



# ECONOMY & BUSINESS

2020

RALEIGH  
CHAMBER 

  
WAKE COUNTY  
ECONOMIC DEVELOPMENT



## CHAIRMAN'S LETTER

### BY THE NUMBERS



**8,273**  
new jobs



**\$519M**  
investment

**Our ability to collaborate effectively is a major differentiator for Raleigh and Wake County.** It distinguishes our business community, and it puts us in a unique position to deliver advancement for our area. Together with the Raleigh Chamber, we are building an even more vibrant economy.

In the past year, we

- Announced more than 8,200 jobs and \$519 million in investments
- Welcomed our first Fortune 500 headquarters with the relocation of Advance Auto Parts to Raleigh
- Celebrated the first project to qualify for the new Targeted Growth Area Incentive Grant Program approved by the Wake County Board of Commissioners with expansion of Schmalz Inc.
- Broke ground for Complete 540, connecting the backbone of the Triangle's regional freeway network with I-40 to create an essential link between metropolitan and rural North Carolina
- Provided resources to encourage the success of more than 100 underserved businesses and supporting economic mobility in Wake County
- Offered more than 300 small business owners and managers development insight through our small business programs

Our focus on innovation has kept us at the top of Forbes' list for Best Place for Business and Careers for 16 years in a row. I am excited for what lies ahead for our community; **it's a great time to be a part of the Raleigh Chamber. Together we are shaping an even brighter future for our region.**



**"I am excited for what lies ahead for Raleigh and Wake County. It's a great time to be a part of the Raleigh Chamber. Together we are leading innovation and creating a region that is prosperous for everyone."**

**DeLISA ALEXANDER**

Red Hat, Inc.  
Raleigh Chamber Board Chair

“Today’s chamber is a convener for our community. As the leading voice for business, we are taking on the biggest challenges so that you can focus on growing your organization.”

**ADRIENNE COLE**

President and CEO, Raleigh Chamber



## RALEIGH CHAMBER

**As the lead business organization for our region, the Raleigh Chamber ensures economic prosperity for all in our community.** Innovation and collaboration drive our region. From supporting infrastructure and business creation to recruiting new businesses and jobs and developing our region’s talent pipeline, our fundamentals are strong.

Raleigh and Wake County are on the short list for companies around the globe to relocate and expand here. We are working with our partners to execute an aggressive strategy to bring high-paying jobs to our market. We are creating an environment that allows Wake County to grow and thrive, bringing capital investment to our community.

We hired the first Equitable Economic Development director in North Carolina last year. Now, we are supporting economic mobility in partnership with Wake County government. We are bringing programs to businesses to create inclusive environments and developing resources to assist underserved markets.

From our Regional Workforce Skills Analysis survey, we know that 74 percent of the companies in our area are planning to expand in the coming years. We are partnering with our existing industries and educational ecosystem to develop a workforce that meets your talent needs.

We are providing resources and programs to support our growing economy. We are bringing together corporate and legislative leaders and offering you the opportunity to provide input to shape our area. **Our collaboration with all of our partners makes certain our community remains a great place to live and do business.**

## BY THE NUMBERS



**55**

active relocation/expansion projects at any one time



**700**

foreign-owned companies in region



**500**

attended 2nd annual Raleigh Chamber DEI Conference



# REGIONAL GROWTH

## THE REGION BY THE NUMBERS

**NO. 1**

**State for Economic Growth Potential (NC)**  
*Business Facilities, 2019*

**NO. 3**

**Top State for Business (NC)**  
*CNBC, 2019*



**100 people**

added to population per day



**32**

are born here



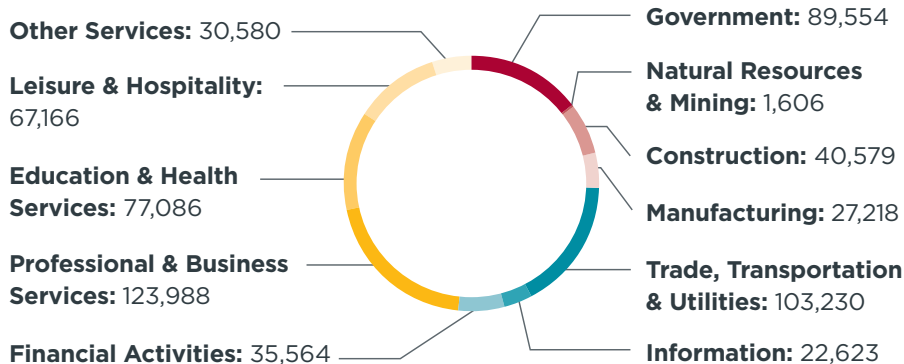
**68**

move here

Source: U.S. Census Bureau, 2018 American Community Survey

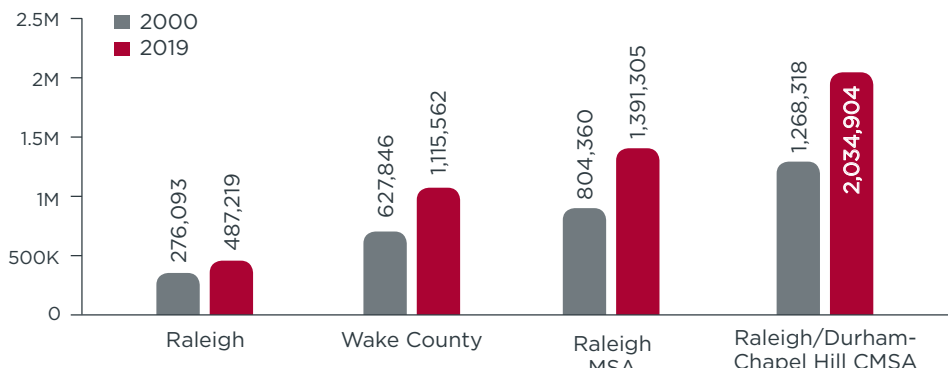
## Wake County Employment by Sector 2019

Total Employment: 619,196



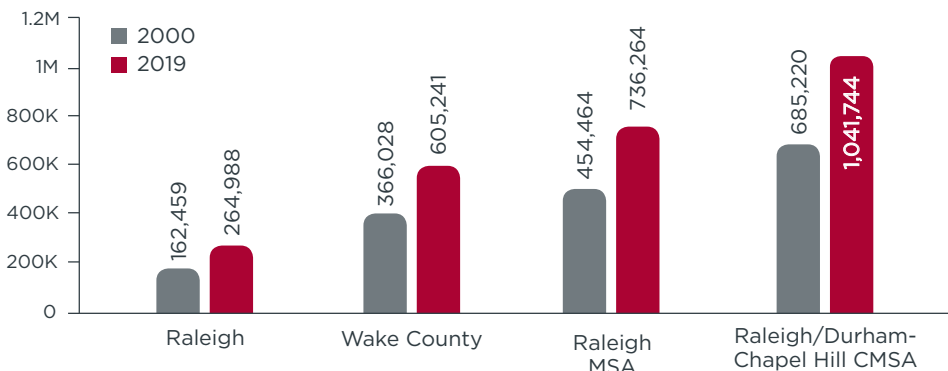
Source: Bureau of Labor Statistics (BLS) Quarterly Census of Employment and Wages (QCEW)

## 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)



**"The Triangle's uncanny ability to grow and attract top talent is what truly separates us from other competitive markets. We are fortunate to have 17 colleges, universities, and community colleges in our region creating a strong workforce that continues to drive our life science and tech clusters."**

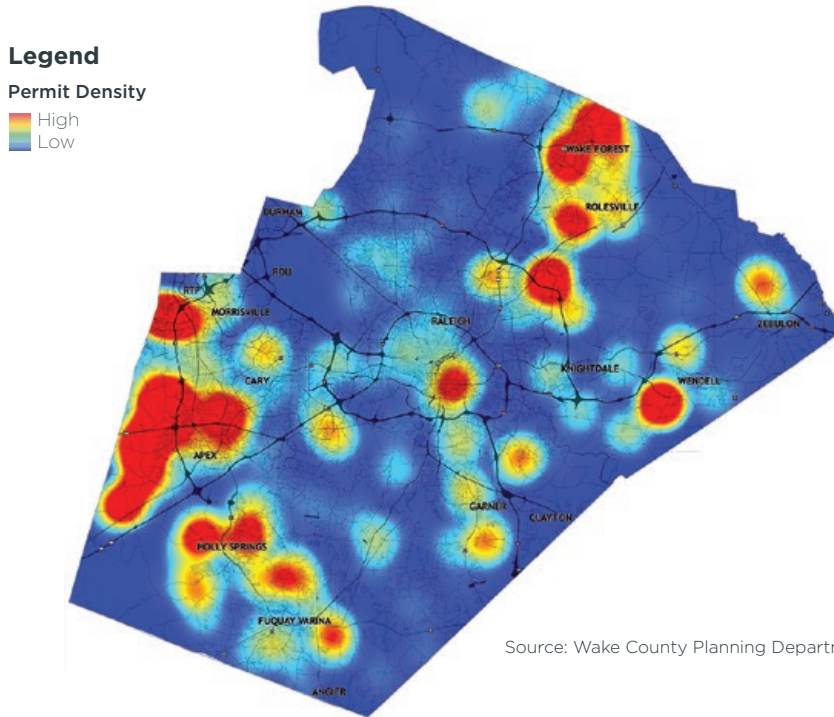
**RYAN COMBS**

Executive Director, Research Triangle Regional Partnership

# WAKE COUNTY GROWTH

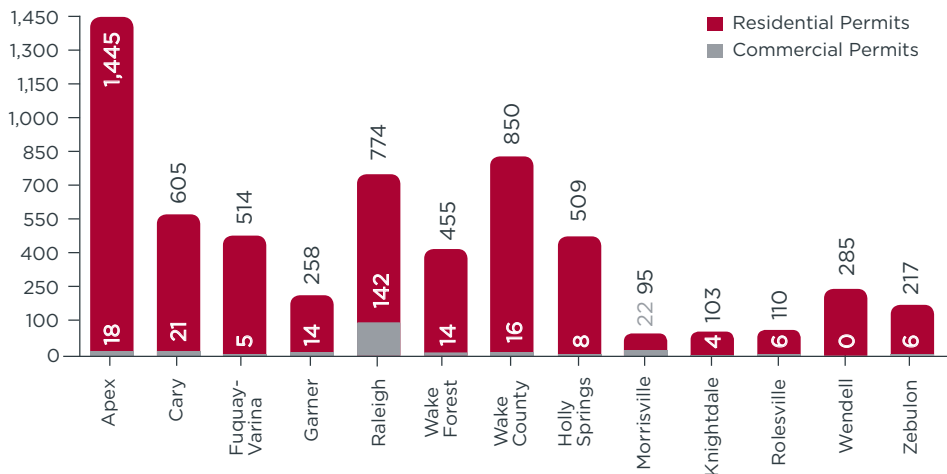
## Residential & Commercial Permit Concentrations

Wake County: 2018-2019



Source: Wake County Planning Department

## New Residential & Commercial Permits by Municipality



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

## WAKE COUNTY BY THE NUMBERS



**64 people**

added to population per day



**21**

are born here



**43**

move here

Source: U.S. Census Bureau, 2018 American Community Survey

**NO. 2**

**Top 100 Best Places to Live (Raleigh)**

*Livability, 2019*

**NO. 3**

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

*Forbes, 2019*

“Our growth - 64 people a day - is impressive and unwavering, which is why we’re focused on important issues like economic development, affordable housing, and education. We want to ensure that as we grow we maintain the high quality of life that makes Wake County attractive to so many.”

**GREG FORD**

Chairman, Wake County Board of Commissioners





  
**\$19.7B**  
 in county-wide  
 retail sales\*

## WAKE COUNTY MUNICIPALITIES



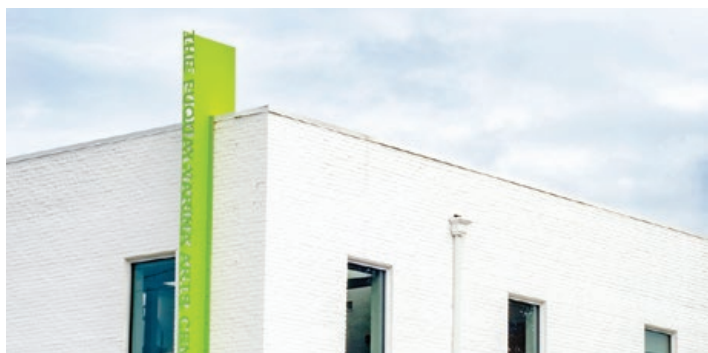
### Apex

The Town of Apex completed its first Downtown Master Plan and Parking Study for the next 5-10 years. Already a multi-award winning destination, the new Downtown Plan provides creative ideas to turn Downtown Apex into a more pedestrian and business-friendly area, with plans for increased open space, reimagined alleyways, and landscaped parklettes.



### Cary

The Town of Cary continued to experience economic prosperity and job growth throughout 2019. Xerox, Blue Cross and Blue Shield of North Carolina, Epic Games, and Telerent Leasing Corporation all announced relocation or expansion within Cary, totaling 900 jobs between the three prominent companies, and a potential 1,700 jobs for Epic Games' HQ location. Cary will also see the development of the eastern gateway with major projects: The Fenton & Cary Towne Center's re-development.



### Fuquay-Varina

Fuquay-Varina opened its state-of-the-art Arts Center in March 2019. The venue includes an art gallery, administrative offices, classrooms, dance studios, and a 300-seat theater. Additionally, in June 2018, Fuquay-Varina completed construction of the \$34 million Terrible Creek Wastewater Treatment Plant expansion, increasing treatment capacity from 1 million up to 3 million gallons per day.

\*Source: North Carolina Department of Revenue. July 1, 2018 - June 30, 2019.



## Garner

In 2019, after the announcement of Amazon's \$200 million facility, the Town of Garner announced a new industrial park to be located in the community. Garner Business Park 70 will add approximately 675,000 square feet of new industrial space to the Garner market. This new park will allow Garner to continue to recruit new companies to the community.



## Holly Springs

After decades, Main Street Holly Springs will experience a dramatic transformation. Holly Springs has roughly 50,000 square feet of mixed-use space available by the end of 2020. The new development offers retail, restaurant, and Class A office spaces, creating nearly 500 jobs, and making a \$50 million annual economic impact. Additionally, the Town's investment of \$10 million in public infrastructure has provided nearly 389 parking spaces downtown along with underground utilities, and a regional storm water management area.



## Knightdale

Knightdale is continuing to see success in attracting new industrial growth. In 2019, the third 120,000-square-foot building was delivered 100% leased to Eaton Corporation. Projects such as the Hinton Oaks Industrial Park are 100% occupied, and Building IV is under construction and expected to be delivered in spring 2020. The Eastgate 540 Building I is 100% leased, and Building II is expected to be delivered by the end of the year. At final build-out, Eastgate 540 will offer just under 1 million square feet of industrial space.



**NO. 1**

**Safest City in America  
(Cary)**

*HomeSnacks, 2019*



**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*



**“The combined strength of the 12 municipalities has helped make Wake County one of the best places to live and work in the nation. We are looking forward to another year of continued growth, partnership, and collaboration.”**

**MICHAEL HALEY**

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

# WAKE COUNTY MUNICIPALITIES



## Morrisville

The Stitch, the former Morrisville Outlet Mall, was purchased in 2019 by Equator Capital Management and OCS Capital. Situated on 25 acres off I-40 near RDU International Airport, The Stitch will soon see \$34 million in renovations, converting the retail center into 243,950 square feet of Class A office space in mid-2020. Additionally, HZO, a waterproofing technology manufacturer, announced its HQ’s relocation from Salt Lake City to Morrisville – a move that could bring 500 jobs in the next four years.



## Raleigh

The City of Raleigh completed the year with a notable list of new or expanding companies. Pendo announced its corporate HQ at Raleigh Crossing, a new mixed-use development currently under construction on Hillsborough Street. Advance Auto Parts, a Fortune 500 company, announced its relocation of the corporate headquarters to Raleigh, creating 435 jobs over the next five years. Also, the City was awarded 30 grants, totaling \$587,000 to support job creation and property upfit needs among small businesses. Lastly, the Dorothea Dix Park Master Plan was approved by City Council and continues to gain national and international media attention.



## Rolesville

As Rolesville’s population continues to grow, the town highlights its genuine community and connection to the capital city with a new branding initiative, wayfinding program, and plan to transform Main Street into a destination for residents, visitors, and businesses. Rolesville holds great promise and opportunity for commercial growth. Also, the community was recently ranked No. 6 among the safest cities in the state.





## Wake Forest

Wake Forest is advancing the development of multiple strategic projects that are significantly adding to workforce opportunities, local retail, and residential amenities. The Wake Forest Business & Industry Partnership (WFBIP) and local property owners plan to develop a nearly 200-acre Live-Work-Play office focused TechPark located in the heart of Wake Forest. The WFBIP also is facilitating more than 100 acres of new industrial land for development to add to its thriving industrial ecosystem.



## Wendell

Wendell continues to experience steady growth in both residential and commercial sectors. Kioti completed a \$7 million expansion, adding 265,000 square feet of warehouse and assembly space. Downtown development is booming, with building restorations resulting in new food and beverage establishments, complemented by new public parking and an events space project to encourage further downtown revitalization.



## Zebulon

The town of Zebulon began the process of implementing its 2030 Strategic Plan to establish a vibrant downtown, maintain small-town life, and take steps to grow smartly. Along with the adoption of a Business Retention and Expansion Plan for Economic Development, the Town also approved a Unified Development Ordinance, scheduled to take effect January 2020. Now growing at the rate of 2.5 to 4 people per day, Zebulon is continuing to see residential and commercial growth.

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





# 2018–2019 ANNOUNCEMENTS

(FY OCT 1, 2018 - SEPT 30, 2019)

## Advance Auto Parts

Industry: HQ, Data/Analytics, IT

Advance Auto Parts, an automotive aftermarket parts provider, announced the relocation of its corporate headquarters to Raleigh. Advance Auto Parts, a Fortune 500 company, will look to the local talent pool to grow business and implement technology to serve its customers. The company plans to hire for **435 jobs** and invest **\$5.4 million**.

## Pendo

Industry: HQ, Software/IT

Pendo, a fast-growing cloud startup, announced it will open a new headquarters in the heart of Downtown Raleigh. Pendo will be the flagship tenant of the new 301 Hillsborough building and will bring **590 jobs** and **\$34.5 million** investment to Wake County.

## Schmalz Inc.

Industry: HQ, Advanced Manufacturing

Schmalz Inc., German robotic manufacturer, announced the expansion of the current Raleigh headquarters. Schmalz Inc. is the first company to qualify for Wake County's Targeted Growth Area Incentive Program. The company will bring **62 new jobs** and investment of **\$10.5 million**.

## Collectis

Industry: Life Science/Advanced Manufacturing

Collectis, a French biopharmaceutical company that uses gene-editing technology to develop cancer treatments, will open its first North American manufacturing facility in Raleigh. The City of Raleigh will welcome **200 new jobs** and **\$68.6 million** investment.

## Seqirus

Industry: Life Science, Advanced Manufacturing

Seqirus, a world leader in influenza vaccines, is expanding again after it announced a \$9 million expansion in Holly Springs. This time, the expansion will top **\$140 million** and will bring **120 jobs**, adding to the current workforce of 600 full time employees.

## Xerox

Industry: R&D, Software/IT

Xerox, a global corporation that provides workplace and digital printing solutions, announced it open a "Center of Excellence" in Wake County. The Town of Cary will welcome **600 new jobs** along with **\$18.4 million** investment.

# NEW & EXPANDING ANNOUNCEMENTS

Industry	Announcements	Jobs Added	Capital Investment	SF Added	% by Investment
Software/IT	32	3,216	\$206,500,000	271,500	40%
Life Sciences	14	1,002	\$208,600,000	227,670	40%
Advanced Manufacturing	9	1,068	\$80,500,000	160,000	16%
Cleantech	4	140	\$20,000,000	33,000	4%
Professional Services	31	1,697	\$2,000,000	202,400	0.4%
Hospitality/Retail	13	550	\$1,350,000	182,741	0.3%
Healthcare	4	600	N/A	128,000	0.0%
<b>Total</b>	<b>107</b>	<b>8,273</b>	<b>\$518,950,000</b>	<b>1,205,311</b>	<b>100%</b>

## WAKE COUNTY BY THE NUMBERS



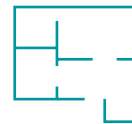
**107**

announcements



**8,273**

new jobs



**1.2M**

square feet added



**\$519M**

investment





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

## TALENT AND EDUCATION

A main driver of economic success in Wake County is the **region's knowledge-based economy, diverse talent pool, and top-notch education pipeline**. Highly educated talent is continuously a differentiator for Wake County, and often times the number one reason why companies select Wake County for a relocation, expansion, or establishing a new headquarters.

Over the last year, talent remained a critical focus for Wake County and the greater region. From creating new opportunities for K-12 students, to welcoming a new president to Wake Technical Community College, **talent continues to be one of the best and most valuable resources in Wake County.**

Developing talent from a young age remained top of mind for Wake County Public Schools (WCPSS.) As found in the Regional Workforce Skill Analysis, **growth in the workforce shows no signs of slowing down and identifying skills gaps will help strengthen the future talent pipeline.** WCPSS educators are addressing perceived skill gaps by participating in the **WakeED Partnership SummerSTEM program**, which pairs educators with STEM industry professionals. This program **helps educators understand the knowledge and skills their students will need to be successful in the workforce.** Companies like BASF, Credit Suisse, and Biogen spent time with educators over the summer to share industry knowledge and discuss how to help students succeed in a changing workplace.

Talent pipeline development continues to be a critical priority for both Wake County educators and business leaders. Assessing the needs of the workforce, identifying the skill gaps, and anticipating trends in industry are all important factors to explore as part of the effort to build a strong sustainable talent pipeline.

### BY THE NUMBERS

**3**

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

**12**

college and universities

**42,000**

graduates with bachelor's degree  
or higher annually

**131,000**

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



**“One of our core beliefs is that supported, highly effective, and dedicated principals, teachers, and staff are essential to success for all students. Our work is to ensure that we are providing opportunities, high-quality resources, teachers, and experiences that allow our students to achieve whatever dream they have.”**

**CATHY MOORE**

Superintendent, Wake County Public School System

“At Wake Tech, we believe in the power of partnerships, and in 2020 we’ll be focused on our many corporate and community partners as we continue to innovate and expand. We want to do everything we can to reach out to students and rally around them, to provide the education and skills they need to excel.”

**DR. SCOTT RALLS**

President, Wake Technical Community College



**Wake Technical Community College**

In 2019, Dr. Scott Ralls officially took the helm as Wake Tech’s fourth president. He succeeded Dr. Stephen Scott, who retired after serving the college for 15 years. **From 2018-2019 Wake Tech served 74,000 students, 30,000 in degree programs, and 44,000 in non-degree programs.**

Wake Tech had another strong year with highlights including the start of construction on the Hendrick Center for Automotive Excellence, purchase of acreage in Wendell for a new educational site, signing of a new transfer agreement with NC Wesleyan and WGU North Carolina, the implementation of RISE (Reinforced Instruction for Student Excellence), and the launch of a new bus service to the RTP Campus.

**Capital Area Workforce Development**

The job market is highly competitive and business customers say recruiting difficulties are at levels not seen in years. Capital Area Workforce Development (CAWD) experienced a 25% increase in the number of businesses served over the previous year. In addition to helping more than 9,000 people find employment, CAWD also helped a number of businesses improve their workforce by providing more than \$455,000 for incumbent worker training and on-the-job training of new hires. CAWD is expanding programs and support to meet the needs of businesses located in untapped communities. **Through educational workshops, resource fairs and community partnerships, CAWD and NCWorks is an engaged and accessible partner listening to the unique needs of Raleigh’s small business community.**

**BY THE NUMBERS**

**NO. 3**

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

**NO. 2**

**Increase in Millennial Tech  
Talent from 2011-2016  
(Raleigh-Durham)  
*CBRE, 2018***

**15,502**

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

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

“Wake County’s labor force is strong while also highly competitive. More companies are figuring out that they need an actual talent strategy that considers their immediate and future workforce needs. CAWD is a critical ally and partner to business, connecting them to valuable resources that can support their talent development strategy.”

**PAT STURDIVANT**

Executive Director, Capital Area Workforce Development





“Wake County is in a prime position to be a leader in the DEI space. The willingness of our local business community, paired with the support of local leadership, will lead us to be one of the most welcoming and inclusive places to live in the U.S.”

**DANYA PERRY**

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

# DIVERSITY, EQUITY, AND INCLUSIVITY

## BY THE NUMBERS

**NO. 6**

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

*Brookings Institute, 2019*

**TOP 10**

**Destination for Asian (5th), White (6th), Black (7th) Movers (Raleigh-Durham)**

*Washington Post, 2018*

Diversity, equity, and inclusion continued to be a core focus for Wake County and the greater region during this past year. With the goal of creating a platform for the business community to come together and learn best practices, 2019 was full of major DEI initiatives. These initiatives brought together new groups of people and create diverse workplace cultures. In addition to DEI focused initiatives, equitable economic development continued to be top-of-mind while Wake County continued to welcome new and expanding companies.

### Targeted Growth Area Incentive

Wake County Economic Development partnered with Wake County Government to introduce a new incentives tier to the Wake County incentive policy. The goal of the tier is to bring jobs and growth to Wake County's targeted growth areas.

### NACo Achievement Award

The National Association of Counties (NACo) awarded Wake County Government and Wake County Economic Development the **2019 Achievement Award for the program “Targeted Growth Area Incentive: Driving Equitable and Inclusive Economic Development.”**





### Triangle DEI Alliance

The Triangle Diversity, Equity & Inclusivity Alliance was announced in 2018 then kicked off mid-2019. The goal of the alliance is to make the Triangle the most diverse, equitable, and inclusive business environment in the country. The alliance launched a website over the summer ([www.triangledei.org](http://www.triangledei.org)) which aims to provide guidance and resources for the local business community.

### Diversity, Equity & Inclusivity Conference

Nearly **500** attendees were at the second annual DEI Conference on Aug. 9, 2019, hosted by the Raleigh Chamber. The focus of this year's conference was to walk away with tangible strategies to advance DEI efforts in the workplace. Programming highlights included keynotes from Dr. Joanna Schwartz, professor of marketing at **Georgia College**, and Janice Little, global chief diversity officer and vice president of talent development at **Lowe's Companies, Inc.**, along with a panel discussion with representatives from **Bank of America, Lenovo, Red Hat Inc., Wake Technical Community College**, and **Walk West**.

### We Connect, Courageous Conversation & Black Business Momentum

DEI programming remained a large focus of DEI efforts in 2019. New programs to help engage the community and break down barriers kicked off with a series of inclusive networking events (**We Connect**), seminars focused on topics like racial inequity (**Courageous Conversation**), and workshops aimed at providing resources to minority small business owners (**Black Business Momentum**).

## BY THE NUMBERS

# 39%

of the Triangle's population was born in another state

# NO. 1

**State for Women in the Tech Sector Workforce**  
*NC Tech, 2019*

# 12%

of the Triangle's population was born in another country

**"The increasing diversity of our region is a lighthouse for harnessing the collective power of people, community, industry, academia, and government into equitable, inclusive growth. We are living the future today."**

### COURTNEY WHITE

Head of Human Resources, Agricultural Solutions North America, BASF





# INNOVATION AND ENTREPRENEURSHIP



Raleigh-based startups  
have raised over

**\$2.45B**

in venture capital  
(in 2018)

**NO. 4**

City for Startup Survival  
Rate in the U.S.  
(Raleigh)

*Commercial Café, 2019*

**In the last year, the Raleigh innovation ecosystem has experienced momentum and growth.** Local tech start-up, Pendo, announced 600 jobs, a move to a new tower, and raised \$100 million in Series E funding and Cary-based Epic Games announced an expansion of the campus, will add 2,000 jobs, and raised \$1.25 billion. Simply put, startups are thriving in Wake County.

When it comes to momentum, there are no signs of a slow down when it comes starting a business in Wake County. Fueled by talent from the region's three tier one research universities and the sheer number of resources and relationships offered by organizations like the CED, HQ Raleigh, RIoT Accelerator Program, or One Better Ventures, the ecosystem is ripe for startups. In the first quarter of 2019, **just under 30 thousand new business applications were filed in North Carolina – which is the highest number ever recorded.** With most of the applications filed in Wake County, this shows that the infrastructure in Wake County can support startups. Here is a snapshot of Wake County's innovation ecosystem:

## Ecosystem Snapshot

- **2,500 Startups** established in the Triangle Region
- No. 5 Best City for Female Entrepreneurs in the U.S. (Raleigh, NC) *FitSmallBusiness.com, 2019*
- No. 9 Top Startup Ecosystems in the U.S. (Raleigh-Durham, NC) *Business Facilities, 2019*
- No. 10 In the Nation for Entrepreneurship (NC State University), *Princeton Review, 2019*



**“It’s exciting to see new startups like Even and Pryon find success in the Raleigh metro. With highly skilled talent, an excellent quality of life, and access to resources, up-and-coming startups are finding everything they need to grow their business.”**

### **BRIDGET HARRINGTON**

Executive Director, Innovate Raleigh



---

“HQ Raleigh members and alumni had some incredible wins this past year to include: Pendo’s billion-dollar valuation, 15Five’s growth and expansion in the Triangle, Coworks admission to the prestigious TechStars program, and so many more. We are looking forward to more of those stories in 2020 and having a bigger impact on underserved communities in the Triangle in the years to come.”

**JESS PORTA**

Director, HQ Raleigh

---



**Coworking**

- **1.2M square feet** of co-working/flexible space in the Triangle
- HQ Raleigh, Loading Dock, Industrious, Spaces, WeWork

**Venture Capital**

- **\$2.45 Billion** Venture Capital Raised in Wake County (2018)
- **\$1.25 Billion** raised by Epic Games, making it the largest private capital raise on record in NC
- **\$100 Million** raised by Pendo in Series E, marking official unicorn status

**Resources**

- Annual Innovate Raleigh Summit 300+ Attendees
- City of Raleigh Impact Partner Grants
- Triangle Innovation Hub Asset Map
- Innovate Raleigh News & Observer Partnership
- Triangle Small Business Week
- Black Entrepreneurship Week

\*Census Bureau, 2019



**Epic Games, a video game and software company in Cary, raised**

**\$1.25B**

**in venture capital, making it the largest private capital raised on record in NC**

---

“The tide is rising in the entire region, so we need to make sure to bring everyone along. At Celito, we’re pleased to be part of the infrastructure investment that supports the business growth and connectivity needs of the region.”

**SHARAT NAGARAJ**

President and CEO, Celito.net

---





“Boxyard RTP is a workhorse opportunity for Research Triangle Park (RTP) and the region. Experimental food, libations and retail, cool programming and event opportunities will flip the energy switch for RTP and our neighboring communities.”

**SCOTT LEVITAN**

President and CEO, Research Triangle Foundation, Research Triangle Park

## RESEARCH TRIANGLE PARK

For 60 years, Research Triangle Park (RTP) has supported collaboration and advancement among universities, companies, and citizens of North Carolina. **Over the next 60 years, the Park will be looking to leverage its assets** to serve the more than 300 companies that employ 55,000 workers within its 7,000 acres.

Hub RTP, a 100-acre parcel in the center of the community, will offer new first-class office space, housing, retail, and hospitality within an urban, walkable environment. Phase One will include 120,000 square feet of retail on the new Main Street and 450 units of new housing — the first-ever residences within the Park.

**In 2019, RTP broke ground on Boxyard RTP, a unique restaurant and retail concept composed of sustainably upcycled shipping containers.** Situated at the western edge of the Hub RTP property, it will feature a mix of Triangle-based products and experiences. Confirmed tenants include Fullsteam Brewery, RTP Uncorked, Medicine Mama’s Farmacy, and Game On Escapes. Delicious local food and beverage options, the treehouse-like structure will showcase a regular rotation of live music, fitness classes, and special events on its stage. Boxyard RTP is scheduled to open in 2020.

Frontier RTP, the Park’s innovation campus, welcomed several new tenants, including G1 Therapeutics, developer of a drug that reduces chemo-related side effects. Today, 100 of the Park’s 300 companies make their home at Frontier RTP, and its free coworking and meeting spaces host more than 100 visitors daily.

RTP’s roster of larger companies and expansions also has been active in 2019. Credit Suisse expanded its presence in RTP, cutting the ribbon on a new building that will house 1,200 employees, and Rho, a growing pharmaceutical CRO, moved into their brand-new headquarters.

**The RTP team looks forward to continuing the tradition of innovation alongside the vibrant companies who share its vision.**

### BY THE NUMBERS

**NO. 1**

largest research park  
in the country

**300**

businesses call RTP home

**55,000**

employed by RTP businesses





# NCSU CENTENNIAL CAMPUS

**NC State's Centennial Campus continues to develop and advance, both as a vibrant community and as an economic partner for Raleigh, the Triangle, and the state.** The 1,260-acre campus is a unique collaboration of university, public, and private partners working together to advance the university's academic, research, and outreach mission, with an emphasis on applied sciences and technology that make an impact on the world.

**In 2019, success continued for the entrepreneurial ecosystem, with NC State climbing to No. 10 in the nation for entrepreneurship, according to the Princeton Review.** The university announced a new partnership with HQ Raleigh to open a coworking space on Centennial Campus where student entrepreneurs work alongside real-world startups. NC State spinout Locus Biosciences, with roots on Centennial, won a major round of funding (\$818 million) from Janssen Pharmaceuticals. Locus collaborated with NC State researchers to develop antibacterial therapies that use CRISPR gene-editing technology to eliminate harmful bacteria while leaving "good" bacteria unharmed. The new product could mark a turning point in the global battle against antibiotic-resistant infections.

**Ranking fourth in the nation for research funded by industry, this year NC State celebrated new partnerships and built upon existing alliances.** From its innovation center on Centennial Campus, Eastman Chemical Company worked with NC State faculty on 100 projects and hired 50 of our students. Eastman renewed its partnership in 2019, bringing the company's total investment to \$26 million in support of student and faculty development. A new \$24 million National Science Foundation grant to advance 5G wireless brought together NC State and the City of Raleigh, Town of Cary, and many other partners. This new drone technology testbed, led by NC State, will be housed jointly on Centennial Campus with several other locations throughout the Triangle.

Future Centennial Campus development will include office space, laboratories, incubators, accelerators, work-share spaces, and maker spaces, **strengthening the university's framework for innovation in all phases of education, research and business.**

## BY THE NUMBERS

20

startup companies formed out of NCSU in 2018

141

tech licensed at NCSU in 2018

72

patents issued at NCSU in 2018

---

**"Centennial Campus continues to be a premier destination for innovative collaboration among leaders in education, business, and research."**

**RANDY WOODSON**

Chancellor, North Carolina State University

---





# TRANSPORTATION AND MOBILITY

**Effective regional transportation is a must-have for Wake County and 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 the local workforce and economy moving. Sustained business leadership and regional partnership led to the following mobility milestones in 2019:

## 540 Extension to I-40 in Southern Wake County Breaks Ground

The regional business community’s number-one transportation priority went under construction in late 2019, following more than a decade of advocacy led by the RTA business coalition. The extension of 540 to I-40 will complete the backbone of the Triangle’s regional freeway network and create an essential link between metropolitan and rural North Carolina.

## Regional Business Task Force to Identify New Funding for RDU Airport

The RTA activated an RDU Airport Infrastructure Development (AID) task force in 2019 to explore revenue options to fund growing infrastructure needs at RDU Airport. RTA and the 12-member regional task force are committed to supporting RDU as the airport experiences unprecedented growth.

## First Bus Rapid Transit (BRT) Project in Wake County Enters the Federal Process

The proposed eastern bus rapid transit corridor along New Bern Avenue was submitted into the federal funding program this summer. The design phase is well underway, complemented by a focus on equitable growth and development around transit along all future BRT corridors. RTA continues to support the accelerated opening date in 2023, and the opening of all four Wake BRT lines by 2027.

## Business Community Launching Regional Transit Network Study

A regional transit study initiated by RTA in concert with GoTriangle and NCDOT will commence this year to identify an illustrative region wide Freeway And Street-based Transit (FAST) network to complement proposed BRT and commuter rail.



**“From the groundbreaking of 540 in Southern Wake County to significant movement on regional transit and our efforts to secure long-term funding for RDU, 2019 was a great year for business engagement on transportation and the region’s mobility future is even brighter.”**

**JOE MILAZZO II, PE**

Executive Director, Regional Transportation Alliance

“RDU has experienced record-breaking growth over the past year. We are thrilled to rank among the top airports in North America as a result of our continued growth and commitment to providing a world-class experience for travelers.”

**MICHAEL LANDGUTH, A.A.E.**

President and CEO, Raleigh-Durham Airport Authority



## RDU INTERNATIONAL AIRPORT

RDU continued another year of significant growth in 2019. The airport is growing faster than expected and saw record-breaking passenger traffic this past year with more than 14 million total passengers amounting to 10% growth over last year. This growth elevated RDU from the medium to large airport category in a 2019 J.D. Power Study that **ranked RDU as one of the top five large airports in North America for customer satisfaction.**

Spirit Airlines entered the market in May with seven nonstop destinations and Air Canada added a new nonstop flight to Montreal in June. A total of 24 new routes were added to RDU's route map during the year. The airport also proudly welcomed a United Club in Terminal 2 in August, the terminal's third airline club.

Leading the way with innovation and environmental stewardship, RDU deployed the Triangle's first electric buses in May. RDU also started to develop the airport's first Sustainability Management Plan to improve the tracking and communication of its sustainability initiatives, increase efficiency, and better incorporate economic savings and environmental stewardship into project planning.

The cornerstone of campus construction is the repair and eventual replacement of RDU's primary runway, 5L-23R, which has reached its end-of-life due to pavement deterioration. RDU is working with the Federal Aviation Administration to get approval to replace it with a new, longer runway that will allow for larger planes and farther destinations.

**Air service is one of the top factors a company considers when contemplating relocating or entering a market, and RDU continues to be a hot market for economic growth opportunities.** In March, RDU entered into its first public-private partnership to build a new corporate aviation campus. The 48-acre campus will have up to 21 new hangars.

Parking options also were enhanced during the year. Airport visitors can now enjoy the convenience of online booking at [parkrdu.com](http://parkrdu.com) and a new mid-priced parking option, ParkRDU Express. **The airport will continue to make campus improvements throughout the year to keep pace with growth, attract new routes and maintain world-class customer service.**

### BY THE NUMBERS

61

nonstop domestic and international destinations

10

airlines

14.1M

projected passengers in 2019

400+

daily flights





“Both the public and private sectors must keep the impact of travel and the visitor experience forefront in our tourism-related infrastructure development, talent recruitment and retention strategies, and quality of place initiatives. Turning tourists into talent is vital to our overall economic growth.”

**DENNIS EDWARDS**

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

## TOURISM DEVELOPMENT

### BY THE NUMBERS

**\$2.7B**

spent by visitors in Wake County in 2018

**27,101**

workers are industry supported in Wake County

**195**

new hotel rooms to market in 2019

**\$7.9M**

estimated economic impact as a result of the Stanley Cup playoff run (Wake County)

**Travel and tourism has an incredible 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.

**2018 was a record year for tourism in Wake County with both visitation numbers and visitor spending hitting all-time highs.** Wake County's tourism industry welcomed 16.8 million visitors in 2018, an increase of 4.8% over 2017. These visitors generated \$2.7 billion in direct spending, an increase of 7.2% over 2017 and \$268 million in state and local tax revenues while here.

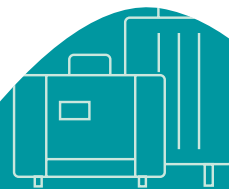
Tourism isn't just a tax generator; it's also a job creator. The industry directly supports the employment of 27,101 workers in Wake County who earn a payroll of \$785.2 million.

In other hospitality measures, Wake County's lodging tax collections totaled \$27.9 million, up 11% year-over-year, and prepared food and beverage (PFB) collections rose 5.9% in 2017, amounting to \$30 million. This represents all-time highs for both lodging and PFB tax collections as well.

Also, the estimated direct economic impact of Greater Raleigh Convention and Visitors Bureau (Visit Raleigh)-assisted conventions, meetings, and sporting events held in Wake County reached \$181.3 million, meaning that **Wake County continued to enjoy at least a 24-to-1 return on investment from the inter-local tax dollars invested into the bureau.**

The tourism product in Wake County continues to grow. Two new hotels opened in 2019 adding 195 new rooms to the market. The growth isn't slowing down though, as at least six new hotels are projected to open in the next year.

With tourism at an all-time high here in Wake County, now is the time to capitalize on this increased visitation to remain competitive as a dynamic place to live and work.



**16.8M**

visitors welcomed in Wake County in 2018





Photo Credit: The Assembly

## CITY OF RALEIGH

### Raleigh continued its pattern of growth and commitment to equity in 2019.

Fueled by a talent-rich environment, a diverse and robust business community, and great quality of life **Raleigh's population grew 2.1%, with unemployment averaging 0.5% lower than the prior year.** New and expanding business accounted for over 1,200 new jobs and \$78.5 million of investment. Development activity remains strong across the city as evidenced by more than \$385 million in new commercial construction. The City of Raleigh continues to make significant progress in advancing key priorities of its Strategic Plan, including promoting entrepreneurial culture, expanding park programs, and increasing affordable housing options, with a focus on prosperity for all.

In 2019, Raleigh added over 147,900 square feet of co-working space to the market. HQ Raleigh, Loading Dock, and WeWork opened new locations placed in areas that foster diverse and inclusive communities through shared workspace. From Southeast Raleigh to Glenwood South to NC State's Centennial Campus, Raleigh's co-working spaces are supporting a thriving entrepreneurial community with valuable resources and collaborative environments for growing companies to find success.

The Dorothea Dix Master Plan was adopted by City Council in early 2019. Since its adoption City staff have been developing an implementation plan to provide recommendations for cost and funding options, governance structures and scope of work for Phase 1 projects. In April, Dreamville Music Festival was held resulting in 39,000 people experiencing the largest event held at Dix Park to date. With the success of the 2019 music festival, Dreamville 2020 is set for April 4. From music festivals to moonlight movies to the annual SunFest, over 112,000 Raleigh residents and visitors have been able to enjoy Dix Park.

We continue to make progress toward our Affordable Housing Goal with the creation of 633 affordable housing units in Fiscal Year 2019, a 25% increase from Fiscal Year 2018. In April, the City and its partners, celebrated the grand opening of Oak City Cares. Oak City Cares is a transformative multi-service center for those experiencing homelessness or are at-risk of experiencing homelessness.

### BY THE NUMBERS

# 13%

population growth, 2014-2019  
(431,897 to 479,332)\*

# 39,000

attendees at 1st Annual  
Dreamville Festival (feat. J. Cole)

\*Source: U.S. Census Bureau, 2018 American Community Survey, 1-Year Estimates

**“Back in 1962, President John Kennedy challenged the nation by declaring we would go to the moon. Not think about it. Wish for it. Or do it if it was convenient. But we would do it. It's with that spirit of determination that I'm asking all of you to get ready for Raleigh's version of the moonshot.”**

**MARY-ANN BALDWIN**

Mayor, City of Raleigh





**NO. 2**

**Top Real Estate Market to Watch in 2020 (Raleigh-Durham, NC)**

*PwC US, 2019*



**The 2020 forecast for residential real estate in Wake County is very positive.**

**NO. 8**

**Big City with the Healthiest Housing Market in the U.S. (Raleigh)**

*SmartAsset, 2019*

**NO. 2**

**Best Metro for First-time Homebuyers (Raleigh)**

*Bankrate, 2019*

**\$328,000**

average sale price on residential properties in 2019

## RESIDENTIAL REAL ESTATE

**The Wake County real estate market continues to thrive.** As Wake County municipalities and surrounding communities receive more accolades, corporate America looks to our area as a great place to expand and relocate new facilities. In addition to our excellent climate and convenient East Coast location, Wake County offers an educated workforce, affordable housing, top-notch colleges and universities, arts and entertainment, and most importantly, a diverse, welcoming community.

Wake County has seen a 5.2% increase in the average sales price over the past 12 months. New listings are up 22%. However, there continues to be a shortage in inventory in moderate price points and neighborhoods, prompting multiple offers.

New construction home sales continue to grow, posting a steady 5% increase over the past 12 months.

The rental market is thriving, with an occupancy rate of 94.3%, and we continue to see many new construction luxury apartment communities.

**The forecast for next year shows continuing appreciation, competitive interest rates, and strong corporate relocation growth.** With that in mind, Wake County will continue to be one of the fastest-growing, hottest markets in the country.



**“The Triangle area offers every type of lifestyle and housing choice, from a horse farm in Chatham County to a home in a swim/tennis/golf community, to a loft in downtown Raleigh. All of these choices can be made on your price range.”**

**NANCY HARNER**

Senior Vice President, Relocation and Business Development, Coldwell Banker Howard Perry and Walston



“The Research Triangle region is experiencing exponential growth in the latter portion of the current economic cycle thanks to its reputation as an innovation hub. World class universities and an incomparable talent pool have proven to be key attractors for tenants seeking an edge in labor recruitment.”

**KIMARIE ANKENBRAND**

Managing Director, JLL



## COMMERCIAL REAL ESTATE

The Wake County commercial real estate market experienced another year of positive absorption, stable vacancy, and an abundance of new construction and deliveries. All product types continue to be healthy overall.



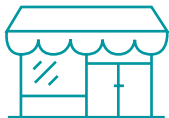
### Industrial

Vacancy rates have reached a new low in this economic cycle as demand pushes vacancy below the 5% mark. Large block availabilities among warehouse and distribution properties are few and far between as demand continues to outpace new deliveries. **An estimated 2.2 million square feet is presently under construction across the Raleigh-Durham market.** Planned infrastructure improvements to the region’s highways and interstates will benefit distribution and logistics networks as last-mile delivery expands.



### Office

Asking rents continue to rise across the market for both Class A and Class B assets with new construction posting rents above the \$40 mark. Office occupancy exceeds pre-recession records by 5.5% as vacancy continues to see a steady decline. Strong absorption levels in excess of 1 million square feet demonstrate high demand for office space in the market. **As tenants look to establish themselves in the market, office space increasingly is being used as a talent recruitment and retention tool.**



### Retail

**The market’s rapid expansion has boosted growth among mixed-use and high-end retailers.** Several robust projects are currently underway in both urban and suburban corridors, totaling nearly 500,000 square feet across Wake County. In 2019, Wegmans entered the market, adding to a growing list of grocery operators in the region.



### Multi-Housing

**Raleigh is in the middle of a multi-housing boom** as developers work to keep up with rising demand and a growing population. More than 5,000 units have been added in the last 12 months alone, increasing the market’s multi-housing inventory by 2.7%. Some of the most significant growth has been in Downtown Raleigh, where the multi-housing inventory has increased 12.7% in the last year.



### Land

**The price of land has risen across Wake County as the population grows and the market densifies.** Developer and investor confidence in the market is on the up-and-up as once vacant land makes way for residential, retail, office, and industrial development. Land in urban areas has become increasingly scarce, leading to astronomical per acre sales prices in the central business districts. Residential and mixed-use plans are prevalent throughout the county.



**“The Raleigh metropolitan region is still poised to expand and continue being one of the most dynamic and fastest-growing regions in the country.”**

**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.

**“The Raleigh region’s job growth was widespread among all economic sectors.”**

## 2020 ECONOMIC FORECAST

**There is widespread evidence that national – and even the North Carolina – economies are slowing, but not so for the Raleigh metro’s regional economy.**

Using the year defined around the latest available data for September 2018 to September 2019, job growth in the Raleigh region was a strong 3.3%, well above the state growth rate of 2.3% and more than double the national rate of 1.4%. The region’s net addition of 20,500 jobs accounted for 20% of total net new jobs in North Carolina.

The Raleigh region’s job growth was widespread among all economic sectors. Even manufacturing and construction, which have struggled nationally, added jobs in 2019.

While the region’s unemployment rate did rise in the past year, it was only because the region’s labor force – swollen by the continuing movement of people to the area from other regions – rose faster than the region’s job count. This is a sign of the Raleigh metro region’s success. People want to move here.

The construction market in the Raleigh region backtracked in 2019. Through the first eight months of the year, new building permits were down 12% from the same period in 2018. Based on data from Zillow, average home prices also rose 5.7%, slightly faster than the national gain.

One factor affecting these trends is land costs. As the region has rapidly grown, land values – especially for accessible sites – have become significantly more costly. Higher land costs make it more difficult for developers to construct modestly priced dwellings, ultimately motivating them to focus on fewer, but much higher priced units. The challenge of affordable housing is not unique to the Raleigh region. It is a challenge affecting all urban areas that have been successful in growing and attracting new households and businesses.

The challenges associated with success may slacken in the near term if a national economic slowdown or a national recession occurs. The national economy already appears to be in a slowdown. Economic growth in the country in 2018 was near 3%. Thus far in 2019, the growth rate has slowed to between 1.5% and 2%. A recession would occur if these numbers turned negative; that is, if the national economy contracted.



A recent survey of business economists showed the consensus probability of a recession in 2020 or 2021 to be near 33%. While still under 50%, the 33% probability has risen significantly in the last year. There are worries such as on-going trade disputes, economic weakness in foreign regions like Europe and Japan, rising government debt, and the fact that the economy has been without a recession for a record number of years, could collectively end economic growth for a period of time.

If there is a national recession, could the Raleigh region's exceptionally strong local economy prevent a downturn from happening here? If the experience of the last three recessions is a guide, the answer is no. During the "Great Recession" of 2007-09, the Raleigh metro region lost 33,000 jobs, or 6% of its job base, before recovering. In the "Tech Recession" of the early 2000s, the loss was more modest, with a drop of 14,000 jobs or 3% of the job base. The recession of the early 1990s was the least damaging in the region, with jobs losses of only 4,000, equal to 1% of the job base.

Thus, the Raleigh region is susceptible to recessions, but severity varies. My expectation is that whenever the next recession does occur, the local impact will be somewhere between those of the early 1990s recession and the early 2000s recession. This means the region would lose between 1% and 3% of the job base, or between 6,500 and 19,500 jobs. However, those jobs would quickly return when the economy rebounded.

**However, in the long-term, the Raleigh metropolitan region is still poised to expand and continue being one of the most dynamic and fastest-growing regions in the country.** By 2050, the region could easily be two-thirds larger in population compared to today. Growth will present challenges – in housing, transportation, energy, and others – but they are challenges all strong regions face – and can solve.

---

**“Growth will present challenges – in housing, transportation, energy, and others – but they are challenges all strong regions face – and can solve.”**

---



**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*



## EDGE 6 THANK YOU

The Economy and Business 2020 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](http://Raleigh-Wake.org/investors)

Contact: Michael Haley, Executive Director, Wake County Economic Development ([mhaley@raleighchamber.org](mailto:mhaley@raleighchamber.org))



## Contact Us

### Office Location

800. S. Salisbury St., Raleigh, NC 27601

### Web

[raleigh-wake.org](http://raleigh-wake.org) | [raleighchamber.org](http://raleighchamber.org) | [workinthetriangle.com](http://workinthetriangle.com)

### Twitter

@RaleighWake | @RaleighChamber | @WorkTriangleNC

### Phone

919.664.7000

Economy and Business is compiled by Wake County Economic Development, a program of the Raleigh Chamber. This publication is an economic review of FY 2018-2019 and a forecast for 2020 published annually during the final quarter of the year.

