

## Greensboro's Economy

Sustained success of the City of Greensboro is a key for economic growth in the Triad Region of North Carolina, which is often cited as the third leg of the State's economic engine that includes the Raleigh and Charlotte regions. Greensboro is the county seat of Guilford County, and the third largest city in North Carolina with a population of 269,063 reported in the 2010 Census. The city is within the Greensboro-High Point MSA, which includes the counties of Guilford, Randolph and Rockingham with a combined population of 723,801.

While Greensboro's traditional economy, based on the textile, tobacco, and furniture industries, has declined, the nanotechnology, higher education, health care, transportation, and global logistics sectors have emerged to redefine the city's economic core. Proactive and visionary leadership over the last decade has attracted significant private investment and cultivated a wide array of community assets that will figure prominently in Greensboro's future economic vitality. Yet, as the city emerges from the Great Recession of 2008-2010, the regions' growth lags behind that of both the Raleigh-Cary and Charlotte-Gastonia-Rock Hill MSAs.

Today Greensboro finds itself at a crossroads. Since 2000 the Greensboro-High Point MSA has lost more than 22,000 jobs, ranking 19th in the nation for job losses over that time span. Recent signs of improvement, in the form of hiring announcements, accompany healthy population growth, slight increases in median earning and per capita incomes, and a resurgent demand for manufacturing workers. Still the unemployment rate hovers between 9% and 10%.

Greensboro's per capita income of \$24,208 and average wages of \$41,835 mask the economic struggles many face in the community. Over the past ten years, the number of people in poverty has nearly doubled from 12.3% to 20% (2000 Census, 2010 ACS) revealing the deep distress felt by many Greensboro residents. The loss of higher paying manufacturing jobs has contributed to a growing gap between rich and poor, with a 20% decline in middle income families(those between \$25,000-\$75,000) since 2000 and an 47% increase in lower income families( less than \$25,000)(2010 ACS).

Recent economic changes in the region point to a significant shift away from the traditional manufacturing sector to jobs in education, health care and to lower skill/lower wage retail trade and food service jobs. Despite the decline in traditional manufacturing, 15.5% of the area's jobs remain in the manufacturing industry (US Bureau of Labor Statistics). The large portion of the workforce concentrated in declining industry sectors leaves the area vulnerable to changes in the local and global economy.

Greensboro's leadership recognizes the need to diversify the economy and to attract businesses in five industry clusters where the region has a competitive advantage:

- Aviation
- Innovative manufacturing
- Life sciences
- Specialized business services
- Supply chain/logistics

As a historical crossroads of commerce, the Gate City, as Greensboro is popularly known, has reinvented itself as a transportation, distribution and logistics hub for the southeast. Situated at the intersection of four interstates and several major highways, the city is strategically located halfway between New York and Miami as well as Washington, D.C. and Atlanta. More than half of the U.S. population and most major markets are within 650 miles of Greensboro. The region is home to hub facilities for FedEx and United Parcel Service (UPS), and the headquarters of Old Dominion Freight. Piedmont Triad International Airport (PTI) is in the midst of over \$100 million of improvements as well as expansions of the global headquarters for both TIMCO Aviation and Honda Aircraft Company. With main line rail and an intermodal facility already in place and construction of the Greensboro Urban Loop soon to be completed, the city claims one of the most robust transportation networks in the nation.

The City of Greensboro possesses many other assets that enhance the quality of life for its citizens and also positively impact its economic prospects. Greensboro's knowledge community stands out as a main economic driver for the region. The city is home to seven universities and colleges, including two branches of the UNC system that educate more than 40,000 students annually. Additional educational assets include the Gateway University Research Park that is home to the Joint School for Nanoscience and Nanoengineering and Guilford Technical Community College. With four campuses located throughout the county, this community resource offers exceptional programs that support workforce development in the industry clusters. A prime example of this commitment can be found in the T.H. Davis Aviation Center, a training facility located at PTI Airport that houses dedicated shops for aircraft engines, welding, and electrical systems.

Cone Health Systems, the 2<sup>nd</sup> largest employer in the city, operates one of the region's largest and most comprehensive health networks with 5 hospitals and more than 100 locations. Other notable companies with headquarters or major operations in Greensboro are Lorillard Tobacco Company, Lenovo, VF Corporation, Syngenta, Mack Trucks, Volvo Trucks, RF Micro Devices, the International Textile Group, Proctor and Gamble, Citigroup, American Express, United Healthcare and Lincoln Financial Group.

In 2010 the public works investment in the Randleman Lake Water Reservoir and Dam was completed, satisfying water needs of the city for the next 50 years. Downtown has enjoyed a resurgence over the last decade, evidenced by such projects as NewBridge Bank Ball Park, Southside Neighborhood, Center City Park, Elon University Law School, and the International Civil Right Center & Museum. A Downtown Greenway is currently under construction with several more catalyst projects still in the works as well. The Greensboro Coliseum Complex has undergone some \$22 million in expansion and now includes the Greensboro Aquatic Center, White Oak Amphitheater and ACC Hall of Champions.

Greensboro is positioned for success but must reverse a decade of economic distress to do so. The SC2 Economic Challenge Competition will allow the City of Greensboro to leverage its vast and dynamic array of resources in new and unique ways. With a new, dynamic economic development strategy, the City of Greensboro can create a climate for growing higher wage jobs and fostering Innovation as well as preparing the path for long-term sustainable growth that will inject vitality throughout the entire Piedmont Triad Region.