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City of Mesquite

Executive Summary of Research

May 2022

Executive Summary

Situated in the Dallas-Fort Worth metroplex, Mesquite is a city that enjoys close proximity to the metroplex while maintaining a small town charm with its outdoor activities and spectacular attractions. Mesquite has seen a recent uptick in development and business expansions thanks to forward-thinking investments in infrastructure, comprehensive strategic planning, and a strong marketing and branding approach that has celebrated the community's diversity and family-friendly amenities.

The City of Mesquite is home to a robust, diverse workforce pipeline, reflecting the skills and demographics of a multicultural workforce that brings invaluable experience to the industries they serve. As a growing center for advanced manufacturing with major educational institutions within close proximity, the City of Mesquite has the foundation necessary for long-term economic growth and success.

The City is ready for a modern economic development strategy that enables it to stake its claim on growth in the DFW region, while ensuring all residents and enterprises have an equitable opportunity to grow and scale.

A detailed Benchmarking Analysis that compares Mesquite to 15 peers has allowed us to identify the strengths/ competitive advantages, weaknesses/ challenges, opportunities and constraints of the City's future economic prosperity.

Key insights from the Benchmarking Analysis:
- **Mesquite is diverse.** Three in four Mesquite residents are non-White. The share of non-White residents is 77% higher than the national average.
- **Mesquite is attracting immigrant talent.** Foreign-born individuals have increased by 14% in the last five years. This rate is 2.5 times the national average.
- **Mesquite has a strong working/ production class.** Almost 23,000 Mesquite residents are employed in working class occupations and grew by 17% in the last five years. The share of employment in this class is 37% higher than the national average and growth is almost 2 times the national average.
- **Mesquite has low earnings.** Median earnings ($32,000) are $4,300 less than the national average and $3000 less than the state average.
- **Mesquite's household incomes are increasing.** Mesquite median household income has grown by 22% in the last five years. This rate is 9% higher than

the national average. Poverty decreased from 15% to 12% in the last five years.

- **Mesquite is equitable.** The gender wage gap ($5,000) is half the national average, and the city ranks second among benchmarks for income equality.
- **Mesquite provides a good quality of life.** The city has cultural and recreational amenities but needs more effort to promote its quality of life.

A Target Sector Cluster Analysis has also been conducted for Mesquite to summarize the city's industry clusters (strengths, both emerging and retracting). The analysis employed customized industry definitions to precisely measure Mesquite's target cluster concentrations and to ensure they can guide future business development efforts. This analysis is the essential foundation for supporting all future business attraction, expansion efforts, foreign-direct investment, and incentives, including as well as helping to shape a narrative that resonates with new enterprises, site-selectors and talent.

In light of the calls for equity and social justice over the last 18 months, the target cluster analysis also assesses traded clusters from the lens of equity and resilience - in addition to competitiveness - as opposed to an evaluation that relies solely on an economic growth focus.

Seven target industries offer a strong foundation for Mesquite's Economic Development Strategy:

1. The **Food Processing and Manufacturing** cluster is the strongest in terms of competitive advantage. The share of employment in this sector is 17 times the national average. It is also the largest employer of people of color, where 70% of the workforce are non-White workers. Growth in this cluster is also largely attributed to the unique competitive advantage of Mesquite.
2. The **Retail** cluster is the largest employer, employing almost 5,000 workers. It is also the largest contributor to the economy, generating $373 million in Gross Regional Product (GRP) in 2021. It is the second largest employer of women, where 50% of the workforce are women. However, it lost more than 500 jobs in the last five years.
3. The **Furniture** cluster is competitive and has the highest growth rate, growing by 349% in the last five years. It has the second highest share of Hispanic employees (37%) and has the second lowest share of jobs at risk of automation (41%).
4. The **Downstream Chemical Products** cluster is fourth in terms of competitive advantage, employing a share that is 2.5 times the national average. It is also the second most productive cluster in terms of GRP per worker, and has the highest share of Black workers (27%).

5. The **Distribution and E-Commerce** cluster has the second fastest growth among all clusters; 67% in the last five years. It is the second largest employer, employing more than 2,400 workers, and the second largest contributor to the economy in terms of GRP, generating $204 million in 2021.

6. The **Production Technology** cluster is not competitive except for industrial process furnace and oven manufacturing. It has the third highest growth rate (64%) as a result of a unique competitive advantage of Mesquite. It also has the highest share of Hispanic employees (40%), and the second highest share of employees with a Bachelor's Degree (25%).

7. The **Media** cluster is not competitive except for two key industries: sound recording and graphic design. This is the most productive cluster in terms of GRP per worker, offers the highest earnings ($110,000 per year), is the largest employer of women where 53% of the workforce are women, has the most educated workforce (55%), and has the lowest share of jobs at risk of automation (17%).