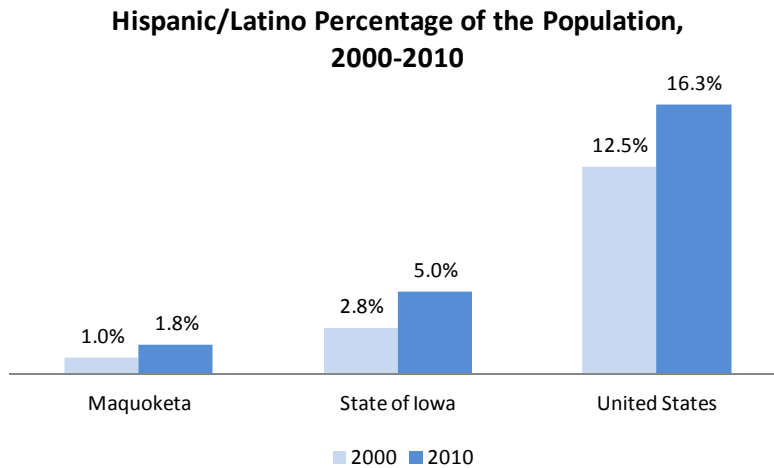
The population of Maquoketa is predominantly Non-Hispanic White. In terms of both race and Hispanic/Latino origin, the city is less diverse than the state of Iowa as a whole. Figure 8 illustrates racial composition of the city and state population in 2010. Residents who are Black, Asian, American Indian, Native Hawaiian, or any other race alone or in combination with another race constitute five percent of Maquoketa’s population. These groups account for 8.7 percent of Iowa’s total population.

Figure 8



The Hispanic or Latino population includes members of all race groups. Figure 9 shows the percentage of the population that is of Hispanic or Latino origin in 2000 and 2010. Maquoketa’s Hispanic population share increased slightly during the last decade to reach 1.8 percent in 2010. Iowa’s Hispanic population share increased from 2.8 percent to 5 percent, but is still considerably lower than the U.S. average.

Figure 9



### Age Structure

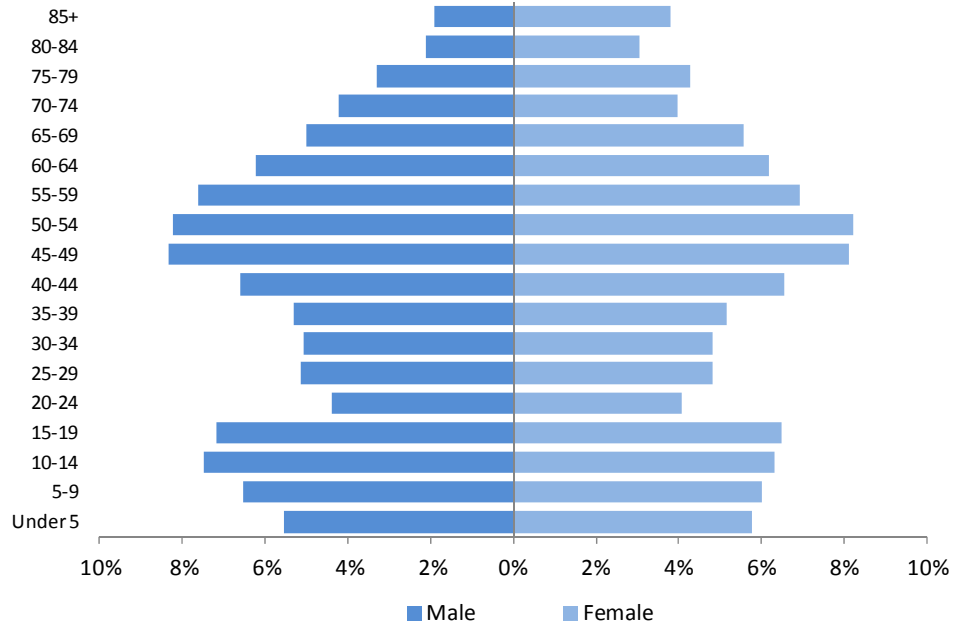
Maquoketa’s population includes a larger percentage share of elderly residents and a lower share of young adults when compared to the state of Iowa. Residents who are 65 years of age or older account for 19.3 percent of the population in Maquoketa, 18.6 percent in Jackson County, and 14.9 percent in the state as a whole. Young adults from 18-44 years of age represent 30.7 percent of Maquoketa’s population, a slightly lower 28.3 percent in Jackson County, and 34.6 percent in Iowa as a whole.

Figure 10 examines the age distribution of the region's population in more detail using a series of "population pyramids." A population pyramid shows the percentage of the total population by 5-year age group and sex. Each bar in the graph represents the population share of a specific age/sex cohort group. The top graphic in Figure 10 illustrates Jackson County's age structure, the middle graphic shows Maquoketa's distribution, and the bottom graphic shows similar data for the state of Iowa.

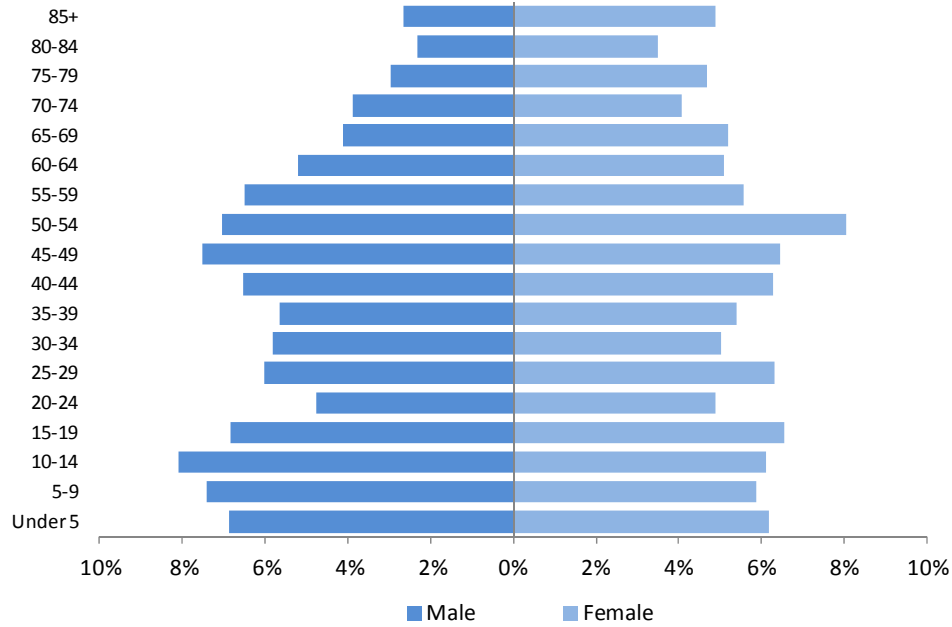
The effects of broad-based demographic trends are quite evident in the population pyramids for all three regions. For example, members of the "Baby Boom" generation can be easily identified in the 45-64 year cohort groups. The comparatively smaller generation that succeeded the Baby Boomers, sometimes referred to as "Generation X," appears in 30-44 year cohort groups. Differences between the shape of the county, city, and state population pyramids may be explained by differing net migration trends as well as natural population change rates. Net migration and natural population change trends are discussed in a subsequent section of this report.

Figure 10

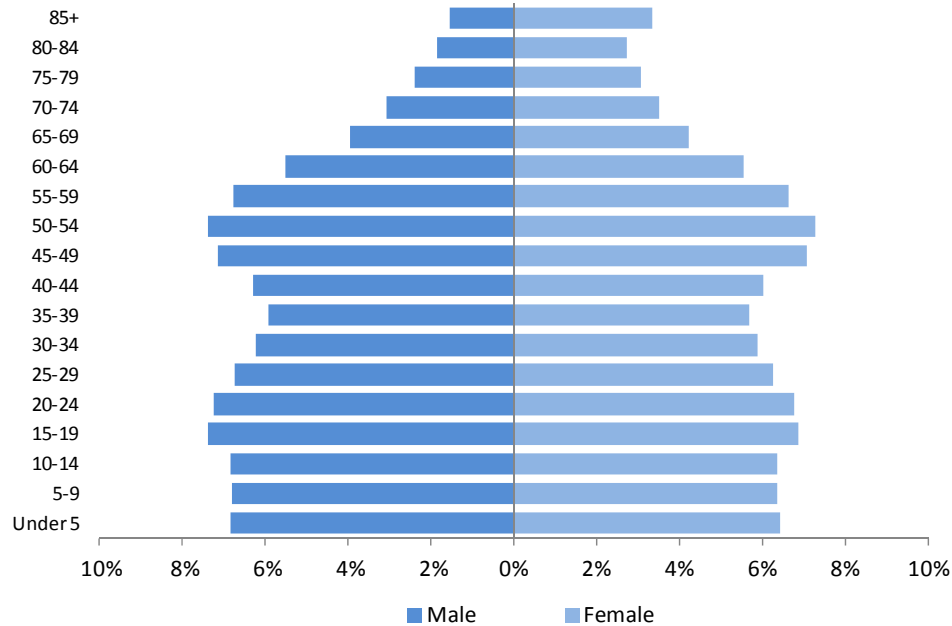
### Jackson County Population by Age Group, 2010



### Maquoketa Population by Age Group, 2010



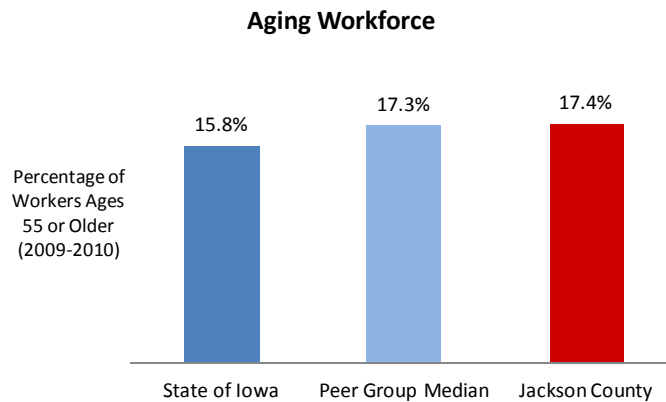
### State of Iowa Population by Age Group, 2010



The age structure of the population has important implications for Maquoketa area employers and service providers. The population of so-called “Baby Boomers,” represent more than one quarter of Maquoketa’s population and 30 percent of Jackson County’s population. As these

residents age, their demands on and contributions to the local economy will change. Their eventual retirement from the workforce may present challenges to local employers who must replace them with new workers. The pace of retirements may begin to accelerate soon. Recent data from the U.S. Census Bureau indicate that 17.4 percent of Jackson County’s workforce is now 55 years of age or older. This puts Jackson County in the middle of its RTC peer group, but above the statewide average of 15.8 percent, as shown in Figure 11.

Figure 11



### ***Sources of Population Change***

Two key forces influence the pace and pattern of population change in a region: natural population change and net migration. Natural change, which measures the number of births minus the number of deaths that occur in a given time period, is largely influenced by the age structure of the local population. Places with a high fraction of elderly residents compared to young adults may experience a natural decline in their population.

Net migration measures the number of new residents who move into the region, whether from abroad or from other states, minus the number who leave. Net migration patterns are influenced by a number of factors including area economic conditions and employment opportunities as well as natural and community amenities.

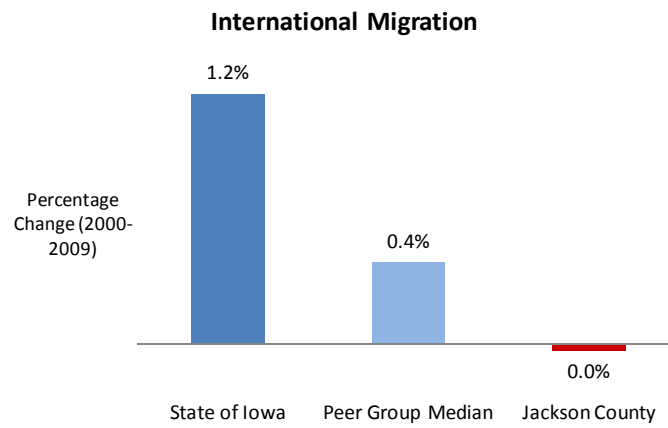
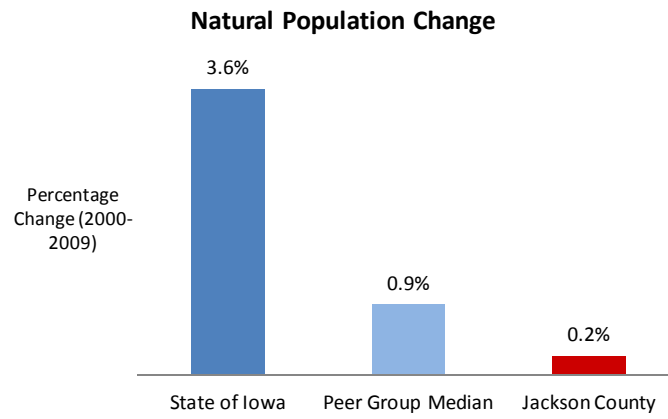
Figure 12 shows how Jackson County compares to similar regional trade center counties in its natural change and net migration rates during the previous decade. The top graphic shows the rate of natural population change from 2000-2009. On average, Iowa’s counties grew by 3.6 percent due to natural population change. The median RTC county, in contrast, grew by just under one percent. Jackson County’s rate of natural population growth was just barely positive at two tenths of one percent.



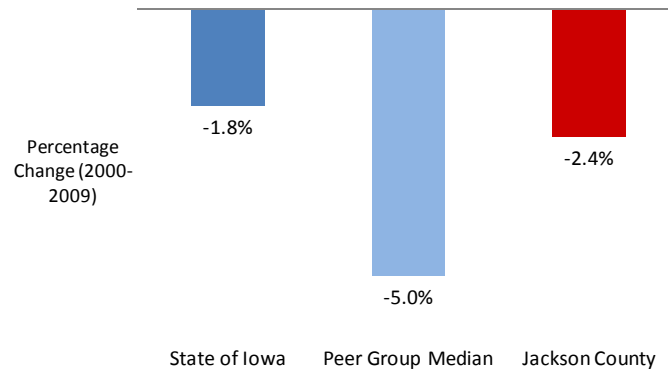
The middle graphic in Figure 12 shows the average rates of net international migration from 2000-2009. The state of Iowa experienced a net population gain of 1.2 percent due to net international migration. The median RTC county lagged the statewide average rate, growing by less than one half of one percent from international migration. Jackson County's performance ranked in the bottom half of the RTC comparison peer group and experienced no population growth due to net international migration.

The bottom graph in Figure 12 shows population change from 2000-2009 from net domestic migration. At the statewide level, domestic migration describes flows to or from any other state. At the county level, domestic migration flows includes interstate flows as well as the movement of residents to or from other counties in Iowa. The state of Iowa experienced a 1.8 percent loss in population to other states from 2000-2009. The median RTC county experienced a 5 percent loss in population to other states or counties. Jackson County fared slightly better with a net domestic migration loss of 2.4 percent during the last decade.

Figure 12



### Domestic Migration



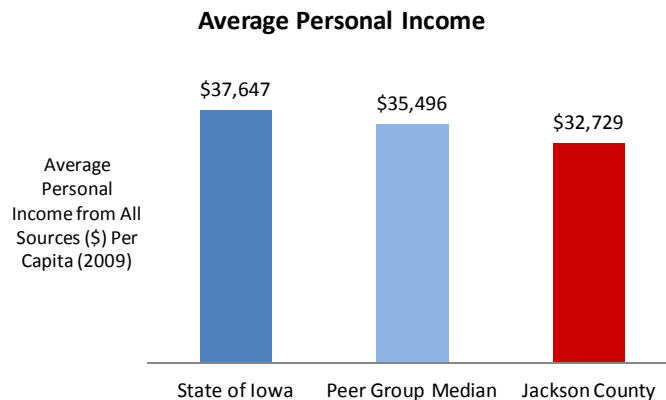
# Household Well-Being

## Income

### Per Capita Income

Average personal income, or per capita income, is the most common standard measure of area economic well-being, and it is used as a surrogate measure of area wealth. Per capita income is the sum of all personal income made during a year, divided by the region's population. Income is derived from labor (also called earnings), proprietorships, investments, and from governmental transfers. As shown in Figure 13, Jackson County's average income of \$32,729 is lower than the RTC peer group median of \$35,496 and the statewide average of \$37,647.

Figure 13



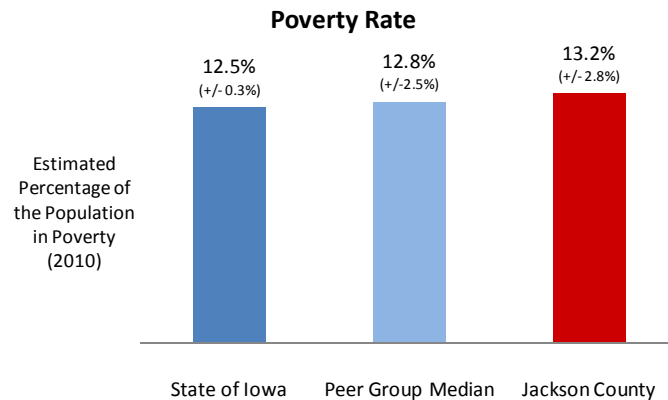
### Individuals in Poverty

The incidence of poverty in the U.S. is the most historically consistent measure of need and income dependence in the United States. Poverty thresholds are determined by the U.S. government on the basis of family size. If a family unit's income falls below the threshold level for a family of that size, all members of the family are considered in poverty. Separate thresholds are used for individuals living alone or with nonrelatives. Figure 14 shows the percentage of the Jackson County population in poverty. A 90 percent confidence interval for the indicator is included to reflect the degree of uncertainty surrounding the estimates, which are based on a sample of the population.

As illustrated in Figure 14, the estimated 2010 poverty rate for individuals in Jackson County was 13.2 percent, plus or minus a margin of error of 2.8 percent. The county's rate was not

statistically different from either the statewide average rate, which was estimated between 12.2 to 12.8 percent, or the peer group median of 12.8 percent (plus or minus 2.5 percent).

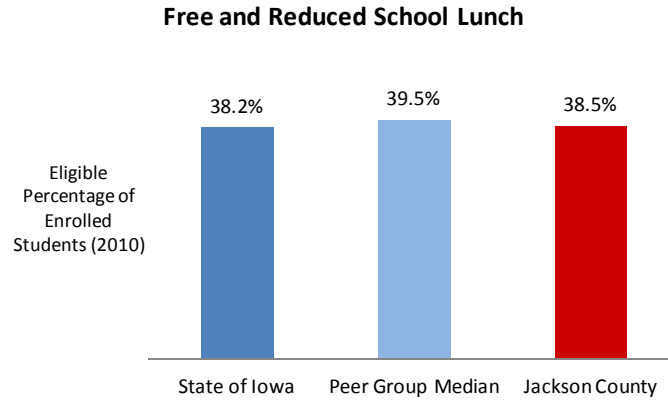
Figure 14



## Child Poverty

The National School Lunch Program is a federally assisted meal program operating in schools and other institutions. It provides low-cost or free lunches to children each school day. This program is means-determined. Very low income families receive free lunch vouchers, and other poor families receive school lunch vouchers at a reduced cost. As this program has existed for many years, it allows for an indirect measure of childhood poverty. Figure 15 measures the percentage of public school students who were eligible for free or reduced school lunches in 2010. Jackson County's average rate of 38.5 percent was similar to the statewide average of 38.2 percent and slightly lower than the peer group median of 39.5 percent. Rates for individual school districts within Jackson County may vary from the county-wide average.

Figure 15

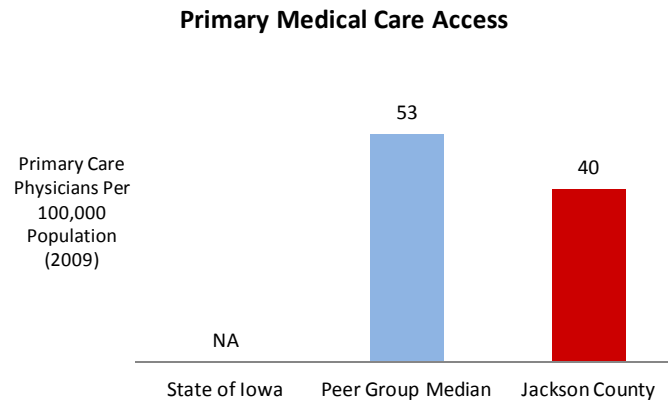


## *Access to Health Care*

### **Primary Medical Care**

Access to preventive and acute medical care is an important component to area wellness and an important health service attribute of an area. The health care access indicator shown in Figure 16 measures the number of licensed primary care physicians per 10,000 persons in the county, according to data from the U.S. Department of Health & Human Services. The median value for the RTC peer group is 53 physicians per 100,000 residents. Jackson County scores in the bottom half of the RTC peer group with its 40 physicians per 100,000 residents.

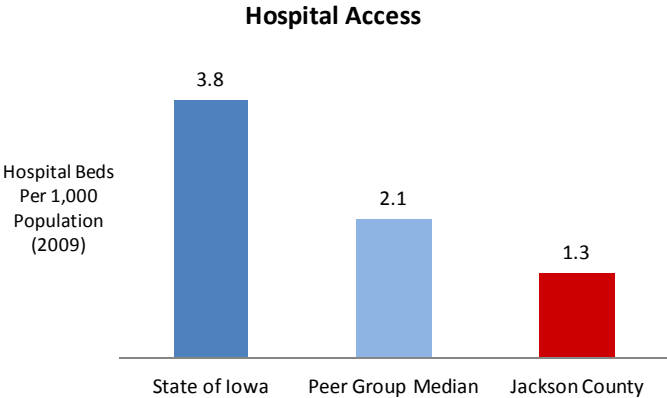
Figure 16



## Hospital Access

The number of hospital beds relative to population size is another indirect measure of health care access in a region. Rural and urban disparities tend to be high on this measure, as hospitals in Iowa are heavily concentrated in more urbanized areas. The indicator shown in Figure 17 counts the number of beds in private and public hospitals in the county per 1,000 residents. Jackson County averages 1.3 hospital beds per 1,000 residents. The county's average access ranks in the bottom half of the RTC peer group and is well below the statewide average of 3.8 beds per person. Readers should note that this measure does not account for differences in the level and types of services that area hospitals are capable of providing.

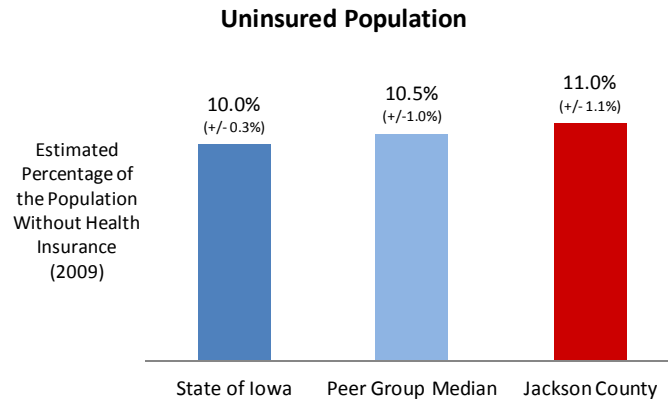
Figure 17



## Health Insurance Coverage

The percentage of uninsured individuals is an indicator of community health risk. Individuals without health insurance may have lower access to care and may be reluctant to seek preventative care. In addition, medical expenses may reduce the amount of household income available for food and housing expenses. Figure 18 shows the estimated percentage of the population under age 65 who lack health insurance. A margin of error value at the 90 percent confidence level is also displayed. The estimated uninsured percentage in Jackson County (9.9 to 12.1 percent) is not statistically different than the statewide average value or the RTC peer group median value.

Figure 18

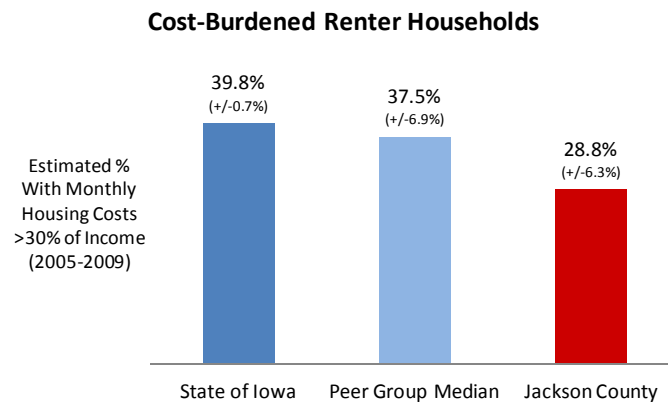


### ***Housing Affordability***

Families who pay more than 30 percent of their income for housing are considered cost-burdened and may have difficulty affording necessities such as food, clothing, transportation and medical care. Among renter households, monthly housing costs include the contracted rent plus the estimated average cost for water, electricity, gas, and other renter-paid utilities. Cost-burden status is function of both income and prevailing housing costs, which tend to move in tandem.

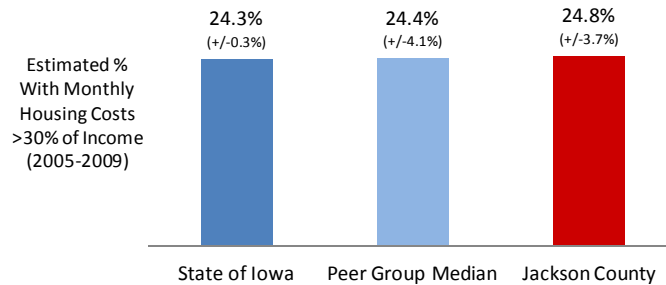
Figure 19 shows the estimated percentage of cost-burdened households in Jackson County for two types of households: renters and owners who have mortgages on their homes. Margin of error values at the 90 percent confidence level are included. Jackson County's percentage of cost-burdened renters is statistically lower than the statewide average, but it does not differ statistically from the peer group median value. For owner households, Jackson County does not statistically differ from either comparison region.

Figure 19





### Cost-Burdened Owner Households (With Mortgage)



## Community Indicators

### *Educational Climate*

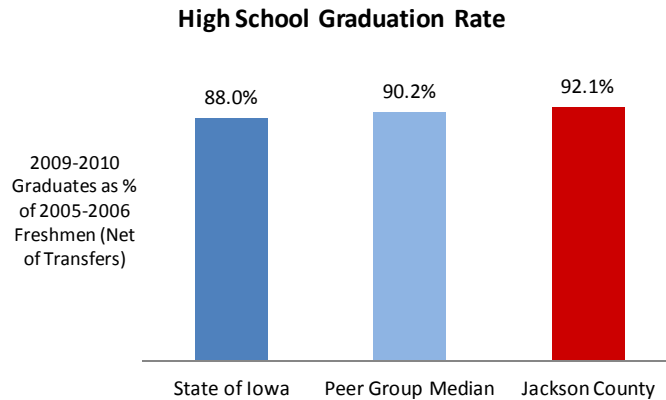
A strong school system is an indicator of community cohesion and stability and is an element of economic development competitiveness. The quality of a community's school district is an oft-cited factor in household and company location decisions. The value that a community places on education can be observed indirectly by the educational attainment of its population and by its willingness to fund its local schools.

### **Educational Attainment**

An area's high school graduation rate provides an indicator of the local school system's performance. Figure 20 shows recent graduation rates for high schools in Jackson County compared to the median rates for the RTC peer group and the state as a whole.

The statewide average graduation rate for districts with high schools was 88 percent for the 2009-2010 academic year. Jackson County's rate of 92.1 percent ranked within the top half of the RTC peer group, which had a median rate of 90.2 percent. These graduation rates reflect the percentage of the 2005-06 9th grade cohort who achieved their high school diploma, including students who transferred into and out of the cohort group.

Figure 20

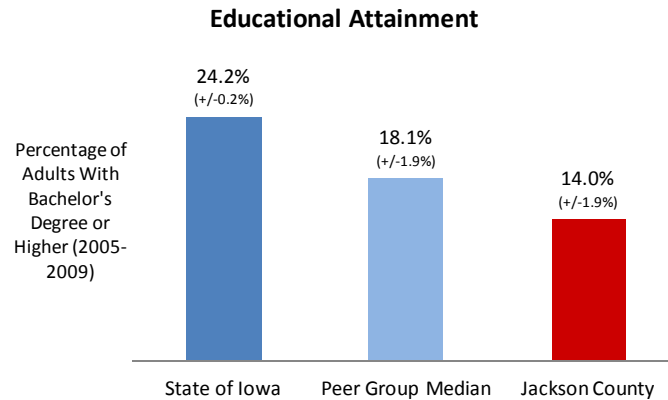


The percentage of high school graduates who intend to pursue a college degree provides another indicator of the educational climate in a region. Across Iowa, 78.8 percent of 2009-2010 graduating seniors had college intentions. The percentage was lower for Jackson County at 75.2 percent. Jackson County ranked in the lower half of the RTC peer group on this measure.

A related education indicator measuring the percentage of adults with a college degree has important economic development implications for local workforce quality. The capacity of an economy to both grow and to diversify over time is related to the education level of its workforce. Communities with college graduate levels tend to have higher levels of professional, educational, health, and business services. Communities with lower college graduate levels tend to have higher employment in manufacturing, transportation, and in entertainment and recreation.

Data from the 2005-2009 American Community Survey suggest that between 12.1 to 15.9 percent of Jackson County residents who are age 25 years and older have a bachelor's degree or higher educational attainment. Jackson County's percentage is statistically lower than both comparison areas shown in Figure 21. The estimated median for the RTC group is between 16.2 to 20.0 percent. The statewide average value is 24.2 percent, plus or minus two tenths of one percent.

Figure 21



## School Funding

Measures of property tax capacity and effort provide a way to evaluate a community's ability to support its schools through local funding sources. Property taxes are a significant portion of school finance in Iowa, and there are wide variances across districts in the amount of revenues generated per student. Total school taxes collected using the \$5.40 per \$1,000 of taxable valuation levy per student determines the amount of state aid a district receives.

A district's school funding tax capacity may be calculated by dividing its per-pupil property valuation by the statewide average. Figure 22 shows the school district property tax capacity for Jackson County schools. The county's score indicates that it has about 87.2 percent of the statewide average capacity to fund its schools from local property taxes. This score ranks in the bottom half of the RTC peer group, whose median tax capacity is 95.3 percent of the statewide average.

Another measure called property tax effort looks at all property taxes generated by a district in light of their property tax capacity. It is calculated as tax collections per pupil divided by the statewide average times the district's school finance capacity score. Districts may choose to use more of their capacity to tax or less. Districts taxing at, comparatively, high effort levels may be in financial stress. Districts with low efforts may be under-investing in education. Figure 23 shows a tax effort score of 91.6 percent for school districts in Jackson County, lower than the RTC group median of 96.6 percent.

Figure 22

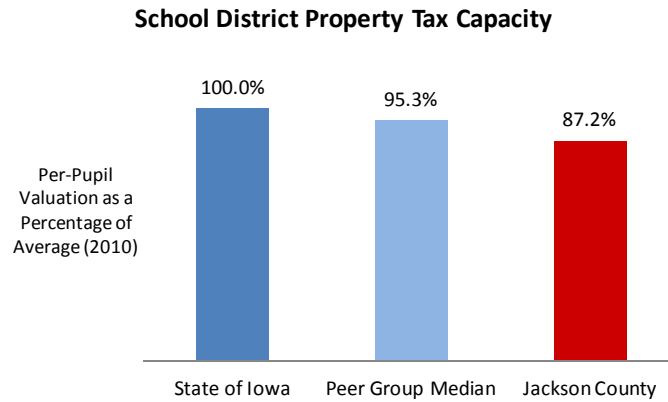
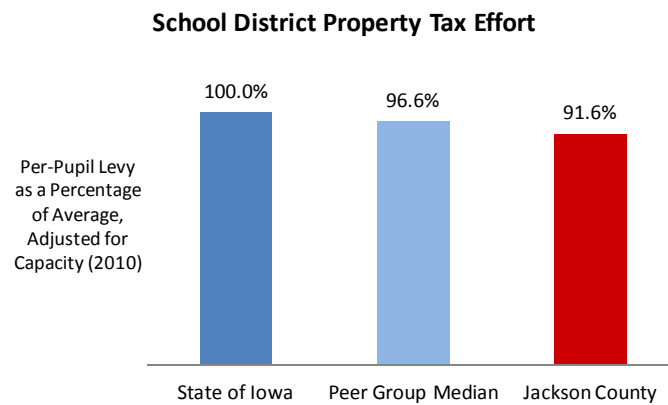


Figure 23



## ***Civic Engagement***

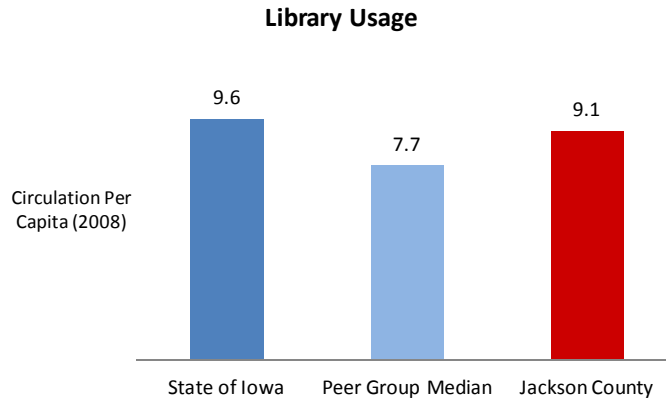
Civic engagement describes the willingness of residents to participate in or invest effort toward improving their community. Civic engagement can't be directly measured; however, several indirect indicators may be used to gauge how residents interact with and support local institutions. This section illustrates three indicators: library circulation rates, voting rates, and revenues of public charities.

### **Library Use**

Libraries are considered a community asset, and the willingness to utilize library sources as measured through circulation is indirectly indicative of the value of the institution. Figure 24

shows the average circulation rate for libraries in Jackson County compared to the RTC peer group and the state. The indicator measures total number of library materials lent annually, divided by the total population of the libraries' service territories. Patrons of Jackson County libraries borrowed an average of 9.1 items per year, slightly lower than the statewide average of 9.6 items and higher than the RTC median value of 7.7 items.

Figure 24



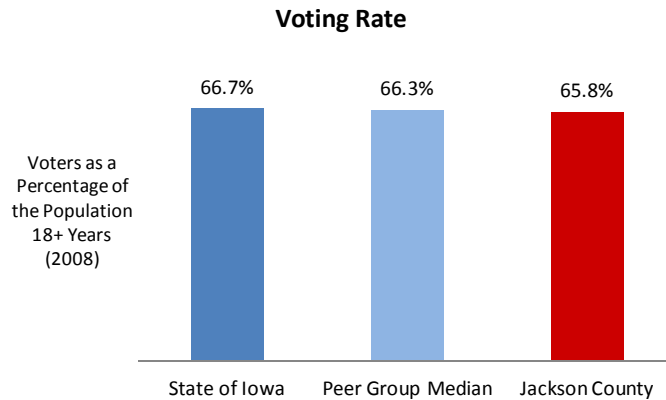
## Voting Rates

The propensity to vote is often used as a measure of civic engagement. Figure 25 shows the number of people who voted in the general elections in November, 2008, as a percentage of the estimated voting age population in that year.<sup>7</sup> Jackson County's voting rate of 65.8 percent was slightly lower than both the statewide average (66.7 percent) and the RTC group median (66.3 percent).

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<sup>7</sup> This indicator differs slightly from "voter turnout," which measures the number of voters as a percentage of *registered* voters in an area.

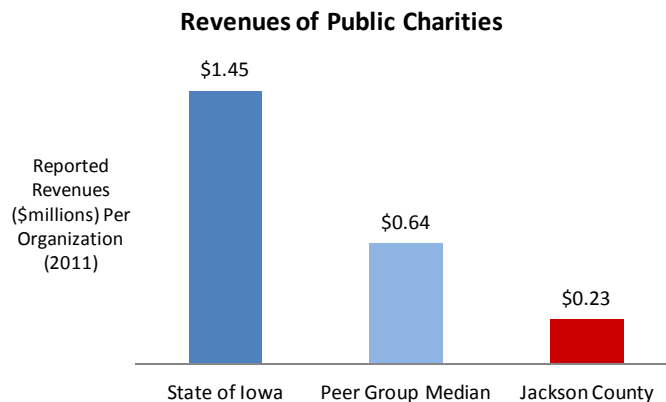
Figure 25



### Revenues of Public Charities

The capacity for local organizations to engage in charitable activities provides an indication of the comparative wealth of a region as well as an indicator of community support and cohesion. Public charities provide assistance in support of community programs, social need, or contribute to the operating revenue of community agencies. These organizations are primarily 501(c)(3) organizations which are federal tax exempt. They may include community, business, philanthropic, labor, and religions organizations. As shown in Figure 26, the average public charity in Jackson County had revenues well below the RTC median \$640,000 in 2011. For the state as a whole, public charities averaged \$1.45 million in revenues, suggesting that larger charitable organizations tend to be concentrated within the state’s more populous counties.

Figure 26

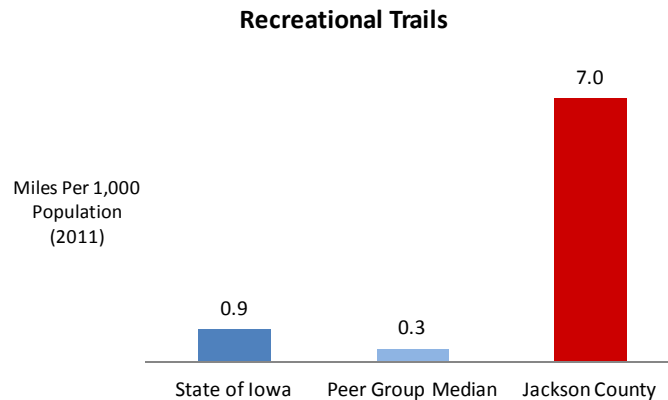


## Recreation & Amenities

### Trails

Bicycle and multi-use trails are considered a recreational amenity. In addition, bicycle trails and bike-friendly roadways provide safer routes for commuters who bike to work. Figure 27 shows the length in miles of designated bicycle trails and bike-friendly roadways in the county, standardized per 1,000 residents. Included in the measure are bike paths, lanes, roadways, shared roads, shoulders, and widened sidewalks. Jackson County scores well above the statewide average and the median RTC county on this measure.

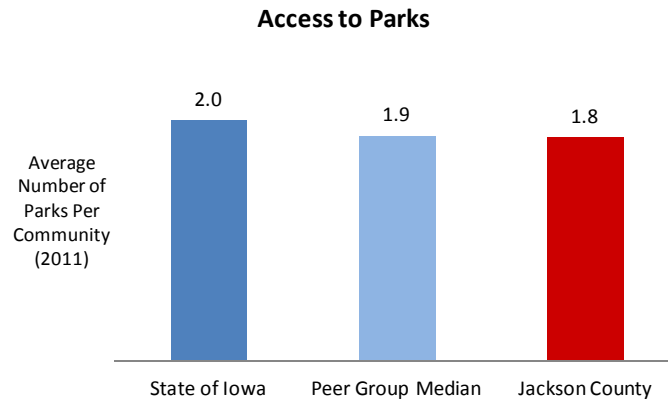
Figure 27



### Parks

The average number of parks per city is an indirect indicator of access to public spaces and other cultural or recreational attractions. This indicator illustrated in Figure 28 measures the incidence of parks and other attractions within the county relative to the number of communities in the county. Parks have been broadly defined to include state, county, and city parks; historical markers and statues; amusement parks; wildlife areas; and other areas. Jackson County averages 1.8 parks per community, slightly lower than the peer group median of 1.9 parks. The average across the state of Iowa is two parks per community. It should be noted that this measure reflects only the incidence of parks and not their size.

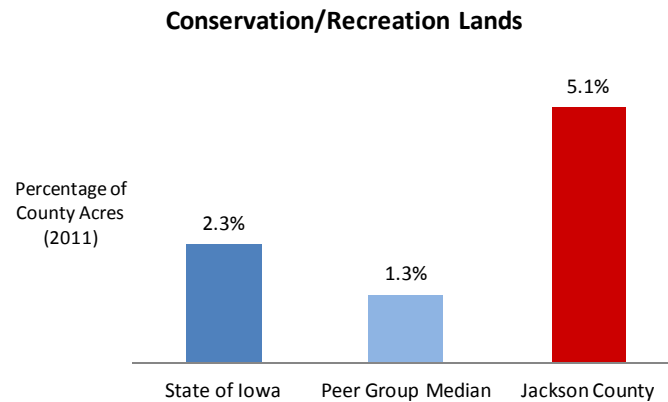
Figure 28



### Public Conservation/Recreation Lands

Public lands for recreation are considered important public assets as well as critical amenities for communities and regions. The indicator in Figure 29 shows the percentage of total county land and water area in designated public conservation or recreation areas. Jackson County scores well on this indicator, with slightly more than 5 percent of its land area in public conservation/recreation areas. The RTC peer group median value is 1.3 percent and the average across all counties in Iowa is 2.3 percent.

Figure 29



### *Housing Stock*

#### Housing Age/Quality

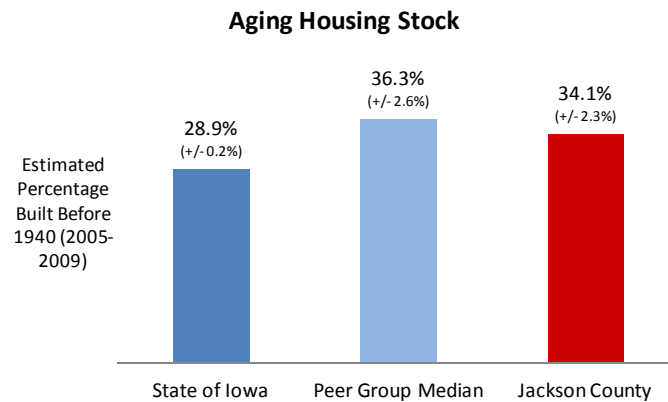
The age of the area's housing stock provides an indirect measure of housing quality. Figure 30 shows the estimated percentage of the county's housing stock that pre-dates the year 1940.



Margin of error estimates at the 90 percent confidence level are also included. This percentage of pre-1940 homes is a good indicator of the overall age of a region’s housing stock, and it also gives a sense of the level of housing investment in recent decades.

In Jackson County, 34.1 percent (plus or minus 2.3 percent) of the housing stock was built before 1940. This is higher than the statewide average of 29 percent, but not statistically different than the RTC group median of 36.3 percent (plus or minus 2.6 percent).

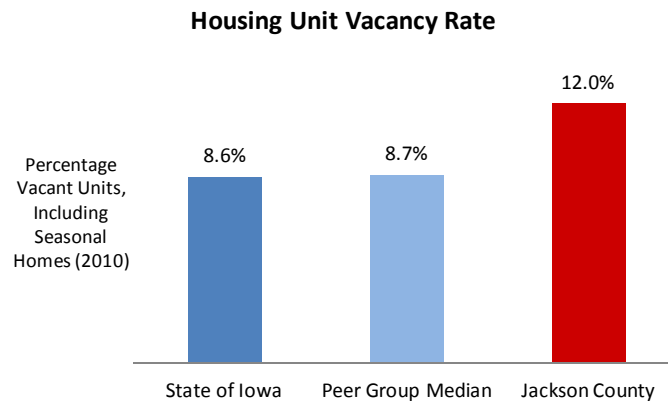
Figure 30



## Vacancy Rate

The percentage of vacant housing units in a region is indicative of its current housing market conditions. A higher than average vacancy rate is an indication of housing availability, while a low vacancy rate indicates a tight housing market. High vacancy can also be an indirect indicator of high outmigration and population decline. In areas with a relatively large number of seasonal or vacation homes, the vacancy rate may also appear high. The housing vacancy rate is calculated by dividing the number of unoccupied homes at the time of the decennial census by the total number of housing units in the measurement area. Jackson County’s vacancy rate of 12 percent in 2010 was notably higher than the statewide average rate of 8.6 percent and higher than the median value for the RTC peer group of 8.7 percent, as shown in Figure 31.

Figure 31



## Retail Sales Performance

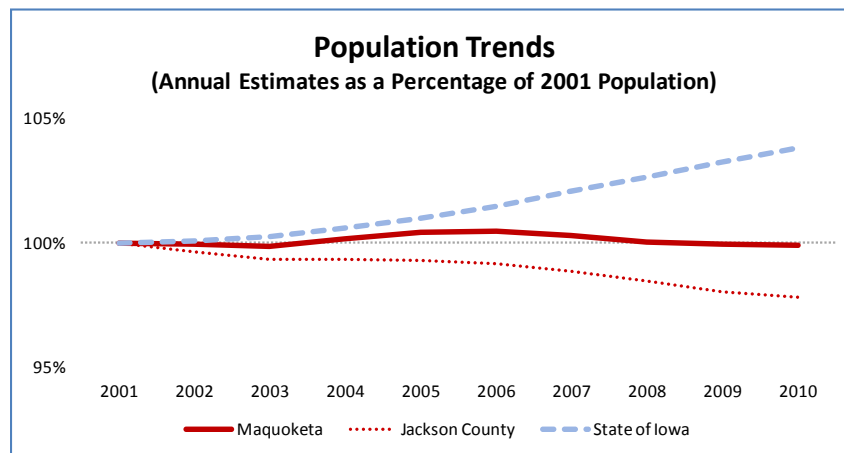
The performance of the local retail sector provides a useful gauge for economic conditions in Maquoketa and the surrounding region. This section examines local retail sales<sup>8</sup> trends in Maquoketa and Jackson County using a variety of comparative performance measures.

### *Trade Area Economic Conditions*

#### Population Trends

Population growth or decline is a key factor influencing local retail sales levels, as population gains or losses immediately alter the number of potential shoppers within the region. Figure 32 compares recent population trends for Maquoketa and Jackson County with the statewide average trend. Annual population estimates for each area are expressed in percentage terms compared to their baseline values in 2001.

Figure 32



While Jackson County lost slightly more than two percent of its population from 2001-2010, the population in Maquoketa remained stable. Both areas lagged the statewide average population growth rate of four percent, although this was not surprising. Elsewhere in the state, population changes in similarly-sized cities and counties closely resembled the

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<sup>8</sup> The retail performance measures described here may provide an incomplete accounting of total retail activity in the region, as they only capture sales of goods and services that are subject to Iowa's statewide sales tax.

Maquoketa and Jackson County experience. Figure 33 and Figure 34 show the average population trends in a set of peer group cities and counties.

Maquoketa’s peer group cities, all located in non-metropolitan counties and all having between five and ten thousand residents, grew at an average rate of zero percent from 2000-2010. The locations of these 63 cities are mapped in Appendix A.

Jackson County’s comparison peer group includes 43 non-metropolitan counties whose largest city is not larger than 10,000 residents or smaller than 2,500 residents. These counties are mapped in Appendix B. Jackson County’s two percent population decline was slightly better than its peer group average of three percent.

Figure 33

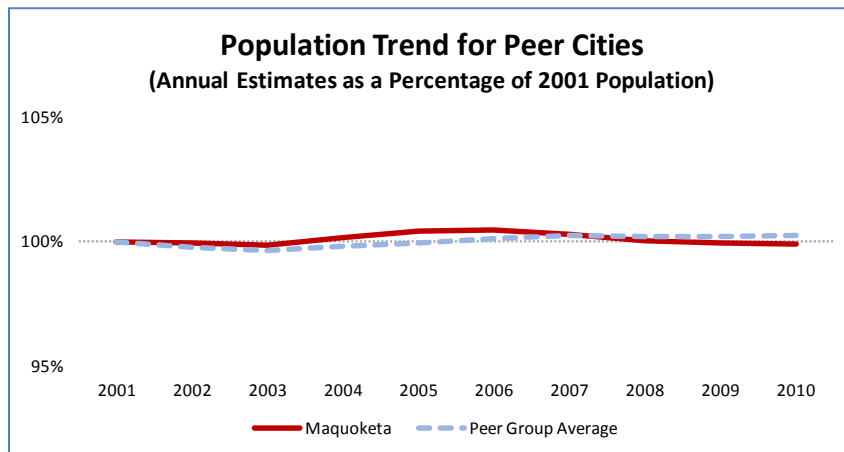
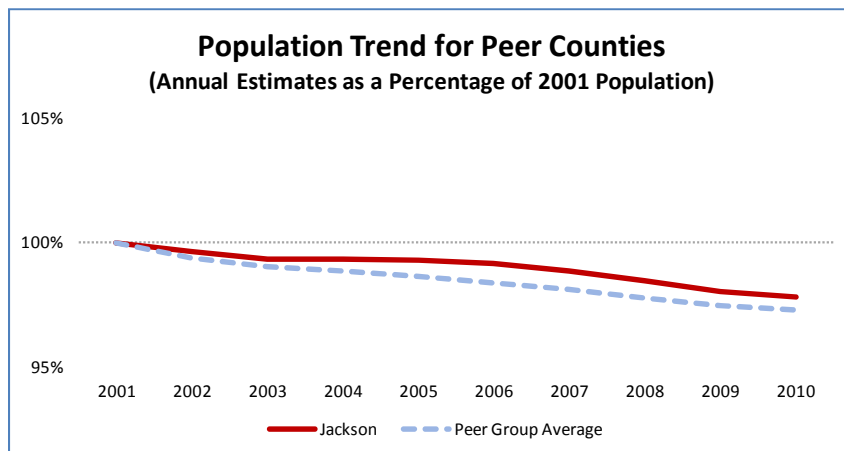


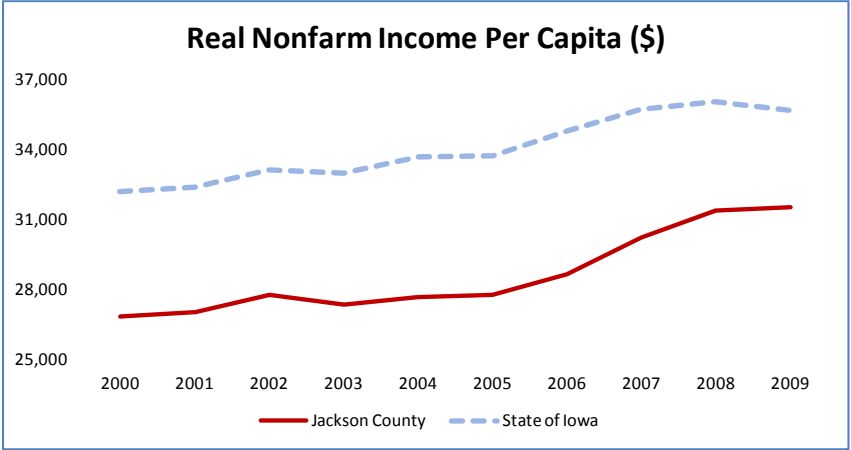
Figure 34



## Income Levels

Area income levels are another key determinant of local retail performance. All else being equal, individuals with higher incomes are able to spend comparatively more on retail goods and services than lower-income individuals. Average nonfarm income per person provides a good standardized measure for comparing income levels across Iowa's counties. As shown in Figure 35, real nonfarm income per capita in Jackson County was lower than the statewide average for the period from 2000-2009.

Figure 35



## Regional Competitive Factors

A third important factor that influences local trade levels is the daily flow of workers into and out of the city or county. Worker commuting flows tell us a great deal about important, regional economic relationships that may influence the local retail performance. For example, when Maquoketa residents commute to another county for work, the likelihood that they will shop locally, especially during traditional business hours, decreases. Conversely, workers who commute into Maquoketa during the day may be more likely to make their retail purchases there than in their own place of residence.

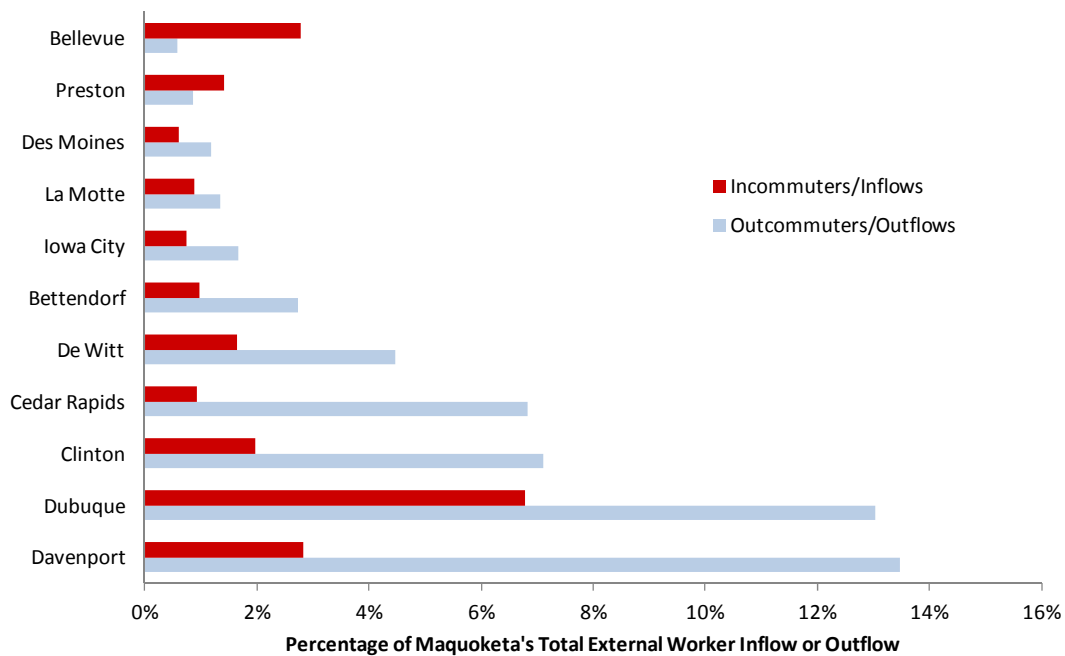
Figure 36 shows several key commuting relationships between Maquoketa and surrounding employment and population centers. For each city, the top bar illustrates the worker inflows from that community as a percentage of Maquoketa's total inflows. The bottom bar for each

city shows the number of Maquoketa residents commuting to that city as a percentage of Maquoketa’s total worker outflows.

Maquoketa’s most uneven exchange occurs with Davenport, which serves as the employment destination for nearly 14 percent of Maquoketa’s out-commuters. Davenport residents constitute just three percent of Maquoketa’s total worker inflows from other cities. Dubuque also serves as an important regional employment destination, attracting about 13 percent of all out-commuters from Maquoketa. Dubuque supplies about seven percent of Maquoketa’s in-commuters. The cities of Clinton, Cedar Rapids, DeWitt, and Bettendorf all exert a pull on Maquoketa’s residents.

Figure 36

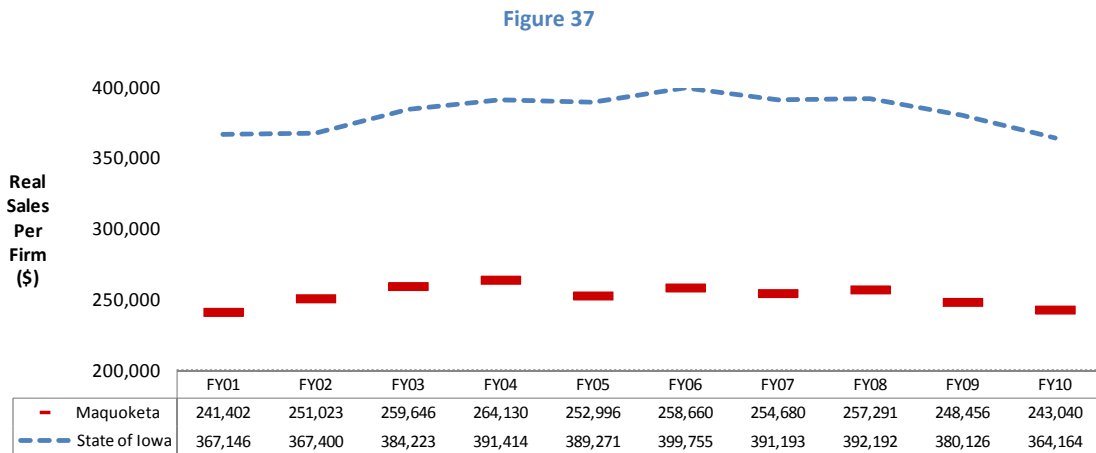
### Worker Commuting Exchanges With Key Regional Partners, 2009



## Retail Performance Measures

### Sales Per Firm

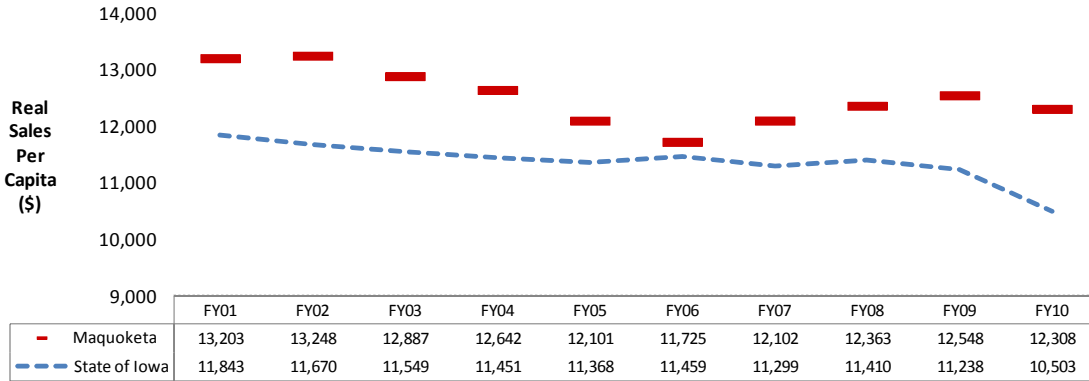
Maquoketa’s firms tend to be smaller than the statewide average in terms of their average sales per firm. The average sales per firm in Maquoketa were about \$243,000 in FY2010, compared to the statewide average of \$364,000. Statewide sales levels per firm have declined slightly on a real basis since FY2008, likely reflecting the effects of the recent recession. Maquoketa has experienced a similar recent decline in average sales per firm. Figure 37 shows the 10-year trend for both areas in real average sales per firm.



### Sales Per Capita

Taxable retail sales in Iowa averaged \$10,500 per resident in FY 2010. Maquoketa’s average sales were higher at \$12,310 per capita. After posting declines in real per capita sales during the first half of the last decade, the city experienced growth from FY 2006 through FY 2009. The city’s sales per capita declined from FY 2009 to FY 2010, although not as sharply as the statewide average. Figure 38 shows the annual averages in real per capita sales for the city and the state.

Figure 38

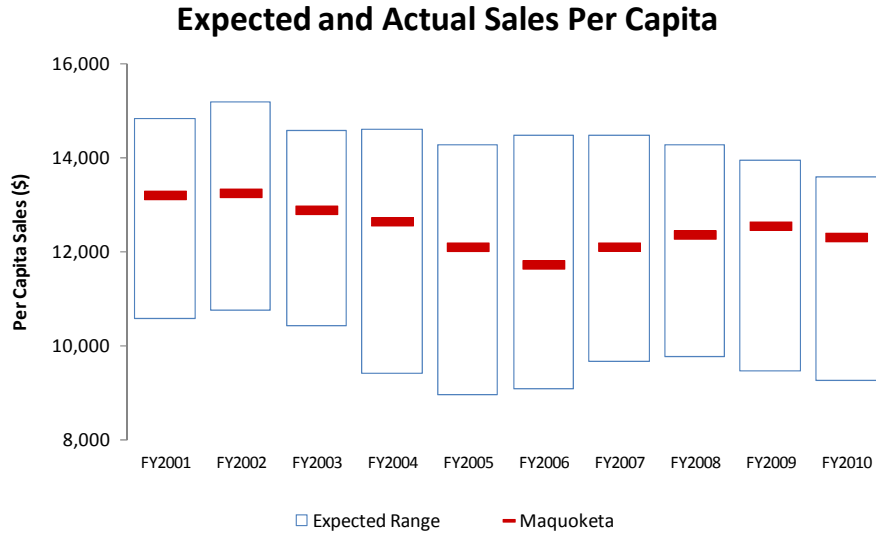


The level of retail sales that a city can generate is strongly influenced by its own population size and the population density of surrounding areas; therefore, expectations for a city’s retail performance should be in alignment with the competitive environment in which it operates. Peer group analysis, which measures sales levels across cities sharing similar size and urbanization characteristics, can provide useful benchmarks for local retail performance. Figure 39 illustrates how Maquoketa’s average per capita sales level during the last 10 years compares to an “expected range” based on the performance of similar cities in its peer group. The peer group includes all Iowa cities of 2,500 to 10,000 in population that are located in non-metropolitan areas.<sup>9</sup> As illustrated, sales levels in Maquoketa fall within the expected range for a city of its size.

<sup>9</sup> The locations of Maquoketa’s peer cities are shown in Appendix A

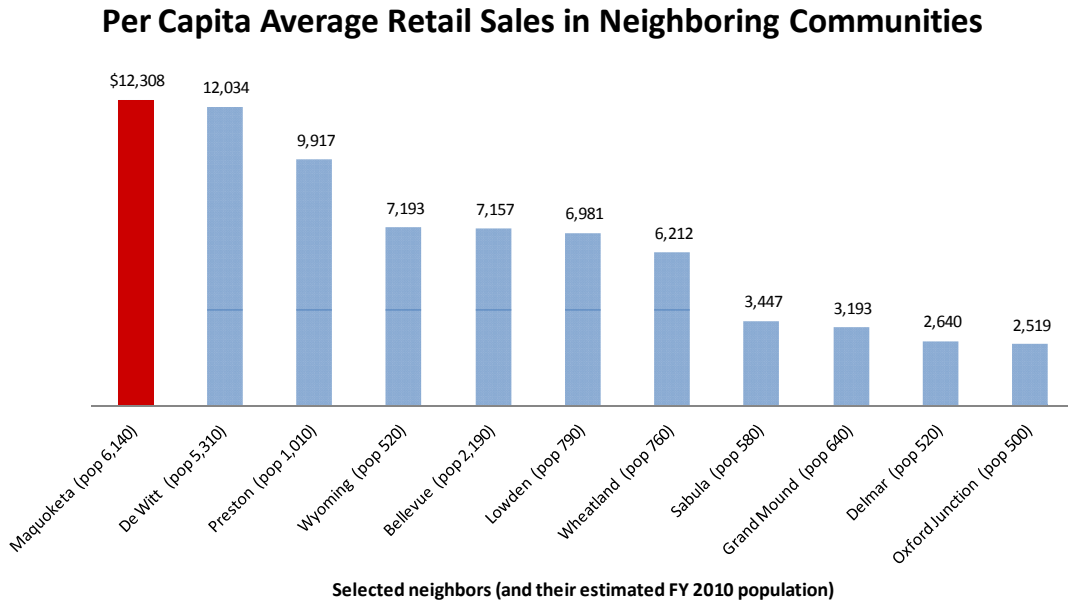


Figure 39



Another way to benchmark the city’s retail performance is to compare its sales levels to competing trade centers in the surrounding area. Figure 40 shows the per capita sales for Maquoketa and its ten nearest neighbors with population size of 500 or more residents. Maquoketa’s average per capita sales of \$12,310 were the highest in the surrounding region.

Figure 40

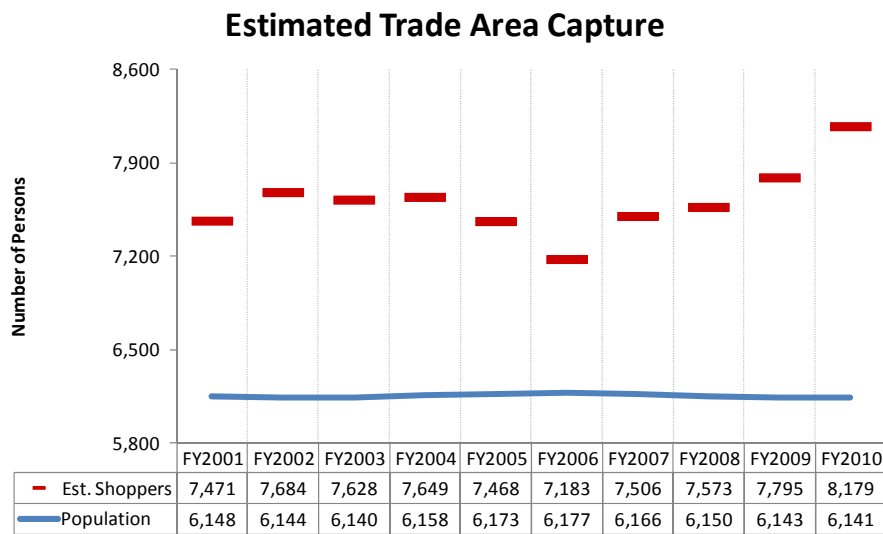


## Pull Factor and Related Measures

Pull factor analysis is based on a hypothetical “self-sufficiency” level of sales at which a city’s retail sector satisfies all of the retail needs of its own residents. This hypothetical sales value might also be viewed as “break-even” level where any lost sales to local residents are exactly offset by sales to non-residents.

The first step in pull factor analysis is to determine the population size of the trade area served by the city or county. In regional trade center cities like Maquoketa, which serve as hubs of trade, services, and employment for a broad geographic region, we expect the trade area size to exceed the city’s actual population size. Figure 41 shows the estimated trade area capture for Maquoketa compared to its actual population.

Figure 41

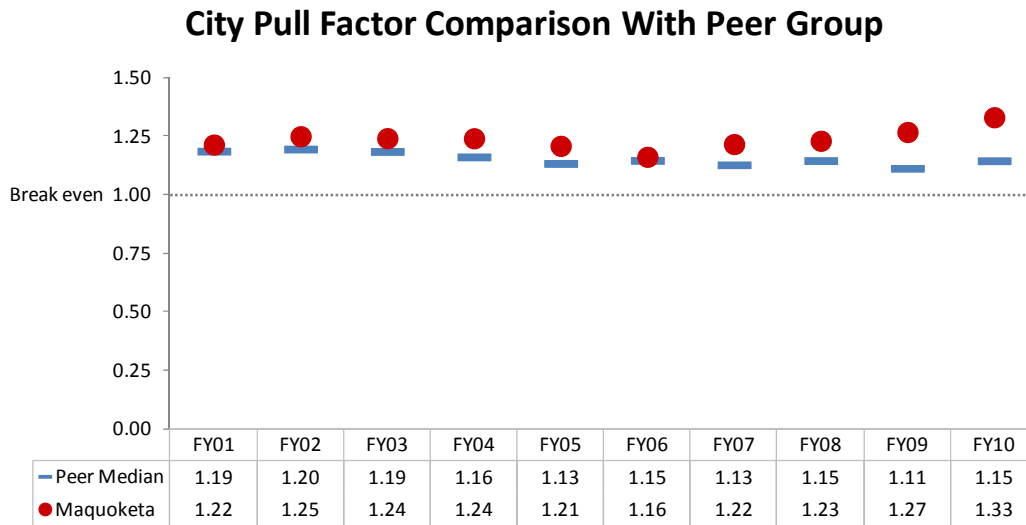


The city’s “pull factor” may be derived by dividing its estimated trade area capture by its own population size. A ratio greater than one tells us the city is drawing customers from outside its own borders. Figure 42 shows the pull factor for Maquoketa compared to the median value for its peer group cities.

The median pull factor for Maquoketa’s peer group is 1.15, which tells us that more than half of the cities in the peer group serve trade areas that exceed their population. This is not surprising, given that Maquoketa’s peer group includes many mid-sized cities that serve as

regional trade centers for a larger surrounding area. The pull factor of 1.33 for Maquoketa ranks in the top half of the peer group. The city's performance relative to its peers appears to have improved slightly in the last three to four fiscal year periods.

Figure 42



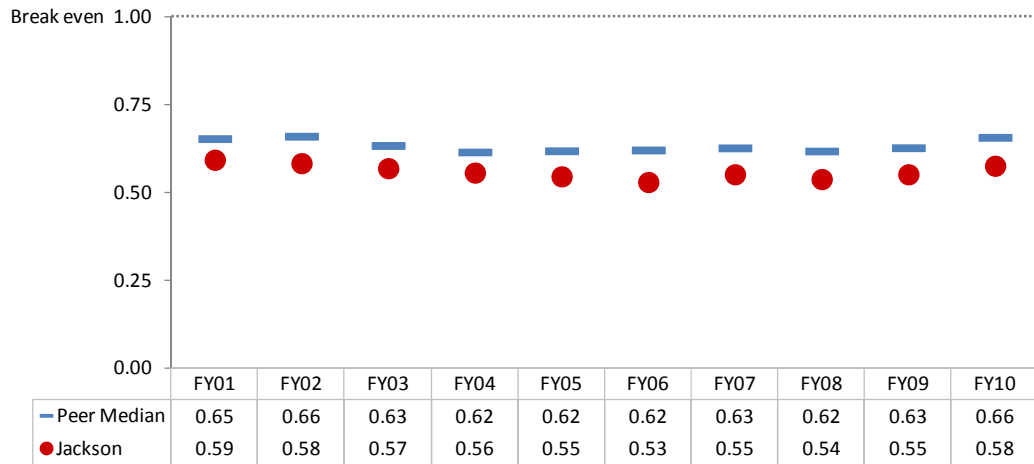
Broadening the analysis to the county level from the city level changes the retail picture considerably. As shown in Figure 43, the retail trade pull factor in Jackson County is well below the breakeven level. The county’s pull factor in FY 2010 was 0.58, suggesting that about 42 percent of the county’s potential retail sales to its own residents are leaking outside the county. Among a peer group of similarly-sized non-metropolitan counties, the median pull factor value was 0.66, slightly higher than in Jackson County but still well below the breakeven sales level.<sup>10</sup>

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<sup>10</sup> The locations of the 43 counties included in Jackson County’s peer group are illustrated in Appendix B.

Figure 43

### County Pull Factor Comparison With Peer Group

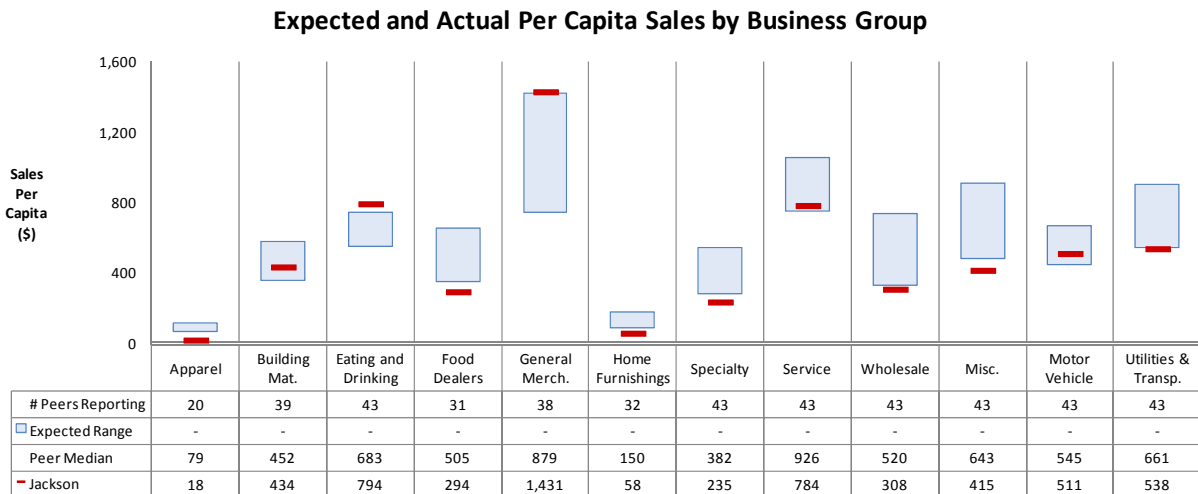


## Sales by Type of Business

A city or county's retail performance may be influenced by the mix of retail goods and services that it offers, as average sales levels vary by type of business. Detailed sales by type of business must be analyzed at the county level, as city-level data are not available. Figure 44 shows the average FY 2010 per capita sales by category in Jackson County compared to an expected range for counties of its size. The merchandise categories reflect the type of store in which the sales transactions occurred, as opposed to the specific goods and services that were sold. Readers should note that the Wholesale category describes the amount of direct retail sales by firms that operate primarily as wholesalers and not the amount of wholesale transactions occurring in the county.

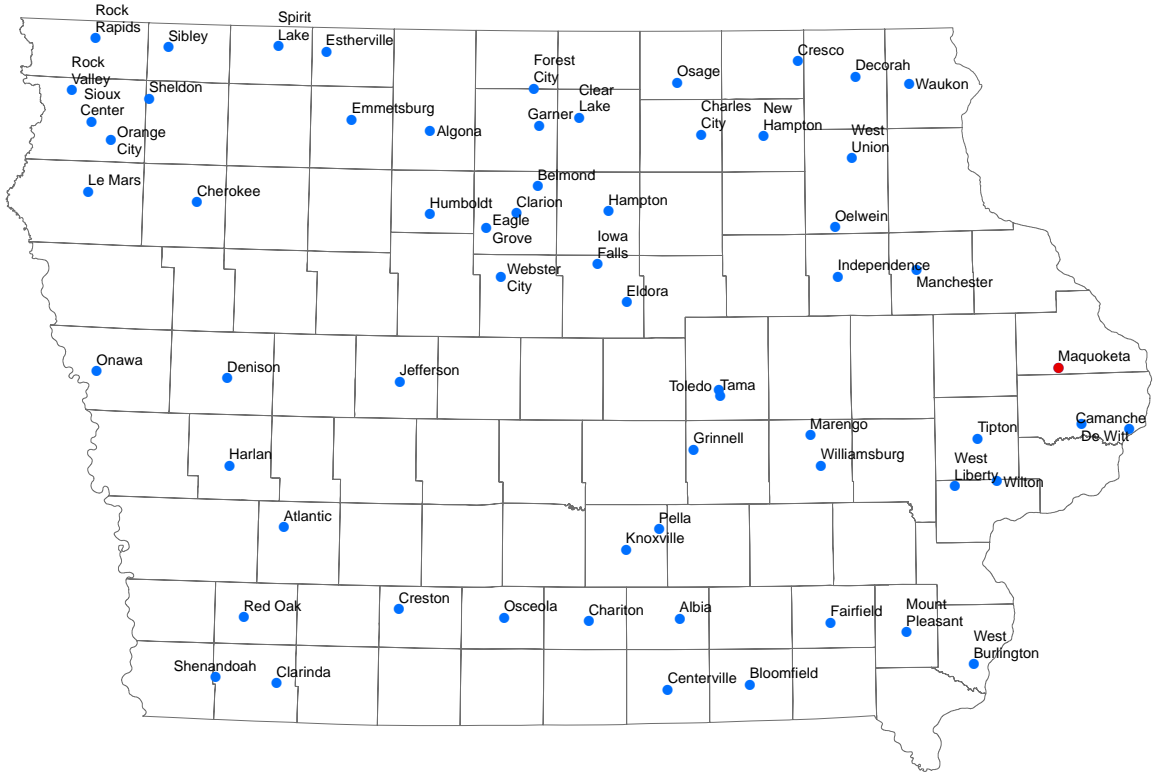
Jackson County is below expected levels in the following categories: Apparel, Food Dealers, Home Furnishings, Specialty, Wholesale, and Miscellaneous Retail. The county performs as expected in Building Materials, General Merchandise, Services, and Motor Vehicles. The county's performance slightly exceeds expectations in the Eating and Drinking category, which includes restaurants and bars.

Figure 44



Appendix A

Peer Group Cities for Maquoketa Retail Trade Analysis



Appendix B

Peer Group Counties for Jackson County Retail Analysis

