



ECONOMY & BUSINESS

2021

RALEIGH
CHAMBER 


WAKE COUNTY
ECONOMIC DEVELOPMENT



CHAIRMAN'S LETTER

BY THE NUMBERS



6,621
new jobs



\$406M
investment

The last year has challenged our community in many ways. **However, through collaboration and partnership, we continue to move the priorities of the business community forward.** Despite the global pandemic reshaping the way we live and work, the Raleigh Chamber remains focused on building a strong regional economy, enhancing the community's quality of life, and supporting member businesses.

In the past year, we:

- Announced more **than 6,621 new jobs and \$406 million** in investments.
- Welcomed the announcement of **Bandwidth building their global headquarters in Raleigh.**
- **Pivoted 120 (out of 205) events** and programs to a virtual format to support our members.
- Held the third annual **Diversity, Equity, and Inclusivity Conference with over 800 people.**
- Connected over **300 small business owners** through our We Connect and Hispanic and Black Business Momentum series.
- Launched a **COVID-19 rapid response website** to support businesses in the region.
- Announced a **COVID-19 recovery taskforce** to help stabilize, adapt, and accelerate our economy.
- Completed a **15-county regional skills analysis** to assess talent and workforce needs.
- **Secured 17 article placements in national media outlets**, including a podcast and live TV segments.
- Launched an **aggressive regional marketing campaign in partnership with the Research Triangle Regional Partnership** to position the region for future economic development success.
- Passed an **\$80 million affordable housing bond** for Raleigh.
- Created a **regional Freeway And Street-based Transit (FAST) network** to enhance transit and improve equity.

Our focus on continuing to build a community that is strong, collaborative, unified, and prosperous for all will lead us through the next year and keep us focused on a brighter future for Raleigh and Wake County.

"I am excited for what the future holds for Raleigh and Wake County. While we have challenges ahead of us, these challenges create opportunities and I am confident the Chamber is well positioned to lead and support the community through the coming year."

O'HARA MACKEN

Senior Vice President and Raleigh Site Lead for IHS Markit



“As we recover from the global pandemic, it is our job to continue to move the priorities of the business community forward. We are addressing concerns important for our area’s advancement—such as economic development, talent, entrepreneurship, public policy, education, transportation, equity, and support of small business.”

ADRIENNE COLE

President and CEO, Raleigh Chamber



RALEIGH CHAMBER

As the Triangle’s largest business membership organization representing two-thirds of the private sector employment in Wake County, the Raleigh Chamber supports the interests of the local business community. **Those interests could not have been more top-of-mind for the Chamber team over the last year.**

With the fast onset of the global pandemic, the Raleigh Chamber quickly adjusted operations to provide support and guidance to our members and community while continuing to deliver on our mission of *building a thriving regional economy, enhancing the community’s quality of life, and strengthening member businesses.*

Even as we faced challenges related to the pandemic, our team **doubled down on our core priorities** of Economic Development, Diversity, Equity, and Inclusivity, Government Affairs, Transportation, Workforce Development, Talent, Entrepreneurship, Leadership Development, and Small Business. Over the course of the year we:

- Launched a COVID rapid response website
- Created a Recovery Taskforce
- Kept our members and the community connected through virtual networking
- Announced several corporate expansions and relocations
- Welcomed over 800 attendees to our virtual Diversity, Equity, and Inclusivity and Women’s Leadership Conferences
- Launched an aggressive regional marketing campaign
- Passed an \$80 million affordable housing bond
- Focused on innovation and acceleration in transit
- Collected over 700 responses for the regional skills analysis

The Raleigh Chamber is committed to ensuring a more prosperous future for our members and community.

BY THE NUMBERS



39

active relocation/expansion projects at any one time



1,165

jobs for Bandwidth global headquarters



\$80M

affordable housing bond



REGIONAL GROWTH

THE REGION BY THE NUMBERS

NO. 1

**Metro for GDP Leaders
(Mid-Sized Metros)
(Raleigh)**

Business Facilities, 2020

NO. 1

**Top Growth Cities
of 2019 in the U.S.
(Raleigh-Durham)**

U-Haul, 2020



64 people

added to population per day



21

are born here



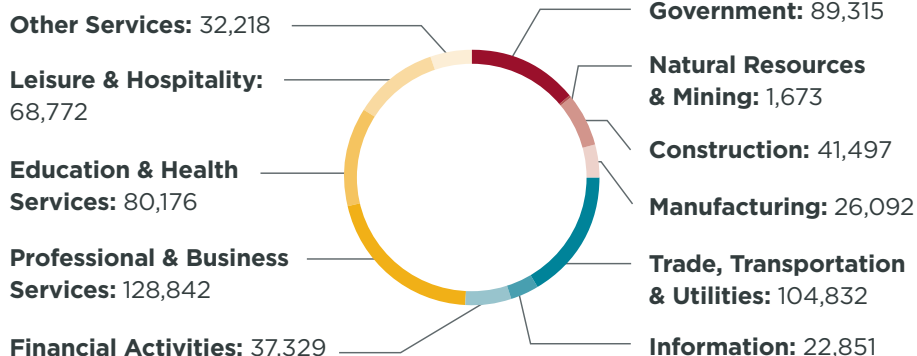
43

move here

Source: U.S. Census Bureau, Population Division, 2019

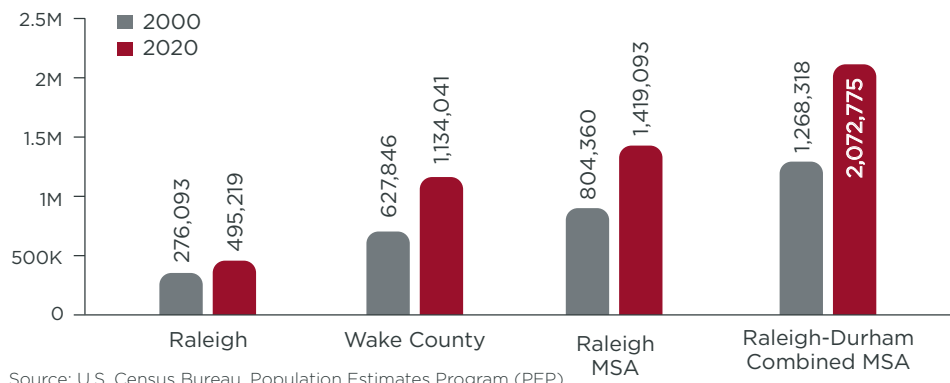
Wake County Employment by Industry Sector 2020

Total Employment: 633,597



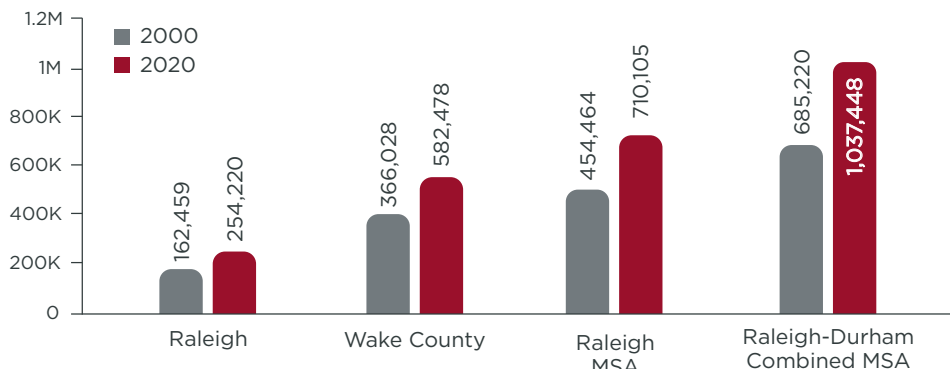
Source: Bureau of Labor Statistics (BLS) Quarterly Census of Employment and Wages (QCEW)

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)



“Even as we deal with COVID, it is crystal-clear that the Research Triangle Region continues to be one of the strongest markets for companies and talent post-pandemic. Our diverse economy focused on tech, life sciences, and manufacturing, coupled with our outstanding education system, low cost of living, and high quality of life allows our region the ability to thrive.”

RYAN COMBS

Executive Director, Research Triangle Regional Partnership

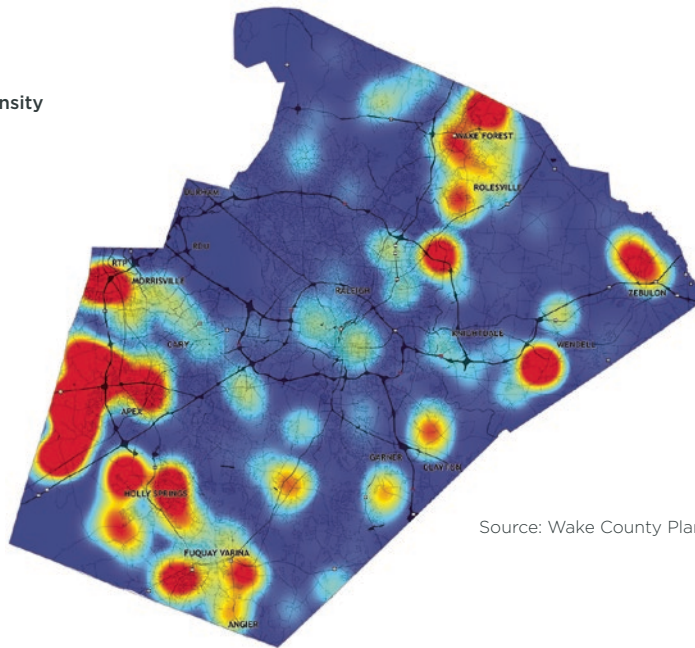
WAKE COUNTY GROWTH

Residential & Commercial Permit Concentrations

Wake County: 2019-2020

Legend

Permit Density



Source: Wake County Planning Department

WAKE COUNTY BY THE NUMBERS

5,621

residential permits issued*

209

non-residential permits issued*

NO. 2

**City for Best Quality
of Life in the World
(Raleigh)**

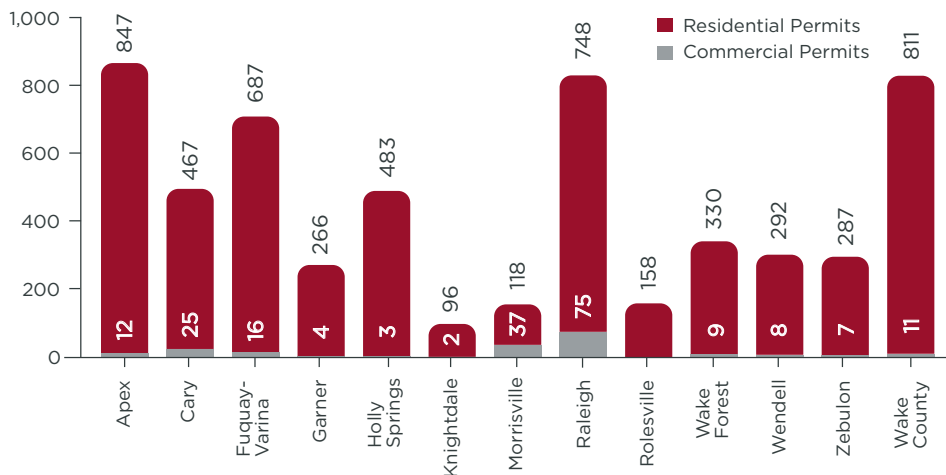
Numbeo.com, 2020

NO. 3

**Best Place for Business
and Careers (Raleigh)**

Forbes, 2020

New Residential & Commercial Permits by Municipality



Source: Wake County Department of Tax Administration. Jan 2019 - September 2019

“As we move forward, I have no doubt that Wake County will continue to overcome any challenges. In the near term, we will strive to protect our residents from the virus and to connect those who are struggling with housing assistance, healthy food, help with heating their homes and other support services. And we will do so without losing sight of our long-term goals, which include implementing inclusive growth strategies and improving our infrastructure, transit, housing and public education system.”

MATT CALABRIA

Chairman, Wake County Board of Commissioners





WAKE COUNTY MUNICIPALITIES



Apex

The Town of Apex completed its first comprehensive Community Branding Study. The Town worked with ChandlerThinks, a nationally recognized place-branding consultant, to achieve a more distinct identity that is flexible, promotes economic development, and resonates with the community as authentic. The Brand Story redefined the town logo, website, and social media presence to make the Town of Apex distinct and appealing for investors, businesses, retailers, visitors, and residents.



Cary

The challenges of 2020 have proved the resilience of the community and the ability to continue strong economic growth. We have gained great corporate citizens such as Telerent Leasing Corporation, Circle Graphics, Amazon & more adding over 1,300 jobs to the town. Many large projects have continued forward adding billions to the economy throughout their development & over 3 million SF of Class-A Office Space will be available soon. We are greatly looking forward to welcoming Fenton, Carolina Yards, and vibrant downtown development (including the new Downtown Park renovations) in the near future.



Fuquay-Varina

Fuquay-Varina announced a new retail destination project consisting of 800,000 square feet of high-end retail and office space. The development, Gold Leaf Crossing, will break ground in mid-2021. The Town opened its new Town Hall downtown in late 2019, followed by renovations to its new police station in August. Hilltop Needmore Town Park and Preserve, the Town's newest park, features 143 acres of open space and five miles of greenway trails. Investments in a vibrant downtown continue, as Fuquay-Varina's downtown district was accredited by the National Main Street Center for the seventh time.

*Source: North Carolina Department of Revenue. January 2020 – September 2020.



Garner

Amazon opened their doors and announced they would hire 3,000 employees at their Garner facility. This is twice the amount of jobs than was originally anticipated. New projects also continue to come to Garner. In February, the White Oak Innovation Park was approved. This 300,000 square foot Class-A office space project will be the largest of its kind in Garner history.



Holly Springs

Existing businesses are now expanding operations in the Holly Springs Business Park and new businesses are under construction. Seqirus is building additional warehouse space and has added square footage to increase its vaccine making capacity. Currently under construction is a 90K SF distribution center for Ferguson, the nation's largest US wholesale distributor of plumbing supplies. Also coming along Green Oaks Parkway is Peak Fall Protection, a safety equipment supplier. The Town is grateful these companies are able to continue growing here in Holly Springs even in a year filled with such uncertainty.



Knightdale

The Town of Knightdale recently received the 2020 Great Streets Award, from the North Carolina Chapter of the American Planning Association, for North First Avenue. The Town has invested over 20 million dollars in the area during the past decade and continues to invest through the public-private-partnership that will bring a new mixed-use development on the corner of First Avenue and Whistle Post Way. This investment has led to additional private investment and unique local businesses along the corridor.



NO. 1

**City Where Women Are
Most Successful in the U.S.
(Cary)**

SmartAsset, 2020



TOP 2%

**for Best Small Cities
in America
(Apex & Holly Springs)**

WalletHub, 2019



NO. 3

**Fastest Growing Mid-Sized
Metros in the U.S. (Apex)**

Business Facilities, 2019



“Despite a challenging year, I’m proud of our team, our partners, and our community for responding, adapting, and accelerating into recovery. The combined strength of our 12 municipalities has positioned Wake County to be set up for success and economic growth in 2021.”

MICHAEL HALEY

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

WAKE COUNTY MUNICIPALITIES



Morrisville

Wake Competition Center, a state-of-the-art premier multi-sport facility, opened and serves as the official practice facility for the Carolina Hurricanes. The Morrisville Aquatics and Fitness Center eight-million-dollar renovation including a new pool building was completed, and the McCrimmon Parkway extension was completed creating the opportunity for utilization of 400 acres of previously inaccessible land. *Money* magazine named Morrisville the 10th Best Place to Live in America.



Raleigh

Raleigh, which was ranked the #1 Best City of Jobs in 2020 in the U.S. by Glassdoor, continued to see notable announcements from new or expanding companies. Bandwidth announced a new 300,000 square-foot headquarters facility in southwest Raleigh. The company plans to add 1,165 new jobs with an average salary of \$96,832. The project will generate more than \$100 million in capital investments. Moody’s Analytics ranked Raleigh as a Top 10 City Best-Positioned to Recover From Coronavirus thanks to the city’s population density, talented workforce, and educational attainment.



Rolesville

In 2020, Rolesville highlights its genuine community, and connection to the capital city, with plans to transform Main Street into a destination for residents, visitors, and businesses. Rolesville holds great promise and opportunity for commercial growth, continuing to partner with developers to bring new and exciting walkable, lifestyle mixed-use developments to the heart of town. Embarking on a rewrite of the Town’s Unified Development Ordinance, updating our Community Transportation Plan, and developing plans for a 116-acre athletic complex, agritourism, and recreational park, Rolesville is focused on the future.



Wake Forest

With over 375 acres under development for industrial expansion, a technology park, and a variety of innovative mixed-use developments, Wake Forest is changing rapidly. Fall 2020 brought the groundbreaking of Loading Dock Wake Forest—a coworking and incubator space and put land on the market for a 200-acre technology park. An additional 500,000 sf under development by Moffat Properties and Merritt Properties for industrial flex space and the expansion of Grove-98—a 66-acre site anchored by Wegmans—all promise an even brighter future for Wake Forest.



Wendell

Wendell closes 2020 with several notable announcements over the past year. First, SPC Mechanical, a commercial HVAC manufacturer chose the town for its nearly 40,000 square foot headquarters location. Next, Wake Med announced its plans to locate in the Wendell Falls development to create medical offices and provide health services. Finally, Wake Technical Community College finalized a deal for 106 acres along I-87 and US-64. They plan to build an Eastern Wake Campus 4.0 that would focus on technology-forward education and workforce development.



Zebulon

To meet the demands of a rapidly growing residential community, Zebulon is developing in fantastic and diverse avenues. From a new distillery scheduled to open at the end of 2020, with a 200-person event space, to a charming make-your-own-pottery studio featuring local artisan crafts, to a destination bridal boutique, the options for recreation and relationship-driven commerce are rapidly expanding. Other notable Downtown successes are the investments of Olde Raleigh Distillery and Muter Construction, who are making a combined impact of \$3.5M creating 39 new jobs, and who's commitment to Zebulon has become the catalyst for additional projects bringing commerce to Zebulon.

NO. 5
Large Airport
(RDU) in the U.S.
for Customer
Satisfaction
JD Power, 2019





2019–2020 ANNOUNCEMENTS

(FY OCT 1, 2019 – SEPT 30, 2020)



Bandwidth

Industry: Software/IT

Jobs: 1,165 | Investment: \$100 M

Bandwidth, a global tech company, will designate Raleigh as its corporate headquarters and will expand operations in Wake County by adding 1,165 jobs, along with a \$100 million investment.



Hansae

Industry: Advanced Manufacturing, Other

Jobs: 10 | Investment: \$2 M

Hansae, Co., a South Korean company announced its first U.S. manufacturing facility in Garner, and plans to produce personal protective equipment (PPE). The facility will focus on surgical masks with plans to expand to other products in the future depending on the market condition.



Investnet

Industry: Financial Services/ HQ

Jobs: 148 | Investment: \$5.2 M

Evestnet, a Chicago-based financial services and technology firm has signed on to three floors in an office tower underway in an upcoming mixed-use destination in downtown Raleigh.



Microsoft

Industry: Software/Information Technology

Jobs: 500 | Investment: \$47.5 M

Microsoft, a computer software giant is creating 500 new jobs in Morrisville. The capital—estimated to be an investment of \$47.5 million—would improve an existing facility and create “a state-of-the-art work environment to allow for easier recruitment of a mix of new talent from the finalist community.”

NEW & EXPANDING ANNOUNCEMENTS

Industry	Announcements	Jobs Added	Capital Investment	% by Investment
Software/IT	25	2,516	\$150,000,000	37%
Life Sciences	14	994	\$110,00,000	27%
Advanced Manufacturing	13	992	\$86,000,000	21%
Cleantech	2	265	\$6,000,000	1%
Professional Services	16	993	\$15,000,000	4%
Hospitality/Retail	5	331	\$21,000,000	5%
Healthcare	6	530	\$18,000,000	4%
Total	81	6,621	\$406,000,000	100%

WAKE COUNTY BY THE NUMBERS



81

announcements



6,621

new jobs



\$406M

investment





NO. 4
Most Educated
Cities in America
(Raleigh, Durham,
Chapel Hill)
WalletHub, 2019

TALENT AND EDUCATION

Wake County Public School System

The Wake County Public School System continued to excel on many fronts in the past year. **The school system's graduation rate reached 90.8%, which represents an increase of more than 10 percentage points since 2012.** The largest gains were among students of color and those from low-income families. Several schools posted graduation rates of 100%.

The district's employees continued a long tradition of leading the state in education honors, including the North Carolina School Counselor of the Year and the NC School Psychologist of the Year. For 14 consecutive years, the school system has led the nation in the number of teachers who have earned National Board Certification.

Outside the classroom, it was among the first public agencies in the state to ensure children and families affected by COVID-19 were fed. **Using transportation employees and staff from Child Nutrition Services, the district established food distribution networks that served more than 2 million meals.**

Wake Technical Community College

Despite the challenges of a global health crisis, Wake Tech has continued to move forward and transform lives through economic mobility and personal fulfillment. Like many other institutions, Wake Tech transitioned to fully online classes in March of 2020. Thanks to investments in infrastructure and training for online faculty and students, the college was uniquely prepared to make the shift to online learning. **Wake Tech reopened carefully in August, with two priorities: keeping the college community safe, and helping students continue to progress toward their goals. Online courses and hybrids (a mix of on-campus and online instruction) expanded options for students.**

BY THE NUMBERS

3

tier-one research universities
(Duke, UNC, NCSU)

46.5%

of residents 25 years and older
have Bachelor's Degree or higher

42,000

graduates with bachelor's degree
or higher annually

131,000

students enrolled in the Triangle's
12 local colleges and universities



"We believe Wake County residents value a strong public school system and will partner to provide the support and resources to fully realize our shared vision, accomplish the mission, and sustain our core beliefs. We are tremendously grateful and fortunate to be part of a community with such a strong track record of making quality education available to all."

CATHY MOORE

Superintendent, Wake County Public School System

“The past year has tested us all, but I’m extremely proud of Wake Tech’s response to the challenges of the pandemic. Our resilience, our adaptability, and the “mission-critical” readiness we maintained have allowed us to be here for those whose lives and livelihoods have been disrupted. I have no doubt that 2021 will find us stronger than ever, leading the region’s return to normalcy, and that the road to economic recovery will run straight through Wake Tech!”

DR. SCOTT RALLS

President, Wake Technical Community College



Wake Tech continued to innovate, expand, and look to the future with planned and newly completed facilities. **The college purchased 106 acres in Wendell for a new training site, and an eventual new campus called Eastern Wake 4.0. The Center for Building Technologies opened on the Southern Wake Campus for HVAC, electrical, and building automation programs.** In addition, two more new facilities will be completed and ready to open in 2021: The Hendrick Center for Automotive Excellence on the Scott Northern Wake Campus, and a biotech building on the RTP Campus.

In partnership with Wake County government, Wake Tech launched **the WakeWorks program, which offers scholarship funds for training and apprenticeship opportunities in high-demand fields.** The college also entered into partnerships with universities that allow new transfer opportunities to graduates in Information Technology.

Capital Area Workforce Development Board

Capital Area Workforce Development (CAWD) helps people in all stages of career development. **No matter the starting point, our menu of services helps people to upskill, reskill, earn credentials, and connect to employment opportunities. With our system, over 36,000 people went through the NCWorks Career Centers in the capital area and over 10,000 found employment.**

Workforce development does not work without partnerships. Organizations including community colleges, K12, economic development, community non-profits, and businesses are all workforce stakeholders. **When we work together, we are able to bring new and exciting opportunities and change perceptions that might inform future decision-making across the region.**

“One of the cornerstones of Wake County’s success is that stakeholders share a common desire for economic development. Workforce development, education, and economic development entities are so aligned that when the business community reaches out to one for help, they end up accessing the resources and expertise of all. That doesn’t happen everywhere and CAWD is proud to be part of this dynamic.”

PAT STURDIVANT

Executive Director, Capital Area Workforce Development



BY THE NUMBERS

NO. 1

**Online Community College
in the U.S. (Wake Tech)**
College Consensus, 2020

NO. 3

**Best Cities to Work In
(Raleigh)**
Fortune, 2019

15,502

**projected new jobs to be
created over the next year**

Source: EMSI, 2019-2020 Job Estimates,
Wake County



“Diversity, Equity, & Inclusivity are the pillars of building a stronger workforce. Through the work of the Triangle DEI Alliance, we aim to create a welcoming structure of inclusion and ensure every resident in Wake County can participate in prosperity.”

DANYA PERRY

Equitable Economic Development Director for WCED,
Director of Diversity, Equity, and Inclusivity for Raleigh Chamber

DIVERSITY, EQUITY, AND INCLUSIVITY

BY THE NUMBERS

NO. 1

State with the Smallest Educational Attainment Gap for Women (NC)*
WalletHub, 2020

NO. 1

State with the Most Equitable School Districts (NC)
WalletHub, 2020

*Among Adv. Degree Holders.

Now more than ever, a focus on diversity, equity, and inclusivity is imperative to fueling our community and ensuring a better future. This is a key initiative of Wake County Economic Development's Equitable Economic Development Program. Through WCED, a variety of programming and initiatives have been executed to increase brand awareness around the Triangle Diversity, Equity, and Inclusivity Alliance and the equitable work being done through the Raleigh Chamber, WCED, and the City of Raleigh.

Triangle Diversity, Equity, & Inclusivity Alliance

The Triangle DEI Alliance is expanding to bigger and brighter horizons every day. As our community starts to recognize the benefits of incorporating diversity, equity, and inclusivity into their organizations, we want to ensure that they have a place to learn more, connect with others, and continue to grow. To do this, the Triangle DEI Alliance launched a new brand design. This complete renovation includes a new logo, an updated website, and more.



**TRIANGLE DIVERSITY
EQUITY & INCLUSIVITY
ALLIANCE**

Triangle DEI Alliance Programming

Diversity, Equity & Inclusivity Conference 2020

The annual Diversity, Equity, and Inclusivity Conference focused on the activation of effective interpersonal and infrastructure strategies. The conference convened over 900 participants and provided content through panels and activation labs, along with insightful keynotes from executive leaders.

Live Well Wake

We continued to build a countywide framework to support vulnerable populations and equitable economic development through the work of Live Well Wake. Live Well Wake brings together the county's anchor institutions to design strategies to support inclusive prosperity.



Opportunity Zones

We continued our focus on equitable economic development by hosting our first forum focused on Opportunity Zones and creating a new website. The forum focused on the transformational power Opportunity Zones can have on a community and welcomed speakers from around the state.

Black Business Momentum and Hispanic Business Momentum

In partnership with the Wake Tech Small Business Center, this seminar series offers free workshops to the black business community and others and provides access to resources, connections, strategic insight, and networking opportunities. During 2020, we held over 10 Black Business Momentum and Hispanic Business Momentum seminars, reaching 250 small business owners.

Courageous Conversation

A seminar series that provides the opportunity for participants to develop pathways of understanding to support diversity, equity, and inclusivity. This year we held four Courageous Conversation seminars, attracting over 400 participants. Topics included "LGBTQIA+ Inclusivity", "Bias in Artificial Intelligence", and "Outside World Inside Impact: Building Spaces for Understanding".

We Connect

A free networking event that provides an inclusive business meetup environment to support and celebrate our diverse workforce. This year we hosted three virtual We Connect networking events, attracting approximately 100 attendees who were able to celebrate people with disabilities, and the Black, Hispanic, LGBTQIA+ communities.

DEI REWIND

As we transitioned into a virtual world, the Triangle DEI Alliance created a new program called DEI Rewind to ensure that company's DEI journey didn't fall through the cracks. This series of virtual events featured topics and speakers from past Annual DEI Conferences and attracted over 100 attendees.

BY THE NUMBERS

39%

of the Triangle's population was born in another state

NO. 5

Best State for Black Entrepreneurs (NC)

FitSmallBusiness.com, 2020

12%

of the Triangle's population was born in another country

NO. 6

Most Inclusive Metro in the U.S. (Raleigh)

Brookings Institute, 2019



INNOVATION AND ENTREPRENEURSHIP

BY THE NUMBERS

NO. 1

**Upcoming IT City in USA
other than Silicon Valley
(Raleigh, NC)**

CustomerThink, June 2020

NO. 7

**Metro with the Best
Startup Ecosystems
(Raleigh-Durham)**

Business Facilities, 2020

Our innovation and entrepreneurship community embodies the definition of resiliency and continues to create and innovate during a period of rest. **Elevating our startup community, supporting our co-working spaces, fueling growth for our rising entrepreneurs, providing opportunities to speak on their product or company, and promoting success stories to our partners and the media is how we will continue to keep our ecosystem thriving.**

Innovate Raleigh Summit 2020

Innovate Raleigh held the ninth annual Innovate Raleigh Summit on November 5 and 6. Founders and leaders of some of Raleigh's most iconic and notable companies and organizations spoke in fireside chat-style conversations at the annual Summit under the theme "What Was, What Is and What Can Be: Resilience through a Culture of Innovation."

News & Observer Fellowship

Innovate Raleigh kicked off the fellowship with the News & Observer, a program created to increase capacity for media coverage for our local entrepreneurs and innovators. The initiative yielded over 100 stories in this first year. Together, these stories have been read by more than 1 million readers and have generated more than 1.5 million story views.



"Innovate Raleigh Summit is for those driving, backing, and inspiring innovation in our region. Whether you're a leader in the tech industry, a start-up on the rise, a local dedicated to economic development, or a big-picture dreamer, Innovate Raleigh is for sharing ideas and making change happen."

BRIDGET HARRINGTON

Executive Director, Innovate Raleigh

“2020 has been a challenge but it also has been an opportunity for growth. It has allowed us to challenge preconceived notions around work and the environments where we engage in it. Raleigh/Wake County has proven to be the place to grow a global business with local flair.”

WILLIAM SPRUILL

Co-Founder/President, Global Data Consortium

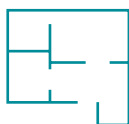


Entrepreneurial Wrap-Around Program

Innovate Raleigh launched a program to promote the continued growth of the innovation and entrepreneurial ecosystem with a “wrap-around” program. The program convenes a group of business leaders for the specific purpose of establishing a network of supporters who can ‘wrap-around’ entrepreneurs to give them the help that they need to thrive and grow.

All In For Raleigh Campaign

IR led a group of volunteers in the creation of the All In For Raleigh campaign to generate individual donations to support the Raleigh Small Business Relief Fund. The fund raised approximately \$12,000 to aid our small business community in the Triangle during the pandemic.



1.5M

square feet of
co-working/flexible space
in the Triangle



2,500

startups established in the
Triangle Region

BY THE NUMBERS

TOP 10
Global Emerging
Ecosystems of Today
and Tomorrow
(Research Triangle, NC)
Startup Genome, June 2020

\$662M

Venture Capital Raised in
Wake County (2019)

“While COVID has forever changed how we live and work, it also fueled a transformation in healthcare that ultimately will improve the way patients access and receive care.”

ANITA WATKINS

Director, REX Health Ventures





“While the pandemic has created unexpected challenges for us all in 2020, the activity in RTP and the Region has increased among national and international companies recognizing the advantages of this market.”

SCOTT LEVITAN

President and CEO, Research Triangle Foundation, Research Triangle Park

RESEARCH TRIANGLE PARK

BY THE NUMBERS

NO. 1

largest research park
in the country

338

businesses call Research
Triangle Park home

55,000

employed by Research
Triangle Park businesses

Centrally located between Raleigh, Durham, and Chapel Hill's major research universities, Research Triangle Park remains a powerful center for business, research, and development in North Carolina.

In September, RTP broke ground on **Hub RTP, a 2 million square foot, \$1 billion investment in an urban, district at the center of the Park. Hub RTP will offer the first residential, retail, and hotel in the RTP boundary, as well as 14 acres of green space and customizable high-rise office towers with unparalleled visibility on I-40.** Conveniently located adjacent to Frontier RTP, the Park's startup and innovation campus, and Boxyard RTP, Hub RTP will offer a sustainable and high-quality lifestyle.

Additionally, several pharmaceuticals, medical and Ag-tech companies announced major expansions at RTP, including Eli Lilly, GRAIL, Duke University School of Medicine, Beam Therapeutics, and Biotals. Several existing RTP companies collaborated nationally and internationally to help slow and even eradicate the COVID-19 pandemic, from companies like IBM tracking data on the spread of the virus, to companies like GlaxoSmithKline working directly on a vaccine.

The Research Triangle Foundation (RTF) collaborated with Warren County and the Town of Warrenton to expand the Frontier coworking and startup concept to rural North Carolina businesses.

RTF also worked with RTP companies United Therapeutics and RTI International to **procure 70 computers to help bridge the gap for distance learning in Durham Public Schools during the pandemic.** RTF also engaged with the Durham Public School Foundation's Accelerating Digital Equity campaign to **raise \$1.5M to bridge weak spots for Durham Public School teachers and students in training, web access and other support for virtual learning.**





NCSU CENTENNIAL CAMPUS

Centennial Campus continues to serve Raleigh, the Research Triangle, and North Carolina as one of the premier public-private research parks in the U.S.—the continuation of a bold idea 30-years-young.

NC State advances its mission, in part, through the unique research breakthroughs and partnerships happening on Centennial Campus. **At the start of the pandemic, NC State put STEM expertise to work alongside our partners to develop PPE for frontline workers and the community. Through a collaboration with multiple partners, the university established a supply chain for the creation of N95 masks for health care systems statewide.** Using advancements in 3D printing, students in the College of Engineering also teamed up with UNC medical students and Duke University engineers to produce thousands of face shields for frontline workers.

NC State's Nonwovens Institute (NWI) created a new material to serve as an effective filter in surgical and N95 masks without the need for additional filtration layers. Between April and June, NWI provided nearly **3 million square meters of its materials to partners across the country** to manufacture critically-needed equipment.

Centennial also continues to serve as an incubator for new ideas, companies, and jobs. For example, eight years ago, Bandwidth Inc. made the move to Centennial with 225 employees and has grown to more than 750. This year, Bandwidth is valued at \$3 billion, and the company continues to hire many of our students to advance its growing talent pipeline. **We are proud to be part of their story of growth as they build a world-class headquarters in Raleigh.**

Future Centennial Campus development will focus on our 32-acre mixed-use innovation district, creating a central hub of office space, laboratories, incubators, accelerators, work-share spaces, maker spaces and amenities. **Together with our public and private partners, the future of Centennial Campus will continue to strengthen the region's economy and support its recognition as a top innovation destination.**

"This year brought unprecedented challenges to our region, the state and around the world. Despite these challenges, NC State was also presented with unique opportunities to solve problems through public-private collaborations on Centennial Campus."

RANDY WOODSON

Chancellor, North Carolina State University

BY THE NUMBERS

17

new startups launched

210

invention disclosures

287

patents issued





TRANSPORTATION AND MOBILITY

Effective regional transportation for all people is a must-have for the Triangle region to remain connected and competitive. The Regional Transportation Alliance (RTA), the voice of the regional business community on transportation, provides the focus and action needed to keep our economy moving.

The regional business community successfully focused on innovation and acceleration in 2020 with the continued progress of **540 construction in southern Wake County**, activation of America's first **Dynamic Left Turn intersection in Cary**, and advancement of a **region-wide Freeway And Street-based Transit ("FAST") network**.

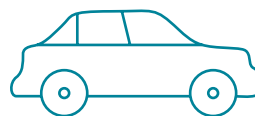
In 2021, we will push for resilient **funding for RDU Airport** as well as **sustainable revenue options for highway transportation**. We will continue to support the timely **construction of the five approved bus rapid transit corridors** in our region, the **study of commuter rail**, and the **implementation of "FAST" principles** to prioritize transit along our roadway system.

RTA 2021 Advocacy Framework: Equity, Recovery, and Opportunity

The regional business community is confident that our market will come out on the other side of the pandemic stronger and more resilient than ever. RTA and our partners will identify and activate solutions that help move our entire community from recovery to growth to prosperity.

Top five priority focus areas:

1. **Identify sustainable funding for RDU** and restore conditions for growth
2. **Accelerate enhanced transit corridors and service**, prioritizing scalability and equity
3. **Improve travel time and reliability for I-40** and other freeways, streets
4. **Support innovative mobility solutions** including rapid studies and pilots
5. **Advance sustainable revenue options** for surface transportation



25 MIN

average travel time to work



"The RTA business coalition has been moving this region forward for nearly two decades. Together with our public and private-sector partners, we will continue to identify opportunities for mobility improvements and enhancements for workers and their families in order to advance the broad-based prosperity of our beloved Research Triangle region."

JOE MILAZZO

Executive Director, Regional Transportation Alliance

“We anticipate a drawn-out recovery that will result in a considerably smaller industry with fierce competition among airports. RDU’s traditional role as a regional economic engine, along with the strength of the Research Triangle’s economy, put us in a strong position to restore flights and secure new destinations after the pandemic.”

MICHAEL LANDGUTH, A.A.E.

President and CEO, Raleigh-Durham Airport Authority



RDU INTERNATIONAL AIRPORT

In early 2020, RDU was on track for another year of record-setting growth, with predictions the airport would serve 15 million travelers. When the onset of the global health crisis, demand for air travel plunged to historic lows. At one point, RDU’s passenger volume dropped to just 3% of 2019 levels. RDU lost more than half its nonstop flights, including all its international destinations. Traffic increased incrementally throughout the year and by late 2020 it reached around 30% of 2019 traffic levels and served 37 nonstop routes, including two international destinations.

RDU quickly launched new health and safety initiatives to help restore passenger confidence in air travel, including enhanced cleaning and disinfecting practices, placing hand-sanitizing stations throughout the terminals, installing Plexiglas barriers between employees and customers, adding signs and floor decals to promote social distancing and requiring that all employees and passengers wear a mask or face covering.

On the financial front, RDU passed a “survival” budget that was intended to keep the lights on during the pandemic and recovery. The Airport Authority’s Fiscal Year 2020–2021 budget was reduced by nearly half and \$96 million in capital projects were deferred including adding more gates in the terminals, expanding the Terminal 2 security checkpoint and construction of a new runway.

One of the few capital projects that proceeded was the emergency preservation of RDU’s secondary runway, 5R/23L. The multi-year project was completed ahead of schedule in the fall of 2020.

With traffic inching upward in late 2020, some airlines began to resume flights they cut earlier in the year. The Airport Authority announced two incentive programs designed to maintain RDU as a competitive option for airlines looking to grow their networks and resume service to destinations they previously served. The airport’s goal is to restore all 57 nonstop routes RDU served before the pandemic and expand from there. RDU is expected to serve about 5 million travelers in 2020, compared to 14.2 million in 2019.

BY THE NUMBERS

57

restore nonstop flights
post-pandemic

5M

travelers served in 2020

2

incentive programs to drive
airline interest post initial
pandemic

Multiple new

HEALTH

safety initiatives





17.9M

visitors welcomed
in Wake County
in 2019

TOURISM DEVELOPMENT

BY THE NUMBERS

\$17.9M

visitors were welcomed in
Wake County in 2019

\$2.9B

spent by visitors in
Wake County in 2019

28,045

workers are industry supported
in Wake County

410

new hotel rooms to market
in 2020

Travel and tourism have an enormous impact on Wake County's economy.

The numbers tell the story of how the Greater Raleigh Convention and Visitors Bureau's (Visit Raleigh) destination marketing and sales efforts to attract leisure tourism, conventions and sporting events, generates new business sales, increases local tax revenue and creates jobs.

Despite the COVID-19 pandemic occurring through most of 2020, the tourism product in Wake County continues to grow. Four new hotels opened in 2020 adding 410 new rooms to the market. **This is a 110 percent increase in number of hotel rooms added in the county compared to 2019.** The growth also hasn't slowed down, as at least eight new hotels are projected to open in the next year.

While tourism produced record-breaking numbers here in Wake County in 2019, the industry was also one of the hardest hit by the global pandemic in 2020. The health of the Wake County's economy depends on travel rebounding. Forecasts are predicting it will take Wake County four years to recover to the record-setting visitation and tax collection levels we saw in 2019, so that would put us into 2025.

We expect leisure visitation will be the first to recover and will likely be back to full recovery by Q3 2021 when mass gatherings can occur such as concerts, festivals and events. Youth, amateur and professional sporting events are already beginning to return with limited capacity and should return in full capacity in Q2 2021. Meetings and conventions will begin to return in Q1 2021 with 200-300 attendees with the larger conventions returning in Q3 2021. Business travel should return in Q3 2021 after companies start to bring employees safely back into the office and consumer confidence improves.



"Tourism recovery is vital to ensure both the short-term and long-term health of Wake County's economy."

DENNIS EDWARDS

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

“Raleigh strives to be one of the most diverse, welcoming, and inclusive cities in the country. With our research universities, HBCUs, and local colleges, we produce a talent pool like no other. While we recognize we have challenges to overcome due to the pandemic, we also know that our community will persevere. We will continue to work hard to attract and grow new business, help our small businesses thrive, and address social justice and equity issues in our city—ensuring that Raleigh remains one of the best places in the country to live and work.”

MARY-ANN BALDWIN

Mayor, City of Raleigh



CITY OF RALEIGH

The City of Raleigh’s projection for continued economic growth was strong at the beginning of 2020. Several new restaurants were announced, commercial development was abundant, and the unemployment rate was 3.1%, which was 0.4% below the national average. A few short weeks after a celebratory New Year, Raleigh faced back-to-back crises in a pandemic and a national demand for justice.

The crises provided renewed focus to further strengthen partnerships with 12 business alliances that provide economic development leadership across the city. Over 1,300 participants attended the nine technical assistance webinars that were led by the City of Raleigh for the small business community.

Development activity remains strong with over **\$503 million dollars in new commercial construction.** Raleigh continues to move forward with major projects such as the announcement of the **40-acre, \$800 million mixed-use development, Midtown Exchange** and a new **North Carolina Department of Health and Human Services headquarters for 4,000 State employees.**

Companies have announced expansions, new jobs, and investments throughout the year. In March, **Bandwidth announced plans to add 1,165 new jobs and will generate more than \$100 million in capital investment.** Partnerships with Wake County Economic Development and the Economic Development Partnership of North Carolina (EDPNC) were leveraged to recruit new and expanding companies that accounted for **over 1,898 new jobs and \$119.5 million of investment.**

In October, Raleigh was named the number one market for real estate in an annual report by the Urban Land Institute (ULI) and PwC. ULI also ranked Raleigh as the top market for homebuilding prospects.

In November, voters took to the polls with **nearly 72% of all voters voting in favor of the City of Raleigh’s \$80 million affordable housing bond.** The bond sets aside funding for five priorities including \$16 million to buy land for future affordable housing, \$28 million for public-private partnerships to help those experiencing homelessness, \$24 million for gap financing, \$6 million for first-time homebuyers, and \$6 million for the rehabilitation of homes.

BY THE NUMBERS

NO. 2

**Best City to Drive
in the U.S. (Raleigh)**

WalletHub, 2020

TOP 10

**City Best-Positioned to
Recover from Coronavirus
(Raleigh and Durham)**

Moody’s Analytics / Forbes, 2020



BY THE NUMBERS

NO. 1

U.S. Market for Residential Construction Permits in 2019 in the U.S.* (Raleigh)
Apartmentguide.com, 2019

NO. 4

Best Real Estate Housing Market to Invest In (Raleigh)
Curbed.com, 2020

\$381,864

average sale price on residential properties in 2020

20,888

properties sold in Wake County as of November 2020

RESIDENTIAL REAL ESTATE

2020 will certainly be the year we all remember COVID-19 and its impact on our health and the economy. What we may or may not remember is how residential real estate helped lead the way towards economic recovery.

While the real estate industry was deemed “essential” at a state level, the adoption of this sentiment varied at the county and city levels across North Carolina. Practically overnight, the real estate industry adapted to a virtual environment. Real estate agents turned to existing technologies and took them up a notch; utilizing videography, drone photography, virtual staging and tours to give their clients a safer, socially distanced way to preview homes for potential buyers.

With these adaptations, and the extra push of historically low interest rates, real estate has thrived during the pandemic. In addition, with more Americans are working remotely, it has motivated them to evaluate their home environment and make changes to easily accommodate business and virtual schooling for their children. **Moves from urban living to a more socially distanced suburban lifestyle has also been a trend.**

Demand for homes continues to outpace the supply of available homes. In fact, the demand for housing has created the lowest supply of available homes for sale that we have seen over the last 16 years. Current demand has depleted the inventory; in spite of increased supply. New construction home sales helped to provide inventory with record new homes started in the Triangle. However, the demand again created record sales of these homes too. **For 2020, the number of homes sold is up 7.5% over 2019. The average sales price for Triangle homes is \$292,259 with average days on market of just 28 days.**



“While no crystal ball predicted the 2020 pandemic, and we are yet to define our new normal, we do anticipate real estate will remain strong with robust buyer demand, moderate price increases, and continued low-interest rates for 2021.”

RENEE DANIELS, CRP

Regional Relocation Director, Fonville Morisey, a Long & Foster Company

*Per 10,000 people.

“Like the rest of the country, the Triangle real estate market hit the ‘pause’ button on development and expansion of many real estate classes, including office, in 2020. The good news is that we are perfectly set to experience, not simply a rebound, but significant growth in the not-too-distant future.”

SKIP HILL

Vice President and Division Manager, Highwoods Properties, Inc.



COMMERCIAL REAL ESTATE

The Wake County Commercial real estate market felt the effects of the COVID-19 pandemic, with each category of real estate being impacted in different ways.

While life sciences and industrial developments and redevelopments were positively active, the retail, flex, and office sectors saw a slight pause in the previously torrid pace of activity, as companies and retailers in these sectors tried to get a handle on the length and depth of the pandemic.

Due to the recessionary challenges caused by the pandemic, most companies have taken a conservative approach with employment growth plans. Many theories abound regarding how companies may utilize the work-from-home experience moving forward. Some will maintain their workplace footprint but figure out a way to offer more space per employee; some may downsize their workplace footprint; and some will continue to expand, as demonstrated by the exciting recent announcements of Epic Games and Bandwidth.

In terms of the overall Triangle real estate market, based on the volume of inquiries from companies, brokers, and site selection experts, one can expect a return of (or even exceeding) the pre-pandemic pace regarding expansions and relocations in the near future.

The positive outlook is echoed in the 2021 Emerging Trends in Real Estate, one of the most widely read forecast reports in the industry created/researched by PwC and Urban Land Institute which lists **Raleigh as the #1 Real Estate Market to watch across virtually all products types, based on future expectations and trends.**





“For 2021, I see the Raleigh region gaining between 12,000 and 15,000 net new jobs—which is a 2% growth rate and above the expected national growth rate. Raleigh is rated as one of the highest in the nation for potential remote working making the Raleigh metro positioned for economic success in 2021.”

DR. MICHAEL L. WALDEN, PH.D.

Walden is a Reynolds Distinguished Professor at North Carolina State University. Among his awards are The Order of the Long Leaf Pine, the UNC Board of Governors Award for Excellence in Public Service, and the Holladay Medal for Excellence from North Carolina State University.

2020 ECONOMIC FORECAST

We entered 2020 with optimistic economic forecasts. The nation had already set a record for the length of time between recessions, and that record was expected to be further extended. With the annual economic growth rate at 2%, unemployment under 4%, and the inflation rate hovering around 1.5%, the economy was in that “best of all worlds” situation. Importantly, workers on the lower rungs of the economic ladder were receiving wage rate gains greater than those for higher earners.

Then COVID-19 hit the country. As it became clear this virus was easily spread and potentially deadly, the decision was made in most states—including North Carolina—that normal person-to-person contact needed to be severely curtailed in order to contain infections and prevent hospitals from being overwhelmed with cases. Shutdowns and stay-at-home orders were issued. As a result, the national economy fell into a deep recession.

“While the Raleigh region has been considered by some to be virtually recession-proof, the COVID-19 recession could not be avoided.”

While the Raleigh region (defined as the Raleigh-Cary metropolitan area) has been considered by some to be virtually recession-proof, the COVID-19 recession could not be avoided. Between February and April, the region lost 15% of its job base, and the unemployment rate surged from 3.2% to 11%.

Although the aggregate Raleigh regional economy suffered, the impact varied by economic sector. Sectors that depended on face-to-face personal contact took brutal hits. The leisure/hospitality sector lost an astonishing 50% of its jobs from February to April, while the service sector shed 25% of its jobs.

In contrast, jobs that could be performed without face-to-face contact—especially using cyber connections—were not as hard hit by the recession. The financial services, information, and professional sectors only lost between 4% and 6% of their jobs in the February to April period. Workers in many of these jobs could continue working remotely using internet connections.

The drop in retail sales also showed the severity of the COVID-19 recession. Retail sales fell 2% statewide from February to April. Nevertheless, the reduction was much larger in Wake County—the largest county of the Raleigh-Cary metro—with sales down 8%. The large contraction reflected Wake County's function as a center of regional shopping.





The good news is the economy is now rebounding. Employment has been growing since May, and after a record growth rate in the third quarter, aggregate national production is now down only 4% for the year. In the Raleigh region, the finance, information, and professional sectors are almost fully back to their February employment levels. Even jobs in the personal services sector are off only 6% from February. Unfortunately, jobs in the leisure/hospitality sector are still 30% under their beginning of the year numbers.

Looking ahead to 2021, the national economy is expected to grow, but at nowhere near the 30% annualized rate of this year's third quarter. An annual rate closer to 4% is more likely. If so, this would put aggregate economic production in the country back to pre-pandemic levels in late 2021 or early 2022. Unfortunately, the same will not be the case for job market. The pandemic is accelerating employment shifts that were already in place, one being the replacement of human work by technology and machines in several occupations. This shift will keep the jobless rate well above pre-pandemic levels for several years. It also means a renewed job re-training effort will be needed nationally, as well as in all states and regions.

Most economic development experts think the North Carolina and Raleigh regional reputations have not been harmed by the pandemic. Indeed, the reputations may have been enhanced. **Families and firms who decide to leave highly dense cities where the virus quickly spread can easily be attracted to Raleigh's cutting-edge economy, moderate costs, exciting amenities, and pleasant weather.**

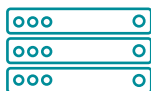
An important trend to watch is remote working. A recent study rated the Raleigh region as one of the highest in the nation in the potential for remote working. If this work style maintains and even grows its use after the pandemic, it would have profound impacts on residential living patterns and the types and locations of commercial investments.

"Employment has been growing since May, and after a record growth rate in the third quarter, aggregate national production is now down only 4% for the year."



3%

Wake County
unemployment rate



NO. 3

**Best City to Work in Tech
in America (Raleigh)**
SmartAsset, 2019



NO. 3

**City for Best Quality of
Life in the World (Raleigh)**
Numbeo.com, 2019



“As people reevaluate where they can and want to live, Raleigh and Wake County’s relative affordability and high quality of life should attract many. Our economic mix of technology, biopharma, analytics, research, and health are perfectly matched to industries expected to grow.”

TED ABERNATHY

Managing Partner, Economic Leadership, LLC

OUTLOOK FOR THE FUTURE

Hello 2021, a year where we eagerly anticipate a widely distributed vaccine and broad-based economic healing. What should not be expected is a return to 2019 normalcy. Our lives, livelihoods, and personal standard operating procedures were first disrupted and then transmogrified into the next new normal. There will be some going back to previous ways. We will board planes, trains, and cruise ships again. We will eat in restaurants and laugh with friends over a beer. We will even go into the office, hold a non-Zoom business meeting, browse a retail shop, and probably go see a Marvel movie.

“The past year has accelerated some disruptive trends and seeded changes that will shape the 2021 Reset.”

However, the past year has accelerated some disruptive trends and seeded changes that will shape the **2021 Reset. Living our lives more remotely, relocating for affordability and space, the reshoring of critical industries, interacting with more robots, and a reevaluation of our personal and community values will remain as residue from the tumultuous year of elections, recessions, and a pandemic.**

It has been over 20 years since Frances Cairncross brought the term “Death of Distance” into the public vernacular. The internet was supposed to let us live anywhere, shop anywhere, be educated anywhere, and do business from anywhere. Welcome to the future. In 2020 most of us spent the year in forced technology training mode, learning to efficiently live and work more remotely, dependent on technology.



The question is how much of the change was temporary and how much will be permanent. CEOs are mixed on whether remote work helps or hurts worker productivity, but studies have suggested that three-quarters of people enjoy working remotely at least some of each week, so some percentage of remote work is here to stay. Likewise, we should anticipate that more remote work, combined with more telemedicine, virtual learning, and online shopping, would necessitate a reworking of our space needs, both at home and throughout our communities.

We are a community that seems ready to embrace technological change and accept the new challenges of societal transformation. However, competition is fierce, disruption will continue to accelerate, and serendipity is not a strategy. **The New Year brings new opportunities but requires a thoughtful and collaborative reimagining of our future.**

“We are a community that seems ready to embrace technological change and accept the new challenges of societal transformation.”



NO. **2**

**Fastest Growing U.S.
Metro from 2018-2019
(Raleigh, NC)**
US Census, 2020



NO. **3**

**Best Place for
Business and Careers
(Raleigh, NC)**
US Census, 2020



EDGE 6 THANK YOU

The Economy and Business 2021 publication is made possible by the generous support and leadership of EDGE investors. These public and private partners support the Raleigh Chamber's economic development and government affairs efforts. Wake County and the Triangle region are known for collaborating effectively to bring tangible results to our communities. Effective collaboration requires the dedication of business, government, and civic leaders. Thank you to our EDGE investors for supporting economic development in Raleigh, Wake County, and the Research Triangle region. Your partnership, involvement, and leadership keep the community moving forward.

To learn more about EDGE 6 and current investors:

Visit: Raleigh-Wake.org/investors

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All photos were taken prior to March 2020.