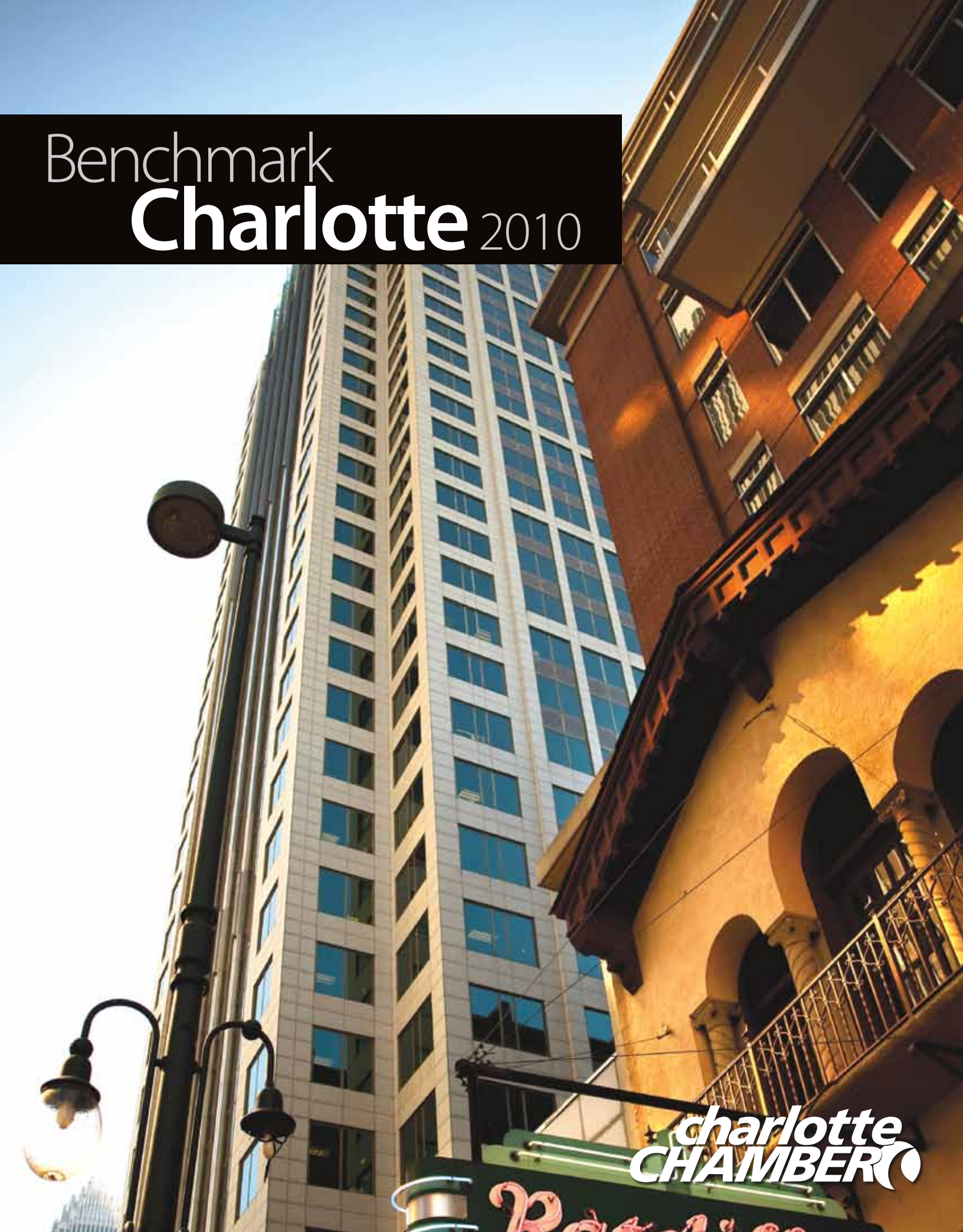


Benchmark **Charlotte** 2010

charlotte
CHAMBER





We are all glad to see that indicators are pointing toward a recovering economy. The sooner we can get back to thriving businesses the better for us all.

Last year we stayed home on our Inter City Visit and looked closely at not only what we have accomplished, but at some of the issues that still need to be addressed, as well. I think each participant walked away from the visit with a greater appreciation of Charlotte, its people and its opportunities.

Things have continued to progress at home throughout this recession. We have continued to add to our infrastructure in significant ways with a new airport runway, the Levine Culture Center and the NASCAR Hall of Fame completed. We have also recruited Electrolux, our largest corporate headquarters since 1982, and Siemens, our largest manufacturer since 1978. Additionally, we have maintained our status as the nation's second largest banking center.

Clearly Charlotte has gotten its swagger back. Now let's polish it a little.

As we study Boston on this Inter City Visit, this benchmark study can help each of you make educated comparisons among Boston, Charlotte and other selected communities. At the end of the trip, I trust each of you will come away with ideas to put in place that will add to the glow of our community.

I'd like to thank Hunton & Williams and PriceWaterhouseCoopers, LLP who made this study possible, and to each of you for being an active part of making Charlotte the best place to live and work.

A handwritten signature in black ink that reads "David Darnell". The signature is fluid and cursive.

David Darnell
Chair, Charlotte Chamber



The Charlotte Chamber creates competitive advantage by growing the economy, advocating pro-business public policies, and delivering innovative programs and services.

This is the third edition of Benchmark Charlotte. The purpose of this report is to provide decision makers in the public and private sectors with a quick, accessible, comparative overview of the Charlotte metropolitan area. Thirty indicators for eight metropolitan statistical areas (MSAs) have been assembled to reflect five broad areas of interest: Employment & Labor Force; Income & Productivity; Livability & Connectivity; New Economy; and Equity & Diversity. This year, we have made three changes to the report. First, we changed the metropolitan areas used for comparison. Second we have refined our indicators of Livability & Connectivity and Equity & Diversity. Third, we have included a Canadian metro area, our first venture “north of the border.” However, most indicators are the same as those used in last year’s report. The data used in these benchmarks are the most current available at the time of writing.

The methodology of the report is quite simple. Within each of the five categories, data are presented for several indicators. Each indicator is ranked from 1 to 7, with scores of 1 being the most desirable (Canadian data are not always directly comparable). When two or more MSAs have identical values for an indicator, they are considered tied and given identical rankings. Within each category, rankings are added together to produce a composite score for the category which are also ranked. The composite ranks for each category are then added together to produce a single, overall ranking of the metro areas.

The report begins with the overall rankings and then details all the individual indicators in each of the five categories. In addition to raw data and rankings, each indicator is accompanied by a brief narrative describing the rationale for its inclusion and a brief analysis of the results. Data sources and notes about the rankings are located on page 21.

The Charlotte-Gastonia-Concord NC, SC MSA is compared to seven other MSAs: Atlanta-Sandy Springs-Marietta GA; Austin-Round Rock TX; Boston-Cambridge-Quincy, MA-NH; Chicago-Naperville-Joliet, IL-IN-WI; Seattle-Tacoma-Bellevue, WA; Tampa-St. Petersburg-Clearwater FL; and Vancouver, British Columbia. MSA data correspond to the 2007 definitions as reported by the Office of Management and Budget. For the sake of brevity, in both the tables and the text, each metro area is referred to by the name of its principal city.

When reading the report, you are encouraged to consider the following:

- (1) Indicators have been selected for their relevance, currency and breadth of description. However, the choice of indicators directly impacts the rankings that follow. A different set of indicators would, no doubt, produce different overall scores and ranks;
- (2) Simple rankings do not account for the numerical distance between metro area indicators. Whether the difference between the top and bottom metro area is large or small makes no difference in the rankings. All indicators are ranked 1 through 7, but the observed values of some indicators are clustered closely together; the ranking method does not take into account clustering or spread in the data. Consequently, you are encouraged to examine both the data and ranks when evaluating the indicators. Where appropriate, rankings for Vancouver are shown in parentheses indicating where it would have ranked if compared to all other metros. However, because of data incompatibilities, there are no overall ranks for Vancouver;
- (3) Some metro areas in this report are much larger than others. The Charlotte MSA has an estimated 2009 population of just over 1.7 million. However, MSA populations range from a low of 1.6 million in Austin to 9.6 million in Chicago. Although we refer to the areas by the name of their principal city, the indicators reflect metro-wide measurements. In every case, there will be substantial variation within each metro area that is not examined here;
- (4) In general, we take a decidedly long term look at metro indicators with data covering 2000-2009 – a period of rapid expansion “bookended” by recessions. For readers concerned with the short term health of our region, we encourage you to examine Charlotte’s Business Growth Index which provides a near-term assessment of Charlotte’s economy (see www.charlottechamber.com);
- (5) In many ways, the regions presented here represent the cream of the American metropolitan crop. Whether they are ranked high or low, they typically perform better than the U.S. average. Each is among the nation’s most exciting and desirable places to live and do business.

We hope you find Benchmark Charlotte 2010 to be both educational and thought-provoking. We welcome your feedback as we consider refinements for future editions.

*Harrison S. Campbell, Jr., Associate Professor of Geography
University of North Carolina at Charlotte,
May 2010*

Metropolitan Area Population			
Metro Area	Population 2009 (Mil.)	Annual Growth Rate 2000-09	Metro Area
Charlotte	1.721	3.3%	Charlotte-Gastonia-Concord, NC-SC
Atlanta	5.494	3.3%	Atlanta-Sandy Springs-Marietta, GA
Austin	1.660	3.6%	Austin-Round Rock, TX
Boston	4.496	0.3%	Boston-Cambridge-Quincy, MA-NH
Chicago	9.602	0.6%	Chicago-Naperville-Joliet, IL-IN-WI
Seattle	3.382	1.2%	Seattle-Tacoma-Bellevue, WA
Tampa	2.785	1.8%	Tampa-St. Petersburg-Clearwater, FL
Vancouver*	2.327	1.6%	Vancouver, BC Census Metro Area

Source: Claritas Pop Facts *Vancouver annual growth rate 2004-09.



OVERALL
SUMMARY



	Charlotte	Atlanta	Austin	Boston	Chicago	Seattle	Tampa	Vancouver
Overall Ranks	2	4	1	5	7	3	6	NA
Employment & Workforce	3	3	1	5	7	2	6	NA
Income & Productivity	1	4	4	6	3	2	7	NA
Livability & Connectivity	1	5	2	6	7	4	3	NA
New Economy	3	2	1	4	6	5	7	NA
Equity & Diversity	4	5	3	2	7	1	6	NA

Summary of Composite Rankings: Overall rankings reflect each region's performance in each of the five categories. While most regions were ranked highly in some categories and low in others, a few regions (e.g. Austin) consistently ranked high. In general, technology-rich areas also hosting the state capitol tended to receive high marks for Employment & Labor Force, New Economy, and Equity & Diversity measures, while scoring lower in the areas of Income & Productivity and Livability & Connectivity, though there is significant variation within some of these broad categories.

Overall, Charlotte ranked second among the seven ranked metro areas with considerable strength in the categories of Income & Productivity and Livability & Connectivity. This was especially true of measures that reflect change over the 2000-2009 period. Likewise, though Charlotte scored moderately in the categories of Employment & Labor Force and New Economy, it scored high on individual components measuring change. Thus, most of Charlotte's indicators continue to move in the right direction. However, there are specific indicators that might warrant the attention of the region's leadership and policy makers. Educational



attainment in Charlotte, relative to its competitors, has been and will continue to be a top priority in the region. Charlotte ranked sixth in its proportion adults with at least a college education and seventh in its proportion of population with graduate degrees. More immediately, however, recent turmoil in the housing and banking sectors, coupled with a sizable manufacturing presence in the region, has pushed the area's unemployment rate higher than many of its competitors. While there are areas of concern raised in these comparisons, Charlotte's regional economy is comparatively healthy.



EMPLOYMENT & **WORKFORCE**

Overview: Employment and labor force growth are two salient indicators of regional economic health. Employment growth reflects both demand for workers and the success of local business, while labor force growth indicates the extent to which area population responds to changing labor market conditions. Based on the data below, Charlotte ranked tied for third overall, mostly due to its relatively high unemployment rate and its somewhat lower proportion of workforce members with a college education.

Average Annual Job Growth: Average annual job growth is measured over the 2000-2009 period. While we might expect larger metro areas to add more jobs over the nine years, such was not the case during this

period. Charlotte's annual job growth of 4,573 placed it second behind Austin among U.S. metros, though Vancouver clearly topped the list. This period of time has been a particularly difficult one. First the resilience of all regional economies was tested during the "jobless recovery" from the 2001 recession, and then, more recently, as the more severe current recession set in. Of course, the pace of job growth in 2009 has been less than robust and next year's report will reveal just how each region responded to these challenging conditions.

Job Growth Rate: The job growth rate is an annualized job growth percentage that controls the size of the job base. While Charlotte ranked second with jobs growing at an average annual rate of 0.6 percent per year, some of the bigger metros with larger job bases (Boston and Chicago) did not fair as well. Only Vancouver registered an annual job growth rate in excess of two percent over the period.

Unemployment Rate: The most current of all indicators shown is the unemployment rate for March 2010. It is clear from all the data in the table that the current recession spanning 2008-09 has impacted every region shown. Even as job growth began to resume in early 2010, it will take some time for the unemployment rate fall noticeably. Especially hard hit have been regional economies with large manufacturing bases, unbalanced housing markets and, of course, financial institutions. Charlotte's unemployment rate of 11.9 percent ranked sixth, closely surrounded by Chicago and Tampa (ranked fifth and seventh respectively). Metro areas with the lowest unemployment rate were Austin, Boston and Vancouver.

Labor Force Growth: As the most basic measure of labor supply, growth in the labor force is an extremely important factor when gauging overall economic health. This is especially true when viewed in concert with overall job growth. With its labor force growing 3.3 percent annually Charlotte tied for second with Atlanta in overall labor force growth, behind Austin. While overall job growth is always a positive indicator, it is important for labor supply to keep pace. Labor force growth is also an important consideration to new, expanding and relocating firms who



need to know that sufficient supplies of labor are available to their firms. In spite of its relative high unemployment rate, labor force growth suggests that the Charlotte region is still viewed as a desirable place for workers.

College Educated Workforce: The availability of skilled labor has become among the most important location factors facing firms. The table shows the percentage of area labor force with a college education or higher in 2009. Typical of regions with several research universities and/or host their state's capitol, Boston and Austin have high levels of educational attainment with more than 40 percent of their labor force having at least a Bachelor's degree. Charlotte, ranking sixth with 34.8 percent of its labor force having a college education, is ahead of only Tampa. Although Charlotte's labor force is more educated than the U.S. average, staying competitive will require ever-increasing skills from its workforce.

	Charlotte	Atlanta	Austin	Boston	Chicago	Seattle	Tampa	Vancouver
Overall Rank	3	3	1	5	7	2	6	(2)
Ave. Annual Job Growth 2000-08 (Jobs)	4,537	-632	9,267	-15,092	-32,454	1,765	-3,199	21,333
Rank	2	4	1	6	7	3	5	(1)
Job Growth Ave. Ann. 2000-09 (%)	0.6	0.0	1.4	-0.6	-0.7	0.1	-0.3	2.1
Rank	2	4	1	6	7	3	5	(1)
Unemployment Rate (March 2010) (%)	11.9	10.4	7.1	8.3	11.3	9.0	12.7	7.85
Rank	6	4	1	2	5	3	7	(2)
Labor Force Growth 2000-09 (Ann. Ave. %)	3.3	3.3	3.8	0.5	0.9	1.5	2.0	2.4
Rank	2	2	1	7	6	5	4	(4)
Labor Force w/ College+ 2009 (%)	34.8	36.9	42.0	45.8	36.8	40.6	32.3	36.6
Rank	6	4	2	1	5	3	7	(6)

*See data notes for further details.



INCOME & PRODUCTIVITY

Overview: The Charlotte region ranks high in Income & Productivity. These measures are included together because higher incomes are associated with greater productivity. Generally, regions with higher household incomes faced slightly slower rates of income growth. Regional productivity was related to each region's specific mix of industries.

Personal Income Growth: Growth in aggregate personal income relates closely to a region's growth in high wage sectors as well growth in other sources of income. Growing 5.7 percent annually from 2000-2009,

Charlotte tied for first with Austin among U.S. metros. Only Vancouver experienced a higher growth rate at 7.9 percent. With the Consumer Price Index increasing by 2.7 percent annually, real incomes in Boston and Chicago were relatively flat.

Median Household Income: In 2009, the highest median household incomes were found in some of the larger metros areas including Boston, Seattle, Vancouver and Chicago. Charlotte, with a median household income of \$54,037 ranked sixth. On one hand, median household income is a good measure of well-being for the typical household in the region. It also provides firms with a sense of purchasing power among local residents. An important feature of this measure is that it is not skewed by the presence of a few very wealthy households. On the other hand, these figures do not account for differences in the cost of living (see Livability &

	Charlotte	Atlanta	Austin	Boston	Chicago	Seattle	Tampa	Vancouver
Overall Rank	1	4	4	6	3	2	7	(3)
Personal Income Growth 2000-09 (Annual %)	5.7	5.1	5.7	3.3	2.6	4.2	4.9	7.9
Rank	1	3	1	6	7	5	4	(1)
Median Household Income 2009 (\$)	\$54,037	\$58,312	\$56,899	\$68,620	\$59,988	\$63,787	\$47,008	\$60,611
Rank	6	4	5	1	3	2	7	(3)
Ave. Monthly Wage 2009* (\$)	\$4,207	\$3,883	\$4,078	\$4,045	\$4,515	\$4,388	\$3,544	\$3,175
Rank	3	6	4	5	1	2	7	(8)
Annual Wage Growth 2000-09* (%)	3.3	1.7	1.3	1.0	2.5	2.2	3.6	2.9
Rank	2	5	6	7	3	4	1	(3)
Annual GDP Growth 2001-08** (%)	6.6	6.1	5.8	4.5	4.3	7.1	4.7	6.9
Rank	2	3	4	6	7	1	5	(2)
GDP Per Worker 2008** (\$)	\$106,477	\$83,392	\$75,256	\$94,465	\$90,124	\$94,854	\$70,116	\$85,525
Rank	1	5	6	3	4	2	7	(5)

*See data notes for further details.

Connectivity for more on this subject) and are only a general indicator of household wealth.

Average Monthly Wage: To a large extent, average monthly wages reflect the region's mix of industries. Obviously, regions that specialize in high-wage, high growth sectors will typically have high wages overall. In 2009, Charlotte ranked third in average wage behind Chicago and Seattle. At \$4,207, Charlotte's average monthly wage was about seven percent below top ranked Chicago and 20 percent higher than last ranking Tampa, a regional economy with fewer high-end service professionals.

Wage Growth: Just as important as the average wage is its annual growth rate. Strong growth numbers indicate that the region is upgrading the composition of its job base. From 2000-2009 Charlotte experienced a 3.3 annual percent increase in wages (ranked second). Interestingly, while Tampa had the lowest average wage, they experienced the fastest wage growth over the nine-year period. It is generally accepted that strong wage growth is a reflection of increasing rates of productivity.

Metro GDP Growth: The gross domestic product of a metro area is a broad measure of the value of goods and services produced in the region. High rates of growth in this measure indicate the region is producing goods and services that are in demand. During the 2001-2008 period (the most recent period for which data are available) Charlotte's annual GDP growth of 6.6 percent ranked second behind Seattle's remarkable pace of 7.1 percent per year.

Metro GDP per Worker: Perhaps the most direct measure of productivity is the value of goods and services produced by the region's typical worker. Producing \$106,477 worth of output, the average worker in Charlotte far and away produced more goods and services than any of the comparison areas. Once again, to a large extent this measure reflects

the specific mix of industries in the region. Manufacturing and various "producer services" (e.g. banking, legal services, management consulting along with utilities/energy) are well known for high levels of output per worker. Closely clustered are Austin, Boston and Seattle. On the other hand, though it has sizable finance, insurance and information sectors, but with little manufacturing Tampa's GDP per worker ranked seventh.





LIVABILITY & **CONNECTIVITY**

Overview: Quality of life has become an important factor affecting a region's ability to attract investment, create and hold quality employees, and sustain overall levels of growth. As firms and workers become more mobile and less tied to traditional location factors, a region's ability to thrive depends more heavily on its quality of life. Part of that quality relates to its affordability; part of it relates to the ease with which workers can commute and physically connect to other parts of the world. Overall, Charlotte ranked first in Livability & Connectivity for reasons discussed later.

Newcomers: People vote with their feet. Whether because of jobs, reuniting with family, or natural and cultural amenities, we move to regions that best satisfy our quality of life requirements. In fact, population growth is among the best indicators of a region's desirability and the volume of newcomers best demonstrates that. The table shows the percentage of population in 2008 that moved to each region the year before. Austin and Charlotte (ranked first and second) clearly stand out as desirable destination regions with newcomers accounting for 7.7 and 6 percent of their population, respectively, in a single year. Atlanta, Boston and Seattle are closely grouped between 4 and 4.5 percent, while newcomers account for only about 2.6 percent of Chicago and Tampa population.

Housing Affordability: The index of affordability relates the median home price to median household income in each metro area. The



	Charlotte	Atlanta	Austin	Boston	Chicago	Seattle	Tampa	Vancouver
Overall Rank	1	5	2	6	7	4	3	
Newcomers 2008 (%)	6.0	4.5	7.7	4.2	2.6	4.1	2.6	3.4
Rank	2	3	1	4	6	5	6	(6)
Housing Affordability Index, 2009	2.97	2.91	3.02	5.10	3.91	5.40	3.42	7.58
Rank	2	1	3	6	5	7	4	(8)
Housing Permit Change, 2006-09 (%)	-71.8	-90.5	-66.4	-60.7	-86.8	-70.9	-69.0	-52.5
Rank	5	7	2	1	6	4	3	(1)
Ave. Commute Time 2009 (Min.)	29	34	29	31	34	30	28	NA
Rank	2	6	2	5	6	4	1	
Air Passengers per Capita 2009	18.8	14.2	5.1	5.7	7.5	8.5	6.2	5.9
Rank	1	2	7	6	4	3	5	(6)
On-Time Arrivals 2009 (%)	80.1	72.6	80.5	76.9	80.3	82.2	81.3	NA
Rank	5	7	3	6	4	1	2	

*See data notes for further details.

lower the index, the more affordable is the typical home to the typical household. The most affordable housing market in 2009 was Atlanta where the typical home value was 2.91 times higher than median household income; Charlotte ranked second at 2.97. Housing affordability has long been a problem in large, densely settled metro areas where land is scarce which helps explain why the median home price Boston and Seattle are more than five times the median household income.

Housing Permit Growth: The housing slump which began in August 2007 has affected most every housing market in the country. Even when measured annually from 2006-2009, the number of housing permits issued in every comparison metro area declined. Some markets suffered more than others — usually when new housing supply far out-stripped the pace of demand. This was especially true in Atlanta and Chicago where the number of new housing permits fell by more than 86 percent. Despite our relatively high unemployment rate over the past two years, Charlotte ranked fifth with housing permits declining by 72 percent since the peak of the housing boom. While trends in 2010 have slowly begun to reverse, it has been recently





reported that home prices, and the housing market generally, held up better (declined more slowly) in Charlotte than most metro areas.

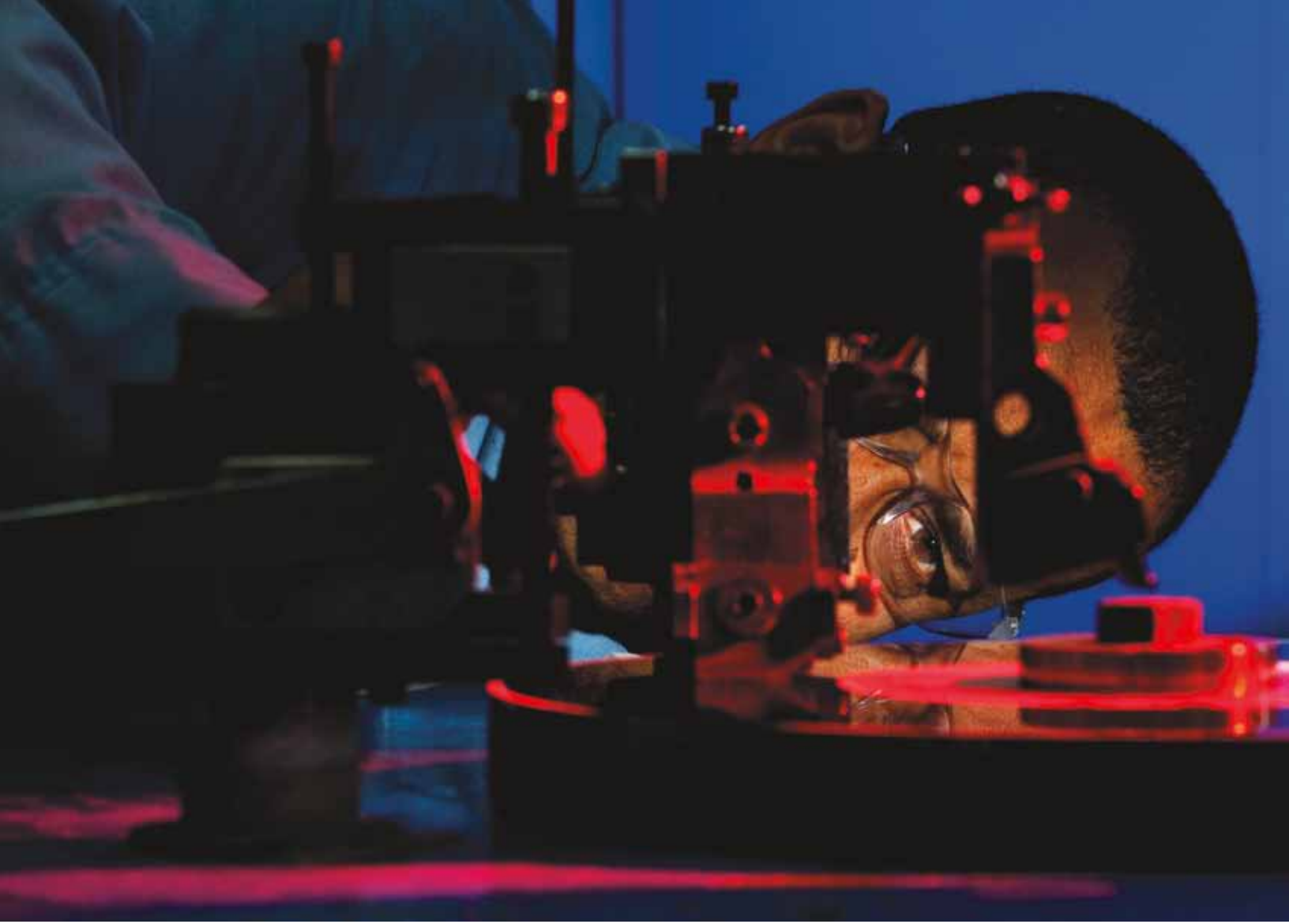
Average Commute Time: Other things equal, most workers prefer shorter commutes to work. When added up over all commuters, just a few minutes difference in average commuting time can amount to nearly a week's time lost in traffic. Just five minutes difference in a one-way commute can up to 50 hours per year. Across all urban areas, the Texas Transportation Institute estimates that the average worker lost about 38 hours due to congestion in 2005. In San Francisco, commuters lost up to 72 hours. Thus, commuting time is an important quality of life factor. In 2009, commuters in Tampa faced the shortest average commute (28 minutes) followed closely by Austin and Charlotte (29 minutes). The longest average commutes were in Atlanta and Chicago (34 minutes).

Air Passengers per Capita: The number of air passengers (origins plus destinations) passing through regional airports is one measure of the volume of air travel and level of access each region has to air transportation. Controlling for population size, air passengers per capita is a rough indicator of a region's access to air travel and connectivity to the rest of the world. While many of the nation's largest airports are also large in relation to regional population (Atlanta ranked second),

Charlotte's residents had the greatest access to air transport of all metros studied. On a per capita basis, Charlotte residents enjoyed more than 3.5 times more access to air travel than seventh ranking Austin. In fact, most other metro areas have only a fraction of the connectivity offered in the top two areas studied.

On-Time Arrivals: Access to air transport is great but frequent late arrivals are not only aggravating, they are inefficient. The Bureau of Transportation Statistics publishes data on the percent of flights that arrive on time which can be critical for the business traveler and those making connecting flights. In 2009, Seattle ranked first in the percentage of flights arriving on time (82 percent) while approximately three-fourths of flights arrived on-time in Atlanta and Boston. However, all the top five on-time rates range between 80 and 82 percent. With 80.1 percent of flights arriving on time, Charlotte ranked fifth.





NEW ECONOMY

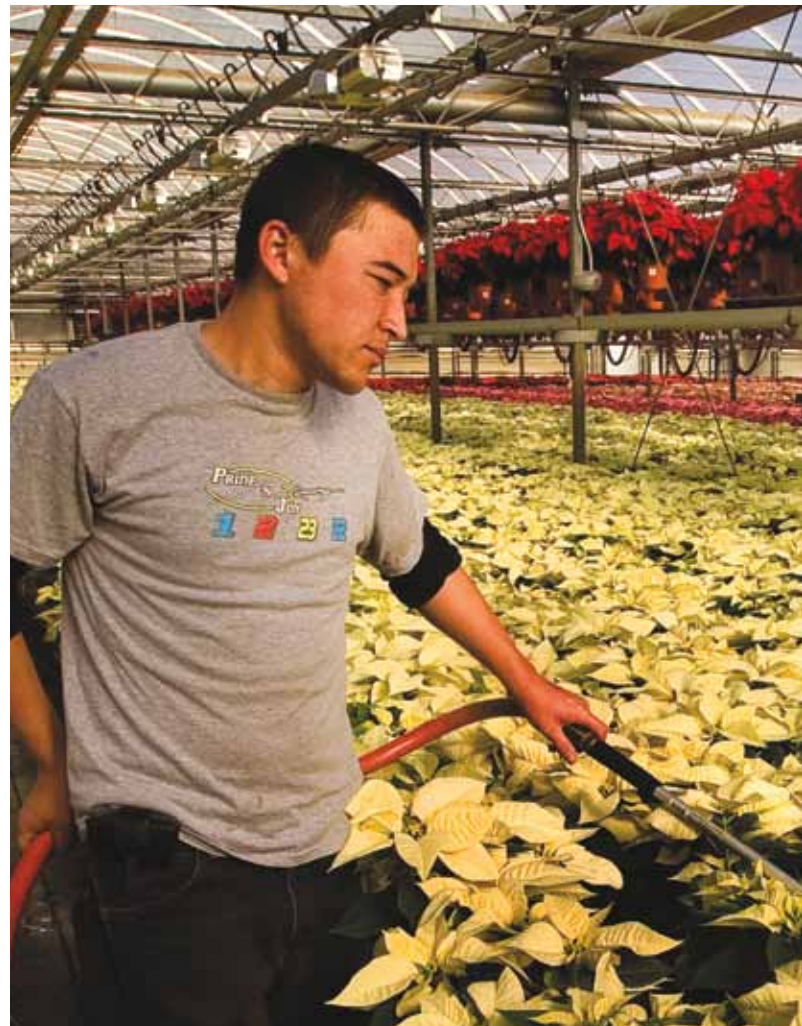
Overview: New Economy activities include those that are primarily geared toward innovation, knowledge-intensive business services and high end, value-added pursuits. Much has been made of the general shift away from manufacturing and toward services. However, “services” are extremely heterogeneous, spanning the spectrum from low skill/low wage to high skill/high wage activities. Many scholars believe that an important characteristic of New Economy activities and functions is their flexibility and adaptability. Thus, regional economies with large endowments of, and the ability to attract, talented New Economy workers are thought to be better positioned to adapt to ever-changing economic conditions. This set of indicators is best viewed in light of Livability & Connectivity measures.

	Charlotte	Atlanta	Austin	Boston	Chicago	Seattle	Tampa	Vancouver
Overall Rank	3	2	1	4	6	5	7	
Population Age 25-39, 2009 (%)	21.7	22.3	24.0	19.9	20.8	21.4	18.7	22.9
Rank	3	2	1	6	5	4	7	(2)
Creative Workers 2009 (% of Labor Force)	7.2	8.2	12.5	11.2	7.5	10.5	6.4	NA
Rank	6	4	1	2	5	3	7	
Creative Worker Growth 2000-09 (Ann. %)	4.1	3.1	3.7	0.4	1.0	1.5	2.3	NA
Rank	1	3	2	7	6	5	4	
Power Brokers 2009 (% of Labor Force)	16.4	17.3	17.3	17.9	15.6	16.0	14.4	NA
Rank	4	2	2	1	6	5	7	
Power Broker Growth 2000-09 (Ann. %)	4.1	3.3	4.2	0.5	1.1	1.5	2.3	NA
Rank	2	3	1	7	6	5	3	
Self-Employed 2009 (% of Labor Force)	3.3	3.8	2.5	2.7	3.4	3.0	4.4	5.0
Rank	4	2	7	6	3	5	1	(1)
Graduate Degrees 2009 (% of Labor Force)	9.6	11.9	13.9	19.0	13.5	13.2	10.9	13.3
Rank	7	5	2	1	3	4	6	(4)

*See data notes for further details.

Population Age 25-39: Younger working cohorts are at the core of the New Economy. While not all 25-39 year olds are part of the information economy, they are thought to be an important component of creative productivity. They are among the most educated and mobile of all cohorts and, to a large degree, are responsible for innovation and identifying new market niches. As one of the technology-producing regions of the world with a large research university, it comes as no surprise that in 2009 Austin ranked first in the proportion of its population between 25 and 39 years old (24.0 percent). Similarly, Vancouver (22.9 percent) and Atlanta (22.3 percent) also ranked high. Charlotte, with 21.7 percent of its population between 25 and 39, ranked third. States and regions known for attracting retirees (e.g. Florida) tend to rank low on this measure.

Creative Workers: We define creative workers as the proportion of the labor force in a select set of occupations: Computer and Mathematical occupations; Architecture and Engineering occupations; Life, Physical and Social Science occupations; and Art, Design and Entertainment occupations. Many of these Creative Workers are relatively young and well-educated. In 2009, Austin topped the list with 12.5 percent of its labor force holding these creative occupations. Creative Workers represent 11.2 percent of labor force in Boston closely followed by Seattle (10.5 percent). With fewer bio-tech, pharmaceutical, systems integration or software development firms, the number of Creative Workers in the Charlotte area is relatively low. With only 7.2 percent of its labor force in these occupations, Charlotte ranked sixth in this category, though this might change dramatically as the North Carolina Research Campus continues to develop.



Creative Worker Growth: While Charlotte's endowment of Creative Workers is relatively low, it has been very successful in attracting more of them. Overall, Charlotte ranked first in Creative Worker growth from 2000-2009. Growing at annual rate of 4.1 percent, Charlotte's Creative Workers are growing noticeable faster than Tampa, Boston or even Seattle. Smaller, technology-rich regions like Austin continue to add substantial numbers of Creative Workers.

Power Brokers: Power Brokers are typically high-level workers who process and manage information within their organizations. They may, or may not, be "creative" in the New Economy sense, but they facilitate creative activities and are responsible for allocating resources and "getting things done." Power Brokers consist of those who specialize in Managerial; Business Operations; Financial Specialties and Legal occupations. This measure reflects the proportion of the regional labor force that holds Power occupations in 2009. Once again, we note that many capable regions are those with high concentrations of Power Brokers: Boston topped the list while Atlanta and Austin tied for second. Charlotte, with its substantial financial sector ranked fourth with 16.4 percent of its labor force in Power Broker occupations. Overall, however, the proportion of Power Broker is similar across the regions.





Power Broker Growth: Perhaps because of its sizable growth in financial services, growth in the number of Power Brokers ranked second in Charlotte, growing 4.1 percent annually from 2000-2009. Only Austin attracted Power Brokers at a faster rate (4.2 percent). Power Broker growth was slowest in Seattle, Chicago and Boston.

Self-Employed: The proportion of the labor force that is self-employed is one measure of entrepreneurship and, thus, risk-taking. It also (inversely) reflects the extent to which the job market is dominated by large firms. Past research has shown that many innovative practices and entrepreneurial activities come from those self-employed pioneers. This year, Tampa ranked first in self-employment at 4.4 percent, bested only by Vancouver with 5.0 percent of its labor force self-employed. More dominated by larger firms, self-employment in Charlotte ranked fourth with 3.3 percent. A quick look at the table shows that many metros were closely clustered around 3 percent on this measure; less than one percentage point separated Charlotte from seventh-ranked Austin in 2009.

Graduate Degree Workers: Perhaps the best measure of knowledge-based activity is the proportion of the labor force that holds a graduate degree (Master's, Professional, and Doctorate). Clearly, regions with substantial education sectors will score high on this measure. Within 50 miles of downtown Boston is one of the highest densities of higher

education institutions in the world. Regions hosting state capitols will also score high as state government agencies are major employers of the highly educated. All these factors help explain why Boston and Austin ranked first and second with 19.0 percent and 13.9 percent of their labor force holding advanced degrees. Only 9.6 percent of Charlotte's labor force holds a graduate degree, which ranks Charlotte seventh among the nine regions.





EQUITY & DIVERSITY

Overview: Recently, scholars have shown that metro areas with greater equity and diversity have tended to grow more quickly than those with less social, economic and geographic equity. The issues are thorny, but policy makers are paying more attention to matters of “who gets what” and how it affects growth and quality of life. This year’s benchmark report presents a refinement of our equity and diversity measures, directly addressing demographic diversity and geographic equity while maintaining our focus on gender and economic equity. These measures are best considered in relation to New Economy indicators.

Female Labor Participation: Labor force participation refers to the proportion of the population age 16+ who are actively participating in the labor force, whether they are employed or unemployed and actively seeking work. Women’s participation in the labor market reflects a great

many factors but in any labor market women represent a sizable portion of available labor; their participation in the labor market is an important component of labor supply. As shown in the table, 2009 female labor force participation tends to be high where job growth is strong and wages are growing. Austin, ranking first with a female participation rate of 64.5 percent and Charlotte ranking second with a rate of 63.7 percent, clearly fit this pattern. Demographically older populations like those found in Boston, Chicago and Tampa ranked fifth, sixth and seventh.

Female/Male Wage Ratio: This measure compares women's average monthly wage to those of men. It does not make a "job-for-job" comparison. There are many reasons why the wages of men and women might differ including years of education and work experience, industry or occupation of employment, full-time vs. part-time status, etc. However, in 2009, it is notable that women in Boston and Tampa (ranked first and second) had higher earnings relative to men than women in Charlotte or Chicago (both ranked sixth). To some extent, these patterns are related to the prevalence of part-time work where there are literally no gender-based differences in wages. Thus, regional economies with relatively large retail sectors, for example, are apt to score high on this measure. Conversely, regions with a higher proportion of full-time workers will not score so well, which might explain the patterns found in Charlotte and Chicago.

Poverty Rate: The overall poverty rate reflects the extent to which parts of the resident population do not share in the region's wealth and prosperity. There are many reasons to be concerned about poverty and higher poverty rates are clearly less desirable than lower rates. This is good news for every region in the study. In 2008, the U.S. poverty rate was 13.2



percent and only Tampa and Austin were even close to this rate with 12.6 percent and 12.8 percent, respectively. Charlotte ranked third on this measure, with an overall poverty rate of 11.3 percent in 2008. Poverty rates were lowest in Boston and Seattle at 9.2 and 9.3 percent, respectively.

Interest Income per Capita: Despite a struggling stock market, income from interest, dividends and rent is still an important source of personal income across the nation. Previous research has shown that regions with large quantities of income from these sources tend to grow faster than

	Charlotte	Atlanta	Austin	Boston	Chicago	Seattle	Tampa	Vancouver
Overall Rank	4	5	3	2	7	1	6	
Femal Labor Force Participation, 2009 (%)	63.7	63.2	64.5	61.6	59.5	62.4	54.0	61.9
Rank	2	3	1	5	6	4	7	(5)
Female-Male Wage Ratio, 2009	0.59	0.65	0.66	0.76	0.59	0.64	0.67	0.65
Rank	6	4	3	1	6	5	2	(4)
Poverty Rate, 2008	11.3	11.7	12.8	9.2	11.8	9.3	12.6	NA
Rank	3	4	7	1	5	2	6	
Interest Income per Capita 2009 (\$)	\$1,442	\$1,353	1,684	\$2,310	\$1,791	\$2,310	\$2,106	NA
Rank	6	7	5	1	4	2	3	
Diversity Index, 2009	54.4	62.6	73.3	41.7	71.2	49.3	53.0	NA
Rank	4	3	1	7	2	6	5	
City-Suburb per Capita Income Ratio 2009	1.15	1.14	0.96	0.81	0.78	1.16	0.99	1.20
Rank	2	3	5	6	7	1	4	(1)

*See data notes for further details.

those without. Thus, diverse income sources measured by high levels of interest income per capita are generally more desirable. In many ways, this income source reflects the presence of somewhat older, affluent individuals with the means to invest in the stock market and other assets. In 2009, this description appears to fit the experience of Boston and Tampa (ranked first and third). Conversely, regions with younger populations who earn more of their income from wages tend to have lower levels of interest income which appears to be the case in Austin, Charlotte and Atlanta (ranking fifth, sixth and seventh).

Racial and Ethnic Diversity: It is no secret that the U.S. is getting more demographically diverse every day. Less well-known is the fact more integrated and more racially and ethnically diverse metro areas also tend to grow faster than more homogeneous regions. Whether cause or effect, the correlations are undeniable and many younger, Creative Workers purposely seek diversity in choosing places to live and work. Thus, greater demographic diversity has become a desirable characteristic. We directly address this issue through the inclusion of a Diversity Index. The Diversity Index measures the likelihood that two people, chosen at random from the same area, belong to different racial or ethnic groups. The index ranges from 0 (i.e. a completely homogeneous population) to 100 (i.e. everyone in a region is of a different race/ethnicity). In 2009, the Diversity Index among comparison metro areas ranged from 73.3 in Austin (ranked first) to 41.7 in Boston (ranked seventh). Chicago and Atlanta, with index values of 71.2 and 62.6 ranked second and third, while Charlotte ranked fourth with an index of 54.4.

City-Suburb Per Capita Income Ratio: Diversity and equity are not just social and economic considerations. Equally important to the economic health of metro areas is geographic equity — that is, similarities in the economic and social well-being of residents regardless of where they live in the metro area. For decades, poverty, for example, was considered a problem of the central city while wealth was associated with suburban prosperity. However, cities and suburbs are intimately connected through economic development and the workings of the labor market. Several research papers have demonstrated that the economic health and performance of cities and their suburbs are closely connected; furthermore, the correlation between the two has grown stronger over time. In short, cities and suburbs are interdependent and suburbs that surround healthy cities are more likely to be healthy too, thus producing healthy metro areas. To measure this relationship, we present the ratio of city-to-suburb per capita income in 2009. In this case, per capita income ratios well below 1.00 indicate that cities are less affluent relative to their suburbs which correlate with lower levels of equity and lower levels of long-term metropolitan growth. In general, city-suburb income levels are in line with each other which is good news for areas presented. Seattle and Charlotte, with city-suburb ratios of 1.16 and 1.15 top the list, ranked first and second, closely followed by Atlanta at 1.14. Some of the larger metros (Boston and Chicago) are also the most geographically more inequitable with city-suburb income ratios of 0.81 and 0.78, respectively. Though not ranked, Vancouver with its city-suburb income ration of 1.20 appears to be the most geographically equitable metro of those studied.



EMPLOYMENT & WORKFORCE

Job growth 2000-2009, www.bls.gov/data/#employment and Statistics Canada. Table 282-0056

Unemployment Rate, March 2010, Bureau of Labor Statistics, www.bls.gov/news.release/metro.t01.htm and Statistics Canada. Table 282-0056.

Labor Force Growth and Educational Attainment, Claritas Pop-Facts, 2000-2009 and Environics, 2004-2009

INCOME & PRODUCTIVITY

Personal Income Growth, 2000-2009, Claritas Pop-Facts and Environics 2004-2009

Median Household Income, 2009, Claritas Pop-Facts and Environics 2004-2009.

Metro GDP Growth 2001-2008 and GDP per Worker 2008: BEA; Vancouver 2007 Canadian dollars, not adjusted for exchange rates; covers all of British Columbia, see BCStats at www.bcstats.gov.bc.ca/DATA/bus_stat/bcea/tab1.asp

Monthly Wages and Wage Growth, Annualized, U.S. Census, <http://lehd.did.census.gov/led/datatools/qwiapp.html>

Boston data from BLS Quarterly Census of Employment and Wages (QCEW), see <http://data.bls.gov/cgi-bin/dsr>

Vancouver Data, 2000-07 from Statistics Canada. Table 202-0101

LIVABILITY & CONNECTIVITY

Newcomers, 2008: 2008 American Community Survey, Table B07201. Vancouver: Census Canada, 2006, Community Profile.

Housing Affordability Index: Ratio of median home value to median household income, Claritas Pop-Facts, 2009 and Census Canada, 2006, Community Profile.

Housing permits 2006-09, U.S. Census, www.census.gov/const/C40/Table3/t3yu200912.txt and BC Stats, Quarterly Regional Statistics: www.ncstats.gov.bc

Average Commuting data from Claritas Pop-Facts, 2009

Air travel data from Bureau of Transportation Statistics. See www.transtats.bts.gov/airports.asp?pn=1

and Vancouver International Airport (YVR) see www.yvr.ca/Libraries/Maps/February_2010_Passenger_1.sflb.aspx

Note: Data for Boston includes both Logan and Manchester NH; Chicago data include both O'Hare and Midway.

NEW ECONOMY

Claritas Pop-Facts, 2009

Creative Workers: Computer & Mathematical; Architecture & Engineering; Life, Physical & Social Science; Life, Physical & Social Science; Arts, Design, Entertainment Occupations as percent of labor force.

Power Brokers: Managerial, Business Operations, Financial Specialties; Legal Occupations as percent of labor force.

Graduate Degree holders: Claritas Pop-Facts, 2009 and BCStats, 2006 Census Profile. Measured as percent of labor force holding (Master's, Professional, and Doctorate degrees)



EQUITY & DIVERSITY

Claritas Pop-Facts, 2009, unless otherwise noted.

Female Labor Force Participation Rate: Percentage of women age 16+ in labor force

Wage ratio from US Census Local Employment Dynamics, 2009 see <http://lehd.did.census.gov/led/datatools/qwiapp.html> Statistics Canada. CANSIM, Table 202-0101, 2007

Boston data unavailable; table reports wage ratio for Massachusetts, 2008; data from BLS: www.bls.gov/cps/cpswom2008.pdf

Poverty Status, US Census, 2008 American Community Survey, 2008, Table B17001

Diversity Index: ESRI.

City-Suburb per Capita Income Ratio: Author calculations based on Claritas Pop-Facts and Environics, 2009.

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Gleaser, E. and J. Shapiro (2003). *City Growth: Which Places Grew and Why*, in *Redefining Urban and Suburban America*, B. Katz and R. Lang Eds., Washington, DC: Brookings Institution Press, pp. 13-32.

Gottlieb, P. (2000) *The Effects of Poverty on Metropolitan Area Economic Performance*, in *Urban- Suburban Interdependencies*, R. Greenstein and W. Wiewel, Eds., Cambridge: The Lincoln Institute of Land Policy, pp. 21-48.

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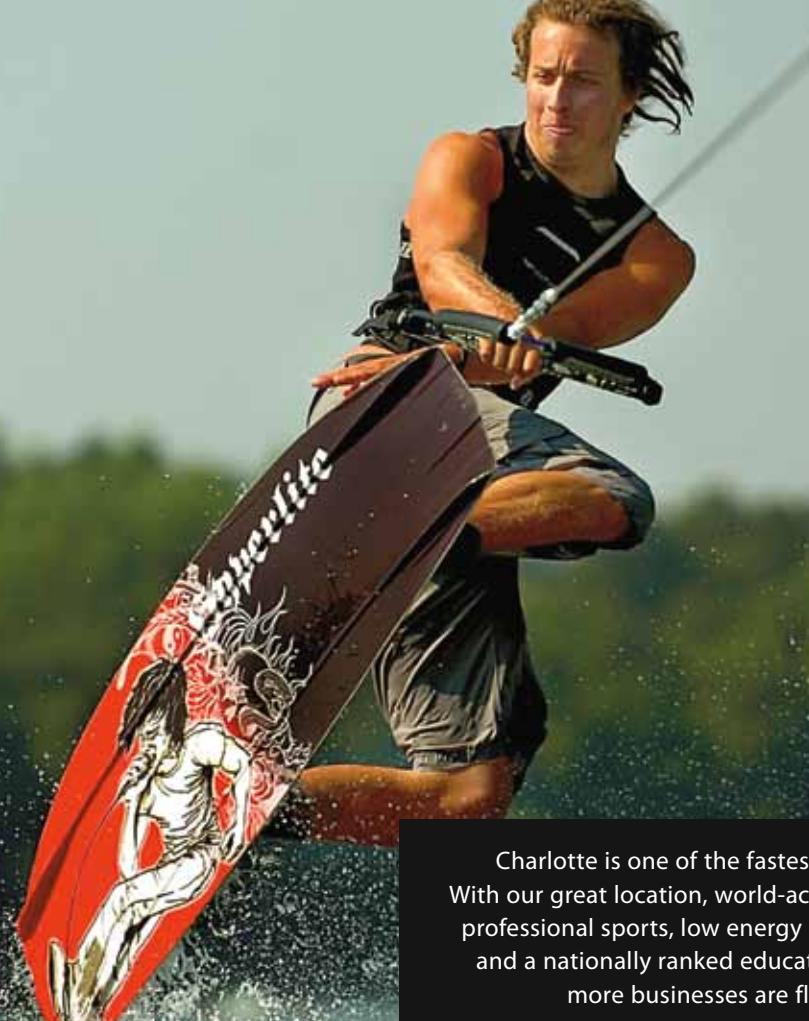
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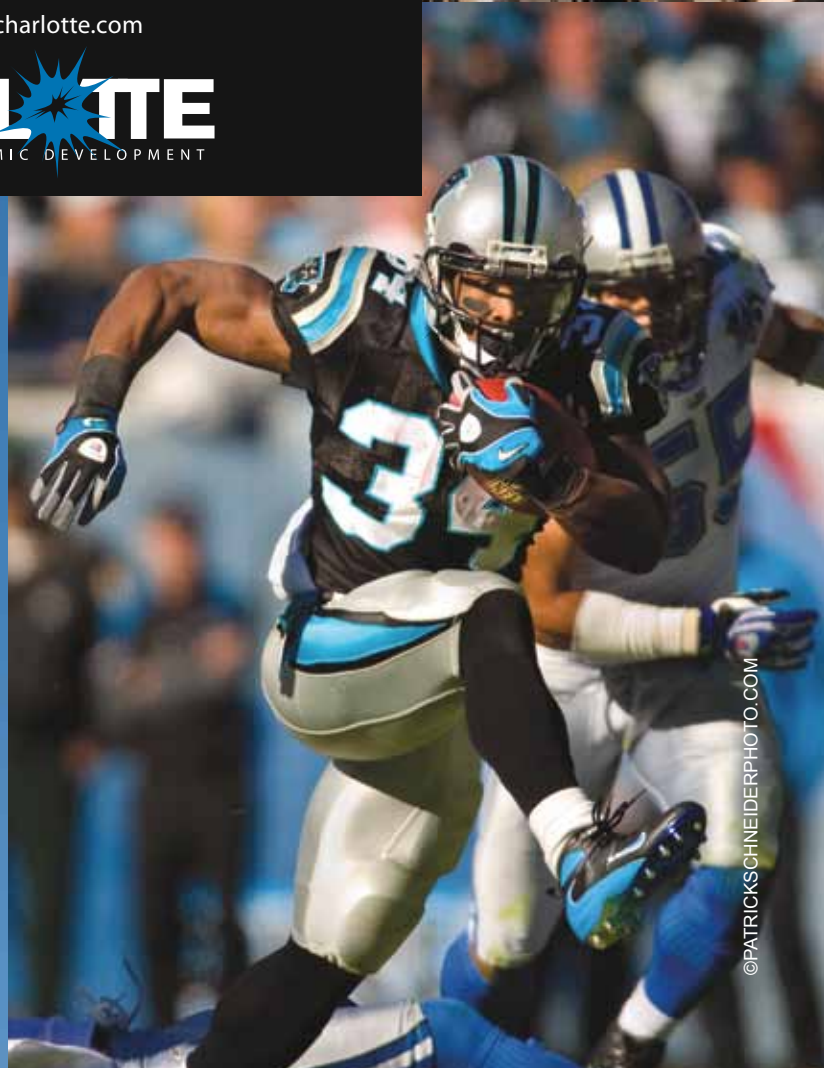
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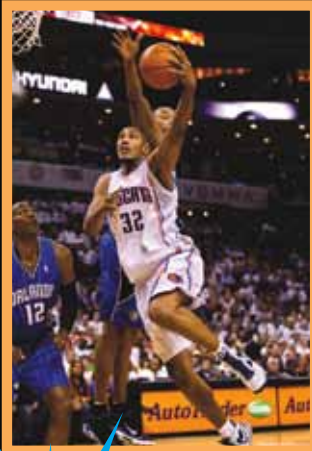
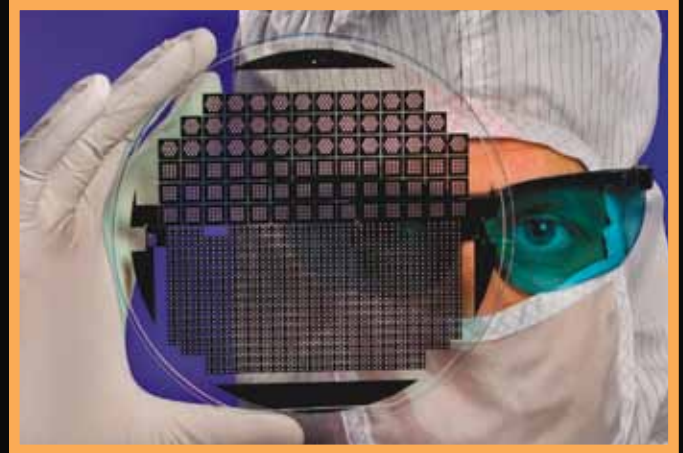
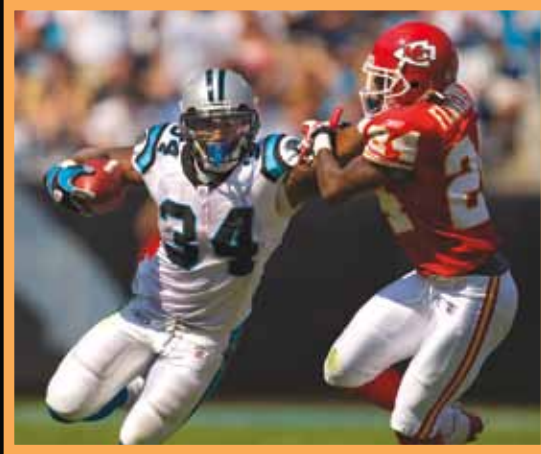
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