



ECONOMY & BUSINESS

The Chamber
Greater Raleigh Chamber of Commerce

WAKE
Wake County
Economic Development

2018



CHAIRMAN'S LETTER



“Our community collaboration will propel our region even higher, maintaining our status as one of the best places to live and do business in the world.”

JAMES F. GOODMAN JR.

President and Chief Operating Officer,
Capitol Broadcasting Co., Inc.
Chair, Greater Raleigh Chamber of Commerce

For the 15th year in a row, Forbes has ranked Raleigh in the top three on the list of Best Places for Business and Careers. North Carolina took home the No. 1 spot on the Best States for Business list—the 12th straight year the state has landed in the top five. We have one of the strongest regional economies in the U.S., and in 2017, that was no exception.

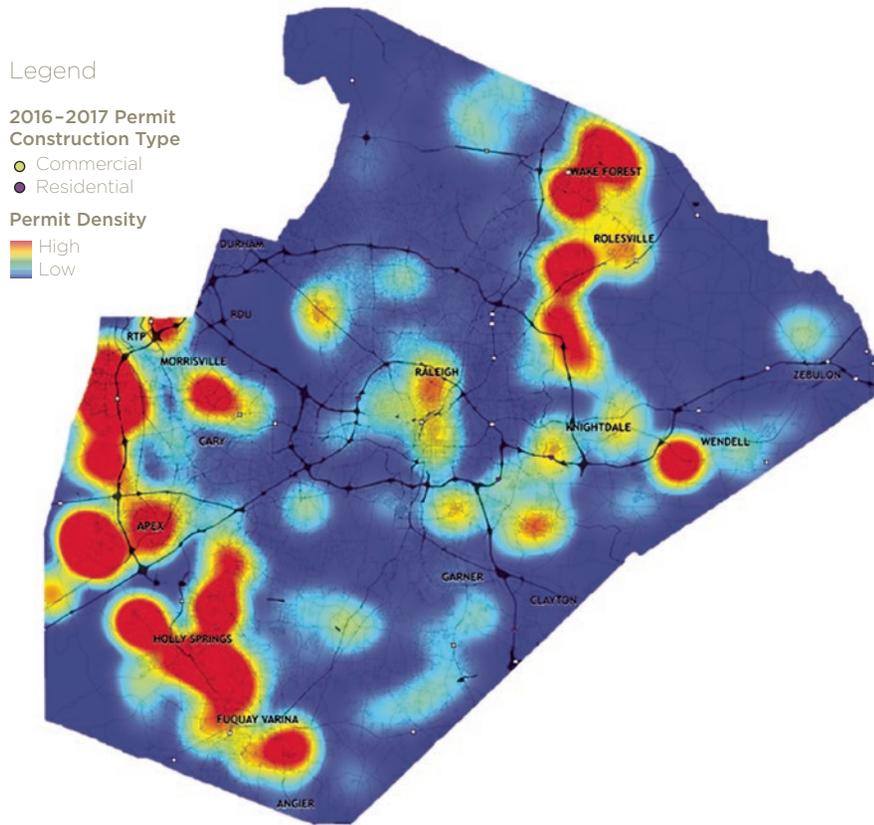
- The Raleigh Chamber launched a partnership with Innovate Raleigh to support the innovation ecosystem and address the needs of entrepreneurs
- Trilliant and Infosys announced plans to locate in Wake County, and Credit Suisse celebrated an expansion—combined, the companies plan to create more than 3,330 jobs
- The “Complete 540” construction has been accelerated by two years and continues to be the Regional Transportation Alliance’s top priority
- RDU Airport is receiving \$31 million in new, recurring funding for its master plan
- A \$44 million annual fund has been established in the North Carolina budget to advance low-cost congestion relief projects
- City of Raleigh voters approved a \$206.7 million transportation bond that will provide funding for street and sidewalk infrastructure upgrades that will benefit all residents

By 2022, the Triangle will expand by 283,000 people. With this growth come challenges, as well as new opportunities for partnerships and success.

I’m excited about the work ahead for Raleigh and Wake County. Our community collaboration will propel our region even higher, maintaining our status as one of the best places to live and do business in the world.

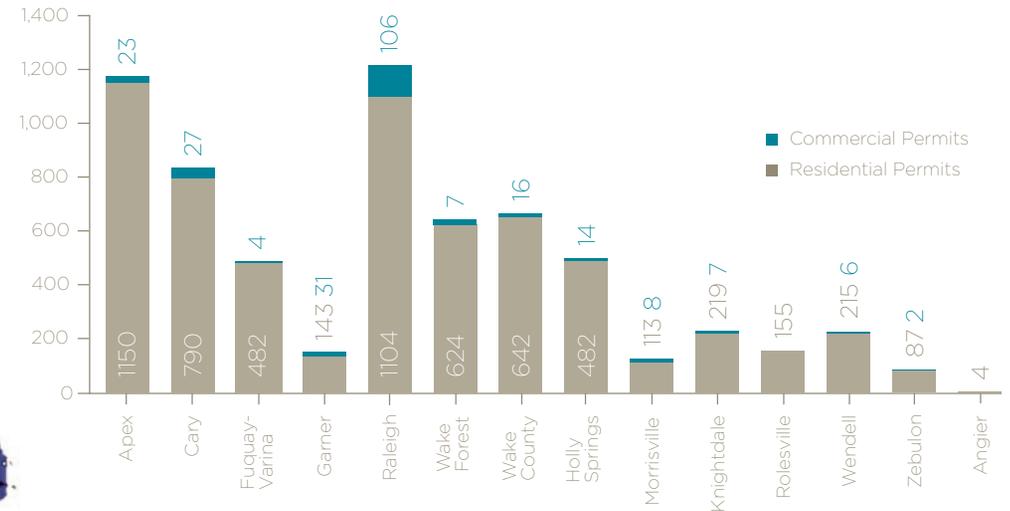
PLANNING FOR GROWTH

Residential & Commercial Permit Concentrations Wake County: 2016-2017



This map will be updated to reflect 2017 data and shared early Jan. 2018.

New Residential & Commercial Permits by Municipality within Wake County



Source: (January - September 2017) Wake County Revenue Department

#1 BEST LARGE CITY FOR FIRST-TIME HOME BUYERS
(Raleigh, NC) — *WalletHub*, July 2017



Of the 67 people,



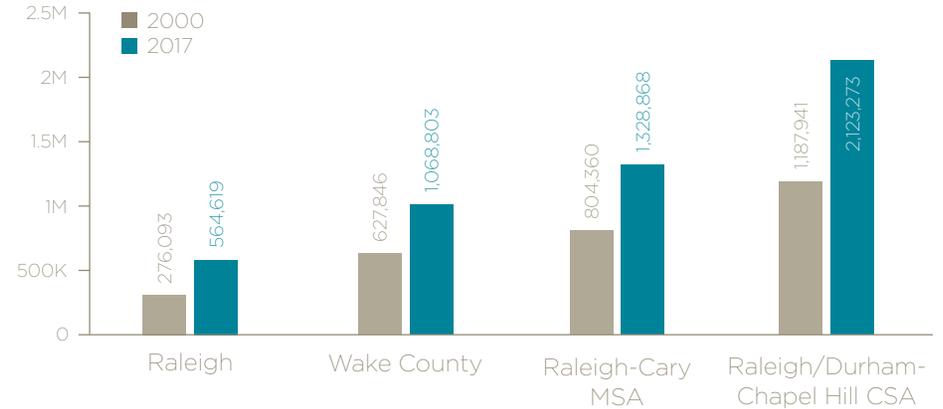
Source: (July 1, 2016) U.S. Census Bureau, County Population Estimates

TRIANGLE STATISTICS

Wake County Employment by Sector 2017 Total Employment: 580,555



Population Growth



Wake County Retail Sales

\$15.964B



#2 BEST PLACE FOR BUSINESS AND CAREERS (Raleigh, NC) — *Forbes*, 2017

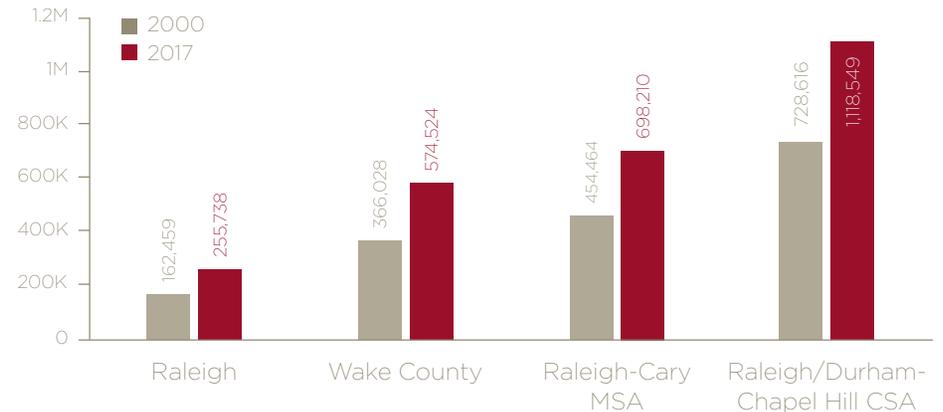
Wake County Permits

Residential New Construction

6,210 PERMITS

\$1.42B PERMIT VALUE

Labor Force Growth



Source: NC State Department and ESRI

Sources: (July 1, 2016 - June 30, 2017) NC Department of Revenue and U.S. Census Bureau. NC Department of Commerce, Division of Employment Security.

2017 ANNOUNCEMENT HIGHLIGHTS



Infosys

Software/IT | Jobs: 2,000 | Investment: \$8.7 million

Infosys, a global leader in consulting, technology and next-generation services, has announced that it will open its North Carolina Technology and Innovation Hub in Raleigh, where it plans to hire 2,000 workers by 2021 and will invest around \$8.73 million with average salaries at \$72,000. The new hub, which will open in early 2018, will occupy 60,000 square feet and anchor the 121,000 square foot Legacy at Brier Creek building at Brier Creek Parkway. This announcement is the second largest in the state this year.



Credit Suisse

Software/IT | Jobs: 1,200 | Investment: \$70.5 million

Credit Suisse, a financial services company, is expanding and adding 1,200 jobs in Morrisville. The company will invest \$70.5 million in a new 200,000 square foot building on its campus on Louis Stephens Drive. The jobs are primarily in IT and finance, among other functions. Average salaries will start at \$100,000.



INC Research

Medical/Research | Jobs: 550 | Investment: \$37.9 million

INC Research moved its headquarters from Raleigh to Morrisville and plans to add 550 jobs over the next five years, as part of a \$37.9 million investment. Upon completion of the new headquarters, INC Research will become a top five employer for the city of Morrisville.



MetLife

Financial Services | Jobs: 500 | Investment: \$63 million

MetLife, the global insurance and asset management firm, announced the expansion of its Cary campus and will add 500 new jobs, which will be in addition to the 1,000+ employees. In May, MetLife announced plans to add a third building to its Cary campus. This will be a 219,000 square foot building, making the total global technology campus 655,000 square feet. This new building will represent a nearly \$63 million investment.



Citrix

Software/IT | Jobs: 400 | Investment: \$5 million

Citrix, a Florida-based software giant that arrived in Raleigh with the 2011 acquisition of ShareFile, is expanding in Raleigh, adding 400 jobs over the next five years. Citrix develops software to help remote workers access their files from anywhere, and has about 800 employees in downtown Raleigh.



Victra

Software/IT & HQ | Jobs: 250 | Investment: \$5.6 million

Verizon retailer Victra (formerly A Wireless) has selected midtown Raleigh for its new headquarters on Colonnade Drive. Victra will plan to invest around \$5.6 million and will hire for 250 positions. The company operates 1,000 locations and is Verizon's largest independent agent by store count. The move brings a variety of jobs to the Triangle from marketing to finance to executive positions, with an average salary of \$93,000.



Trilliant

Cleantech & HQ | Jobs: 130 | Investment: \$1.8 million

Trilliant, a Calif. cleantech company, has relocated its headquarters from Redwood City, California, to offices in Cary, where it will invest \$1.8 million to expand its corporate operations and create 130 jobs with the average salary of \$105,000. Trilliant started its Triangle tenure late last year with a handful of employees. The company will occupy the top floor of the 401 Harrison Oaks building near the SAS Institute campus in Cary.

New and Expanding Announcements

102
announcements

9,219
new jobs

\$317M
investment

NEW & EXPANDING ANNOUNCEMENTS (FY 2016 - 2017)

Company Name	Industry Cluster	New Jobs	Investment
A2Z Wireless	Software/IT	250	\$5,600,000
ABB	Smartgrid/Cleantech	48	TBD
Academy Sports + Outdoors	Retail Sporting Goods Store	200	TBD
Advanced Plastiform, Inc.	Advanced Manufacturing	TBD	TBD
Aerie Pharmaceuticals	Advanced Manufacturing	TBD	TBD
Aijimoto	Advanced Manufacturing	24	TBD
Alamo Drafthouse Cinema	Retail, Entertainment, Hospitality	160	TBD
Alcami	Life Sciences	150	TBD
Align Technology	Advanced Medical Technologies	200	TBD
Alignment Healthcare	Healthcare	TBD	TBD
Argos Therapeutics	Life Sciences	70	10,000,000
Ascom Wireless Solutions	Software/IT	TBD	TBD
ATI Industrial Automation	Advanced Manufacturing	275	TBD
Avista Pharma Solutions	Life Sciences	100	TBD
Balentine	Financial Services	3	TBD
Bandwidth.com	Software/IT	TBD	TBD
BitSight Technologies	Software/IT	25	TBD
Bob Barker Company	Manufacturing	40	\$4,150,000
Carolina Medical	Healthcare	TBD	TBD
Charter Communications	Software/IT	215	TBD
Citrix Systems	Software/IT	400	\$5,000,000
CiVentiChem	Life Sciences	5	TBD
Covance Inc.	Life Sciences	25	TBD
Credit Suisse	Software/IT	1,200	\$70,500,000
Dropsource	Software/IT	20	\$5,300,000
Duke Private Diagnostic Clinic	Healthcare	TBD	TBD
Dunkin' Brands Group, Inc.	Retail, Food Services	TBD	TBD
Egnyte	Software/IT	30	TBD
Field2Base	Software/IT	25	\$1,700,000
First Bank	Financial Services	TBD	TBD
First National Bank	Financial Services	TBD	TBD
FM:Systems	Software/IT	10	TBD
Gensler	Architecture	1	TBD
Global Software, LLC	Software/IT	TBD	TBD

Company Name	Industry Cluster	New Jobs	Investment
Global Specimen Solutions	Software/IT	10	TBD
Globant	Software/IT	TBD	TBD
Höganäs Environmental Solutions	Advanced Manufacturing	72	TBD
HQ Raleigh	Co-Working Space	TBD	TBD
HR&A Advisors	Professional Services	1	TBD
idfive	Software/IT	TBD	TBD
IKEA	Retail Trade, Furniture	300	TBD
Improved Nature	Food and Beverage Processing	35	\$3,500,000
INC Research	Life Sciences	550	\$37,000,000
Industrious	Co-Working Group	TBD	TBD
Infomerica	Software/IT	60	TBD
Infosys	Software/IT	2,000	\$8,700,000
Investor Management Services	Software/IT	20	TBD
K4Connect	Software/IT	9	TBD
KBI Biopharma	Life Sciences	TBD	\$30,000,000
Lassiter Distilling Company	Food and Beverage Processing	TBD	TBD
LexisNexis	Software/IT	175	TBD
Loading Dock Raleigh	Co-Working Space	TBD	TBD
Locus Biosciences	Life Sciences	15	TBD
LogMeln-Go To	Software/IT	30	TBD
Mann + Hummel	Smart Grid	TBD	\$15,000,000
Map My Customers	Software/IT	50	\$275,000
Marken	Freight and Transportation	TBD	TBD
MD Interconnect	Software/IT	4	TBD
MedPharm	Life Sciences	15	TBD
Medsis	Software/IT	36	TBD
MetLife	Software/IT	500	\$63,000,000
Michael Best & Friedrich	Legal Services	TBD	TBD
Morningstar Law Group	Professional Services	TBD	TBD
Nomaco, LLC	Manufacturing	63	TBD
PCL Civic Construction	Construction	TBD	TBD
Pendo	Software/IT	60	TBD
Pendo	Software/IT	104	TBD
Procom	Employment Agency	TBD	TBD

Company Name	Industry Cluster	New Jobs	Investment
Prometheus Group	Software/IT	50	TBD
Publix	Retail Grocer	TBD	TBD
Racepoint Global	Software/IT	5	TBD
Reason to Believe, LLC	Advanced Manufacturing	10	\$26,000,000
Recipharm	Advanced Manufacturing	TBD	\$750,000
Red Hat, Inc.	Software/IT	200	TBD
Redhill Biopharma Ltd	Life Sciences	12	TBD
Republic Wireless	Software/IT	TBD	TBD
SBM Life Science	Life Sciences	TBD	TBD
Scientific Games	Software/IT	TBD	TBD
Sentinel Biomedical	Life Sciences	10	TBD
Shred-Tech	Advanced Manufacturing	TBD	TBD
Site 1001	Software/IT	20	\$6,000,000
Slingshot Coffee	Retail, Coffee Producer	3	TBD
Smartlink Mobile Systems, LLC	Software/IT	90	TBD
Sprouts Farmers Market	Retail Grocer	150	TBD
STOCK America	Advanced Manufacturing	15	\$2,200,000
Stone Basyx, LLC	Professional Services	5	TBD
Sugar Euphoria	Bakery	TBD	TBD
Tanium	Software/IT	30	TBD
Tethis	Advanced Manufacturing	20	TBD
The Home Center - Flooring & Lighting Company	Retail and Professional Services	50	TBD
TrialCard	Life Sciences	350	TBD
Trilliant	Smart Grid/Cleantech	130	\$1,800,000
Verdesian Life Sciences	Life Sciences	15	TBD
VHB Engineering NC	Engineering	TBD	TBD
VitalSource Technologies Inc.	Software/IT	10	TBD
Voith	Software/IT	TBD	TBD
Ward and Smith	Legal Services	9	TBD
Wegmans	Retail Grocer	350	TBD
Workplace Options	Financial Services	100	TBD
YMCA of the Triangle	Fitness Center	TBD	TBD
Zachary Piper LLC	Software/IT	TBD	TBD
Zift Solutions, Inc.	Software/IT	TBD	TBD



TOP 5 IN NEW JOBS

- #1 INFOSYS, 2,000
- #2 CREDIT SUISSE, 1,200
- #3 INC RESEARCH, 550
- #4 METLIFE, 500
- #5 CITRIX SYSTEMS, 400



TOP 5 IN INVESTMENT

- #1 CREDIT SUISSE, \$70.5M
- #2 METLIFE, \$63M
- #3 INC RESEARCH, \$37M
- #4 KBI BIOPHARMA, \$30M
- #5 REASON TO BELIEVE, LLC, \$26M

WAKE COUNTY MUNICIPALITIES

WAKE FOREST

#1 BEST PLACE TO LIVE IN NORTH CAROLINA
(Morrisville, NC) — *Niche*, April 2017

TOP 10 BEST CITIES IN AMERICA TO LIVE
(Raleigh, NC) — *24/7 Wall St.*, November, 2017

TOP 10 SUBURBAN HOTSPOT IN THE U.S.
(Apex, NC) — *Realtor.com*, February, 2017

MICHAEL HALEY

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

MORRISVILLE



“Not only is Wake County an incredible place to live and raise a family, but the top-notch education options, strong talent pipeline, thriving business ecosystem, and exceptional quality of life keeps us on a national and global stage. The partnership between the municipalities is a key factor in our region's success.”

Apex



Apex Tool Group, celebrated the 50th anniversary of its Apex facility in 2017. ATI Industrial Automation broke ground on its fourth expansion in 15 years, adding 65,000 square feet and 275 employees. The town is co-developing the Cash Corporate Center, a 120-acre site for business and industry.

Fuquay-Varina



Fuquay-Varina continues to experience strong growth within existing industries. Bob Barker Company, the world's leader in detention supply equipment, announced it will create 40 new full-time jobs and invest \$5 million to expand its manufacturing and distribution operations to support future growth initiatives.

Cary



Cary continues to attract new investment and undergo strong growth from its existing businesses. Swedish-based Höganäs located its new division in Cary and announced plans to hire 100 employees. Trilliant Networks moved its headquarters from the Bay Area and will make 130 new hires. In addition, MetLife announced a new third building at its Cary campus.

Garner



STOCK America opened its headquarters in 2017, and production started at the Improved Nature facility. Duke Realty built 151,000 square feet of industrial space in Greenfield Park North, and downtown Garner got a jolt when Full Bloom Coffee & Craft opened. The town's residential boom continues, with 3,000 new units approved in the past two years.

Holly Springs



Holly Springs was designated a Certified Entrepreneurial Community. The designation shows that the town supports small businesses and plans to further create an overall climate and ecosystem that supports entrepreneurs and those who want to start and/or grow their business in Holly Springs.

Knightdale



Knightdale is seeing continued growth and success, all solidified by a "Top 100 Best Places to Live in America" designation by Money Magazine. Commercial growth includes new industrial flex space in both Hinton Oaks Industrial Park and Eastgate 540. Site work has begun for the Parkstone development which will consist of 350 new multi-family dwelling units and 260,000 square feet of retail space.

Morrisville



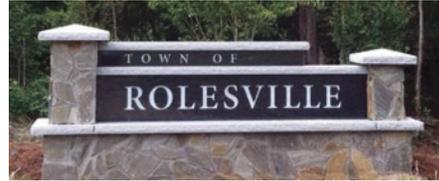
Wake Tech's RTP Campus will open its first building in early 2018. This 94-acre campus will feature a next-generation learning environment dedicated to the needs of individuals and corporations. Plans call for nine instructional buildings, and a capacity to serve up to 7,000 students. Additionally, the community will open a new Town Center to welcome all newcomers to the area.

Raleigh



Raleigh continues to experience a steady increase in new jobs, millions invested, and major companies—including Victra and Infosys—relocating to the area. The City of Raleigh also adopted the jobsRaleigh grant policy, increased square footage space for entrepreneurial growth, and broke ground on a Phase 1 \$100 million investment for Union Station.

Rolesville



As one of the fastest growing towns in North Carolina, Rolesville continues to transform from a small farming community to a popular family-friendly suburb. Much of 2017 was spent making plans to improve the downtown atmosphere, making it a place for families to enjoy a meal and shop.

Wake Forest



With its big city energy and small town charm, the Wake Forest Business and Industry Partnership has launched an entirely new marketing platform focusing on the Town of Wake Forest's strengths in Wireless and Defense Technologies, Engineering, Advanced Manufacturing, and Life Sciences.

Wendell



Wendell has seen a resurgence of interest from manufacturing and industrial partners—spearheaded by Kioti Tractor. In response to growth demands, Kioti invested over \$1 million in its existing facility and was approved to build a 265,000 square foot warehouse and assembly space. It plans to add 50 new positions in the next five years.

Zebulon



Zebulon approved construction for 1,800+ residential units while business and industry continue driving the economic climate. Nomaco unveiled the Gert Noël Innovation Center. Nomacorc has morphed into Vinventions. US Foods saw increased growth, and GSK is renovating and expanding. Tethis is building momentum and BB&T completed phase I of its new operations center.

TALENT AND EDUCATION



“Our mission is to graduate students who are collaborative, creative, effective communicators and critical thinkers. These skills, when combined with content knowledge, can launch and sustain a career in any field.”

DR. JAMES MERRILL

Superintendent,
Wake County Public
School System

“Education is the currency of our dynamic region. We partner with business and industry to create a highly-skilled workforce, qualified to fill the jobs of tomorrow and meet the demands of continued growth and prosperity.”

DR. STEPHEN SCOTT

President,
Wake Technical
Community College



A main driver of economic success is Wake County is our region's knowledge-based economy, diverse talent pool, and top-notch education pipeline.

The Triangle alone boasts twelve colleges and universities including three tier-one research universities that are catalyzing global innovation. In Wake County, the percentage of the population with a bachelor's degree or higher is nearly double the state and national average, and out of the 189,370 students currently enrolled in higher education, the Research Triangle region produces 53,000+ graduates annually.

The K-12 talent pipeline remains strong with Wake County Public School System at the center. WCPSS has begun implementing its strategic plan, Vision 2020, to develop well-rounded students who are prepared for a complex and changing future. The plan is defined by a curriculum that will graduate students who are prepared with the right skills to be successful in the workplace.

3 TIER-ONE UNIVERSITIES
(Duke, UNC, NCSU)

12 COLLEGES AND UNIVERSITIES
IN RESEARCH TRIANGLE
(including 3 tier-one schools)

#1 ONLINE COMMUNITY COLLEGE IN THE U.S.
(Wake Technical Community College)
Best Value Schools, November 2017

#2 MOST EDUCATED CITY
(Raleigh, NC) — *Forbes*, October 2017

Regional Workforce Skills Analysis

Wake County Economic Development, the City of Raleigh, and Capital Area Workforce Development Board partnered to survey industries across 15 counties to raise awareness and identify the areas of highest growth and skill needs in the Research Triangle region of North Carolina. All findings will be reported on and shared in February of 2018.

In partnership with RTI, who conducted the survey, the information will be used to inform our workforce ecosystem partners in the following ways:

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



189,370 students currently enrolled in higher education in the greater 15 county region



53,000+ number of graduates annually from the Research Triangle region

Source: U.S. Census Bureau, 2016 American Community Survey 1-Year Estimates

“At the foundation of our partnership with Wake County Economic Development is our common desire for economic development, workforce development, and education to be aligned so much so that the business community will come to expect that when they reach out to one of us about talent needs, they access the resources and expertise of us all.”



PAT STURDIVANT
Executive Director,
Capital Area Workforce
Development Board

“One of the key factors in our decision to expand in Raleigh was the highly skilled and talented workforce in the Triangle area.”

JIM CAPTAIN

Managing Director,
Raleigh Site Executive,
Credit Suisse



INNOVATION AND ENTREPRENEURSHIP



“Raleigh and the Triangle have an amazing and collaborative entrepreneurial community that not only attracts companies and talent from across the country, but throughout the world.”

DERRICK MINOR

Innovation and Entrepreneurship Manager, City of Raleigh-Economic Development



LIZ TRACY

Director, HQ Raleigh

“Not only is the Triangle becoming a top region for emerging companies, but also a top region for emerging impact-driven companies.”

JONATHAN HAYES

Founder and CEO, RewardStock



“I decided to build a startup here for the high quality of life and low cost environment—the dedicated startup ecosystem has been an unexpected bonus!”

In 2017, Forbes Magazine named Raleigh one of five tech hubs millennials workers prefer over Silicon Valley. Raleigh's thriving startup ecosystem includes more than 700 companies across a diverse group of industry clusters including software, IoT, cleantech, consumer products, life sciences, and more. Over the last two years, startups in Raleigh and Wake County have raised over \$215 million in equity and venture capital and over \$145 million through initial public offerings.

Co-working space is also a big deal in Raleigh, with more than 160,000 square feet of entrepreneurial workspace available within multiple innovation hubs like HQ Raleigh, Loading Dock, The Nest, Industrious, The Pinkubator, and others. In addition, two international workspace operators, WeWork and Spaces, have both announced an additional 125,000 square feet of entrepreneurial space currently under construction in downtown Raleigh.

Diversity and inclusion continues to be a core focus of local business and community leaders, and as a result, a number of new initiatives were launched in Raleigh in 2017 including the InnovateHER Pitch Competition, Launch Raleigh, Black Entrepreneurship Week, and the Shaw University Innovation and Entrepreneurship Center.

Talent and workforce development remains a critical component of our local innovation and entrepreneurship community and helps to fuel our continued growth. In 2017, the City of Raleigh announced the creation of the Raleigh Pathways Center, a workforce development and training incubator located in downtown Raleigh. In addition, a number of private sector workforce initiatives have been launched or expanded including Tech Talent South, Nerd Orchard, The Coder School, Inmates to Entrepreneurs, and Momentum Learning.

Raleigh and the Triangle will continue to see growth within the innovation and entrepreneurial community in 2018. This growth will be fueled by a combination of factors including an influx of top talent and companies moving to the Triangle, the launch of new programs and initiatives that are currently under development, an increased focus on equity and inclusion within the local startup community, and our existing high-growth companies further scaling and growing their local footprints.

RESEARCH TRIANGLE PARK

For almost 60 years, the Research Triangle Park has supported the tremendous economic and research reinvention of North Carolina. To remain relevant and competitive, the leadership of the Research Triangle Foundation is reinventing the Park—transforming RTP from a landscape dedicated to large, independent, corporate research campuses to a mix of highly collaborative, amenity-rich innovation nodes. By 2020, the RTP workforce will be able to live, work, and play in the Park, and visitors will have opportunities to interact, engage, and be inspired by the technology being created here.

One of these innovation nodes is located in the center of RTP. Called Park Center, this 100-acre parcel is currently the only land within RTP with zoning that allows for office, retail, hospitality, and residential uses. A smart district is planned with almost 2 million total square feet of real estate to be developed—this will include over 600 residential units, up to 1 million square feet of office space, plus restaurants, retail, and more than six acres of parks.

The Park Center site also includes The Frontier campus, a set of existing buildings which are being repurposed to make RTP more accessible for RTP workers, startups, and emerging companies. Opened in January 2015, **The Frontier is now home to over 80 small businesses, and its free coworking and meeting spaces have become a community hub for more than 100 visitors a day.** In 2017, over 900 events and meetings were held at The Frontier, and more than 114,000 people visited the campus. Affordable lab and emerging office space will be added as well in early 2018.

By offering these exciting new amenities, RTP is continuing to attract new leaders in science, technology, and business—companies like G1 Therapeutics, a biotech company that went public this year, and RHO, one of the fastest growing CROs in the country—and support the expansion of corporate anchors including Credit Suisse and Fidelity Investments, which announced major investment and workforce expansions in RTP in 2017.



“Creating a mixed-use, transit-oriented, and connected community at RTP responds to the needs of our companies, the region, and the future of a workforce that requires these amenities. Park Center, the Frontier, and a robust regional transit plan will sustain the Triangle region’s competitiveness for the future.”

SCOTT LEVITAN

President and CEO,
Research Triangle Foundation,
Research Triangle Park



77% of RTP’s 264 companies have fewer than 25 employees

Source: RTP 2017 Directory

CENTENNIAL CAMPUS

JEFF BANDINI

Associate Vice Chancellor,
University Real Estate & Development,
North Carolina State University



"Our goal at NC State is simple — to ensure Centennial Campus remains the nation's premier university innovation district."

In the heart of Raleigh, NC State's 1,260-acre Centennial Campus is a nationally renowned, highly successful public/private research and innovation ecosystem where students, faculty, government, and industry partners collaborate to advance North Carolina and the nation. Private development of office, lab, hotel, and residential space comprises more than 1.4 million square feet of the 4.2 million square feet of developed space on Centennial. More than 600 private residents and 70 companies, ranging from multinationals listed on Forbes' Global 1000 to startup firms, are located alongside 75 university research centers, institutes, laboratories, and departments on the campus.

Centennial Campus is a unique collaboration of university, public, and private partners working together to promote the university's research, academic, and outreach mission, with an emphasis on applied sciences and technology applications that make a difference in the world. In addition to students, faculty, and staff from across the university's 12 colleges, Centennial Campus is home to the **College of Engineering and the College of Textiles with a total full-time student and faculty population of over 12,000.**

2017 has represented a year of growth and opportunity for Centennial Campus. This campus continues to be recognized as a premier destination for innovative collaboration among leaders in business, research, and education. The campus provides industry partners a unique platform to work with some of the nation's top faculty and researchers, allows students unsurpassed experiences to work with leading companies, and continues to propel the state's economic prosperity.

Centennial Campus is a major economic driver for the City of Raleigh, the Research Triangle region, and the State of North Carolina. Through the continued strategic growth of the campus, NC State supports and enhances a vibrant innovation environment that contributes meaningfully to workforce development, public/private partnerships, and economic impact in North Carolina. We expect 2018 to be another great year of growth and collaboration for our students, faculty, and companies.

TRANSPORTATION AND MOBILITY

In 2017, Wake County made significant progress in advancing transportation and increasing mobility as a result of regional business leadership and partnership. The Regional Transportation Alliance business coalition successfully led or supported the following efforts in our region:

- More than \$30m in annual recurring funds for RDU approved by NC legislature
- New \$44m statewide low-cost project fund approved by NC legislature
- I-540 express shoulder lanes receives \$70m in funding in draft state transportation plan
- Signage installed for the first 12 miles of I-87, Wake County's first north-south primary Interstate

In addition, the Greater Raleigh Chamber of Commerce led the successful \$207m Raleigh Transportation Bond referendum campaign approved by voters in Fall 2017.

Several other large projects also remain a top priority for 2018 and will require continued focus by the regional business community, such as:

Accelerating 540: the Raleigh Outer Loop will continue to be the top mobility priority of the regional business community. The RTA led the charge to construct 540 as a toll road in western Wake County—saving years of time in construction and creating a traffic signal-free bypass of NC 55. RTA will continue the push to complete this vital link in southern Wake County to I-40 and I-42.

Pushing for transit and congestion relief: With Wake, Durham, and Orange counties all having passed successful transit referenda—creating a mechanism for \$5 billion in new transit service and investments over the next decade—the regional business community turns its focus to implementation. RTA will push for enhanced, scalable solutions that complement ongoing and upcoming freeway and street congestion relief projects region wide.

Funding the RDU Master Plan – Raleigh-Durham International was named the most connected medium-sized airport in the United States in 2017. With our region growing by more than 80 people per day, RDU International will need to grow in terms of terminal and airfield assets as well as new destinations and flights. RTA will support RDU's efforts to secure the funding needed to complete its 2040 plan.



“The regional business community has a demonstrated ability to advance transportation priorities that support our growing market through the strong, organized voice of the RTA.”

BRUCE SARGENT

Director, IBM North America Real Estate and Strategy Operations, Chair, Regional Transportation Alliance



\$5 billion secured for new transit services and investments

RDU INTERNATIONAL AIRPORT



“Vision2040 is our bold vision for the future. We will invest billions in aviation infrastructure, creating jobs, and connecting the Triangle to the globe. We will also enhance the traveler experience with new technology, amenities and strengthened security. The future is now at RDU.”

MICHAEL LANDGUTH, A.A.E.

President and CEO,
Raleigh-Durham Airport Authority

 **49** nonstop domestic & international destinations

 **10** airlines

 **11** million annual passengers

 **400+** daily flights

Final data for 2017 is pending and will be shared early 2018.

2016 was a year of growth at Raleigh-Durham International Airport. It was the busiest year ever recorded at RDU, with more than 11 million passengers traveling through the airport. **What's more, RDU is on track to break the 2016 record in 2017.**

To better address the needs of the Triangle community, Delta Air Lines and Frontier Airlines launched new nonstop service to Austin, Texas, while Allegiant Airlines and Southwest Airlines launched nonstop service to New Orleans. Frontier Airlines also announced nonstop service to Kansas City and Providence, to begin in April 2018. **We are proud to see airlines invest in the Triangle and increase service to regions domestically and abroad.**

As part of our commitment to keeping RDU a state-of-the-art airport, we completed critical infrastructure preservation work to the very popular ParkRDU Central parking garage. The repairs and cleaning ensures the garage will serve our community for many years to come. We have also modernized parking entrance and exit equipment serving our parking facilities, providing immediate benefits such as the elimination of lost tickets and allowing us to offer innovative parking services in the future.

Inside Terminal 2, we launched a major refresh of our shops and restaurants. Over the next year, we're excited to welcome new stores such as the WRAL Travel Store, Swarovski, Vineyard Vines and Root & Branch, which will offer exclusively local offerings from merchants and artisans.

With an eye to the future, Vision 2040 continues to be RDU's chief long-term goal. **Vision 2040 will enable RDU to connect our community to the people and places that matter most by providing a plan for growth in four key areas: airfield, terminals, ground transportation, and general aviation.**

The plan centers on the reconstruction and extension of RDU's primary runway from 10,000 to 11,500 feet, which will improve operations and support additional international service to destinations such as Asia.

With up to 23 new gates between Terminals 1 and 2 and a new consolidated rental car facility, **RDU has an effective and scalable master plan for expansion that can be responsive to the Triangle's current and future travel needs.**

TOURISM DEVELOPMENT

Travel and tourism have an incredible impact on Wake County's economy. The numbers tell the story of how the Greater Raleigh Convention and Visitors Bureau's destination marketing efforts coupled with convention and sports event attendees and tourists generate new business sales, increase local tax revenues, and create local jobs.

2016 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 15.6 million visitors in 2016, an increase of 3.5 percent over 2015.** These visitors generated \$2.4 billion in direct spending, an increase of 4.2 percent over 2015 and \$242 million in state and local tax revenues. However, tourism isn't just a tax generator, it's also a job creator. The industry directly supports the employment of 25,535 workers in Wake County who earn a payroll of \$715.3 million.

Also, the estimated direct economic impact of GRCVB-assisted conventions, meetings, and sporting events held in Wake County **reached \$140.2 million, meaning that Wake County continued to enjoy at least a 19-to-1 return on investment from the inter-local tax dollars** invested into the GRCVB.

The tourism product in Wake County continues to grow. **Five new hotels opened in 2017 adding 671 new rooms to the market. This is the largest increase in new hotel product added to the market since 2010.** The growth isn't slowing down either, as seven new hotels are projected to open in 2018.

The tourism industry is the strongest it's ever been here in Wake County, and now is the time to capitalize on the momentum and plan for our future. Strategic growth of the tourism product is of utmost importance and for that reason GRCVB has commissioned JLL—a leading professional services firm that specialized in real estate and investment management—to develop a Destination Strategic Plan for Wake County that will be complete in the summer of 2018.

GRCVB's goal in developing this forward-thinking plan collaboratively with partners in the public and private sectors is to set forth a blueprint for strategic product development and growth of the visitor economy county-wide that can guide us all well into the future.

Photo Credit: The Umstead Hotel & Spa

Tourism Data: Visitation/Economic Impact data is based on last report completed in 2016. New data is pending.



15.6 million visitors were welcomed to Wake County in 2016

\$2.4 billion was spent by visitors in Wake County in 2016

25,535 workers are industry supported in Wake County

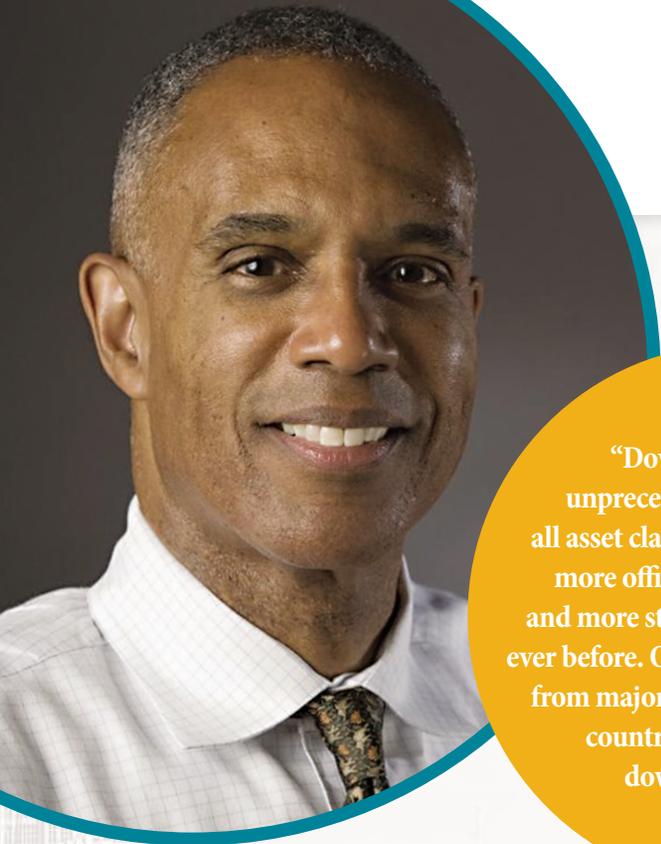
"The visitor economy is the strongest it's ever been, and now is the time for strategic, forward-thinking that will set the stage for all of Wake County for many years to come."

DENNIS EDWARDS

President and CEO,
Greater Raleigh Convention
and Visitors Bureau



DOWNTOWN RALEIGH



“Downtown is seeing unprecedented success across all asset classes with more residents, more office space, more visitors, and more storefront businesses than ever before. Our recent announcements from major retailers affirm that the country is taking notice of downtown Raleigh.”

ORAGE QUARLES III

Interim President and CEO,
Downtown Raleigh Alliance

Downtown Raleigh continues its unprecedented cycle of rapid growth with more development, a wave of new residents, new companies, additional retail, and record-breaking events. Downtown is in the midst of a \$1.75 billion pipeline of recently delivered, under construction, or planned projects with more on the way. Recent and ongoing residential construction has pushed downtown’s population to new heights. More than 8,000 residents call downtown home, up from 5,000 just a few years ago. The number is expected to grow to 10,000 by the end of the decade, thanks to a pipeline of over 3,600 new residential units, including 1,803 units already delivered and more under construction and planned.

Downtown has positioned itself as a regional center for dining and nightlife. **Restaurants and bars are booming, with 19 opening in 2017 and 14 more announced to open in the near future.** Downtown’s food and beverage sales continue to climb with sales exceeding \$200 million for the first time ever, a 77 percent increase since 2009. Downtown Raleigh was also announced as the location for North Carolina FC’s proposed Major League Soccer stadium with 22,000 seats.

Major public investments are being made throughout downtown as well. The \$88 million multi-modal Union Station is nearing the end of construction, new retail options like Publix, Weaver Street Market, and Urban Outfitters are in development, Deco Raleigh will be expanding, and GoRaleigh Transit Center recently underwent a \$9 million revamp. Meanwhile, downtown is adding and revitalizing greenspace with a \$12 million renovation of Moore Square, and planning has begun for the 308-acre destination, Dix Park. 2018 will see the arrival of Bike Share to Raleigh, as well as continued improvements from the recent Wake Transit Plan.

It’s an exciting time to be living in Raleigh. We look forward to continued growth and new opportunities in 2018!



\$1.7 billion pipeline: recently delivered, under construction, or planned projects in Downtown



Construction of **\$88 million** in Union Station



19 restaurants opened in 2017

MIDTOWN RALEIGH

2017 has been a year of grand openings for Midtown Raleigh, with plenty more on the way. A new beltline facing tower boasting 330,000 square feet of commercial space is now home to Allscripts and SunTrust Bank. The Cardinal, a resort-like, state-of-the-art senior living community with critical care, memory care, and independent and assisted living opened in April with only 3 percent vacancy. Another gorgeous addition to the skyline is the Park Central mixed-use tower, boasting luxury high-rise living in 286 apartment homes with enviable recreational amenities and a thriving 36,000 square foot retail scene below. **Living in Midtown has never been more attractive, as residents in Midtown's main ZIP code have seen median home sale prices increase 35 percent over 2016.**

Visitors to Raleigh, whether for business or pleasure, have options galore in Midtown and those options kept improving in 2017. The addition of the brand new European-styled AC Hotel by Marriott, which opened in March, brings a new sophisticated brand to market. Additional hospitality investments:

- A multi-million dollar renovation to the four-star Raleigh Renaissance, completed in the summer
- A major renovation to the Hilton North Raleigh/Midtown is on-track for final touches by the end of 2017
- A new six-story bed-tower adding 160,000 square feet of patient care on Duke Raleigh Hospital's impressive campus

People make the place—and Midtown succeeds brilliantly in bringing people together. Farmers markets, outdoor concerts, fitness programs, festivals, fashion shows, art shows and more—over 350 to be exact—are offered yearly in the heart of Midtown at North Hills. Temporary and permanent art installations and shows have become a reflection of our deeply connected and creative community. Sidewalk art and creative crosswalk applications join a rotating street-level Art Box exhibit and others, softening up hardscapes while creating artistic destinations.

Midtown has seen success in 2017, but is not resting. Destination planning requires a visionary strategy. Looking at how people move, interact, conduct business and recreate provides insights into what the future will demand. In Midtown, collaborative efforts with the city and other partners on long-term mobility solutions have proven invaluable.



“Midtown is a unique place. It brings together a thriving mix of businesses, schools, churches, and parks with a deep sense of community. With strong employers, many shopping and dining options, and a high quality of living, the future looks bright for Raleigh’s Midtown community.”

CHRIS YOUNG

Chair, Midtown Raleigh Alliance, and Regional Executive Vice President, First Citizens Bank



330k square feet of new commercial space is now home to AllScripts and SunTrust Bank



“We will continue to see low interest rates, modest appreciation, an uptick in new construction permits, and a strong demand for inventory in key price points, especially in western Wake County.”

RENEE DANIELS

Certified Relocation Professional,
Global Relocation Professional, Fonville Morisey

 **20,521** closed residential sales in 2016-2017

Cost of living index (second quarter 2017)

82
Raleigh

101.5
Austin

251.1
Washington, D.C.

RESIDENTIAL REAL ESTATE

As in years past, 2017 was a great year for real estate in Wake County, with a host of choices for prospective homeowners. From historic properties, downtown condos, and golf course living to planned urban villages or rural living with acreage, the Triangle truly has something for everyone. All of these options are offered in a variety of price points with a median sales price of \$250,300. Realtors are finding more and more how easy it is to “sell” someone on moving to the Triangle.

Not only is the Triangle “talent rich,” but it also continues to captivate the national workforce as a great place to live, work, play, and learn, which brings 47 new residents to the area each day. We’ve experienced a cumulative 12 percent growth in our population over the last five years, making Wake County the second fastest growing county in the country with over 1 million residents. Our overall quality of life, cost of living, affordable housing, dynamic schools, and higher education opportunities help drive that growth.

The Wake County real estate market remains strong with the number of home sales up more than 2 percent YTD over the same period in 2016 and market average sales price up 8 percent compared to the same period. Available housing inventory continues to be a challenge, but increases in new home inventory shows signs of helping to fill the market needs. The overall inventory is down 2 percent, however, days on market remain steady at 36 days on average (figures based on reports dated Oct. 31, 2017).

As for Wake County’s rental market, demand is quite strong in key areas with single family homes renting quickly. Our apartment market continues to see extraordinary growth in new construction introducing new, urban communities in prime markets.

Looking forward to 2018, residents can anticipate much of the same from our strong, consistent real estate market. We will continue to see low interest rates, modest appreciation, an uptick in new construction permits, and a strong demand for inventory in key price points, especially in western Wake County.

It’s an exciting time for the Triangle real estate market. We continue to attract top talent from across the country and around the globe and showcase what we all know about this great place we call home!

COMMERCIAL REAL ESTATE

With Wake County called out on nearly every “best places for” list, the commercial real estate market is thriving. All product types experienced a strong 2017 and show no signs of slowing down. As the Wake County market continues its rise, projects are becoming larger and larger, which calls for increased ability to handle demand and need for accommodating larger tenants. **This market is shifting from straight line growth to exponential growth.**

Office: Absorption in the market remains strong. Both amenity rich, urban mixed use projects, and suburban office are benefiting by strong demand. High construction pricing and land cost continue to push lease rates for both new and existing products. Development is active in both urban and suburban submarkets. With higher lease rates, developers are now able to justify the cost to reposition historically challenged projects.

Industrial: As a percentage of supply, this product type has seen more speculative development than any other sector in the past few years, and the demand has been there. With land prices increasing, we have also seen rates increase by as much as 20 percent from prior years. Industrial development will continue to move outside to the boundaries of the area as land becomes scarcer.

Retail: As the area grows both horizontally and vertically, Wake County continues to see the “brick and mortar” shopping experience work. This is occurring in settings that create an experience as well as a modern version of grocery anchored center.

Multi-family: With population growth of 67 people per day, Wake County appears to be poised to maintain its low vacancy in multi-family residential. We saw concern over development and supply in 2016/2017, but Wake County was able to comfortably absorb new product and is in good shape to continue.

Capital Markets: For institutional investors, the past few years has seen Wake County shift from the little known secret, to an area of focus for significant capital. The net result is higher values, higher quality, and larger projects. The continued placement on the “best places for” should only continue this investment.

Moving into 2018, ULI listed Raleigh as the fourth best overall real estate market in its trends report, and we are happy to take on this new challenge in the new year.

Average price per square foot (from Q3 2017)

\$23.47
(FSG)
Office

\$18.37
(NNN)
Retail

\$8.73
(NNN)
Industrial

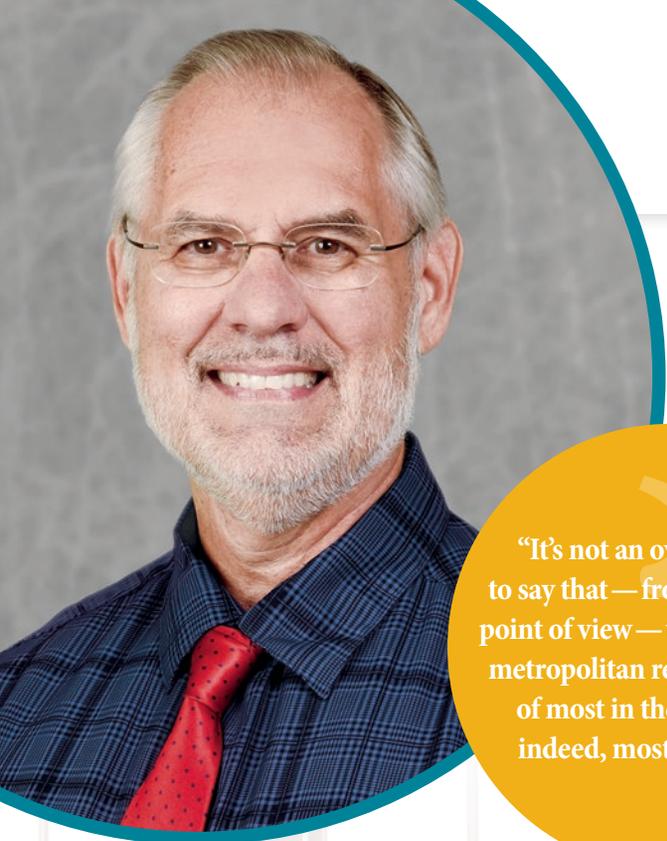
STEPHEN PORTERFIELD

President,
Capital Associates

“The Wake County market is shifting from straight line growth to exponential growth.”



2018 ECONOMIC FORECAST



“It’s not an overstatement to say that — from an economic point of view — the Raleigh-Cary metropolitan region is the envy of most in the country and, indeed, most in the world.”

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 current national expansion, which began in mid-2009, is now the third longest in our country’s history, and it is only months away from being the second-longest. Although bringing improvement, the expansion has been characterized by a number of “lows”—low growth in production, low growth in employment, low inflation, and low interest rates.

As 2017 ended, there was optimism that some of these “lows” could be changing. Specifically, economic production and job growth appeared to be accelerating, while still maintaining relatively low inflation and interest rates. If these trends continue, the economy could be entering a “sweet spot” of moderate growth but with slow increases in the cost-of-living and affordable borrowing costs. This is a combination that economists and policy-makers have sought for decades.

Within this national context, the Raleigh-Cary metropolitan economy continued to soar in 2017. The numbers tell the tale. **For the year ending in October, job growth in the region was 3 percent, far surpassing the national rate of 1.4 percent and the state rate of 1.7 percent.** Building permits in the region in 2017 continued to account for over 20 percent of total building permits in North Carolina.

The Raleigh-Cary unemployment rate in October was the 19th lowest among metropolitan areas with 1 million or more population and the fourth lowest among large metropolitan areas in the southeast (the top three were in Florida).

The Raleigh-Cary growth is being generated by three factors. One is the influx of new residents attracted by the region’s vibrant economy, the quality of higher educational institutions, and the area’s pleasing climate. Second is a competitive cost-of-living. A recent study showed Raleigh-Cary’s cost-of-living to be 3 percent less than Austin’s, 14 percent more affordable than Boston’s, 21 percent under the cost-of-living in Washington D.C., and 22 percent less than in San Jose. Each city is a major competitor to Raleigh-Cary for technology companies.

Last—the Raleigh-Cary market has room to grow, with no major geographic barriers and thousands of acres of undeveloped land.

As 2017 ends with an acceleration in national economic growth, there are expectations for continued growth in 2018. Business and consumer optimism is high, households now feel confident to purchase big-ticket items, jobs are being added, and wages have finally begun to improve. With national growth accounting for two-thirds of local economic progress, the national economy is setting the stage for a further expansion of the Raleigh-Cary metropolitan economy.

Therefore, 2018 should be another positive year for the Raleigh-Cary region.

Total employment in the region is expected to expand by 20,000 positions, a 3 percent gain over 2017. The regional unemployment rate will drop to the low 3 percent range, down from 3.6 percent in October 2017.

While good news, there are several challenges presented by this growth. Wage increases—good for employees but an added cost for employers—will accelerate from 2017's 3.9 percent rate to above 4 percent in 2018. More companies will list as their top issue an inability to find qualified workers.

Job growth in the Raleigh-Cary market is heavily weighted toward the two ends of the income distribution, with the fastest growth in high-paying occupations and low-paying occupations, and with little growth in the middle. In addition, advances in technology are shaking up the job market, with some tasks performed by humans shifting to performance by machines. Some futurists see turnover in 50 percent of today's occupations in upcoming decades.

Real estate prices are trending upward, presenting affordability issues for many. And then there's always the added congestion that goes along with population and economic growth. Hopefully expanded regional bus service, road construction and improvements, flexible work schedules, and the growth of ride-sharing will contain some of the costs of commuting.

However, these are challenges that all dynamic regions face. With the superb knowledge base and forward leadership present in the Raleigh-Cary market, the region will address these challenges better than most.

It's not an overstatement to say that—from an economic point of view—the Raleigh-Cary metropolitan region is the envy of most in the country and, indeed, most in the world. The region is firmly "on the map" of places to grow both families and businesses. This reputation will be further solidified in 2018.



3% job growth in region
(as of Oct. 2017)



19th lowest
unemployment rate
among metros with 1 million or more



4th lowest
unemployment rate
among large metros in southeast

“As 2017 ends with an acceleration in national economic growth, there are expectations for continued growth in 2018. Business and consumer optimism is high, households now feel confident to purchase big-ticket items, jobs are being added, and wages have finally begun to improve.”

Contact Us

Office Location

800 S. Salisbury St. | Raleigh, NC 27601

Mailing Address

PO Box 2978 | Raleigh, NC 27602-2978

Phone

919.664.7000

Web Addresses

www.raleighchamber.org | www.raleigh-wake.org

Twitter

@RaleighWake | @RaleighChamber | @WorkTriangleNC

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For more information, please contact:

Michael Haley, Executive Director
Wake County Economic Development
mhaley@raleighchamber.org

