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How do you sum up the last decade in Charlotte? 'Flat-out booming'



The skyline of uptown Charlotte is seen at sunset.

.By Erik Spanberg – Managing Editor, Charlotte Business Journal - Mar 20, 2020

Think about where Charlotte was in 2010: Unemployment was close to 13%; the free fall of the banking sector had civic boosters betting on the future of an energy hub for an economic bounce; and Michael Jordan had just bought the city's NBA franchise for \$175 million.

A decade later, the jobless rate hovers in the range of 3.5%; fintech — shorthand for financial technology — has replaced the nuclear cluster concept as the diversification sector of the moment; and Wells Fargo & Co. has 10,000 more employees here than failed Wachovia counted at its peak. Throw in Bank of America Corp.'s rebound and the arrival of the headquarters for Truist Financial Corp. — the result of Winston-Salem-based BB&T Corp.'s merger with Atlanta-based SunTrust Banks Inc. — and Charlotte is, indeed, Banktown revived.

Jordan's Charlotte Hornets? Now valued at \$1.5 billion after dropping the Bobcats name and hitting on a winning business formula that's benefited greatly from the city's boom times.

It was, in the end, an era that found Charlotte still in its look-at-us-and-you'll-really-like-us role — with the notable difference that people from other parts of the country actually did take a look this time.

They had to.

Charlotte has been continually in the spotlight over the past 10 years for reasons good — hosting the 2012 Democratic National Convention, a Super Bowl run by the Carolina Panthers in 2015 and the PGA Championship played at Quail Hollow in 2017 — and not so good — then-Mayor Patrick Cannon sentenced to prison on corruption charges in 2014; ranking dead last among the nation's largest cities in economic mobility, also in 2014; and days of nationally televised protests and riots after the fatal police shooting of Keith Lamont Scott in 2016.

Wells Fargo & Co. Senior Economist Mark Vitner has tracked the Carolinas for decades. Vitner, based on a mix of standard federal economic statistics and more atypical measures such as LinkedIn users' migration patterns, counts Charlotte as the nation's third-fastest-growing metro area: "Flat-out booming," he said.

His top two? Austin, Texas, and Nashville, Tennessee — cities that have become Charlotte's fiercest rivals in recent corporate-relocation battles. Site-selection executives expect Austin, Nashville, Charlotte, Raleigh, Indianapolis and Tampa, Florida, and maybe a few others, to remain locked in competition for jobs and companies for years to come.

And like rising boomtowns before them — Seattle, Denver and Atlanta, for example — maintaining momentum will be a high hurdle. All struggle with congestion, transit funding, affordable housing and growing concerns with other cost-of-living factors.

Between December 2018 and December 2019, the largest jobs gains among major metros of 1 million or more people, by percentage, were in Raleigh (3.7%), Austin (3.5%) and Dallas (3.4%). Charlotte was in that territory at 2.7%, translating to 33,600 new jobs. Nashville was at 1.9%, Tampa was 2.3%, and San Antonio 3.2%.

If Vitner could wave a magic wand to boost Charlotte's fortunes, he would add another UNC Charlotte. As in, do everything possible to churn out skilled workers and generate investment in research and innovation.

Charlotte, like many Sunbelt cities, has long relied on in-migration of talent to fuel business growth. Being able to attract educated, skilled workers is a terrific asset.

There is another side to the equation, a point driven home with the 2014 release of a prominent study that ranked Charlotte last among the 50 largest U.S. cities for economic mobility.

"We still have the economic mobility piece," said Janet LaBar, CEO of the Charlotte Regional Business Alliance. "Have we moved the needle? There's tremendous work being done, but where are we?" LaBar, who moved here in the spring of 2019 from Portland, Oregon, raised the question not as a critique but as a collective challenge to keep the spotlight on mobility — and to better track and publicly disclose progress.

LaBar wouldn't be here were it not for another major shift: the merger of the Charlotte Chamber and the Charlotte Regional Partnership after years of turf battles, overlapping missions and, at times, stagnant approaches. The change, which gave the city of Charlotte the lead role in economic development and corporate-relocation work, is paying off. Charlotte landed a string of high-profile expansions — AvidXchange Inc., LendingTree Inc., Lowe's Cos. Inc.'s tech center and Microsoft Corp., to name a few — following the merger and changes to recruiting strategy.

Vitner sees another big win in Charlotte's future: Major League Baseball is looking more and more like an inevitability here, given the population (adding 100 people per day) and growth patterns in the region. Over the last decade, the area went from 24th to 21st in TV market size, and it is now home to eight Fortune 500 company headquarters.

"We take a very bullish view on Charlotte," said John Boyd, principal at New Jersey-based site-selection firm The Boyd Co. Inc. "The headquarters arena is increasingly mobile. There are plenty of projects we expect Charlotte to compete for based on its low costs and its new leadership. There was a sense it was time for change and recalibration — the recalibration of Charlotte's economic development program is significant. It just shows how competitive the battle for corporate investment and jobs is today."