



Benchmark
Charlotte 2011

charlotte
CHAMBER



We know Charlotte is a great city. The vast majority of Charlotte's economic indicators are headed in the right direction. Several, including the airport and residential home sales, have been leading the nation. We must continue to make gains in other areas, such as unemployment, which is still lagging in spite of strong economic development announcements. We are working to move all of our indicators back to positive growth and expect soon to see more business trends moving upwards.

For 56 years the Charlotte Chamber has sponsored intercity visits to such places as Toronto, Miami and Boston as well as to comparably sized cities of Jacksonville, Tampa and Austin. As a result of these visits, we have gained insight and brought new information back to Charlotte to help make us a better community.

This year's visit to Seattle will allow us to view an exciting array of topics. We will explore Seattle's approach to philanthropy, its superior transportation system and how they have blended economic development into one of the world's most creative economies.

As we view Seattle, I encourage each of you to take advantage of this benchmark study. It will provide each of us with a tremendous source of comparable information on select communities. The information allows us to see where we can improve our community; in the end, our goal is to return from Seattle with ideas on how to make Charlotte a better place for us all.

I would like to thank Hunton & Williams LLP and PricewaterhouseCoopers, LLP who made this study possible. I would also like to thank each of you for your commitment of time and resources and for being an active part of making this trip a success.

A handwritten signature in black ink that reads "Patricia A. Rodgers". The signature is fluid and cursive.

Patricia A. Rodgers
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 fourth 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 Core Based Statistical Areas (CBSAs) have been assembled to reflect five broad areas of interest, or dimensions: Employment & Labor Force; Income & Productivity; Livability & Connectivity; New Economy; and Equity & Diversity. This year, we have made only a few changes to the report: We changed the metropolitan areas used for comparison and we are taking a decidedly longer term view of each metro area to gauge how each has fared over an economically turbulent decade. Most indicators, however, 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 this report is quite simple. Within each of the five dimensions, data are presented for several indicators. Each indicator is ranked from 1 to 8, with scores of 1 being the most desirable. When two or more CBSAs have identical values for an indicator, they are considered tied and given identical rankings. Within each dimension, rankings for each indicator are added together to produce a composite score for that dimension and the composite scores are also ranked. The composite ranks on each dimension are then added together to produce a single, overall summary ranking of the metro areas.

The report begins with the overall rankings and then details all the individual indicators in each of the five dimensions. 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 in Section 7.

The Charlotte-Gastonia-Concord NC-SC CBSA is compared to seven other CBSAs: Atlanta-Sandy Springs-Marietta, GA; Austin-Round Rock-San Marcos, TX; Dallas-Ft. Worth-Arlington, TX; Jacksonville, FL; Nashville-Davidson-Murfreesboro-Franklin, TN; Seattle-Tacoma-Bellevue, WA; and Tampa-St. Petersburg-Clearwater, FL MSA. Data correspond to the 2007 metro 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 to 8, 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; (3) Some metro areas in this report are much larger than others. The Charlotte CBSA has an estimated 2010 population of nearly 1.8 million. However, CBSA populations range from a low of 1.4 million in Jacksonville to a high of 6.5 million in Dallas. 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 2000-2010 – 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, each is among the nation’s most exciting and desirable places to live and do business.

We hope you find Benchmark Charlotte 2011 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,
June 2011*

Metropolitan Area Population

Metro Area	Population 2010 (Mil.)	Annual Growth Rate 2000-10 (%)	Metro Area
Charlotte	1.781	3.4	Charlotte-Gastonia-Concord, NC-SC
Atlanta	5.569	3.1	Atlanta-Sandy Springs-Marietta, GA
Austin	1.704	3.6	Austin-Round Rock-San Marcos, TX
Dallas	6.493	2.6	Dallas-Fort Worth-Arlington, TX
Jacksonville	1.372	2.2	Jacksonville, FL
Nashville	1.596	2.2	Nashville-Davidson-Murfreesboro-Franklin, TN
Seattle	3.420	1.2	Seattle-Tacoma-Bellevue, WA
Tampa	2.782	1.6	Tampa-St. Petersburg-Clearwater, FL

Source: Claritas Pop Facts



OVERALL SUMMARY

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

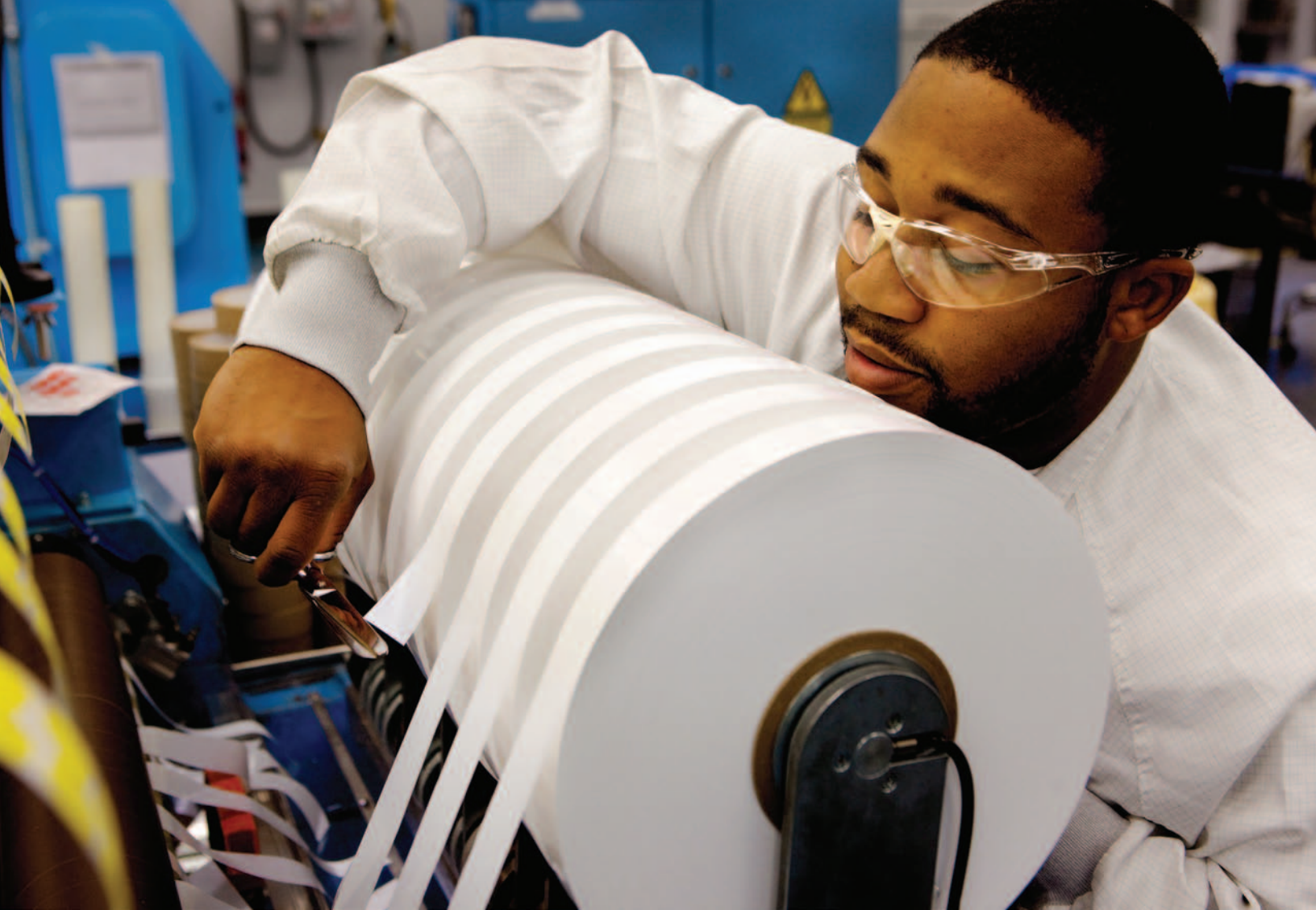
Overall, Charlotte ranked second among the eight ranked metro areas with considerable strength in the dimensions of Income & Productivity

	Charlotte	Atlanta	Austin	Dallas	Jacksonville	Nashville	Seattle	Tampa
Overall Ranks	2	4	1	5	7	6	3	8
Employment & Workforce	3	5	1	2	7	3	6	8
Income & Productivity	1	5	3	4	5	7	2	8
Livability & Connectivity	1	8	2	5	6	7	3	4
New Economy	4	2	1	6	7	5	2	8
Equity & Diversity	4	3	2	8	7	5	1	5

and Livability & Connectivity. This was especially true of measures that reflect change over the 2000-2010 period. Likewise, though Charlotte scored moderately in the Employment & Labor Force and New Economy dimensions, 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. For example, educational attainment in Charlotte, relative to

its competitors, has been and will continue to be a top priority in the region. Charlotte ranked fourth in its proportion of adults with at least a college education and sixth 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 the area population responds to changing labor market conditions. Based on the data below, Charlotte tied for third overall, mostly due to its relatively high unemployment rate in 2011 and, to a lesser degree, its somewhat lower proportion of workforce members with a college education.

Average Annual Job Growth: Average annual job growth is measured over the 2000-2010 period. While we might expect larger metro areas added more jobs over the ten years, such was not always the case during

this period. Indeed, because of its sheer size, first-ranking Dallas added more than 10,000 jobs annually while Seattle actually lost jobs over the ten-year period. Charlotte's annual job growth of 3,400 placed it fourth though the somewhat smaller metros of Austin and Nashville ranked second and third, respectively. 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 2010 has been less than robust, though many believe the worst of the current recession is over.

Job Growth Rate: The job growth rate is an annualized job growth percentage that controls for the size of the job base. While Charlotte ranked third (tied with Dallas) with jobs growing at an average annual rate of 0.4 percent per year, some of the bigger metros with larger job bases (Seattle) did not fair as well. Austin registered the most robust rate of job growth (1.4 percent per year) while Tampa suffered worst (-0.4 percent per year).

Unemployment Rate: The most current of all indicators shown is the unemployment rate for March 2011. It is clear from all the data in the table that the current recession has impacted every region shown. Even as job growth began to resume in early 2010, it will take some time for the unemployment rate to 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 10.4 percent ranked seventh close to those of Jacksonville (10.2 percent) and Tampa (11.0 percent). Metro areas with the lowest unemployment rates were Austin, Dallas and Nashville though none of them were below 6.5 percent.

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 3.6 percent annually, Charlotte ranked second behind only Austin. Given its relatively high



unemployment rate and moderate rate of job growth, Charlotte's labor force growth is especially notable. Seattle had the slowest growing labor force of all metro areas compared. 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 2010. Typical of regions with research universities, substantial tech sectors and/or those that host state capitols, Seattle and Austin have high levels of educational attainment with 45.3 percent and 43.9 percent of their labor force having at least a Bachelor's degree. Charlotte, ranking fourth with 37.7 percent of its labor force having a college education has attracted more college graduates in recent years, which is critical because staying competitive will require ever-increasing skills from its workforce.

	Charlotte	Atlanta	Austin	Dallas	Jacksonville	Nashville	Seattle	Tampa
Overall Rank	3	5	1	2	7	3	6	8
Ave. Annual Job Growth, 2000-2010 (in 1000s)	3.4	-3.1	9.4	10.1	1.6	3.5	-1.1	-4.2
Rank	4	7	2	1	5	3	6	8
Ave. Annual Job Growth, 2000-2010 (%)	0.4	-0.1	1.4	0.4	0.3	0.5	-0.1	-0.4
Rank	3	6	1	3	5	2	6	8
Unemployment Rate, March 2011 (%)	10.4	9.8	6.8	8.1	10.2	8.3	9.2	11
Rank	7	5	1	2	6	3	4	8
Ave. Annual Labor Force Growth (%)	3.6	3.2	3.8	2.9	2.9	2.2	1.5	2.2
Rank	2	3	1	4	4	6	8	6
Labor Force with College+ (%)	37.7	41.0	43.9	35.3	31.9	35.9	45.3	36.1
Rank	4	3	2	7	8	6	1	5

*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 5.9 percent annually from 2000-2010,

Charlotte tied for first with Austin and Jacksonville among the metros. Income growth in Atlanta, Dallas and Nashville, ranked fourth, fifth, and sixth, respectively, were closely clustered.

Median Household Income: In 2010, the highest median household incomes were found in the larger metros areas of Seattle and Atlanta. Charlotte, with a median household income of \$55,666 ranked fifth. 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 & Connectivity for more on this subject) and are only a general indicator of household wealth.

	Charlotte	Atlanta	Austin	Dallas	Jacksonville	Nashville	Seattle	Tampa
Overall Rank	1	5	3	4	5	7	2	8
Annual Personal Income Growth (%)	5.9	5.3	5.9	5.0	5.9	4.9	4.3	4.5
Rank	1	4	1	5	1	6	8	7
Median Household Income, 2010 (\$)	55,666	60,647	58,887	58,202	54,624	52,798	65,890	47,630
Rank	5	2	3	4	6	7	1	8
Ave. Monthly Wage 2010 (\$)	4,620	4,020	4,123	4,427	3,342	3,836	4,495	3,433
Rank	1	5	4	3	8	6	2	7
Annual Wage Growth, 2000-10 (%)	3.4	1.9	1.2	1.8	2.9	3.4	2.2	3.4
Rank	1	6	8	7	4	1	5	1
GDP Growth, 2001-08 (%)	6.2	4.2	7.2	6.0	6.6	5.6	6.4	6.3
Rank	5	8	1	6	2	7	3	4
GDP per Worker, 2008 (\$)	100,625	82,905	74,312	89,683	71,285	73,897	100,525	71,660
Rank	1	4	5	3	8	6	2	7

*See data notes for further details.

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 2010, Charlotte ranked first in average wage closely followed by Seattle and Dallas. At \$4,620, Charlotte's average monthly wage was 38 percent higher than last ranking Jacksonville.

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 2000-2010 Charlotte's 3.4 annual percent increase in wages was matched by Nashville and Tampa, two metros with relatively low wage levels. Austin experienced the most modest wage growth over the ten-year period (1.2 percent annually).

Metro GDP Growth: The gross domestic product (GDP) 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 6.2 percent ranked fifth behind Austin's remarkable pace of 7.2 percent per year. GDP growth in Jacksonville, Seattle and Tampa all exceeded 6.2 percent annually.

Metro GDP per Worker: Perhaps the most direct measure of productivity is the value of goods and service produced by the region's typical worker. In Charlotte, the average worker produced \$100,625 worth of output per year while workers in Seattle were nearly as productive at \$100,525. The average workers in Charlotte and Seattle produced far 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 Nashville, Tampa and Jacksonville (ranked sixth, seventh and eighth, respectively) which have sizable consumer and entertainment sectors.





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 below.

Newcomers: People vote with their feet. Whether because of jobs, reuniting with family, or natural and cultural amenities, people move to regions that best satisfy their 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 2009 that moved to each region the year before. First-ranking Austin clearly stands out as a desirable destination with newcomers accounting for 6.9 percent of its population in a single year. Charlotte, Jacksonville and Tampa all tied for second with newcomers comprising 4.7 percent of their 2009 population. Seattle and Nashville (ranked fifth and sixth) are closely grouped at 4.6 and 4.5 percent while Atlanta and Dallas tied for eighth with newcomers comprising 4.1 percent of their population growth from the previous year.

Housing Affordability: The index of affordability relates the median home price to median household income in each metro area. The lower the index, the more affordable is the typical home to the typical household. The most affordable housing market in 2010 was Dallas where the typical home value was 2.41 times higher than median household income; Charlotte ranked third at 2.93. 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 in Seattle is 4.81 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 from 2005-2010, 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, Jacksonville and Tampa where the number of new housing permits fell by more than 80 percent. Despite its relatively high unemployment rate over the past three years, Charlotte ranked first with housing permits declining by 51 percent since 2005. The inventory of homes in foreclosure affected all areas studied but Charlotte's housing market generally held up better (suffered lower declines) than many other metro areas nationally.

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 of time lost in traffic. Just five minutes difference in a one-way commute can add 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 (commuters in some metro areas lost up to 72 hours!). Thus, commuting time is an important quality of life factor. In 2010, commuters in Atlanta and Dallas faced the longest average journeys to work (33 and 30 minutes, respectively). Average commute times for all other areas was 28 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 4.5 times more access to air travel than eighth ranking Jacksonville. 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 2010, Seattle ranked first in the percentage of flights arriving on time (85 percent) while 80 percent of flights arrived on time in Charlotte, Jacksonville and Nashville. Atlanta had the lowest on-time arrival rate at 79 percent.

	Charlotte	Atlanta	Austin	Dallas	Jacksonville	Nashville	Seattle	Tampa
Overall Rank	1	8	2	5	6	7	3	4
Newcomers, 2009 (%)	4.7	4.1	6.9	4.1	4.7	4.5	4.6	4.7
Rank	2	8	1	8	2	6	5	2
Housing Affordability Index, 2010	2.93	2.76	3.03	2.41	3.02	3.12	4.81	3.08
Rank	3	2	5	1	4	7	8	6
Housing Permit Change 2005-10 (%)	-51.1	-89.6	-62.2	-67.3	-85.6	-69.4	-60.7	-81.0
Rank	1	8	3	4	7	5	2	6
Ave. Commute Time 2010- (Min.)	28	33	28	30	28	28	30	28
Rank	1	8	1	6	1	1	1	1
Air Passengers per Capita 2010	18.1	13.6	4.7	8.6	4.0	5.5	8.2	5.7
Rank	1	2	7	3	8	6	4	5
On-Time Arrivals 2010 (%)	80	79	81	82	80	80	85	81
Rank	5	8	3	2	5	5	1	3

*See data notes for further details.



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.

Population Age 25-44: Younger working cohorts are at the core of the New Economy. While not all 25-44 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 2010 Austin ranked first in the proportion of its population between 25 and 44 years old (31.5 percent). Second-ranked Dallas was the only other metro to have more than 30 percent of its population in this cohort. Atlanta and Charlotte (ranked third and fourth, respectively) both had more than 29 percent of their population between the ages of 25-44. States and regions known for attracting retirees (e.g. Florida) tend to rank low on this measure.

	Charlotte	Atlanta	Austin	Dallas	Jacksonville	Nashville	Seattle	Tampa
Overall Rank	4	2	1	6	7	5	2	8
Population Age 25-44, 2000 (%)	29.3	29.9	31.5	30.4	27.1	28.6	28.9	25.4
Rank	4	3	1	2	7	6	5	8
Creative Workers, 2010 (%)	6.6	7.6	11.0	7.3	5.3	6.7	10.9	5.9
Rank	6	3	1	4	8	5	2	7
Annual Creative Worker Growth, 2000-10 (%)	3.1	2.1	2.2	1.0	1.6	2.0	2.0	1.6
Rank	1	3	2	8	6	4	4	6
Power Brokers, 2010 (%)	16.5	17.5	17.8	15.7	15.7	15.1	17.5	15.0
Rank	4	2	1	5	5	7	2	8
Annual Power Brokers Growth, 2000-10 (%)	4.2	3.4	4.4	2.3	4.2	2.5	2.5	2.8
Rank	2	4	1	8	2	6	6	5
Self-employed, 2010 (%)	5.1	5.4	6.7	5.9	4.0	7.5	5.9	4.9
Rank	6	5	2	3	8	1	3	7
Graduate Degrees as % of Labor Force, 2010	11.6	13.9	15.5	11.2	10.8	11.9	15.9	11.9
Rank	6	3	2	7	8	4	1	4

*See data notes for further details.

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 2010, Austin topped the list with 11.0 percent of its labor force holding these creative occupations; Creative Workers represent 10.9 percent of labor force in Seattle. 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 6.6 percent of its labor force in these occupations, Charlotte ranked sixth on this indicator, 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 2000-2010. Growing at annual rate of 3.1 percent, Charlotte's Creative Workers are growing noticeably faster than Dallas, Jacksonville or Tampa. 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 Broker occupations in 2010. Once again, we note that many capable regions are



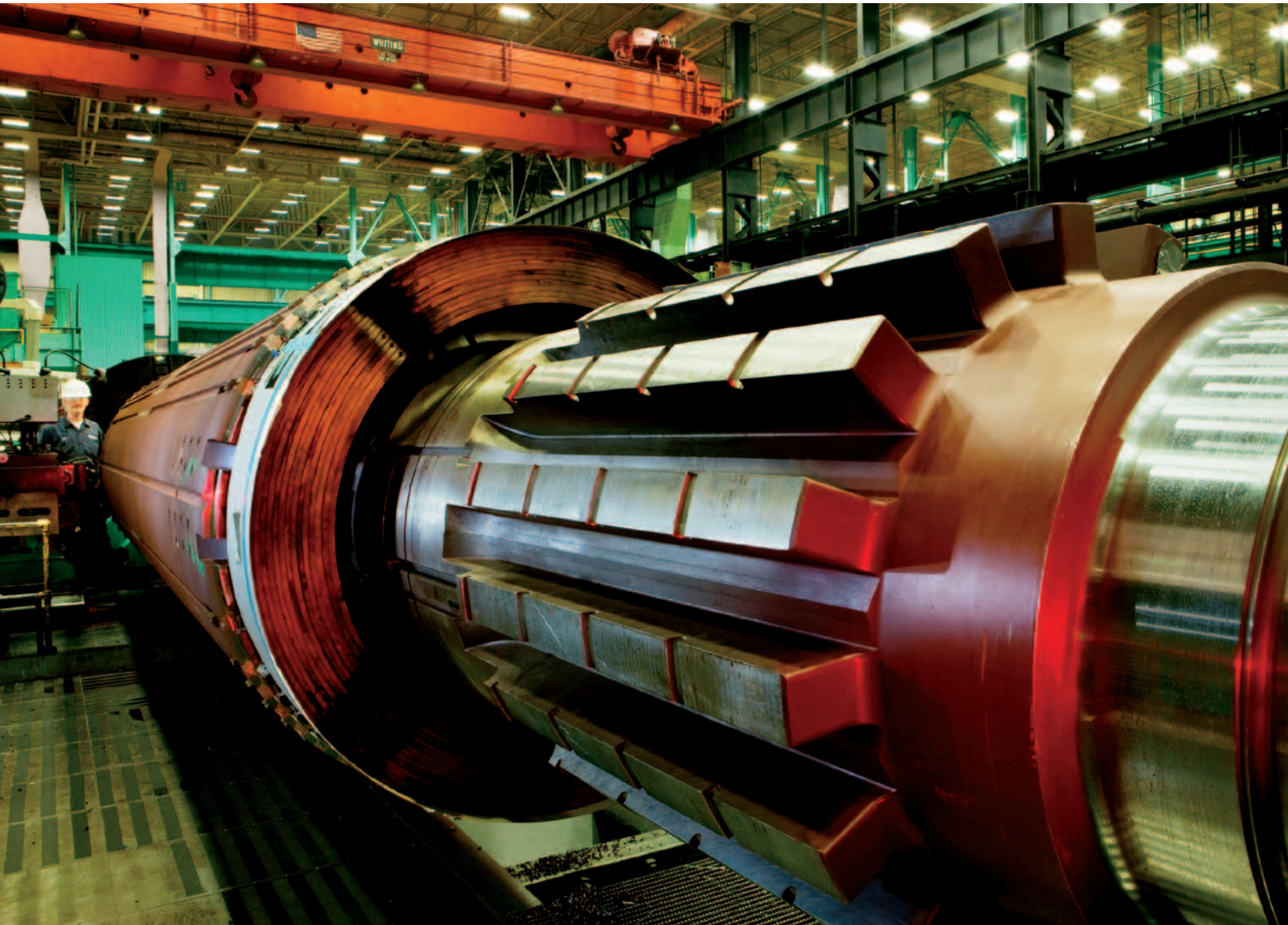
those with high concentrations of Power Brokers: While Austin topped the list at 17.8 percent, Atlanta and Seattle tied for second at 17.5 percent. Charlotte, with its substantial financial sector ranked fourth with 16.5 percent of its labor force in Power Broker occupations. Overall, however, the proportion of Power Brokers is similar across the regions.

Power Brokers Growth: Perhaps because of its sizable growth in financial services, growth in the number of Power Brokers ranked second in Charlotte, growing 4.2 percent annually from 2000-2010. Only Austin attracted Power Brokers at a faster rate (4.4 percent). Power Brokers growth was slowest in Nashville, Seattle and Dallas.

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, perhaps because of its sizable music industry, Nashville ranked first in self-employment at 7.5 percent of its labor force. More dominated by larger firms, self-employment in Charlotte ranked sixth with 5.1 percent. A quick look at the table shows that only one percentage point separated third ranking Seattle from seventh ranking Tampa.

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. Also, regions hosting state capitols tend to score high as state government agencies are major employers of the highly educated. These factors help explain why Seattle and Austin ranked first and second with 15.0 percent and 15.5 percent of their labor force holding advanced degrees. Only 11.6 percent of Charlotte's labor force holds a graduate degree, which ranks Charlotte sixth among the eight 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 the equity and diversity measures, directly addressing demographic diversity and geographic equity while maintaining a focus on gender and economic equity. These measures are best considered in relation to New Economy indicators.

Female Labor Force 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 but

actively seeking work. Women’s participation in the labor market reflects a great many factors. In any labor market women represent a sizable portion of available labor and their participation in the labor market is an important component of labor supply. As shown in the table, 2010 female labor force participation tends to be high where job growth is strong and/or wages are growing. Charlotte and Austin fit this pattern. Charlotte ranked first with a female participation rate of 65.5 percent and Austin tied for second with a rate of 64.5 percent. Not fitting this pattern was Atlanta, which was also ranked second. Demographically older populations like those found in Tampa tend to rank lower on this measure.

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 2010, it is notable that women in Nashville, Jacksonville and Tampa (ranked first, second and third, respectively) had higher earnings relative to men than women in Dallas or Charlotte (ranked seventh and eighth). 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 Dallas and Charlotte.



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 nearly every region in the study. In 2009, the U.S. poverty rate was 14.3 percent and only eighth ranking Dallas exceeded this rate at 14.5 percent. Austin and Tampa were close to the national average,

	Charlotte	Atlanta	Austin	Dallas	Jacksonville	Nashville	Seattle	Tampa
Overall Rank	4	3	2	8	7	5	1	5
Female Labor Force Participation, 2010 (%)	65.5	64.5	64.5	62.5	62.1	61.8	63.5	56.4
Rank	1	2	2	5	6	7	4	8
Female-Male Wage Ratio, 2010	0.57	0.64	0.65	0.61	0.67	0.68	0.64	0.66
Rank	8	5	4	7	2	1	5	3
Poverty Rate, 2009 (%)	13.6	13.4	13.9	14.5	13.5	13.3	10.3	13.9
Rank	5	3	6	8	4	2	1	6
Interest Income per Capita 2010 (\$)	1,373	1,239	1,662	1,314	1,501	1,403	2,141	1,655
Rank	6	8	2	7	4	5	1	3
Diversity Index, 2010	58.3	65.2	72.8	74.8	52.6	45.0	53.2	53.5
Rank	4	3	2	1	7	8	6	5
City-Suburb per Capita Income Ratio, 2010	1.12	1.13	0.97	0.84	0.83	0.95	1.16	0.99
Rank	3	2	5	7	8	6	1	4

*See data notes for further details.

each with a poverty rate of 13.9 percent. Charlotte ranked fifth on this measure, with an overall poverty rate of 13.6 percent in 2009. Poverty was lowest in Seattle at 10.3 percent.

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 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 2010, this description generally fits the top three metros with the highest interest income per capita with Seattle, Austin and Tampa ranking first, second and third, respectively. 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 Charlotte, Dallas and Atlanta (ranking sixth, seventh and eighth, respectively).

Racial and Ethnic Diversity: It is no secret that the U.S. is getting more demographically diverse every day. Less well-known are the facts that 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 2010, the Diversity Index among comparison metro areas ranged from 74.8 in Dallas (ranked first) to 45.0 in Nashville (ranked eighth). Austin and Atlanta, with index values of 72.8 and 65.2 ranked second and third, while Charlotte ranked fourth with an index of 58.3.

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 2010. 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 the areas presented. Seattle and Atlanta topped the list, with city-suburb ratios of 1.16 and 1.13, respectively. This was closely followed by Charlotte at 1.12 and ranking third. Geographic income disparities are greatest in Dallas and Jacksonville with city-suburb income ratios of 0.84 and 0.83, respectively.



EMPLOYMENT &
WORKFORCE

Job growth 2000-2010, Bureau of Labor Statistics;
<http://data.bls.gov/pdq/SurveyOutputServlet>

Unemployment Rate, March 2011, U.S. Bureau of Labor Statistics,
<http://data.bls.gov/cgi-bin/surveymost>

Labor Force Growth and Educational Attainment, Claritas PopFacts,
2000-2010

INCOME &
PRODUCTIVITY

Personal Income Growth, 2000-2010, Claritas PopFacts.

Median Household Income, 2010, Claritas PopFacts.

Metro GDP Growth 2001-2008 and GDP per Worker 2008, Bureau of
Economic Analysis, REIS, www.bea.gov/regional/gdpmetro,
www.bea.gov/regional/reis/action.cfm

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

Austin data 2001-2010

Jacksonville and Tampa data 2000-2009

LIVABILITY &
CONNECTIVITY

Newcomers, 2009, U.S. Census, 2009 American Community Survey,
Table B7201.

Housing Affordability Index: Ratio of median home value to median
household income, Claritas PopFacts, 2010.

Housing permits 2005-10, U.S. Census,
www.census.gov/const/C40/Table3/tb3u2005.txt

Average Commuting Time, Claritas PopFacts, 2010.

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

Note: Dallas passengers include Dallas Love Field (DAL) and Dallas Ft.
Worth International (DFW); Dallas on-time arrival data for DFW only.
Seattle passenger data include King County-Boeing Field (BFI) and
Seattle/Tacoma International (SEA); Seattle on-time arrival data for
SEA only.

NEW
ECONOMY

Claritas PopFacts, 2010

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 PopFacts, 2010. Includes those
holding Master's, Professional, and Doctorate degrees.

EQUITY &
DIVERSITY

Claritas PopFacts, 2010, unless otherwise noted.

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

Wage ratio from U.S. Census Local Employment Dynamics, 2010 see
<http://lehd.did.census.gov/led/datatools/qwi-online.html>. Data for
Jacksonville and Tampa are 4Q09. All others are 1Q10 or 2Q10.

Poverty Status, U.S. Census, 2008 American Community Survey, 2009,
Table B17001

Diversity Index: ESRI.

City-Suburb per Capita Income Ratio: Author calculations based on
Claritas PopFacts, 2010



ABOUT THE
AUTHOR



Harrison S. Campbell, Jr. is an Economic Geographer and Associate Professor in the Department of Geography and Earth Sciences at the University of North Carolina at Charlotte. His research focuses on patterns of regional development, impact assessment and policy evaluation. He is also the author of *Charlotte's Business Growth Index*. Dr. Campbell received his Ph.D. from University of Illinois at Urbana-Champaign.

ABOUT THE
PHOTOGRAPHER



Patrick Schneider and his team at PatrickSchneider Photo.com bring a photojournalistic style to corporate, event and architectural photography. He can be reached at pschneider@PatrickSchneiderPhoto.com or 704-655-2661.



THANKS TO
OUR SPONSORS

**HUNTON &
WILLIAMS**

PRICEWATERHOUSECOOPERS 

SUGGESTED
READING

Burube, A. (2003) *"Racial and Ethnic Change in the Nation's Largest Cities,"* in *Redefining Urban and Suburban America*, B. Katz and R. Lang Eds., Washington, DC: Brookings Institution Press, pp. 137-153.

Carlino, G. (2005) *"The Economic Role of Cities in the 21st Century,"* *Business Review*, Philadelphia Federal Reserve Bank, pp. 9-15.

Charlotte Business Growth Index, Charlotte Chamber. See charlottechamber.com > economic development > demographics and economic profile > economic forecast report.

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.

Voith, R. (1998) *"Do Suburbs Need Cities?"* *Journal of Regional Science*, 38(3): 445-464.

Voith, R. (2000) *"The Determinants of Metropolitan Development Patterns,"* in *Urban Suburban-Interdependencies*,

**charlotte
CHAMBER** 

Published by Charlotte Chamber of Commerce
330 S. Tryon St., Charlotte, NC 28202 (704) 378-1300
www.charlottechamber.com/economicdevelopment
www.twitter.com/cltecondev

Copyright 2011 by Charlotte Chamber of Commerce. All rights reserved. No part of the publication may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopying, recording or by any information storage or retrieval system, without permission in writing from the Charlotte Chamber. The information in this publication is carefully gathered and compiled in such a way as to ensure maximum accuracy. The Charlotte Chamber cannot, and does not, guarantee either the correctness of all information furnished them nor the complete absence of errors and omissions. Hence, responsibility for same neither can be, nor is, assumed.

All photography ©PatrickSchneiderPhoto.com

6/11 .25M

SEASONS OF CHARLOTTE

THE DEFINITIVE PHOTO TOUR OF CHARLOTTE



"Seasons of Charlotte," is a hard-cover photography book scheduled for release this year as a joint effort by the Charlotte Chamber and Patrick Schneider Photography.

For more than three years, Patrick Schneider has been focusing his photojournalistic eye on Charlotte. He's captured life throughout Charlotte, from events to environs, sports to spectacles, industry to individuals and

so much in between. Today, Schneider's body of work (to which he adds new images daily) is the largest and most-comprehensive collection of contemporary Charlotte images.

To learn more about "Seasons of Charlotte" and to order an advanced copy, please email Andrea Ware at aware@charlottechamber.com.

Charlotte Chamber of Commerce, 330 South Tryon Street, Suite 200, Charlotte, N.C. 28202
www.charlottechamber.com 704-378-1300

charlotte
CHAMBER