



ECONOMY & BUSINESS

2024

RALEIGH
CHAMBER 


WAKE COUNTY
ECONOMIC DEVELOPMENT

RALEIGH CHAMBER 2023 ACCOMPLISHMENTS



In the past year:

- We continue to provide value to our **1,800 members** and this year welcomed over **380 new members** to the Chamber.
- **We executed over 160 events** to strengthen member businesses, deliver leadership development content, and **provided networking opportunities to more than 19,000 event attendees** over the course of the year.
- CNBC ranked North Carolina as the **#1 state for business in 2023** for the second year in a row.
- **We were the first large metropolitan Chamber to call for the expansion of Medicaid in North Carolina**, which demonstrated that the expansion of healthcare is a business priority.
- Our two Leadership Raleigh classes completed **14 service projects**, provided **over 1,000 hours of community service**, and **raised more than \$227,000 for local non-profits**.
- **We hosted the first Sustainability Conference** with Michael Regan, Administrator of the Environmental Protection Agency.
- We conducted the 2023 Regional Skills Analysis, **collecting nearly 1,000 responses** to better understand the current and future hiring needs of businesses so we can **build a talent pipeline** that ensures our region's vitality.
- The Raleigh Chamber Foundation was **awarded a grant from the City of Raleigh and Capitol Broadcasting Company** to create the Bus Rapid Transit Business Resource Collaborative and its website **WakeBRT.com**. This project provides resources to businesses along the New Bern Ave corridor during the first phase of construction.
- The DEI Conference continues to provide resources and best practices to companies and was our largest conference with **over 1,400 registered**.
- We welcomed **over 1,900 attendees for our small business programs** including Coffee with Leaders, Business After Hours, the Black Business Momentum series and Networking 101.
- **Over 175** people traveled to Denver, Colorado for an engaging and successful Inter-City Visit and Leadership Conference.



RALEIGH
CHAMBER
FOUNDATION



“At the Raleigh Chamber, we are paving the way forward, fully embracing the rapid progress of our region. After all, the Raleigh area didn’t become one of the top places to work and live in the U.S. by remaining stagnant or resistant to change!”

ADRIENNE COLE

President and CEO, Raleigh Chamber



2024 PRIORITIES

- As our standing on the global economic development stage continues to rise, the Chamber and our Wake County Economic Development team will sustain our commitment to investments in our 12 municipalities, with a focus on talent, job creation, workforce development, supporting the needs of existing industries, and equitable economic development.
- We will continue our partnership with NC State University and leading companies to expand the work of the new Business Sustainability Roundtable.
- We will continue our long-standing commitment to developing transportation and transit systems that support our rapidly growing community.
- The Raleigh Chamber Foundation will continue to attract new resources of charitable funding in support of priorities including economic development; talent and workforce; diversity, equity and inclusivity; sustainability, leadership development, and small business support.
- Through our business focused legislative agenda, we advocate for the issues that are important to sustaining our vibrant business community.
- We will continue our work to make the Triangle region the most diverse, equitable, and inclusive business environment in the country.
- We will continue to grow our future leaders with leadership development training through Leadership Raleigh, Emerging Leaders, the Women’s Leadership Conference, and the Young Professionals Network.
- Our dedication to businesses large and small through fresh programming, opportunities for connection, and hands-on assistance will continue.



“The Raleigh Chamber is my trusted source on the local economy, my dependable resource for business and community development, and my impactful solution for employee attraction and development. It is that one-stop shop for us providing us the resources we need to grow our business and stay abreast of and become a part of all that is happening in the Triangle, as well as make a difference in the community. Year in and year out — more than that month in and month out — the Raleigh Chamber makes a difference in the life of Greene Resources, in the lives of the Greene Team members, and it makes a difference to me personally.”

GARY GREENE

Board Chair, Raleigh Chamber and Founder, Greene Resources

REGIONAL GROWTH

THE REGION BY THE NUMBERS

NO. 1

**Top State for Business
(North Carolina)**
CNBC, 2023

NO. 2

**Top State for Best Business
Climate (North Carolina)**
Business Facilities, 2023



56 people

added to population per day



19

are born here



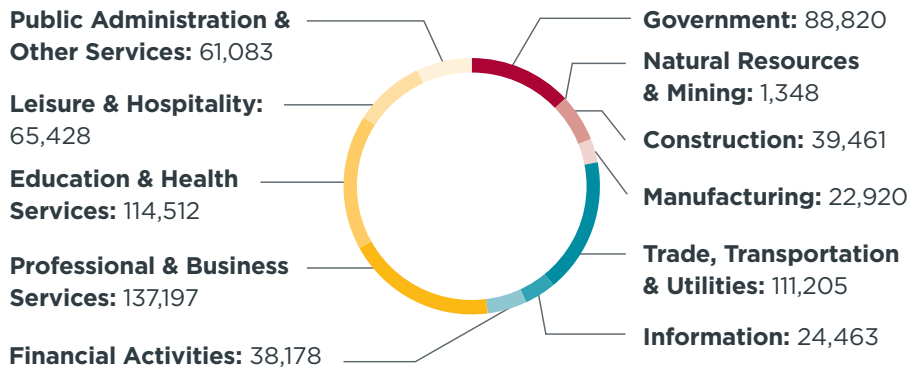
37

move here

Source: U.S. Census Bureau, Population Division, 2023

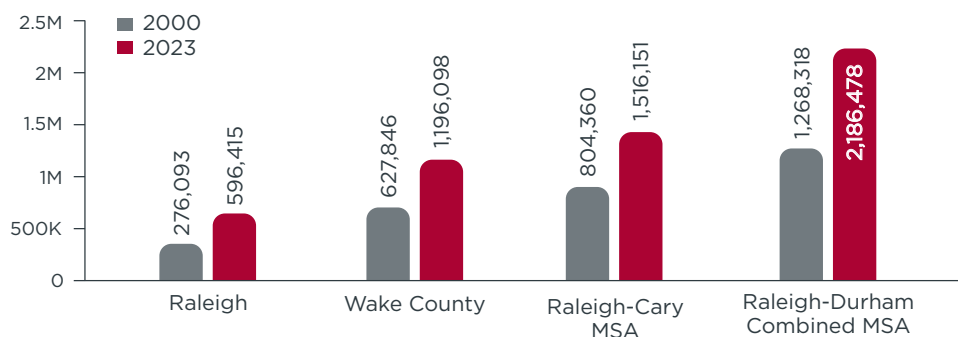
Wake County Employment by Industry Sector 2023

Total Employment: 704,615



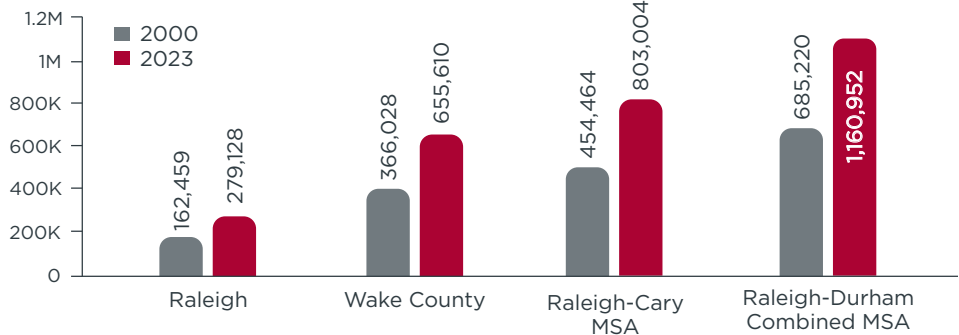
Source: Bureau of Labor Statistics (BLS) Quarterly Census of Employment and Wages (QCEW)

Population Growth



Source: U.S. Census Bureau, Population Estimates Program (PEP)

Labor Force Growth



Source: Bureau of Labor Statistics (BLS) Local Area Unemployment Statistics (LAUS)



“With the country’s lowest corporate tax rate and continuous accolades proclaiming North Carolina as the best state for business, my optimism for the Research Triangle Region has never been higher. RDU’s continued growth and success validates the view that the Triangle has arrived on the world stage with growing international interest, especially around biotech and agriculture technology.”

RYAN COMBS

Executive Director, Research Triangle Regional Partnership

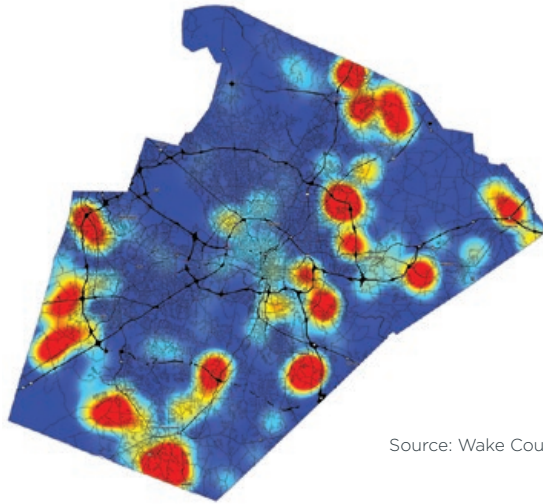
WAKE COUNTY GROWTH

Residential & Commercial Permit Concentrations

Wake County: 2022-2023

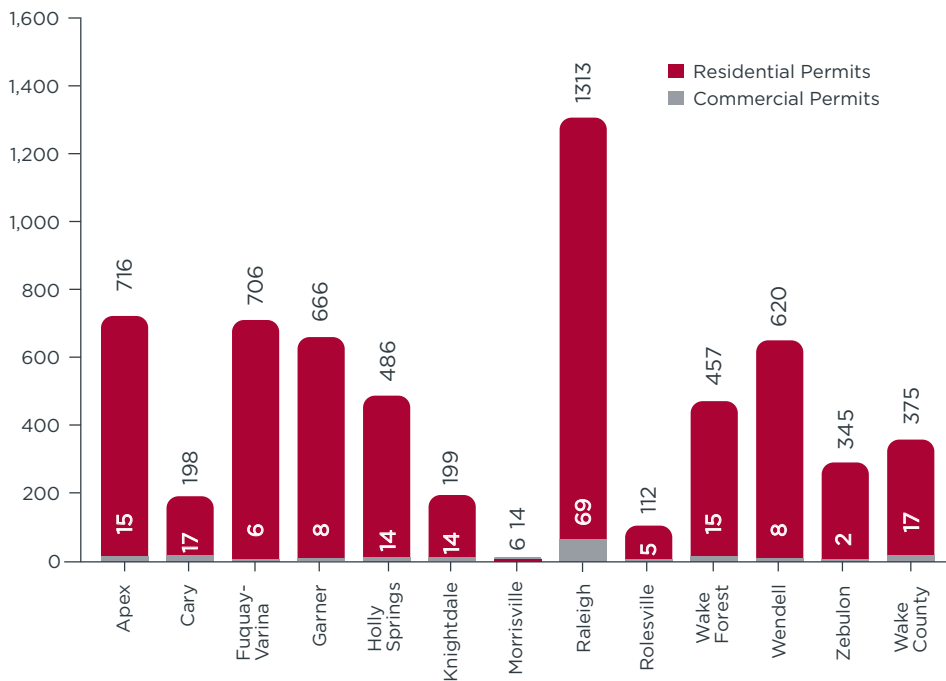
Legend

Permit Density



Source: Wake County Planning Department

New Residential & Commercial Permits by Municipality



WAKE COUNTY BY THE NUMBERS

6,199

residential permits issued*

204

non-residential permits issued*

NO. 3

**Best Place to Live
in the United States
(Raleigh, NC)**

*U.S. News & World Report,
May 2023*

NO. 1

**Best Large Metro
for Homeownership
(Raleigh, NC)**

LendingTree, June 2023

* Source: Wake County Department of Tax Administration. Jan 2023 - August 2023.

“Wake County is the most populous county in North Carolina and the second fastest growing county of more than 1 million residents in the nation. Every day, our population increases by 56 people, and it’s easy to see why. We have an excellent education continuum from Pre-K to college, robust employment opportunities, easy access to top-notch medical care, and endless opportunities to learn and play at our parks, libraries and museums.”

DAVID ELLIS

County Manager, Wake County





WAKE COUNTY MUNICIPALITIES

Apex

In 2023 Apex continued to flourish in economic prosperity. Recently ranked the #12 best small city in America by *WalletHub*, Apex provides an exceptional quality of life for residents, while balancing opportunities for new business and development. Apex Gateway, an expansive 300+ acre industrial and business park, broke ground in 2023. The campus will include 1.2 million SF across multiple buildings including four speculative buildings ranging from 140,000 to 360,000 SF. The park will be home to Durham Coca Cola Bottling Company's new headquarters and distribution facility. Phase 1 of Pleasant Park has opened, marking a significant milestone in the Town's recreational inventory. Featured amenities include pickleball courts, a playground, tennis courts, picnic shelters, and a cross country course. The addition of six multipurpose fields and four baseball/softball fields in Pleasant Park, with batting cages, concession stands, bathrooms, and meeting offices allows for the Town to expand the youth and adult athletic programs, while also attracting regional sports events. In collaboration with the physical infrastructure progress, Apex continues to foster a thriving environment for small businesses and entrepreneurs. Over 75 entrepreneurs have successfully graduated from the LaunchAPEX program. Two inaugural small business promotional events were created in 2023, Apex Restaurant Week and Apex Love Local Showcase. Over \$100,000 of revenue was generated from Restaurant Week and over 50 businesses participated in the Showcase.



Cary

Cary saw some notable expansions in 2023 including MetLife, Garmin, Duke Health's new West Cary Campus and WakeMed Hospital. Cary also welcomed many new corporations to its business community. Medix, Lee & Associates, EAD Services, and Sumitomo Pharma Co., formerly Enzyvant, all call Cary home now, further diversifying Cary's thriving economy.

Fenton, a vibrant mixed-use district being developed by Hines and Columbia Development Group, announced plans for Phase Two. The West End Beer Garden, an adaptive reuse project by Mackenan, opened in downtown Cary with Vicious Fishes and Southline Brewing as anchors.

WakeMed Soccer Park continues to be an economic driver for Cary. In June it played host to The Soccer Tournament (TST), the \$1 million, winner-take-all, 7v7 world championship, which featured 32 teams from eight different countries, including Wrexham and Westham United, to compete in a World Cup-like stage. Cary also won a two-year deal with the NCAA to host the Women's Lacrosse Championships at WakeMed Soccer Park.



After 20 years of planning, the recent opening of the Downtown Cary Park has forever changed the landscape of Cary's downtown district. The massive project is expected to draw visitors from across the region, the state, and beyond. Rounding out 2023, Cary saw notable milestones in its industrial sector as well. The 300,000 SF former Oxford Press manufacturing site was redeveloped into a cGMP-ready shell building with an amenity-rich campus, which will help attract more life science companies, advanced manufacturing and R&D. Park Overlook and RDU Business Park near approvals, which will add nearly one-million square feet of available industrial space.

*Source: North Carolina Department of Revenue. October 1, 2022 – October 1, 2023.

Fuquay-Varina

Recently ranked by *MoneyGeek* as the 3rd safest small town in North Carolina, Fuquay-Varina is looking to the future. The town received the results of the Commercial Real Estate and Market Feasibility Study, which provides an objective assessment of trends, demographics, economic conditions, and growth opportunities in Fuquay-Varina. Construction on recent business recruitment and expansion projects continue to progress smoothly and is on schedule for completion by late spring 2024. Upon their completion, these endeavors will yield significant benefits for the community. In July 2023, the town issued an RFQ with the aim of fostering collaborative partnerships with private developers for a mixed-use development project within the downtown district. The Town is collaborating with the McAdams consulting firm on the development of the Fuquay-Varina Downtown Generational Master Plan. This plan will serve as a comprehensive blueprint for driving further investments in the downtown area of Fuquay-Varina, focusing on vital aspects such as housing, commercial and retail development, cultural arts, landscaping, and recreation amenities. The expected completion date is set for January 2024.



Garner

WakeMed announced plans to build a whole-person health campus in Garner to address the medical and mental health needs of the community. The site will be constructed on 53 acres near the intersection of White Oak Road and Timber Drive. WakeMed will start construction in 2024 and is expected to open in fall of 2026. Beacon Commerce Park on Jones Sausage Road is adding additional square footage with the addition of 95,998 SF of Class A manufacturing and distribution space. Developer Al. Neyer is adding a fifth building to Garner Business Park 70. This new building will deliver in Q2 2024 and add 225,000 SF of much needed industrial space to the Garner market. The Town of Garner adopted their new Garner Forward Comprehensive Plan, enabling the Town to work with developers to implement the goals and objectives found within the long range plans.



Holly Springs

In one of the Best Small Cities as named by *WalletHub*, construction projects are underway for global biotech giants Amgen and FUJIFILM Diosynth Biotechnologies, investing \$3 Billion in the Holly Springs economy. Both are set to open in 2025. In addition, growing business park sites and speculative space options for manufacturing are ready to go with plans for continued development. Partners such as GeneSuites are offering curated life science space at Catalyst BioCampus. Crescent Communities, developers of THE YIELD Holly Springs, have built out 2 manufacturing buildings, while the site is capable of 10+ buildings dedicated to life science and manufacturing space at full build out. Furthermore, CaMP Helix, a 500+/- acre business park on the west side of town along US 1, offers 100+/- acres of land for projects that range from 10 to 100 acre sites, and will offer speculative buildings to continue to attract advanced manufacturing and biotech companies. Right next door, THE YIELD North offers 80+ acres for economic development projects and speculative space that fit with Holly Springs' targeted industries. To support this growth, the Town is working closely with multiple partners to bring amenity rich options in these business parks and downtown for the workforce in Holly Springs.



Knightdale

Knightdale sees continued growth in the commercial sector for industrial, warehouse, office, and retail space. Beacon Partners has started construction on Knightdale Gateway Business Park, a 511,000-SF industrial park at 5901 Farmwell Road – off Knightdale Boulevard between the Neuse River and Interstate 540. Kitchen Cabinet Distributors signed a lease for 195,056 SF of space in one of the two buildings. In addition, Beacon has submitted a master plan for an additional 23,400 SF flex building and 10,000 SF office building at Knightdale Gateway. Wake Stone Property Company has begun site work for an extension to the Hinton Oaks Industrial Park. Atlas Stark of Raleigh has submitted a master plan to bring more than 50,000 SF of commercial development to the Knightdale Station community. The buildings are set to house retail, medical, and office space. Widewaters Properties is also proposing a mixed-use development, DeWitt at Knightdale, to include 290 multi-family units and 30,000 SF of retail space. In Q4, Brown Investment Properties expects to deliver the Lofts at Knightdale Station, including 195 multi-family units, 6,000 SF of retail, and 6,000 SF of office space adjacent to Knightdale Station Park.





“2023 was another impactful year in economic growth for Wake County and the Research Triangle region. Over the last 12 months, WCED has announced \$444M in capital investment and 475 new jobs. I am also excited about the impact of these announcements that occurred in our Targeted Growth Areas that have not historically benefited from our region’s growth.”

MICHAEL HALEY

Executive Director, Wake County Economic Development
Senior Vice President, Raleigh Chamber

WAKE COUNTY MUNICIPALITIES

Morrisville

The Town of Morrisville continues to grow as a life sciences hub in Wake County. Based on proactive efforts by the Town to update its Land Use Plan, to collaborate on regional transportation enhancements, and to strategically attract and support essential laboratory and testing space for the biomanufacturing industry, Morrisville continues to see rapid development of direct and related supply chain companies. With the development of projects such as Longfellow, Pathways, Southport, and Spark, Morrisville continues to add opportunities for continued growth in the biomanufacturing and life sciences arena.



Raleigh

With a full pipeline of developments, expansions, and new companies opening their doors in Raleigh, the future is bright. The city is set to undergo development like never before, with construction starting on an Omni Convention Center hotel, \$387.5 million expansion for the Raleigh Convention Center and Red Hat Amphitheater, \$300 million for PNC Arena, \$700 million for The Weld, and \$1 billion for the North Hills Innovation District.

The emphasis on attracting corporate headquarters and recruiting talent and companies in the life sciences sector persists. Indivior Inc., a global pharmaceutical company, will invest and expand operations for a pharmaceutical production facility in Raleigh. The expansion includes 35 new positions with a capital investment of \$60 million. Audemars Piguet, a globally recognized luxury watch brand, will relocate the company’s North American watch service center. The relocation includes 105 new jobs and a capital investment of \$22 million. Additionally, Raleigh experienced a series of other noteworthy announcements from RapidScale and Schmalz, Inc.



The forward momentum of Raleigh is undeniable as the population and skyline grow at a rapid rate. Marketing is a key focus as all efforts aim to promote the City of Raleigh as the premier location for business with the #NoLimitsRaleigh campaign.

Rolesville

Rolesville is quickly becoming one of the most desirable towns in Wake County with its close proximity to the capital city. Ranked by *SafeWise.com* as the #1 Safest City in North Carolina in 2023, Rolesville prides itself on a genuine sense of community. The Main Street revitalization project, along with several other projects, kicked off in early 2023. \$21 million is being invested along Main Street to create a walkable, downtown destination for residents, visitors and businesses. The Cobblestone Village and Wallbrook developments will bring over a combined 300,000 SF of exciting new commercial, restaurant and retail space, both scheduled to open in 2024-25. The Town also recently purchased 17 acres of land for a future Town Campus that will accommodate a new Town Hall, Police Department, Community Center, Fire Station and Wake County Library. Design efforts for a 116-acre park and athletic complex are also underway. This new park will consist of a combination of recreation facilities including baseball, softball, and multipurpose fields as well as indoor and outdoor event spaces, a dog park, and an agritourism/historic preservation area. Rolesville is constantly moving forward, and we're excited to see what the future holds.



Wake Forest

In 2023, Wake Forest maintained its special balance of big city energy and small-town charm. From WakeMed's new 87,000 SF state-of-the-art medical office facility, to "Wake Forest Exchange," a 30+ acre site planned to bring new and needed retail, office, R&D, and other flex spaces, the community continues to see strategic investments and fresh energy. Similarly, Merritt Capital Business Park progressed substantially with the grand opening of its Phase II flex space, bringing nearly 250,000 SF of new job-creating commercial space to market. In addition, Downtown Wake Forest continued its dramatic growth with significant new developments from new residential options to a restored 20,000 SF food hall progressing toward launch in 2024. The Wake Forest Founders Program launches in 2024 to support an already thriving entrepreneurial scene bringing technical, strategic, and social support to local start-ups.



Wendell

The Town of Wendell continued on its path of smart and managed growth in 2023 and looks forward to a busy 2024 and beyond. With new residents came new shopping and dining opportunities in Wendell Falls' Treelight Square Dining District and new services such as WakeMed's newest emergency room and health complex. Wake Tech's new Eastern Wake campus completed the first phase of its construction and looks to host its first round of students in 2024. Wendell Commerce Center, a 257-acre mixed-use development by Oppidan Development and Trinity Capital, received its PUD approval and began site work. Wendell also continued to invest in its Historic Downtown with the implementation of a social district and the adoption of a Downtown Improvement Grant Program to encourage redevelopment.



Zebulon

With a focus on growing smart, maintaining small town life, and restoring a historic vibrant downtown, the Town of Zebulon is committed to building for the needs of the community's residents and future. The Town is developing a community-focused Economic Strategic Plan and was officially accepted into the North Carolina Main Street Program in 2023. As Zebulon looks to transform its economic future, initiatives like these are essential in welcoming new businesses, industries, plants, and shops into the area and will shape the Town for decades to come. In addition to our industrial partners, GSK, NOMACO, Next Century Spirits, US Foods, and Devil Dogs Manufacturing, Zebulon showcases the best of locally made products and artisans. Zebulon grew 52% since the 2020 census to 10,500 residents and is expected to see 20,000 before the end of the decade. Zebulon is a town that blends old and new traditions together, safeguarding the past while looking toward the future and it shows. From bourbon to bagpipes and markets to festivals, you can find a way to belong in Zebulon.



2022-2023 ANNOUNCEMENTS

(FY OCT 1, 2022 - SEPT 30, 2023)

WAKE COUNTY BY THE NUMBERS



139

new projects



29

site visits



1,839

new jobs



\$289M

investment

| Company | Industries | New vs. Expanding | Investment | Jobs | Description |
|----------------------------|------------------------|-------------------|---------------|------|---|
| FUJIFILM Irvine Scientific | Life Science | New | \$188,000,000 | 100 | FUJIFILM Corporation announced a \$188 million investment to establish a cell culture media manufacturing facility in Research Triangle Park. The new site will be operated by FUJIFILM Irvine Scientific, Inc., a subsidiary of FUJIFILM Corporation, and a world leader in the development and manufacture of advanced cell culture solutions for life science research, bioproduction, cell therapy manufacturing, and medical applications. |
| Sumitomo Pharma Co. Ltd | Life Science | New | \$34,000,000 | 40 | Sumitomo Pharma Co. Ltd, formerly Enzyvant, moved their operations to Cary, NC. The company is involved in the R&D, manufacturing and sale of pharmaceuticals in the pediatrics and respiratory rare diseases area. |
| Berk-Tek | Advanced Manufacturing | Expanding | \$27,000,000 | 100 | Berk-Tek plans to expand its fiber optic cabling in Fuquay-Varina. The company currently operates a 55,000 square foot facility and proposes to expand its existing facility by adding 95,000 square feet to its footprint. BerkTek's facility in Fuquay-Varina has been a leading manufacturer of high-performance fiber optic cables in the telecommunications industry. Berk-Tek's fiber cable is used in Leviton's innovative end-to-end systems for various networks across North America and the world. |

DIVERSITY, EQUITY, AND INCLUSIVITY

Diversity, Equity, and Inclusivity Conference 2023

The sold-out 2023 Diversity, Equity, and Inclusivity Conference, in partnership with Bank of America, brought almost 1,200 leaders and community members together to focus on promoting and sustaining equity in the workplace. The Triangle DEI Alliance highlighted the theme, Equity in People, Practice, and Policy, throughout expert breakout sessions, insightful networking opportunities, and key learning moments on Sharing Our DEI Journey and Equity in Sustainability.

“A Better Wake” Blueprint to Dismantle Systemic Racism Town Halls

The Triangle Diversity, Equity, and Inclusivity Alliance and its partners, contributed to the planning, execution, and funding of the A Better Wake Blueprint to Dismantle Systemic Racism. The Blueprint is a living document that will evolve over time and is the beginning of a long-term collaborative effort to create lasting change in Wake County.

The Blueprint focuses on four visions of systemic change that evolved from the initial focus of the working groups: Economic Mobility, Criminal Justice Reform, Healthcare Equity and Education Equity.

Last fiscal year we hosted a series of Town Hall meetings for each sector to bring community leaders, members, and experts together to review the Blueprint goals, near-term actions, and long-term impacts and to expand upon them. These Town Hall meetings offered a space

to share ideas, curate a realistic and actionable plan for each of the focus sectors and created a community sounding board to ensure the Blueprint implementation is consistent with the needs of the Wake County community. Purposeful invitations were sent to experts, practitioners, and community members who operate within each of the four sectors. These events garnered a collective 566 registrations.

Introducing the Diversity, Equity, and Inclusion Metro Index

To help guide their DEI efforts the Raleigh Chamber hired Economic Leadership LLC, a research and consulting firm also based in North Carolina, to develop a DEI index that compares the Raleigh metro with other cities across the country. The purpose of the index is to help policymakers and stakeholders gain valuable insights into the distribution of opportunities, access to resources, and representation levels. The goal of this data-driven approach is to generate evidence-based decision making, identify systemic barriers, and target interventions that could lead to sustainable and inclusive economic growth.

The metro index focuses on data that measures the performance and representation of many diverse populations in their communities. The index found that Raleigh's DEI performance ranked 32nd out of the 150 top populous metropolitan statistical areas (MSAs) in the country. The index reveals that Raleigh is a top performer in the Southeast region of the country. We look forward to sharing the results of this research in the coming year.



“The Triangle DEI Alliance is excited to focus on the future of Diversity, Equity, and Inclusivity in Wake County. We are planning for even more impactful programming, including our 2024 DEI Conference. We are utilizing partnerships to gain data-based insight to support our DEI, equitable economic development, and ‘A Better Wake’ Blueprint to Dismantle Systemic Racism initiatives. We are determined to continue to make the Triangle business community the most diverse, equitable, and inclusive business community as we champion sustainable and equitable practices.”

TORRI A. STATON, PH.D

Vice President of Diversity, Equity & Inclusivity, Raleigh Chamber
Director of Equitable Economic Development, Wake County Economic Development

“We are here to ensure that every business, regardless of its size or industry, can tap into a skilled and job-ready workforce. Talent is a top concern for every business. Being able to tailor solutions that meet the evolving needs of employers by collaborating with the region’s workforce stakeholders will continue to be a major contributor to Wake County’s growing economy.”

PAT STURDIVANT

Executive Director, Capital Area Workforce Development



EDUCATION AND TALENT

Capital Area Workforce Development Board

As I look back on another year, I’m reminded of how workforce programs and initiatives allow us to make a lasting impact on our communities. Services don’t just address immediate needs but also underlying issues that perpetuate disparities and inequalities. As the workforce development ecosystem moves forward, it must remember that the impact we make today lays the foundation for a brighter and more equitable future for businesses as well as citizens. So, workforce development is a catalyst for change!

CAWD’s focus over the last year, and in the next few years to come, is economic mobility and the tight labor market. Helping people move into careers that offer clear paths to higher-paying positions is paramount. However, many job seekers are just not seizing opportunities despite the growth potential of an industry or occupation as they search for remote work, more flexibility, and for some higher pay than their current experience can demand. These changes in preferences and attitudes are making it difficult for employers to fill vacancies and are a major contributor to the tight labor market.

There are two ways to help address the issue. First, get people qualified for the available good jobs. Second, have programs geared to business success. While CAWD will always assist any resident in our service area, enhancing access to career services and support for historically marginalized and underserved individuals expands the candidate pool for employers. Some people may prefer self-employment over a traditional job. Being able to offer entrepreneurship as a career path is not only a bridge to economic mobility but also creates future job opportunities as small businesses grow.

Wake County is a region that is ripe with possibilities. The effort being put into workforce development benefits everyone, from the middle-schooler who has yet to think about a career to the sole proprietor who dreams of a big business with multiple locations. CAWD is always thinking ahead so that the workforce system can do what it was designed to do: change trajectories for job seekers, workers, and employers alike.

Wake County Public School System

The school district each year produces upwards of 11,000 graduates well prepared for college, career, and productive citizenship. Our students perform higher in most subjects than students in comparable school districts across the state. They also outscore their state and national counterparts on SAT exams.

We know that when our students do well, they have a positive impact on the local economy. Students who graduate from high school earn more money and therefore have more buying power to support local businesses. Graduates also generate savings in publicly funded areas such as prison, welfare and public healthcare, because they are less likely to use these services. And a quality public education system greatly increases property values. A comprehensive study of the district’s economic impact conducted by N.C. State University found that these factors have an impact on the local economy in the billions of dollars.

Wake County leaders and citizens clearly recognize the value of a strong public school system and have generously supported the needs of the district through county funds and successful capital bond initiatives.



“We are grateful to our many business partners who recognize the value of a strong public school system and support our students with their time, talent, and resources. We will continue to work alongside community stakeholders to ensure our students graduate high school well prepared for college and career.”

DR. ROBERT P. TAYLOR

Superintendent, Wake County Public School System

REGIONAL SKILLS ANALYSIS

WCED Conducts Third Regional Skills Analysis Study

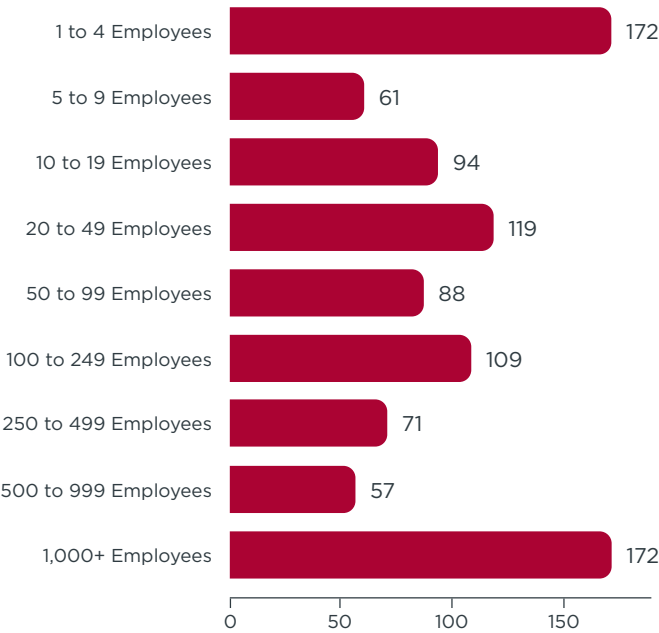
The quality of our current and future workforce is increasingly seen as the most important factor in our region's economic growth and vitality — CNBC noted as much when naming North Carolina as the #1 State for Business last year. To improve the employment pipeline, WCED led a Regional Skills Analysis survey to better understand skills gaps and employer needs. WCED led two previous studies in 2017 and 2020.

The objectives of the study include the following:

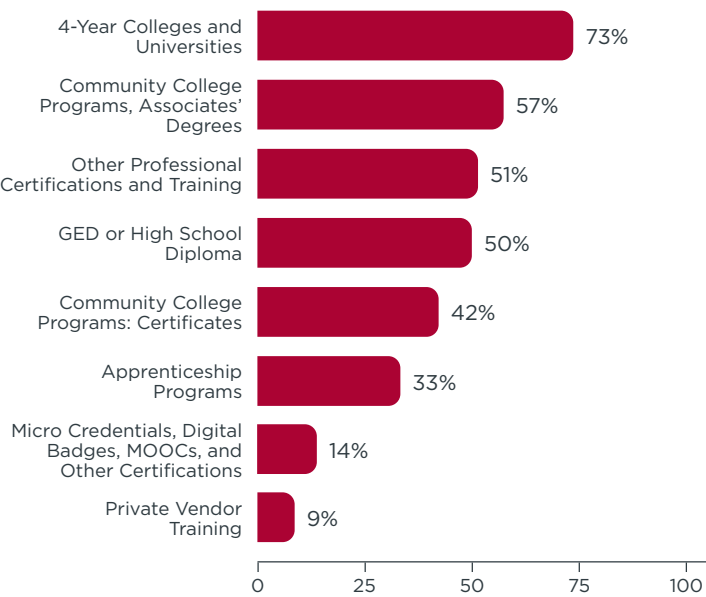
- Understand both short and long-term hiring needs
- Inform training and education providers of the current workforce needs
- Provide current workforce information for policy makers in workforce, education and economic development
- Create an efficient structure for ongoing industry feedback

WCED and our research partner Research Triangle International (RTI) have analyzed the **over 956 surveys that were received from the Triangle Region**. These data and the accompanying analysis will be shared with our regional workforce development, community college, public school systems, as well as employers and industry associations to aid in the development of new or improved training programs.

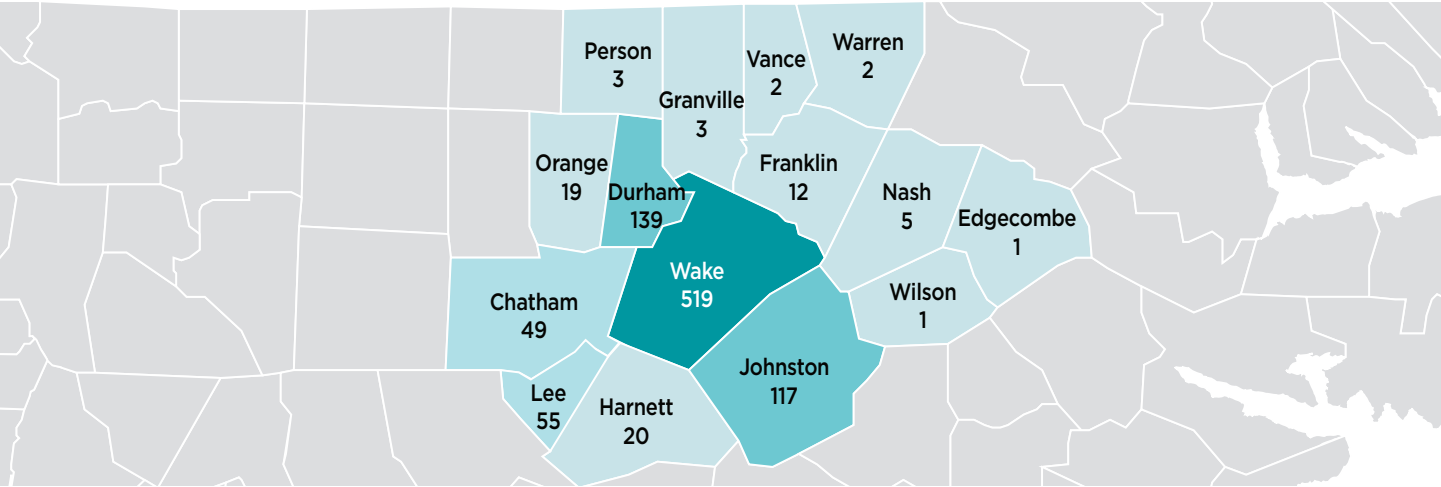
Respondent Profile: Size of Business



What Credentials or Education Experience Are You Seeking in Your Future Workforce?



Respondent Locations



HIGHER EDUCATION

North Carolina State University

The Triangle region's higher education institutions remain committed to providing a skilled workforce and bringing to market discoveries that solve real-world challenges. NC State's strong partnerships with industry and government ensure that the university is aligned with business needs while driving statewide economic impact.

To help meet North Carolina's current and future demand, the most recent state budget provides vital funding for NC State to expand educational and research opportunities, as well as funding for the construction of new learning spaces and the repair and renovation of existing buildings. The "Engineering North Carolina's Future" state legislative initiative supports the expansion of the College of Engineering by 40% over the next several years. State funding will also allow the university to grow class sizes in the College of Veterinary Medicine, and support the new Integrative Sciences Building — providing 153,000 square feet of STEM teaching, research and collaboration space slated to open late 2026, among other critical growth areas.

NC State continues to rise as a powerhouse in research and innovation. The university was recently awarded \$39.4 million from the Department of Defense to serve as the leader of a regional innovation hub in wide bandgap semiconductors. N.C. A&T State University joins the hub as a university partner, along with six industry partners: Wolfspeed, Coherent Corp., General Electric, Bluglass, Adroit Materials and Kyma Technologies, Inc. By leading this regional hub, NC State is applying its expertise to advance a high-tech sector which is important for national security. NC State is building capability to make wide bandgap semiconductors here in the U.S. and help ensure domestic supply. These technologies hold the potential to enable future electric vehicles, power grid technologies,

5G/6G, quantum technologies and artificial intelligence applications. NC State will also work with hub partner N.C. A&T and community colleges to build technical expertise in semiconductors across the state.

Soon, Centennial Campus will be home to a new 30-acre mixed-use innovation development that will further Centennial's three-decade success story. The project will offer state-of-the-art office and lab space, apartments and amenity spaces. In 2024, NC State will continue to help drive regional economic development by providing world-class talent and research.

Wake Technical Community College

Two years into our Reach and Rally Strategic Plan, Wake Tech Community College is energized by early success and consistent progress, and optimistic about the future. We continue toward our goal of reaching students all across Wake County and rallying around them with the resources and support they need to go as far as their dreams, talents and resilience will take them.

In 2024, we will reach students in the eastern part of Wake County as never before. Our newest location, Wake Tech East, will open in Wendell in the fall. This convenient site will offer public safety, engineering, university transfer, and eventually biopharmaceutical and advanced manufacturing programs that will set students on the path to rewarding careers and economic mobility. State-of-the-art labs and facilities will provide unique opportunities for hands-on training, and our Public Safety Simulation Complex will be the most extensive reality-based scenario training facility in North Carolina, with driving and force-on-force capabilities. A unique co-location partnership with Elizabeth City State University will bring advanced training in aviation and public safety to Wake Tech, strengthening emergency preparedness in our community and giving our



"As always, Wake Tech is focused on the future and we remain committed to the vital role we play in preparing Wake County's skilled workforce — not just for the jobs in demand right now, but for those that tomorrow's technologies and innovations will require as well. We continue to expand and enhance our programs, services, buildings, and campuses in response to the region's needs. Our growth is designed to provide ladders of opportunity for our students, keep our workforce strong, and enhance our economic climate in ways that improve the quality of life for everyone."

DR. SCOTT RALLS

President, Wake Tech Community College

“All of the below, plus key talent acquisitions to shore up recruitment, enrollment, retention, cybersecurity and information technology has Shaw University leaning hard into a strategic plan that will make ours a destination campus for students whose needs align with our mission and values.”

DR. PAULETTE DILLARD

President, Shaw University



graduates the opportunity to “ladder up” in their careers. As this future campus continues to grow, we will add a vital fire/rescue training complex and a state-of-the-art Advanced Manufacturing Center.

The facilities at Wake Tech East are part of our larger Workforce Forward Strategic Development initiative, designed to ensure that we have the physical infrastructure to propel economic growth through workforce-focused education and training. Thanks to the vital support provided by the \$353 million bond in 2022, we’ve begun design on a major expansion at the Perry Health Sciences Campus and a new permanent campus in southwestern Wake County, and will soon start designing a new cyber/science facility at our RTP Campus. These facilities will house education and training programs for the many highly-skilled technical jobs that keep our homes and businesses running smoothly; jobs that keep our community safe and healthy; and jobs that keep our economy strong.

We continue to grow the WakeWorks Apprenticeship program, which now includes more than 100 employers. These partners are hiring Wake Tech students as registered apprentices and teaching them on-the-job skills, while Wake Tech provides classroom instruction that strengthens foundational knowledge and fosters critical thinking skills. WakeWorks Apprenticeship employers see the value of developing their talent pipeline from within — and are gaining a competitive edge.

At Wake Tech, we’re excited for 2024 and beyond, as we forge new partnerships and strengthen our resolve to foster opportunities that promote economic mobility for residents all across Wake County, while building a workforce that supports and sustains our economy for years to come.

Shaw University

Momentum — that word aptly describes Shaw University at the outset of 2024.

We did more than put a period on 2023. The past calendar year wrapped up with an exclamation point: The December 1st Triumph Project, a series of events encapsulating the legacy of Shaw University as a pioneering HBCU cornerstone.

Q3 included the Raleigh City Council establishing the ShawU District and progressive public-private opportunities. That will prove to be a critical element for growing the campus as a successful mission-driven business.

In Q4, Shaw University added Research Triangle Park (RTP) to its campus portfolio by formalizing accommodations within the Frontier RTP 800 Building. It’s the byproduct of a collaboration with Research Triangle Foundation of North Carolina and means access to more private offices, classrooms and state-of-the-art meeting areas that will facilitate not only learning but also relationships with donors. Career prospects for students will get a lift when the space is leveraged to engage corporate partners for internships and employment opportunities. The classrooms and collaborative areas enhance Shaw University’s academic capacity by providing spaces to obtain certifications — perhaps for students in our Center for Cybersecurity Education and Research — and for adult-education classes. In other words, Shaw University even more prominently remains at the front door for opportunities within cutting-edge RTP and its innovative companies, better positioning our students to enter the pipeline of diverse talent.



“2024 will be an excellent year for Triangle home buyers as we see substantial economic development announcements and strong local hiring.”

DAVID JONES

CEO, Coldwell Banker Howard Perry and Walston

REAL ESTATE

Residential

The Triangle residential real estate market remained strong in 2023 despite low inventory and higher interest rates. The average sales price for the Triangle hovered around \$470K in 2023, and the average days on the market were 27.

We see several trends for 2024. We will continue to see more 1+ million dollar homes being built and sold in the Triangle—over 900 homes in this price point sold in 2023.

Homeowners with low interest rates will remain reluctant to sell. Those who decide to list will need to price realistically and make cosmetic improvements. We could also see sellers make their homes more attractive by assisting the buyer with a mortgage buy-down. This involves paying upfront to reduce the buyer's interest rate for a set period, lowering their monthly mortgage payments in the initial years. This not only eases the immediate burden on the buyer's finances but also enhances the property's attractiveness, potentially expediting the sale.

Many factors will determine the number of homes listed for sale in 2024. We will see an increase in new construction in all parts of the Triangle. Another growing trend is “tear downs” in many established neighborhoods with 1 or 2 homes or a duplex being built on the lot. This increases density and will give buyers more options for purchase.

Wake County has experienced significant population growth over the past decade thanks to its thriving economy, excellent quality of life, and proximity to research institutions and tech companies. Companies continue to relocate here or expand their existing presence. Many of them are hiring locally, which has created first-time home buyers and move-up buyers. This trend is expected to continue, resulting in a higher demand for housing options.

Commercial

Through half of 2023 and entering 2024, the national commercial real estate market has been burdened with the headwinds of troubled financial markets. Wake County is not immune to these headwinds, however market conditions such as population growth and a diverse economy continue to make Wake County attractive for long term real estate investment.

Population growth creates demand for housing, retail, industrial, and medical offices. With a population that has grown by 7.5% over the past 5 years and expected to grow by 16.5% over the next 10 years, there is no questioning that strong demand will continue in the above property sectors.

The region has seen fantastic growth in the life science space and continues to be a premier market for this sector. Despite 2,200,000 SF of new space over the past 3 years, vacancies are still below 9% and lease rates continue to climb. Reduced access to capital will impact demand, but in the long term this market will continue to soar.

Companies continue to wrestle with their optimal strategy for their physical office. After the shift to work from home, company executives in most industries have determined that the company is stronger with everyone in the office. The quality of work, the quantity of work, and the culture and development of people all benefit from being together. For the next few years companies will work to bring employees back to the office.

For development, 2024 will be a year of planning. Developers will use this time to prepare for the next round of development, knowing that when the capital markets find their footing, and supply is in control, product will be needed to meet demand. The depth of the potential recession will impact this timing, but institutional investors will continue to look to invest in this market.

“Basic fundamentals will always govern commercial real estate and population growth critical to demand for all property types. As shown on so many national surveys and rankings, Wake County will continue to be a ‘shining star’ in the US for people and companies to locate and for commercial real estate investment.”

STEPHEN PORTERFIELD

Principal, President, Capital Associates



“In collaboration with partners like the Raleigh Chamber and WCED, Research Triangle Park is committed to supporting our growing region through equitable and responsible development. We’re building a transformative, 50-year plan to shape RTP into a ‘15-minute city’ that uniquely benefits Park companies, innovative research initiatives and economic development efforts. In 2024, we will welcome RTP’s first residents to our downtown destination, Hub RTP, and complete construction on the vibrant, mixed-use epicenter, Horseshoe.”

SCOTT LEVITAN

President and CEO, Research Triangle Foundation of NC



RESEARCH TRIANGLE PARK

As the Research Triangle Foundation of North Carolina prepares to celebrate its 65th anniversary as stewards of Research Triangle Park (RTP), it's natural to reflect on the bold vision of the Park's founders. They worked together to creatively address the economic needs of our state, and it is clear the spirit of collaboration is still thriving today. Thanks to their foresight, RTP has become a tremendous success story for our region, for North Carolina and for our country.

In many ways, we are arriving at another historic inflection point. We anticipate significant population growth with more than 1 million people moving to the Triangle area over the next 20 years. Today, RTP is home to more than 375 companies and 55,000 employees, but companies are actively rethinking their office environments to better accommodate employee preferences and hybrid work options.

The original RTP development model that worked well for many decades is not universally suited to meet the evolving needs of R&D innovation communities, employers or workforces of tomorrow. Our 7,000-acre footprint is centrally located with underutilized land resources that can be better optimized to support economic development, while providing opportunities for RTP landowners seeking to reimagine their campuses.

Working in close coordination with Wake and Durham counties, university partners and RTP companies, the Foundation is actively shaping RTP 3.0, a collaborative planning process to set a 50-year vision for RTP.

In 2023, we leveraged feasibility study insights to diligently plan with community partners, collaborate with economic development leaders, collect feedback from RTP companies and institutions, engage with government officials, and host numerous conversations with local and regional stakeholders.

Looking ahead, 2024 marks a pivotal year where we will use these insights to define protocols and guidelines necessary for successful plan implementation. This includes proposing zoning, covenants and governance changes; developing visioning and planning documents for key transportation initiatives; and establishing development standards. We will also identify policies, incentives or requirements for critical community needs, such as affordable housing, sustainability efforts, open space and recreation areas, public uses, and university-related research and innovation initiatives.

While focused on future needs, we are simultaneously reshaping the fabric of RTP today. If you drive by the intersection of Davis Drive and Highway 54, you'll see construction progress making headway for our vibrant, downtown destination — Hub RTP. Last spring, the Foundation moved its RTP Headquarters to this reimagined corporate campus. Our offices are now located in the 700 Building within the 100-acre Hub RTP site; steps away from Boxyard RTP, our experiential restaurant and retail shipping container destination, and Frontier RTP, our coworking and office space home to emerging startups and entrepreneurs.

In 2024, we will welcome RTP's first residents with MAA Nixie beginning pre-leasing for more than 400 thoughtfully designed apartment homes this summer. Around the same time, NexPoint and Alamo Manhattan will begin construction on a Marriott-branded Renaissance RTP hotel. Along with developer White Point Partners, we'll complete construction on the mixed-use epicenter Horseshoe at Hub RTP. Longfellow Real Estate Partners recently unveiled Via Labs at Hub RTP as the new name and brand for its life sciences development.

At full build out, Hub RTP will feature up to one million square feet of office and lab space, 250 hotel rooms, 1,200 residential units, and 50K square feet of restaurants and retail all designed to bring people together to work, play and stay in RTP.



NO. 1

**Fastest Growing
Airport in the U.S. (RDU
International Airport)**

RDU Airport Authority, July 2023



BUSINESS LEADERSHIP AND MOBILITY

RTA serves as the voice of the regional business community on transportation. **Our mission is to deliver business leadership to get our region moving faster.**

Our top priority continues to be securing sustainable funding for needed infrastructure at RDU Airport. We have an ongoing campaign to maximize federal funding to relocate and lengthen our primary 5L-32R runway.

This year we are focused on supporting the New Bern Avenue Bus Rapid Transit Line (BRT) under construction in Raleigh and other BRT corridors regionwide. In addition, RTA, NCDOT, and partners will advance the Freeway, Arterial, Street, and Tactical (FAST) transit implementation plan that will link BRT to RDU Airport.

The regional business community will also target solutions to accelerate the upgrade of US 1/Capital Boulevard to a freeway and multimodal gateway, expand bicycle infrastructure, and leverage innovative, cost-effective, and sustainable transportation solutions.

With **18 more miles of the 540 beltway opening this summer, I-40 and I-440 improvements nearing completion, and an ongoing push to develop “SMART” freeways**, RTA and the region are committed to mobility success for the metropolitan Triangle.



“The regional business community is laser-focused on ensuring that our metropolitan transportation system keeps up with our area’s growth.”

JOE MILAZZO II, PE

Executive Director, Regional Transportation Alliance

“RDU’s steady rise in passenger volume underscores the urgent need for the airport to continue to grow with the community it serves. As we look to the years ahead, our main priorities are to build the Vision 2040 capital projects that will allow us to welcome more people and flights, elevate the guest experience through new technologies and amenities, and continue to recruit new airlines and additional routes to give Triangle travelers even more options for their next trip.”

MICHAEL LANDGUTH, A.A.E.

President and CEO, Raleigh-Durham Airport Authority



RDU INTERNATIONAL AIRPORT

More passengers continue to fly through Raleigh-Durham International Airport, with **monthly traffic frequently surpassing records previously set in 2019**. And the demand for air service is expected to keep growing in 2024 and beyond. To meet that growth, RDU is investing in infrastructure that will accommodate more travelers and flights and making improvements that support its vision of providing a world-class airport experience.

RDU was named a top five large airport in North America for customer satisfaction in 2023, marking the airport’s third consecutive year in the top five and fifth consecutive year in the top 10 in the J.D. Power study.

The airport now boasts 16 airlines and nearly 60 nonstop destinations in the U.S. RDU also reached a record eight international destinations with the announcement of nonstop service to Frankfurt, Germany on Lufthansa beginning in June.

In 2024, RDU will be reimagining the travel experience by elevating dining options with renowned chefs and local favorites, as well as introducing new technology that eases the travel day. **Guests will be able to find a parking spot quickly with a new parking guidance system**, then enjoy a bite and a beverage from one of several new dining concepts. With **more than 10 new restaurants and bars under construction** now, travelers will soon have their choice of everything from gourmet to grab-and-go.

RDU is also moving forward with Vision 2040, the airport’s master plan for growth that will improve roadways, provide more parking and ground transportation options, expand the terminals and add more gates. In October 2023, RDU broke ground on the most significant capital infrastructure project in the plan—the replacement of its primary runway. The new 10,639-foot runway is expected to be complete in 2028 and will serve the region for many years to come.

As RDU grows, the Raleigh-Durham Airport Authority is committed to incorporating sustainable practices into its construction programs and business operations through its Sustainability Policy and Sustainability Management Plan.

Track RDU’s progress and learn more about the airport’s plans for growth at [rdu.com](https://www.rdu.com).

BY THE NUMBERS

16
airlines

8
international
destinations

nearly
60
direct domestic flights

NO. 5
**Best Large Airport for
Customer Satisfaction
in North America**
JD Power Study, 2023





**Champions
in Economic Impact in
Sports Tourism. 2023 Navy
Federal Credit Union NHL
Stadium Series™ (Raleigh, NC)**
*Sports Destination
Management, 2023*



TRAVEL AND TOURISM

BY THE NUMBERS

17.8M

visitors were welcomed in
Wake County in 2022

\$3B

spent by visitors in
Wake County in 2022

\$287M

generated in state and
local tax revenues

24,591

workers supported by the
tourism industry in Wake County

537

new hotel rooms on the
market in 2023


Wake County's travel and tourism industry has nearly rebounded to the record-breaking 2019 pre-pandemic visitation levels and broke all records regarding visitor spending and tax generation in 2022. Tourism tax collections generated a record \$79.9 million in fiscal year 2022-2023. As a result, Wake County and the City of Raleigh approved four of the key priorities in the Wake County Destination Strategic Plan 2028. The four projects are all in the design phase and include enhancements at PNC Arena, moving the outdoor Red Hat Amphitheater and expansion of the Raleigh Convention Center, development of a 550-room Omni Hotel adjacent to the convention center and creation of The Center, a new indoor sports complex in the Town of Cary.

Additional new hotel projects continue to rise across the county. In 2023, Wake County added five hotels with 537 rooms to the market's supply, including the Westin Raleigh-Durham Airport, only the second Westin property in North Carolina. Another seven new hotels with 829 rooms are anticipated to open in 2024.

We continue to experience high demand in both conventions and sporting events, including hosting four NCAA National Championships in 2024:

- NCAA Division I Women's Lacrosse Final Four – May
- NCAA Division II College Baseball World Series – June
- NCAA Division I Women's Soccer College Cup – December
- NCAA Division I Men's Soccer College Cup – December

The Town of Cary will host the USA Olympic Men's and Women's Swimming Team training camp for 11 days in July. We will also see a large influx of visitors in June as the 2024 U.S. Open will be held in Pinehurst.



“We are thrilled to see our tourism product continue to expand and improve as we experience high demand for hosting conventions and sporting events in the area, which is vital to us remaining competitive in the marketplace.”

DENNIS EDWARDS

President and CEO, Greater Raleigh Convention and Visitors Bureau (Visit Raleigh)

“We know 2024 will be another exciting year for Wake County, as we build on the incredible partnerships that make us better together. The collaboration between the public and private sectors is what makes Wake County stand out from all the rest. It enables us to be innovative and bold as we find new ways to advance our goals and help our 1.1 million residents thrive.”

SHINICA THOMAS

Chair, Wake County Board of Commissioners



RALEIGH AND WAKE COUNTY



NO. 1

**Top State for Business
(North Carolina)**
CNBC, 2023 & 2022



NO. 1

**Best City to Start a Tech
Career (Raleigh-Durham-
Chapel Hill, NC)**
GoBankingRates, August 2023



NO. 1

**Most Affordable Capital
City in the U.S.
(Raleigh, NC)**
WalletHub, February 2023



NO. 4

**Millennial Magnet
(Raleigh-Durham, NC)**
Business Facilities, 2023



NO. 1

**City for Veterans to
Live (Raleigh, NC)**
WalletHub, October 2023

“There are many exciting things on the horizon for the City of Raleigh. Our skyline is expanding. We’re making substantial investments in transportation with construction underway on the first bus rapid transit system in the state and an announcement of \$1.1 billion in federal funding for high-speed rail. We continue to attract the attention of global corporations, and we remain a great place to live, attracting top-tier talent. Our momentum is strong, and we’re well positioned for the future.”

MARY-ANN BALDWIN

Mayor, City of Raleigh



2024 ECONOMIC FORECAST

Events have been pointing to 2024 being a transition year for economic policy. The past three years have dealt with Covid and the aftermath of Covid. In 2020 and 2021, the priority was to first contain and then eliminate Covid as a danger impacting the economy. The federal government pumped trillions of dollars into the pockets of households, businesses, and institutions in an effort to sustain them during the pandemic.

A complementary policy came from the nation's central bank, the Federal Reserve, or "Fed." The Fed used its powers to push interest rates lower and to increase the amount of money in circulation. Both moves had the goal of increasing consumer spending and thereby motivating businesses to hire workers.

These policies were largely successful. The economy came roaring back in late 2020 and 2021, sending the unemployment rate from 14% in early 2020 to near 4% by late 2021. Indeed, the economy was so strong that a new problem emerged — labor shortages.

But an even bigger problem emerged that was not expected, a rapid jump in price inflation. For almost thirty years, inflation had been a non-issue. The all-item annual inflation rate ranged between 1% and 3%. Yet in 2021 and 2022, the inflation rate continually marched higher, peaking at a year-over-year rate of more than 9% in the summer of 2022. Since worker earnings were not rising as fast, the surge in inflation meant falling standards of living for most households.

Consequently, in 2022 the Fed reversed its policy. It shifted from fighting unemployment to fighting inflation. In less than a year, the Fed increased its key interest rate from effectively 0% to over 5%. In the background, the Fed also began pulling money out of the economy.

The Fed's intent was to slow the pace of economic growth, thereby taking pressure off prices. As the Fed's policies began to take effect, and as the broken supply chains began to be healed, the inflation rate moderated, falling to under 4% at the end of 2023.

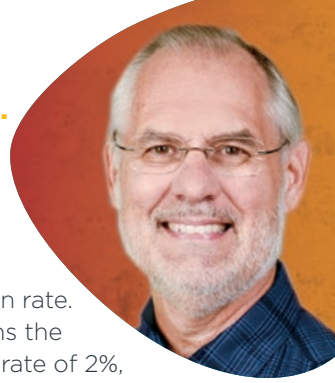
When the Fed attempts to slow the pace of the economy, the fear is always that slow growth will first turn into no growth, and ultimately become negative growth, meaning a recession. Indeed, this happens more times than not.

Yet, a recession did not occur in 2023. Through the first three quarters of the year, the economy continued to grow. Importantly, jobs were added, and consumer spending expanded.

The positive path of the economy in 2023 has sparked hopes that, rather than a recession, the economy will glide to a "soft landing." This means the economy will continue to

DR. MICHAEL L. WALDEN, PH.D.

William Neal Reynolds Distinguished Professor Emeritus at North Carolina State University



grow, albeit more slowly, resulting in an on-going downward trend in the inflation rate. Stated another way, a soft landing means the Fed will reach its target annual inflation rate of 2%, but without inducing a recession.

Recent data suggest a soft landing could be emerging. Jobs are being added, but at a slower pace, and consumers continue to spend more, but the monthly increases have become milder.

It would be a major accomplishment by the Fed to engineer a soft landing. One indication the Fed believes a soft landing is coming is that the Fed has not raised its key interest rate since May.

With this background, what can be expected in 2024? If the economy continues to modestly grow in early 2024, and if the inflation rate continues to slowly decline, then by the middle of 2024 the Fed could be in a position to begin reducing interest rates. Given this scenario, I wouldn't be surprised to see the Fed reduce their benchmark interest rate by two percentage points in the second half of 2024. I would also expect the all-item annual inflation rate to come very close to 2% by the end of 2024.

Therefore, I see the strong possibility for two distinct and different economies in 2024. In the first half, interest rates will not be cut, the economy will slow, and there may even be some months where job growth stops, and the unemployment rate rises. But I don't see enough of an economic retreat to qualify as a recession.

The second half of 2024 will be upbeat. Falling interest rates will help many sectors — including real estate and manufacturing — experience faster growth. This will mean more economic development projects in the Raleigh, Wake County, and Greater Triangle regions will be "jump-started."

At this point in the economic cycle, the Federal Reserve is in the driver's seat. The Fed missed the signals pointing to a burst in price inflation. If the Fed can corral inflation without the aftermath of a recession, then they may be forgiven.

And regarding Raleigh, Wake County, and the Triangle, despite the aforementioned macroeconomic challenges in 2024, the "beat will go on" in the region. I expect the local economy will be bigger, better, and stronger when the curtain falls on 2024.

Walden is a Reynolds Distinguished Professor Emeritus at North Carolina State University and President of Walden Economic Consulting, LLC. He served on the NCSU faculty for 43 years. He is the author of 14 books and 330 articles, and he has made over 3,300 personal appearances. Among Walden's awards are the UNC Board of Governors Award for Excellence in Public Service, the Holladay Award for Excellence at N.C. State University, and the Order of the Long Leaf Pine.

THE NEW NORMAL: OPPORTUNITIES AND CHALLENGES

Last year at this time, America's metros were trying to make sense of the emerging post-pandemic economy. In North Carolina daily life was returning to a new normal with strong job growth, persistent talent shortages, and an expanding economy buffeted by painful inflation. Polls showed pessimism and most experts were predicting a 2023 recession.

But a funny thing happened on the way to a recession, despite the Federal Reserve continuing to raise rates to dampen growth, consumers pushed the economy to a stronger recovery, spending the extra savings they accumulated during the pandemic. Reshoring and foreign direct investment (FDI) remained strong. The government stimulus and new industrial policies fueled explosive growth in semiconductors, electric vehicles, batteries, and life sciences. The U.S. set new records for energy production leading to lower gas prices. Jobs remained plentiful and real incomes grew. A mild recession in 2024 is still possible, but the odds of achieving a soft landing continue to improve.

Despite a better than anticipated economy, challenges remain. Real estate markets, especially office, retail and housing, have been depressed by high interest rates, remote or hybrid work, online shopping growth, and workforce issues. Supply chains are still experiencing negative impacts from the Russian invasion of Ukraine, the recent Middle East conflict, drought in Panama, and the decoupling of the U.S. and China economies. Critical occupation shortages have not improved. We have national shortages for teachers, nurses, public safety officers, and craftspeople. Places are still competing for talent. Childcare availability, and affordability, is now a recognized crisis. National elected officials, entrenched in win/lose politics, are a persistent risk to the economy.

These are the thorny issues most places share, creating opportunities and threats. In our region, 2024 is not the time for either complacency or fatalism. It is the time for innovative thinking and strategic actions. It is the year where our leaders, and regional stewards, practice foresight and aggressively position our region for future success.

Few states navigated the pandemic's economic challenges better than North Carolina. From early 2020, just before the pandemic, to today, North Carolina jobs have grown seven percent, the sixth fastest in the country and more than twice the national growth average. During the same period, the Raleigh MSA has increased jobs by 11.4 percent, stronger growth than any state. From 2019 to 2022, North Carolina has also experienced growth in personal incomes and gross domestic product (GDP) faster than the nation. The state continues to be ranked near the very top as a place for businesses to succeed, and a trove of major announcements in 2023 bear witness that our economy has benefited.

Some of North Carolina's rankings are especially important. North Carolina places among the leaders in worker training. The training and retraining of workers will be even more important as Generative Artificial Intelligence begins to impact work. High rankings for Life Sciences, Semiconductors, the EV Industry AgTech, and Cyber Security should place the state to grow the jobs of the future. A top 10 rating for FDI positions the state to benefit from changing geopolitics. If North Carolina can continue to be a place where young talent wants to be, then our state is well positioned for the next decade.

I do not believe any American region is better situated for the future than the Research Triangle. The Raleigh-Cary Metropolitan Statistical Area (MSA) continues to receive numerous accolades and enjoys one of the country's most successful economies. Talent remains the top factor for business investment. Our firm's assessment of technology talent places both the Raleigh-Cary metro, and the Durham-Chapel Hill metro among the top 10 nationally. Being among the best places for millennials, Gen Zers, young professionals, families, and veterans adds up to a demonstrated talent advantage. RDU's amazing growth and recent ranking as one of the country's top large airports is enabling increased worldwide connectivity. New investments in mobility, parks, and broadband are helping to maintain a quality-of-life advantage. The region has always had a higher education advantage, and our community colleges and universities remain critical to our success.

Looking into 2024, in the first half of the year, the national economy will still face the headwinds of high interest rates, tighter bank lending practices, the resumption of student loan payments, and the lack of excess savings to support consumer spending. It is also a presidential election year, and the flood of negative and divisive messaging targeted at voters is likely to sour consumer and corporate thinking and spending. If you are optimistic, the second half of 2024 could see inflation drop closer to the Federal Reserve target of two percent and result in modest rate cuts.

Closer to home, our region should not be complacent. Ensuring future affordability should be a priority. The balance between a great quality-of-life and affordability (when compared to other highly educated technology-rich regions) has always been a competitive strength for Raleigh and the Research Triangle. In recent years, widely reported out-migration from expensive regions of the country provides a lesson to be heeded.

In economics the relationship between supply, demand and price is fundamental. We expect that our region will continue to be a place where people want to live, and businesses want to grow. Demand will be strong. The supply of places to live, and locations to work, needs to grow equivalently or prices will increase and eventually become unaffordable. Labor sheds and housing sheds tend to be regional and strategic approaches require collaboration among our counties and municipalities. Another priority should be the continued engagement and collaboration of our public and private leaders.

I often ask groups whether anyone expects the pace of change to slow, or the complexity of our challenges to lessen. No one ever says they expect either. I am sure that they are right. Our regional leaders will all need to keep our eyes forward as we navigate what may come. As Jimmy Buffett said, "breath in, breath out, move on."



TED ABERNATHY

Managing Partner,
Economic Leadership, LLC

Diamond



Platinum

Bank of America
Duke Health
Truist
Wells Fargo

Highwoods Properties, Inc.
John Deere - Agriculture & Turf Division
Kane Realty Corporation
Kilpatrick Townsend & Stockton LLP
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Smith Anderson Law Firm
Trinity Capital Advisors
Triumvirate Environmental

Frankel Staffing Partners
FUJIFILM Diosynth Biotechnologies
IBM Corporation
JLL
Liaison Design Group
Lincoln Harris
Longleaf Law Partners
LS3P Associates, Ltd.
Mack Real Estate Development
Maynard Nexsen
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McDonald York Building Company
McGuireWoods LLP
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RATIO
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Terracon
The Nautical Group
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Vaco Raleigh, LLC
Wake Technical Community College
Williams Mullen
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First Citizens Bank
Martin Marietta
NC State University
UNC Health
WakeMed Health & Hospitals
Womble Bond Dickinson (US) LLP

Copper

Berkshire Hathaway HomeServices
Carolinas Realty
Blue Cross and Blue Shield of North Carolina
Brady
Carolina Hurricanes
Clancy & Theys Construction Company
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