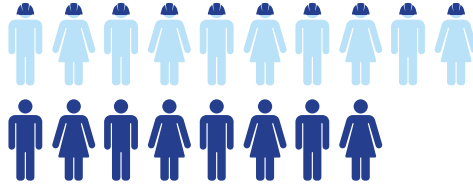


Strong Industry, Strong Duluth

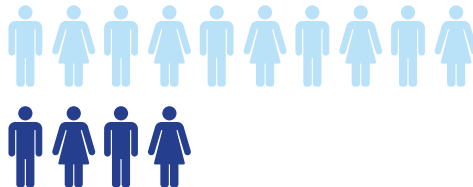
Duluth's industrial sector drives **significant** economic growth and stability in the region. On a per-job basis, the industrial sector generates **three times more tax revenue** and supports **twice as many additional jobs** compared to the rest of Duluth's economy. Supporting and growing Duluth's industrial sector is critical to the city's long-term success.

EVERY 10
INDUSTRIAL JOBS



CREATES 8
ADDITIONAL JOBS

EVERY 10
JOBS IN THE REST OF
THE ECONOMY

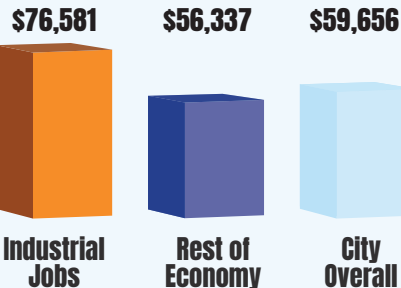


CREATES 4
ADDITIONAL JOBS

JOBS IN INDUSTRY

offer accessibility to multiple education levels, significantly higher wages, competitive benefits and opportunities for career advancement.

AVERAGE ANNUAL INCOME



Industrial jobs provide opportunities for equitable growth.

DULUTH'S INDUSTRIAL SECTOR

provided, supported and contributed:

9,538
INDUSTRIAL JOBS IN DULUTH

7,797
ADDITIONAL JOBS
IN THE COUNTY

\$5.9B
IN BUSINESS REVENUES

\$289M
IN STATE AND LOCAL TAXES

OF THE \$289M IN TAXES

\$150M
SUPPORTED THE CITY
OF DULUTH

in 2022

Adjusting to Post-COVID Realities

The pandemic has left a lasting impact on Duluth. Between 2019 and 2022, Duluth's industrial sector lost 332 jobs, with the temporary closure of the paper mill in West Duluth and the permanent closure of AAR's aircraft maintenance facility. These shifts impacted the rest of the economy, resulting in the loss of 395 additional jobs. Despite these changes, the total economic impact of the industrial sector rose to \$5.9 billion—representing over 70% of Duluth's \$8.1 billion economy.



How Does Duluth Compare?

Population Change

Duluth's population growth has been relatively flat compared to other similar metropolitan areas in Minnesota, falling short of the state's average of 2.4%.

Duluth	Mankato	Rochester	St. Cloud
1.0%	5.6%	4.6%	1.3%

Employment Growth

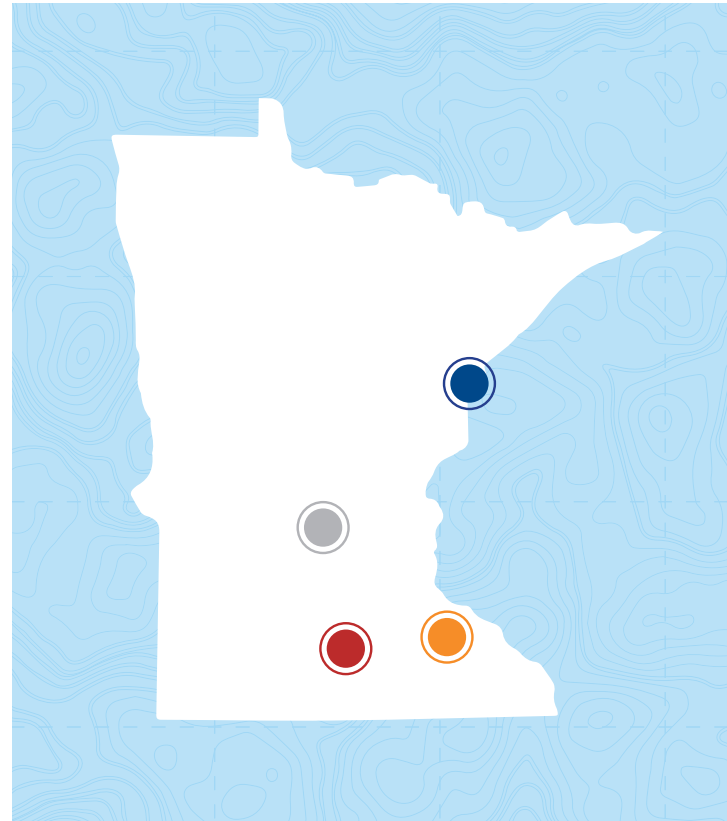
Duluth's employment growth shows its strengthening position as a regional center, but it hasn't matched the robust growth of peer cities. Minnesota's employment rate was 5.2%.

Duluth	Mankato	Rochester	St. Cloud
1.0%	5.4%	6.8%	-0.4%

GDP Growth

Duluth's GDP contracted significantly as a result of the pandemic and the shutdown of Northshore Mining for much of 2022, underscoring the importance of the region's natural resources-based economy. The state's GDP growth was 2.8%.

Duluth	Mankato	Rochester	St. Cloud
-2.3%	0.4%	2.8%	0.7%



Catalysts for Growth

Industrial progress spurs growth throughout Duluth's entire economy.

- 1 Prioritize Equitable Job Opportunities**
Supporting and growing the industrial sector in Duluth requires coordinated development strategies that recognize the importance of industry alongside other sectors of Duluth's economy.
- 2 Invest in High-Return Assets**
Duluth is fortunate to have many industrial assets. Targeted investment in high-return industrial assets will spur growth in both the industrial sector, and in turn, Duluth's overall economy.
- 3 Accelerate Industrial Growth**
While clusters occur organically and reflect the region's unique assets and competitive advantages, strategic interventions to address issues such as workforce development, support of entrepreneurs and zoning can accelerate cluster growth and maximize their impact.
- 4 Enact Policies that Support Business**
Policy is critical to a successful business environment, and implementing policies that support a thriving industrial economy will strengthen Duluth and the surrounding region. Competition to attract, retain and expand industrial projects in Duluth is high. Favorable local policies regarding land use, wastewater, utility rates and more can impact the industrial sector significantly.