



2040
COMPREHENSIVE
PLAN

April, 2019

Charlotte Future 2040 Comprehensive Plan

Growth Factors Report



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Introduction

This Growth Factors Report identifies growth related trends that have impacted the current demographic, economic and market conditions in Charlotte and will impact the future of Charlotte. The approach to the report involved analyzing historic and recent growth-related trends to provide an understanding of how Charlotte is growing, compare Charlotte to national peer cities, and set the context for the future of the City as the Charlotte Future 2040 Comprehensive Plan is developed.

This Growth Factors Report is a companion report to the Equity Atlas Report that explores equity issues within Charlotte that impact land use and physical development of the city. Summarized in the Equity Atlas Report are the historic implications of social and physical segregation and other issues impacting equitable growth.

This report considers a range of additional national and local issues and factors that have shaped the growth patterns and socioeconomic makeup of Charlotte, including overall population growth, urbanization, housing trends, economic conditions, commuting patterns, and environmental trends.

This Growth Factors Report begins with a review of recent population, household and employment growth trends and presents the growth forecasts for Charlotte. The growth trends and majority of the report is organized within five major theme sections: Regional, Prosperous and Innovative, Inclusive, Livable and Connected, and Healthy and Sustainable. The report concludes with considerations for the future and provides a discussion of how these trends can be addressed within the Charlotte Future 2040 Comprehensive Plan.

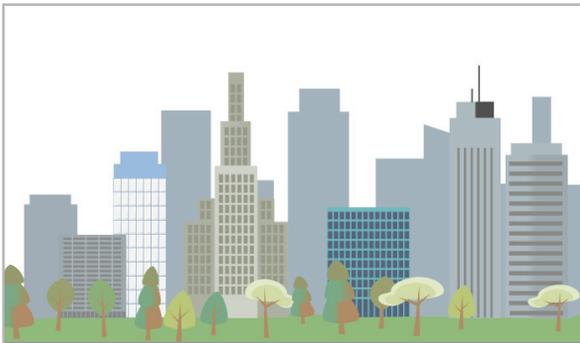
Growth Trends Context

The growth trends in each of the five major theme sections are analyzed in four contexts. The first context is national/international trends, the second is comparing Charlotte to its national peer communities, the third is comparing trends between the City of Charlotte and surrounding region, and the fourth is analyzing trends at the sub-city level within the City's Neighborhood Profile Areas (NPAs).



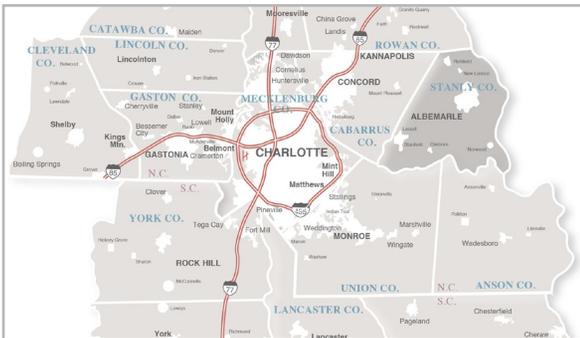
NATIONAL/INTERNATIONAL TRENDS

Six national and international trends were identified that currently impact growth in Charlotte and/or are expected to have a continued effect on the future growth of the area. These trends are incorporated into each theme section and frame the major driving forces impacting the City.



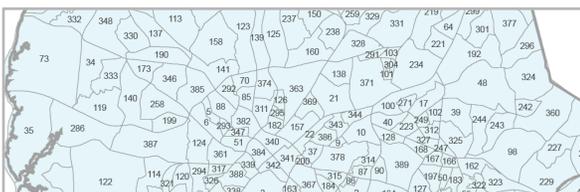
PEER CITIES

Peer cities to Charlotte were identified to help illustrate how trends are impacting cities in different ways. There are a number of cities comparable to Charlotte; however the cities used in this analysis were selected based on the themes and trends explored in this report. The criteria used to select peer cities included the population, rate of growth, the role as the center city in a larger region, and cities facing similar equity related conditions. All cities have unique attributes and understanding similarities and differences is important in leveraging opportunities and addressing issues within the Comprehensive Plan. The peer cities analyzed in this report include Atlanta, Austin, Denver, Minneapolis, Nashville, Phoenix, Raleigh and Seattle.



CHARLOTTE REGION

Trends are presented to compare the City of Charlotte to the surrounding region and to compare to peer cities. Three larger regional geographies are used to compare to Charlotte. The largest is the Charlotte CONNECT Region. The Charlotte CONNECT Region was defined as part of the Charlotte CONNECT Our Future effort, a regional collaboration, within a 14-county, 2-state region that includes participation of more 80 local jurisdictions, to develop a community-driven, regional growth plan. The second geography is the Charlotte-Concord-Gastonia Metropolitan Statistical Area (MSA). The third geography is Mecklenburg County, which is used as a proxy to the City of Charlotte in some cases due to data availability.



NEIGHBORHOOD PROFILE AREAS

Lastly, neighborhood profile areas (NPAs) are used to illustrate growth trends at the sub-county and sub-city level. The NPAs were developed as part of the creation of the City of Charlotte and Mecklenburg County's Quality of Life Explorer. Based on census block group geographies, there are 462 NPAs in Charlotte and Mecklenburg County. While data can be calculated for the County overall, NPA boundaries do not precisely align with the City boundary.

Several data sources were utilized to develop this Growth Factors Report. The availability of data at various geographies is dependent on the source in many cases. As a result, totals and geographies used may vary from trend to trend. The source and geography used is noted for each growth trend.

The adjacent map shows the extents of the growth trends contexts, with the exception of the national/international context.



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Charlotte in the Future

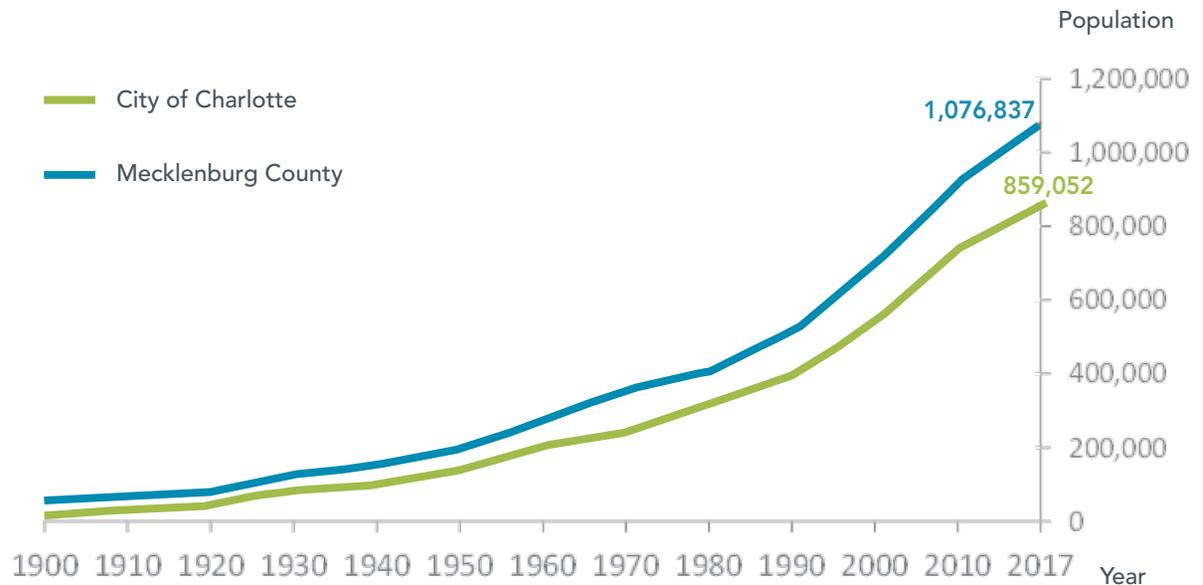
The City of Charlotte has grown steadily since the start of the 20th century. The amount of growth by decade continually increased. Currently, the City's population is 860,000 accounting for 80% of the population in Mecklenburg County. New population growth in the City in the 2000s was the most for any decade in the City's history, growing by 197,000 residents. Since 2010, the amount of annual growth has decreased slightly (approximately 17,000 new residents per year), but the City continues to grow at an accelerated rate.



Recent Population and Employment Growth

Charlotte is the center of a growing region that spans over 14 counties and two states. Charlotte and Mecklenburg County continue to be the economic center in the larger region and are increasing in their capture of regional growth. The City of Charlotte accounts for 80% of the County's population and 31% of the Charlotte CONNECT region. The City's capture of new growth in the County and region increased from 2000 to 2017, accounting for 83% of County population growth and 39% of the region's population growth. Charlotte and Mecklenburg County account for even larger shares of the region's employment base (54% of the CONNECT Region) and the County has captured an increasing amount of new employment growth over the past two decades.

Mecklenburg County is forecast to grow by over 570,000 new residents between 2010 and 2040, adding an average of 19,000 new residents annually. The County's population growth since 2010 has outpaced the annual average forecast and has grown at an annual rate of 2.3% since 2010, an increase of 22,500 residents annually. Mecklenburg County is forecast to continue to capture a greater share of the regional employment growth (43%), growing more quickly than the surrounding region. The County is forecast to grow by 390,000 jobs from 2010 to 2040, capturing 60% of the region's employment growth.



City of Charlotte and Mecklenburg County Population, 1900 to 2017, Source: US Census Bureau; Population of States and Counties of the United States 1790-1990, March 1996

					2000-2017			2010-2040 FORECAST			
FORECAST	2000	2010	2017	2040	TOTAL	ANN #	ANN %	TOTAL	ANN #	ANN %	
POPULATION	CITY OF CHARLOTTE	540,828	738,500	859,052		318,224	18,719	2.8%			
	% CAPTURE OF COUNTY	78%	80%	80%		83%					
	% CAPTURE OF REGION	28%	30%	31%		39%					
	MECKLENBURG COUNTY	695,370	919,628	1,076,837	1,491,900	381,467	22,439	2.6%	572,300	19,077	1.6%
	% CAPTURE OF REGION	36%	38%	39%	40%	47%			43%		
	CONNECT REGION	1,926,831	2,431,584	2,736,649	3,766,081	809,818	47,636	2.1%	1,334,581	44,486	1.5%
EMPLOYMENT	MECKLENBURG COUNTY	617,242	697,231	899,553	1,080,100	282,311	16,607	2.2%	390,300	13,010	1.5%
	% CAPTURE OF REGION	51%	52%	54%	55%	63%			60%		
	CONNECT REGION	1,216,393	1,339,528	1,666,542	1,961,538	450,149	26,479	1.9%	647,543	21,585	1.3%

Note: The CONNECT Area forecast has 2050 as an end year. The 2040 total is estimated by EPS using the rate of growth used to derive the 2050 total.

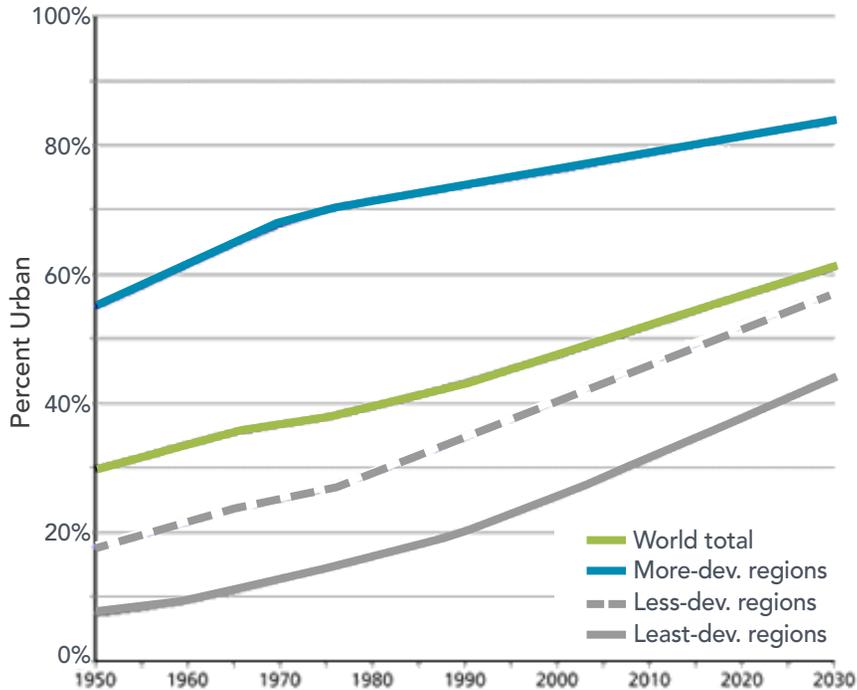
Population and Employment Growth and Growth Forecasts, Source: Charlotte CONNECT; US Bureau of Economic Analysis; US Census; Charlotte Regional Transportation Planning Organization (CRTPO); Metropolitan Transportation Plan; Economic & Planning Systems

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Regional

The City of Charlotte is the center city within its regional metropolitan area. Similar major metropolitan regions are growing in importance as the world and nation continue to urbanize. The role that center cities play in the economic and social health of communities is becoming more important as a result. Charlotte's proportion of regional population and economic activity is forecast to grow in continuation of recent trends and will take on an increasingly bigger role in spurring economic growth. The following trends illustrate Charlotte's role as a regional city.





World Urbanization (% of people living in an urban area), 1950-2030
 Source: United Nations World Urbanization Prospects (1966 Revision)

URBANIZATION

Growth of population in urban areas is an international trend that has been happening for several decades. Economic shifts and technology changes continue to impact how people live and, as a result, the world continues to urbanize at an increasing rate. While the more developed nations have seen slight decreases in the rate of urbanization over the past few decades, 80% of people in more developed nations of the world live in urban areas. The rate of urbanization in less developed portions of the world is increasing at a greater rate. Major metropolitan areas are attracting increasing population growth and investment as these cities are where economic growth is being generated.



*Metropolitan areas over one million population



CENTER CITY VERSUS SUBURBAN GROWTH

Nationally, the primary cities of major metropolitan regions are experiencing resurgence in growth and investment after decades of outward suburban growth. In 2010 primary cities in major metro areas in the US (over one million in population) grew at faster rates than their surrounding suburbs for the first time since the 1920s. In recent years, suburbs have begun to regain their higher rates of growth but primary cities continue to attract similar rates of new residents as people and businesses are choosing to locate in more central locations closer to jobs, transportation, services, and amenities.

Major Metro's Primary City vs Suburbs Annual Growth Rate, 2010 to 2016,
 Source: William H. Frey analysis of Census Bureau estimate, 2017

EMPLOYMENT GROWTH

Charlotte and Mecklenburg County have been capturing a growing share of the employment base in the region, as shown previously. The City of Charlotte in recent years has been one of the leading cities in the rate of employment growth and its capture of employment growth in its surrounding metropolitan area. Of the peer cities analyzed, Charlotte has captured the highest percent of metro area job growth (62%).

PEER CITY	ANNUAL % JOB GROWTH (2010-2015)	% CAPTURE OF MSA GROWTH (2010-2015)
CHARLOTTE	5.7%	62%
AUSTIN	2.7%	52%
NASHVILLE	2.1%	33%
DENVER	2.8%	33%
PHOENIX	1.8%	31%
MINNEAPOLIS	3.0%	28%
ATLANTA	3.6%	23%
SEATTLE	1.6%	19%
RALEIGH	1.0%	17%

Employment Growth, Source: US Census LEHD, Economic and Planning Systems

INCOME

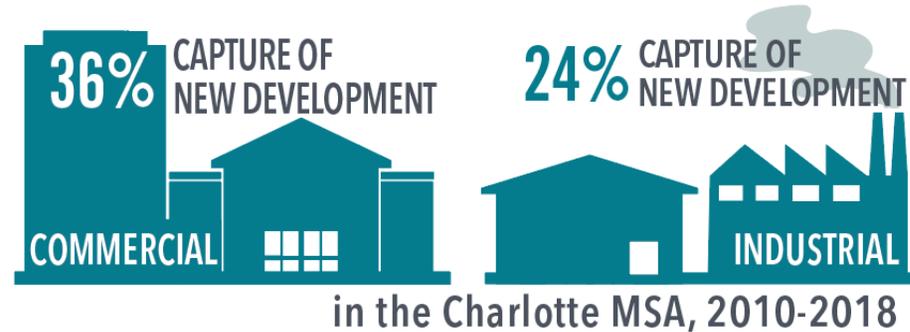
Economic growth and prosperity of center cities are becoming more important and driving economic and income growth in its surrounding region. The median income of Charlotte households has increased from \$49,616 in 2010 to \$61,350 in 2017. The median household income in Charlotte is now greater than the median household income for the metro area (MSA) and the State of North Carolina, which illustrates Charlotte's growing role as the center of economic activity.

		2010	2017
MEDIAN HOUSEHOLD	CITY OF CHARLOTTE, NC	\$49,616	\$61,350
	MECKLENBURG COUNTY, NC	\$52,188	\$65,588
	CHARLOTTE-CONCORD-GASTONIA, NC-SC MSA	\$50,449	\$61,156
	NORTH CAROLINA	\$43,326	\$52,752
CHARLOTTE COMPARED TO:	MECKLENBURG COUNTY, NC	95%	94%
	CHARLOTTE-CONCORD-GASTONIA, NC-SC MSA	98%	100%
	NORTH CAROLINA	115%	116%

Income Comparison, Source: US Census, Economic and Planning Systems

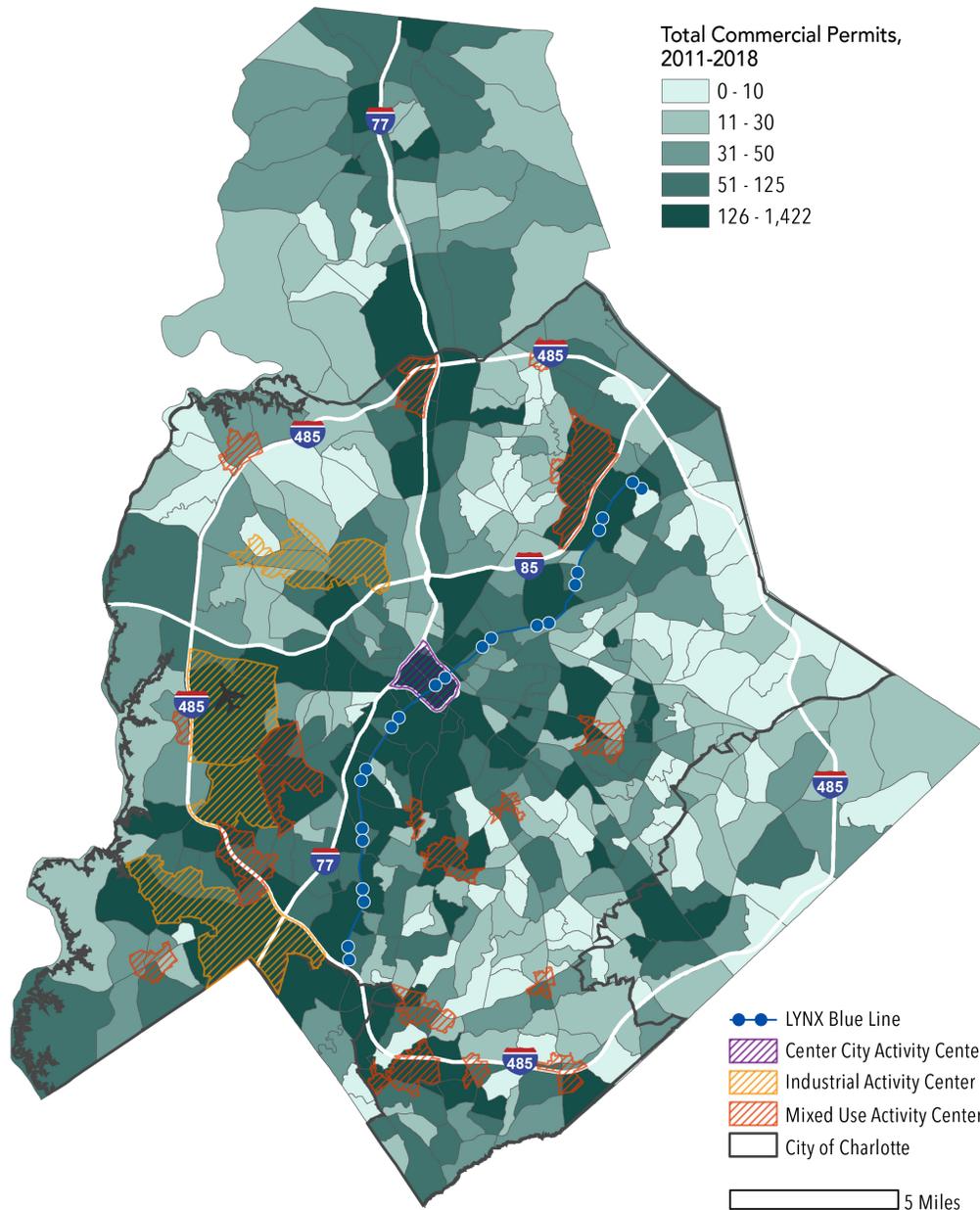
COMMERCIAL/INDUSTRIAL DEVELOPMENT

While Charlotte and its peer center cities have been capturing a greater share of metro area employment growth, for Charlotte in particular this has not necessarily translated into increased capture of new commercial (defined as retail and office space tracked by CoStar Analytics) and industrial development. Denver and Seattle were the only two of the peer cities to capture a greater share of new commercial development from 2010 to 2018. In the other communities, the surrounding suburban communities are attracting a greater proportion of new development. All of the peer cities are capturing a decreasing share of the industrial development base and the inventory in many center cities are declining. The more expensive and land constrained center cities are losing industrial space to suburban greenfield sites with better access to major transportation routes and lower land costs. Charlotte and Austin are unique to their peers as they captured a significant share of new industrial development since 2010 but the rate of capture is still less than their total share of the market.



PEER CITY	COMMERCIAL INVENTORY		INDUSTRIAL INVENTORY	
	% OF MSA INVENTORY (SQUARE FEET, 2018)	% CAPTURE NEW DEVELOPMENT (2010-2018)	% OF MSA INVENTORY (SQUARE FEET, 2018)	% CAPTURE NEW DEVELOPMENT (2010-2018)
SEATTLE	33%	66%	20%	-7%
AUSTIN	71%	55%	71%	39%
DENVER	36%	39%	46%	6%
RALEIGH	53%	37%	40%	4%
CHARLOTTE	51%	36%	42%	24%
ATLANTA	34%	27%	19%	-6%
NASHVILLE	43%	15%	32%	-6%
MINNEAPOLIS	14%	12%	12%	-32%

Commercial and Industrial New Development, Source: CoStar



COMMERCIAL CONSTRUCTION IN CHARLOTTE

The center of the city and along the major transportation routes continue to be the focus of commercial development. Mecklenburg County saw 38,200 commercial permits from 2011 through 2018. Neighborhoods in Charlotte with higher commercial permit activity are most often located in and around Uptown, in the southeastern portion of the city or along the LYNX Blue Line, I-77, and I-85 corridors, especially near the intersections with the I-485 loop. The neighborhoods with greater numbers of commercial permits in most cases correlate with the City's identified Mixed-Use Activity Centers, as defined by the Centers, Corridors and Wedges Growth Framework.

Total Commercial Units, 2011-2018, Source: Mecklenburg Quality of Life Explorer



CITY CENTER GROWTH

The downtown areas of center cities are attracting a greater share of new growth and investment. As cities have invested in cultural, entertainment, transit and other amenities, the appeal of living centrally has increased greatly. All of the peer cities are capturing a greater share of new housing near their downtowns. In some cases, the new housing growth in the center of the city represents the bulk of the market activity. Five of the peer cities capture 30% or more of new housing development in their cities within 2 miles of the center of the city. Charlotte captured 24% of new housing units within 2 miles of the center of the city, increasing its percentage of housing units in the center of the city from 7% to 9% since 2010.



PEER CITY	WITHIN 2 MILES OF CENTER OF THE CITY	
	% OF CITYWIDE HOUSING UNITS (2018)	CAPTURE OF NEW CITYWIDE UNITS (2010-2018)
MINNEAPOLIS	36%	53%
SEATTLE	27%	45%
DENVER	23%	38%
ATLANTA	22%	35%
NASHVILLE	10%	30%
CHARLOTTE	9%	24%
AUSTIN	11%	19%
RALEIGH	11%	18%
PHOENIX	4%	6%

City Center vs Citywide Growth, Source: ESRI

				2002-2015			
		2002	2010	2015	TOTAL	ANN #	ANN %
CITY OF CHARLOTTE	EMPLOYED IN CHARLOTTE	451,256	435,212	573,993	122,737	9,441	1.9%
	LIVING IN CHARLOTTE	309,209	290,549	376,340	67,131	5,164	1.5%
	NET JOB INFLOW (+) OR OUTFLOW (-)	142,047	144,663	197,653	55,606	4,277	2.6%
% OF RESIDENTS THAT ARE OUT-COMMUTERS		28%	39%	33%			
% OF EMPLOYEES THAT ARE IN-COMMUTERS		51%	59%	56%			

Commuting Within the Region, Source: LEHD; Economic & Planning Systems

COMMUTING WITHIN THE REGION

As the City of Charlotte grows in economic importance, employment growth has outpaced growth of residents living and working in Charlotte, despite the strong housing and population growth in the City. The number of workers that commute into the city for work has increased at a greater rate than employment growth; meaning people living outside of Charlotte are taking new jobs created in the city at a greater rate. 56% of people employed in the city lived outside of the city in 2015, which increased from 51% in 2002. As the economic base of the city grows, the demands to provide access to jobs for workers living inside and outside the city will increase.

In 2017, according to the U.S. Census, the average one-way commute time for the Charlotte MSA was 26.5 minutes. Compared to other Metros such as NY/NJ (35.9 minutes) or Atlanta (31.0 minutes).

THE REGIONAL CITY FINDINGS

The growth trends related to The Regional City theme illustrate that metro areas and the center city of metro areas are growing in importance and capture of economic activity. Charlotte has been a leader among its peers in terms of capture of regional employment growth and economic activity. The economic growth in the City has led to more people commuting into the City for work. The importance of regional transportation and transit routes will continue to grow in the future and the recent development activity in the county has reflected this importance.

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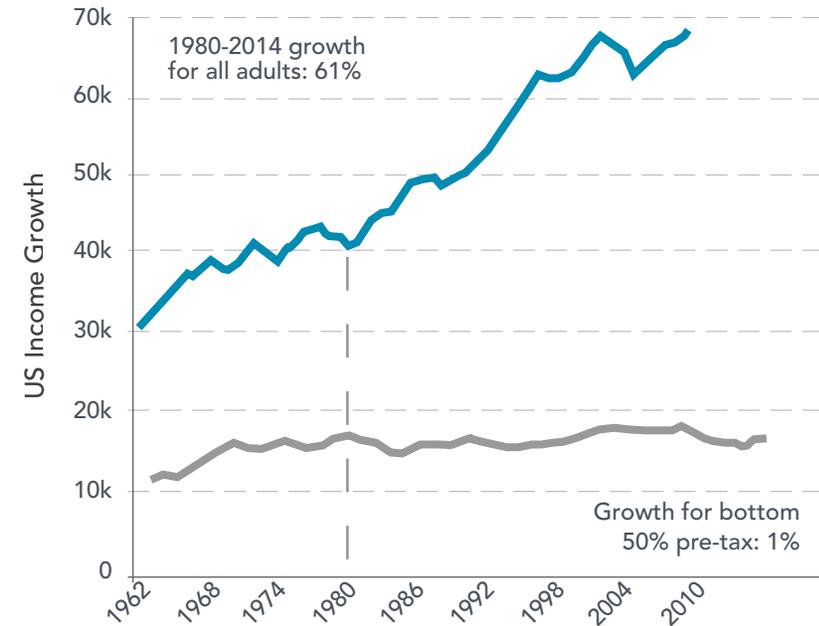
Prosperous and Innovative

Charlotte's economy drives growth in the region as the prominence of the economic activity in the city grows. Charlotte's role as the center city of the region requires it to continue to produce new economic activity to support the greater region and improve the quality of life for its residents. While economic growth has been strong in the city and is forecast to continue, Charlotte is well-documented as currently having the least amount of upward economic mobility of America's 50 largest cities. Going forward, Charlotte has to work to ensure all residents are benefiting from the economic expansion and that the economy continues to evolve with changing market opportunities. The following trends illustrate how Charlotte is doing in creating a Prosperous and Innovative City.



Income Inequality

The Brookings Institution's 2017 *Opportunity for Growth* study documents trends that highlight equity issues in economic growth nationwide. One of the major findings of the study is the recognition that the economy is not working for all people and places, and that cities and regions are the best level of government suited to address this challenge. While the US economy has been growing and overall incomes have been climbing (61 percent increase in incomes for all adults from 1980 to 2014, according to Brookings), average incomes for adults in the bottom 50 percent of income have grown by only 1 percent. The benefits of economic growth are only being realized by a portion of the population. Focusing simply on growing the economy is no longer the sole purpose of economic development efforts. Ensuring that economic growth is benefiting all residents of a community is increasingly important and challenging.



US Income Growth, 1962-2010, Source: Brookings Institution

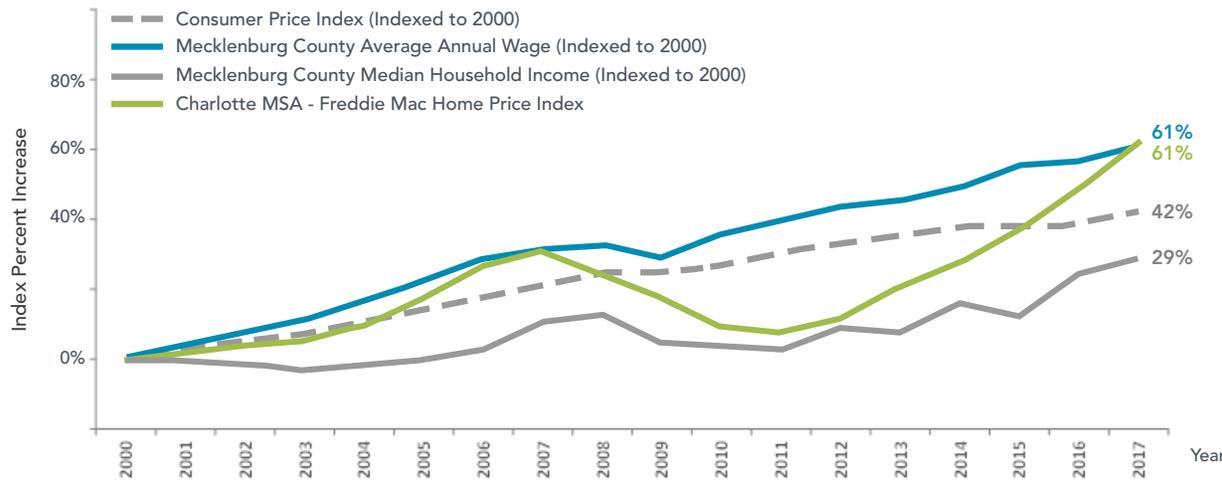
DISTRESSED COMMUNITIES INDEX

Ensuring equitable growth is a major focus of the Charlotte Future 2040 Comprehensive Plan. Identifying communities that are facing similar issues is a component of understanding how to build an inclusive growth strategy. The Distressed Communities Index (DCI) created by the Economic Innovation Group is a national example of how to isolate the economic equity issues within communities. The index combines seven metrics to give an overall sense of economic health of a community. The DCI is constructed using data from the US Census Bureau's American Community Survey 5-Year Estimates for 2011 to 2015 and 2012 to 2016 and County Business Patterns data from the same time periods. Nationally, the equity issues facing communities with similar distress scores are similar. Communities with high levels of distress (high distress index scores) are focused on generating any economic growth. Communities with moderate levels are addressing issues with portions of the community not benefiting from economic growth. Lastly, communities with low levels of economic distress (low distress index scores), such as Charlotte, are more often focused on issues related to economic prosperity forcing

CITY	% OF POPULATION IN DISTRESSED ZIP CODES	% OF POPULATION IN PROSPEROUS ZIP CODES	DISTRESSED COMMUNITIES INDEX SCORE
CHARLOTTE	6%	38%	29.9
SEATTLE	2%	53%	21.5
AUSTIN	0%	42%	24.7
RALEIGH	2%	35%	28.4
DENVER	0%	35%	34.6
NASHVILLE	0%	23%	40.1
MINNEAPOLIS	14%	32%	50.0
ATLANTA	31%	24%	58.5
PHOENIX	20%	27%	73.6

Distressed Communities Index Score Comparison, Source: Economic Innovation Group; Economic Planning Systems

Charlotte Area Wages and Income, 2000 to 2017,
Source: Bureau of Labor Statistics, US Census,
Freddie Mac, Economic and Planning Services



out economically disadvantaged residents. As the Equity Atlas report has highlighted, areas with disadvantaged residents are more often areas with higher concentrations of minority residents.

The seven component metrics of the DCI are: high school graduation rate, housing vacancy rate, workforce participation rate, poverty rate, median income ratio (geography’s median income expressed as a percentage of its state’s median income), change in employment from 2011 to 2015, and the change in the number of business establishments from 2011 to 2015. These metrics are used to calculate a distressed index score of 0 to 100. Communities with a low score (0 to 35) are considered less economically distressed and areas with high index scores (75 to 100) are more economically distressed. The DCI is also calculated at sub-city levels using zip code equivalent boundaries. The Distressed Communities Index scores and percent of population living in a distressed or prosperous zip code for Charlotte and its peers are shown on the previous page.

UPWARD ECONOMIC MOBILITY

In 2014, research on economic mobility by Harvard economist Raj Chetty ranked Charlotte last among the country’s 50 largest metro areas for upward mobility. The study analyzed how likely it was for children whose parents were in the bottom 20 percent of the national income distribution to reach the top 20 percent of income distribution themselves. The DCI score for Charlotte reinforces the

Chetty research indicating the struggle of economic mobility for children born in low-income families in a relatively prosperous city like Charlotte.

WAGES AND THE COST OF LIVING

Mecklenburg County has experienced significant wage growth since 2000. The average annual wage earned in Mecklenburg County increased by 61% since 2000. Despite the strong growth in wages, household incomes in the County only increased by 29%, which is less than the rate of inflation (indicated by the change in the Consumer Price Index). A mismatch in the growth of wages and incomes often indicates that wage growth may be disproportionately benefiting workers in higher paying industries. This inference is consistent with well-documented research about Charlotte’s persistent barriers to social mobility. Large increases in employment in the finance and insurance and professional services industries, which are higher paying industries on average, are driving the wage growth. However, the County also had large increases in employment in accommodations and food service and retail trade, which are industries that have below average wages. The cost of living (represented by Charlotte MSA Home Price Index) in Charlotte has increased significantly since 2000 (61%) and matches with the rate of wage growth and both are greatly out-pacing the growth of median household incomes.

JOB GROWTH VS HOUSEHOLD GROWTH

Major US cities are all facing issues related to housing affordability. One of the drivers of rising home prices is a lack of housing supply. Since the great recession in 2008 and 2009, housing production in many major metro areas has not kept pace with employment growth. This is the case for all of Charlotte's peer cities and their surrounding MSA. The Charlotte MSA has had one of the higher ratios indicating significantly higher amount of new employment versus new housing growth. The continuation of this trend should be a goal for the City and the MSA to help support economic growth and to help combat raising home prices.

EMPLOYMENT BY INDUSTRY

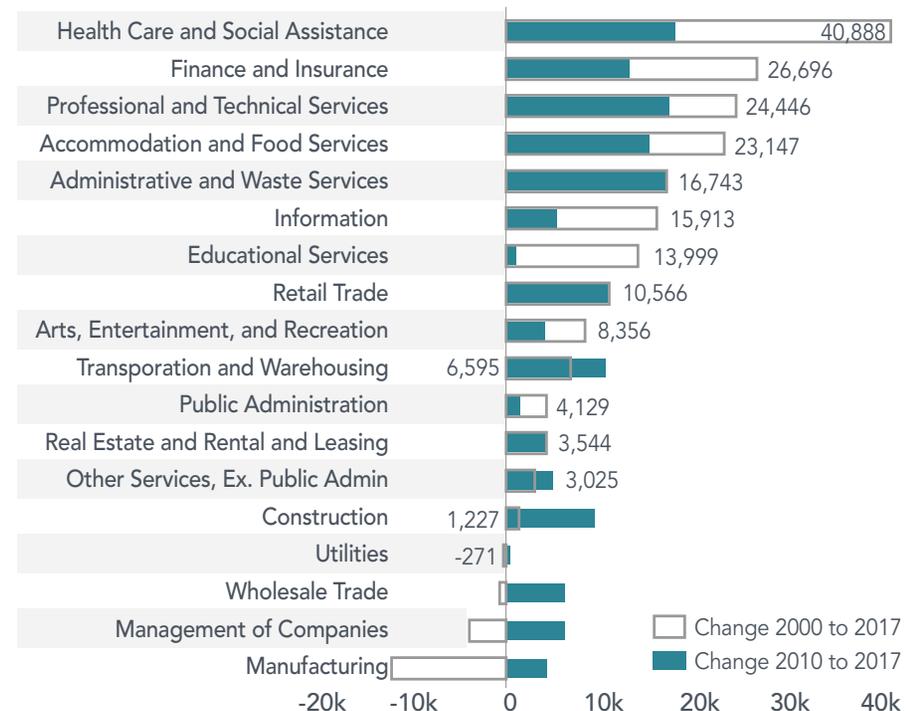
The largest industries in Mecklenburg County are health care, retail trade, finance and insurance, accommodation and food service, and administrative services. Charlotte is a major bank and finance center in the United States and is the corporate headquarters for Bank of America and Wells Fargo (East Coast Division). Charlotte is also home to many other major corporations including Lowe's and Duke Energy. Charlotte's role as the regional center also means it is a major hub for commerce and tourism with retail trade and accommodation and food service among the largest industries.

Employment in Mecklenburg County has grown by approximately 180,000 jobs from 2000 to 2017, at an annual rate of 1.8%. Health care, finance and insurance, professional services, and accommodations and food service industries have grown the most over the past two decades, accounting for 64% of employment growth.

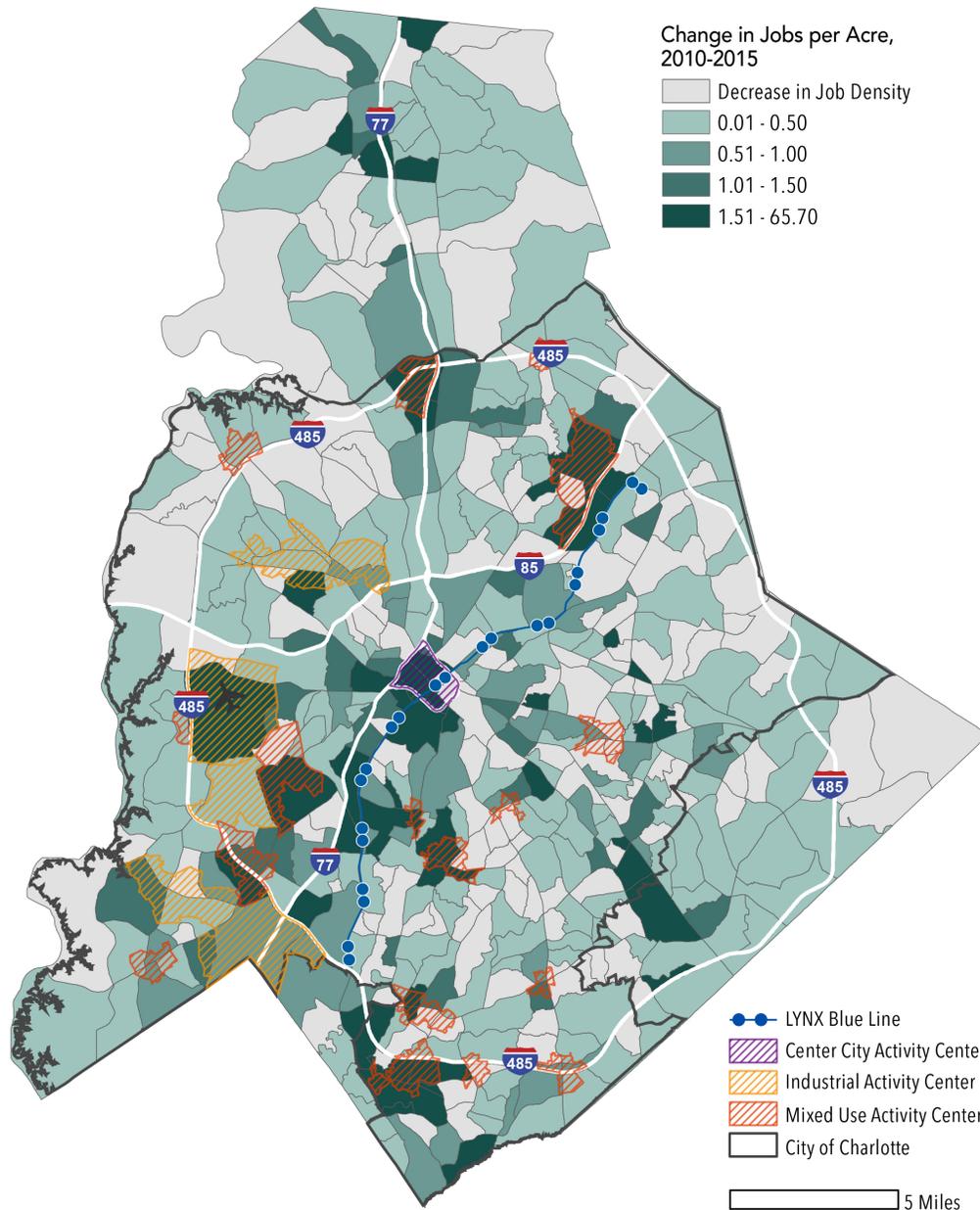
Since 2010, all industry sectors have experienced positive employment growth. The annual rate of employment growth has increased significantly to 3.6% annually and the employment base is growing by 20,700 jobs annually. Growth in professional services and administrative services has spurred economic expansion showing a diversifying economy and new industries to support the larger industries of health care and finance and insurance.

MSA	CHANGE IN JOBS (2010 TO 2015)	CHANGE IN HOUSEHOLDS (2010 TO 2015)	RATIO OF NEW JOBS TO NEW HOUSEHOLDS
ATLANTA	309,673	67,075	4.6
CHARLOTTE	225,400	53,141	4.2
MINNEAPOLIS	165,693	39,123	4.2
PHOENIX	252,422	61,612	4.1
DENVER	191,935	53,891	3.6
SEATTLE	217,690	66,709	3.3
NASHVILLE	130,887	41,834	3.1
RALEIGH	97,639	43,585	2.2
AUSTIN	156,369	77,912	2.0

Job Growth versus Housing Growth, Source: ESRI, US Census LEHD; Economic & Planning Systems



Mecklenburg County Change in Employment by Industry, Source: Quarterly Census of Employment and Wages, North Carolina Department of Commerce



ECONOMIC GEOGRAPHY

Mecklenburg County overall saw an increase in jobs per acre from 1.5 in 2010 to 2.0 in 2015 calculated using the City of Charlotte's Quality of Life Explorer, which uses US Census Longitudinal Employer-Household Dynamics (LEHD) data. Neighborhood Profile Areas with significant increases in job density (2010 to 2015) follow largely the same pattern of the new commercial permits. However, the concentrations are more pronounced in specific areas indicating areas that have captured significant employment growth. The areas with major increases include Uptown and along the major roadways, and identified Activity Centers.

Change in Jobs per Acre, 2010-2015, Source: Mecklenburg Quality of Life Explorer

RATE OF INNOVATION

The Kauffman Center Index of Startup Activity (the Center) focuses on new business creation activity and people engaging in business startup activity. The index is an equally weighted index of three normalized measures of startup activity:

- The Rate of New Entrepreneurs in the economy, calculated as the percentage of adults becoming entrepreneurs in a given month.
- The Opportunity Share of New Entrepreneurs, calculated as the percentage of new entrepreneurs driven primarily by "opportunity" vs. "necessity."
- The Startup Density of a region, measured as the number of new employer businesses normalized by total business population.

In the Center's 2017 Startup Activity report, presenting trends in startup activity for the 40 largest metropolitan areas in the US, the Center ranked Charlotte 17th, a slight decline in rankings of two spots from the City's 2011 ranking of 15th.

MSA	STARTUP ACTIVITY RANKING		RATE OF NEW ENTREPRENEURSHIP	OPPORTUNITY SHARE OF NEW ENTREPRENEURSHIP	STARTUP DENSITY
	2011	2017			
AUSTIN-ROUND ROCK-SAN MARCOS	8	2	0.51%	85%	104.5
PHOENIX-MESA-GLENDALE	3	8	0.38%	87%	92.1
DENVER-AURORA-BROOMFIELD	11	10	0.39%	83%	92.3
ATLANTA-SANDY SPRINGS-MARIETTA	1	12	0.43%	75%	89.9
CHARLOTTE-GASTONIA-ROCK HILL	15	17	0.37%	71%	87.5
SEATTLE-TACOMA-BELLEVUE	29	24	0.25%	81%	85.0
NASHVILLE-DAVIDSON-MURFREESBORO-FRANKLIN	5	29	0.27%	72%	82.2
MINNEAPOLIS-ST. PAUL-BLOOMINGTON	34	37	0.20%	76%	72.5

Startup Activity, Source: Kauffman Index

SHARE OF STATE TOTAL		2000	2010	2017
MECKLENBURG COUNTY	NEW INDUSTRY EMPLOYMENT	24%	18%	8%
	TOTAL EMPLOYMENT	12%	13%	15%
	WAGE AND SALARY EMPLOYMENT	13%	14%	16%

New Industry Captures, Source: LINC; Economic & Planning Systems

NEW INDUSTRY CAPTURE

The State of North Carolina tracks new industry employment, which is defined as the number of new employees estimated and reported to the Department of Commerce at the time an industry announces location plans. The data point is a measure for new business creation activity. Mecklenburg County has been capturing an increasing share of total State employment over the past two decades but its capture of new industry employment has decreased from 24% in 2000 to 8% in 2017.

THE PROSPEROUS AND INNOVATIVE CITY FINDINGS

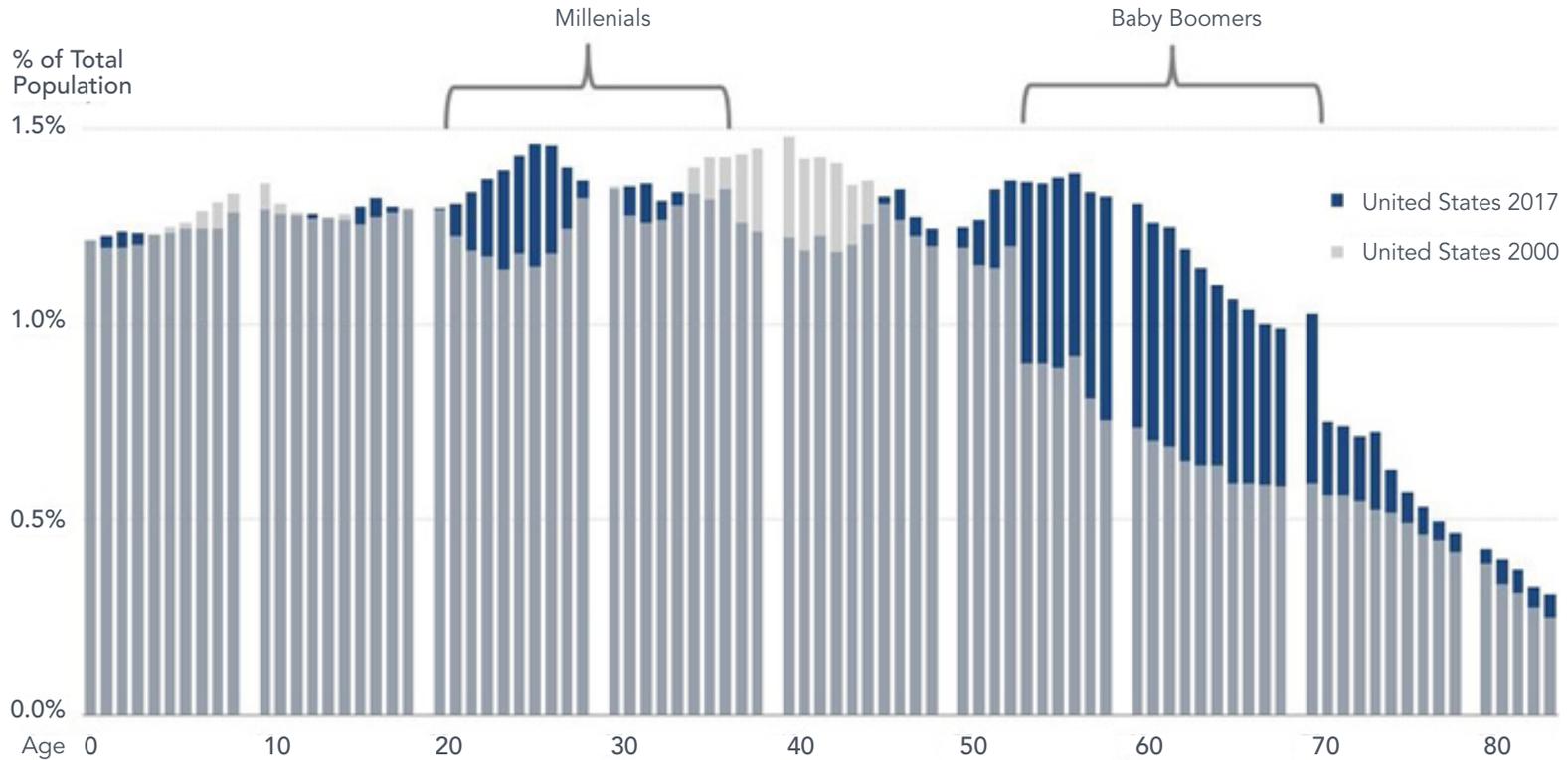
The growth trends related to the Prosperous and Innovative City theme show positive and negative trends in Charlotte. Income inequity has been growing nationally as economic growth has primarily benefited more well off households. Charlotte is less economically distressed than many other cities in the US; however the scores indicating low levels of economic distress may not be illustrating the impact of economic growth on disadvantaged residents, as evidenced by the Chetty Study . Economic prosperity in the City has caused strong wage growth and housing prices are increasing at similar rates. However, the median household income in the City is growing at a slower rate than inflation. The economic base for the City is diversifying and higher paying industries are driving wage growth, but lower paying service industries are also growing at rapid rates. The growth at the higher and lower end of the wage spectrum is illustrated by the divergence between wages and incomes. To address this divergence, continued diversity in the economic base is needed and increasing opportunities for new business formation and growth can greatly help. However, Charlotte has been showing lower rates of new business formation and innovation in recent years, and addressing this lower rate of business formation needs to be a focus.

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Inclusive

This section explores trends related to the diversity and inclusiveness for residents. Measures of population diversity, foreign born residents, migration patterns, age, and housing affordability are summarized to illustrate how well Charlotte is doing in being an inclusive city.





US Population by Age, 2010 to 2017; Source: US Census Bureau, Economic and Planning Systems

SHIFTING DEMOGRAPHICS

The demographic make-up of the US is undergoing a major shift. Demands and preferences of the Baby Boomer generation (defined as people born between 1946 and 1964) long dominated growth and consumer spending patterns. The Baby Boomers have or are reaching retirement age and their demands for goods and services needed later in life are far greater than previous generations. The Millennial generation (defined as people born

between 1980 and 1996) is now larger than the Baby Boomers and has entered into prime years for employment and spending. The preferences of Millennials are not as different from those of the Baby Boomers as is portrayed in some national publications, yet the generation is much more diverse and this diversity is impacting growth patterns. Their differences in consumer spending patterns are due somewhat to differences in consumer preferences (experiences over

possessions), but also largely due to delays in timing of major life decisions (entry into workforce, household formation, marriage, having children) and economic conditions (greater debt, lower earnings). Generation Next (defined as people born after 1996) will have an equally significant impact on growth nationwide and are already illustrating an even more diverse demographic make-up than previous generations.

CITY	DIVERSITY INDEX	
	2010	2018
PHOENIX	77.3	79.5
AUSTIN	73.8	75.4
DENVER	72.4	74.2
CHARLOTTE	71.1	73.7
RALEIGH	66.5	68.2
MINNEAPOLIS	63.8	66.8
NASHVILLE	63.2	65.0
ATLANTA	60.3	61.8
SEATTLE	55.5	60.6

Diversity Index, Source: ESRI

POPULATION DIVERSITY

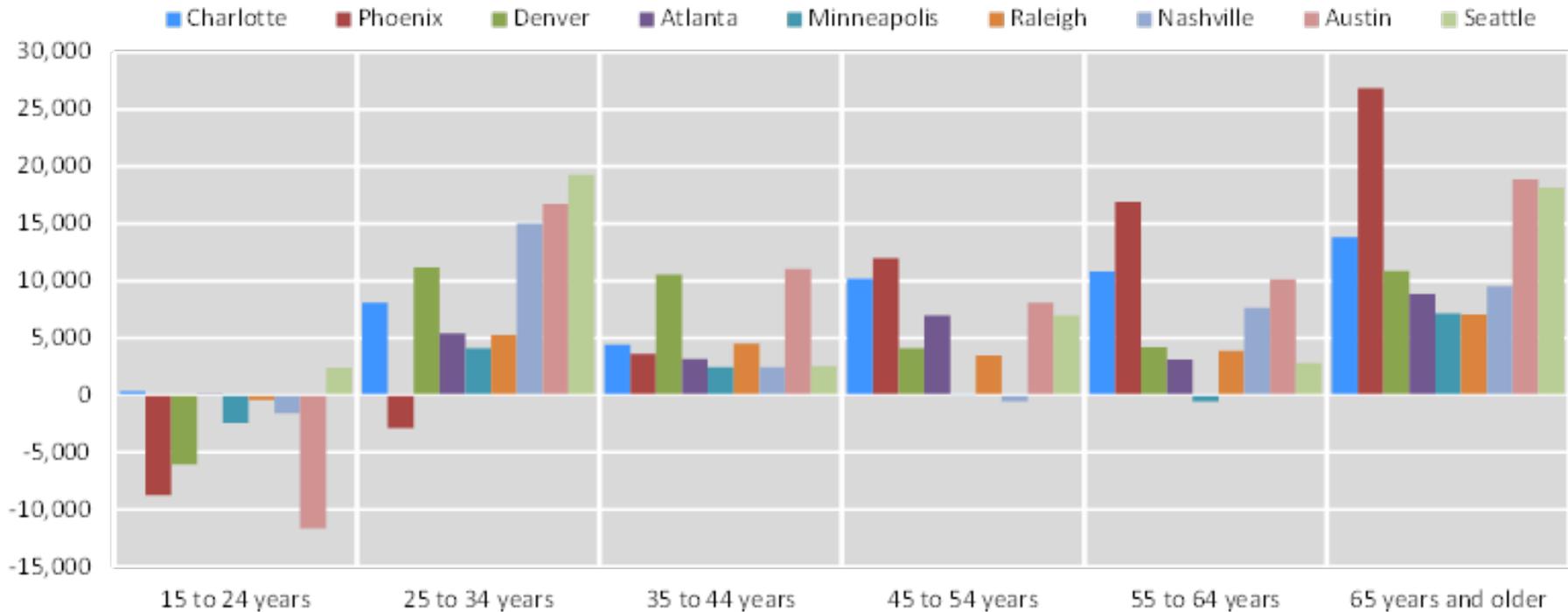
Diversity of people within Charlotte and its peer cities are increasing, as major cities continue to attract a wide range of new residents. The Diversity Index calculated by Environmental Systems Research Institute (ESRI) represents the likelihood that two persons, chosen at random from the same area, belong to different race or ethnic groups. The Diversity Index is available down to the block group level geography and ranges from 0 (no diversity, or the entire population belongs to one race group and one ethnic group) to 100 (complete diversity, or the population is evenly divided into 2 or more race/ethnic groups). The index for each city, including Charlotte, increased from 2010 to 2018. Charlotte's index increased from 71.1 to 73.7 meaning that there is a 73.7 percent probability that two people randomly chosen from the population would belong to different race or ethnic groups.

DESCRIPTION	2000	2017	CHANGE 2010-2017
NATIVE	628,371	711,978	83,607
% OF TOTAL	86%	83%	67%
FOREIGN BORN	106,047	147,074	41,027
% OF TOTAL	14%	17%	33%
TOTAL POPULATION	734,418	859,052	124,634

Foreign Born Population, Source: US Census; Economic & Planning Systems

FOREIGN BORN POPULATION

Foreign born residents represent a growing proportion of Charlotte's population. Foreign born residents account for 17% of the City's population, but accounted for 1/3 of population change from 2010 to 2017. Foreign-born immigrants have been an important element of increased diversity in Charlotte's neighborhoods and suburbs. The increase is reflective of the economic opportunities present in Charlotte and the openness to increased diversity of the community.



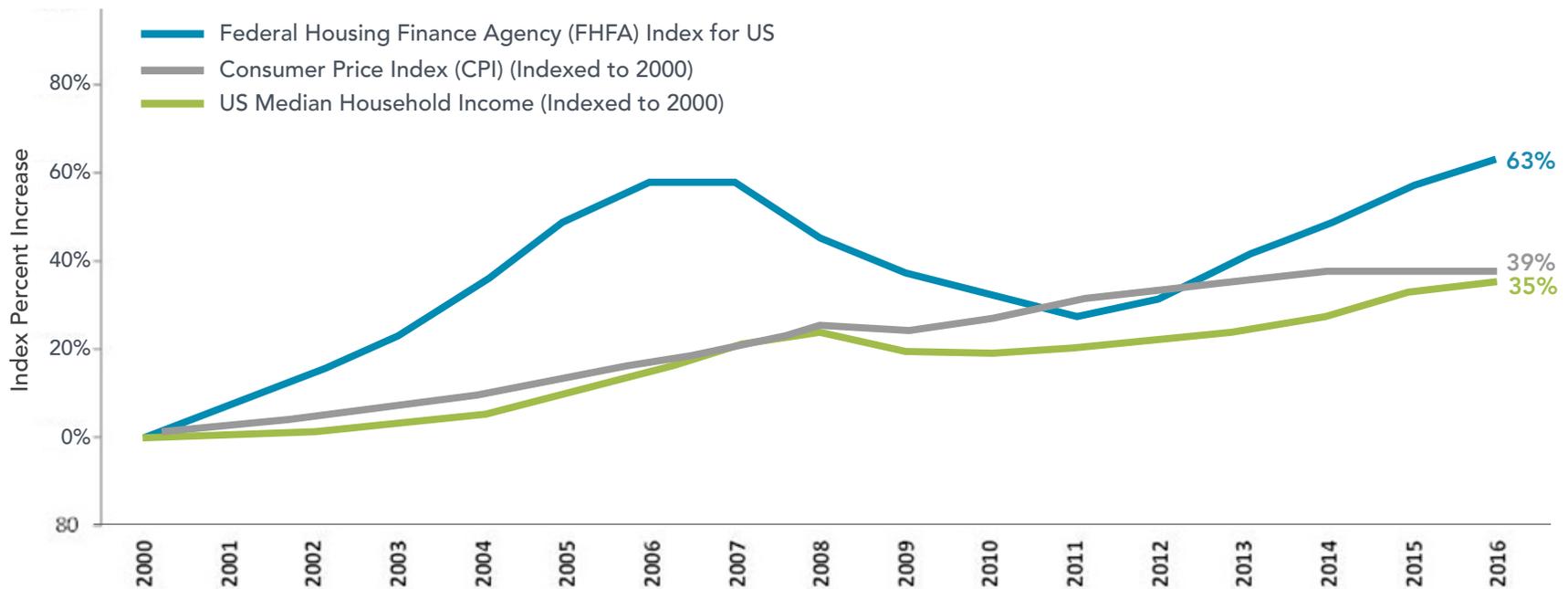
US Households by Age of Household Change, 2010 to 2017; Source: US Census Bureau, Economic and Planning Systems

AGE OF HOUSEHOLDERS

The two largest demographic groups (Baby Boomers and Millennials) will have a major impact on demands for new development and public services and amenities, as illustrated previously. For Charlotte and its peers, the two groups represent the largest increases of householders from 2010 to 2017. All but one peer city (Phoenix) increased significantly in the number of householders age 25 to 34. All of the peer

cities experienced significant increases in householders age 65 years and older. Note these changes represent both householders moving to the cities but also householders shifting to older age cohorts. Interestingly, Charlotte has the smallest differences in changes between age cohorts as householders in all cohorts over 25 years old increased by similar amounts. Some cities have focused on efforts to make their

communities more inclusive to all ages as their demographic makeup has been skewed towards either younger residents (25 to 34 years old) and/or older residents (over 65 years old). In contrast, Charlotte householders are experiencing similar growth rates regardless of age, indicating that the city is attractive for all age groups.



US Median Household Income and Housing Price Growth, 2000 to 2016; Source: FHFA, Bureau of Labor Statistic, US Census, Economic and Planning Systems

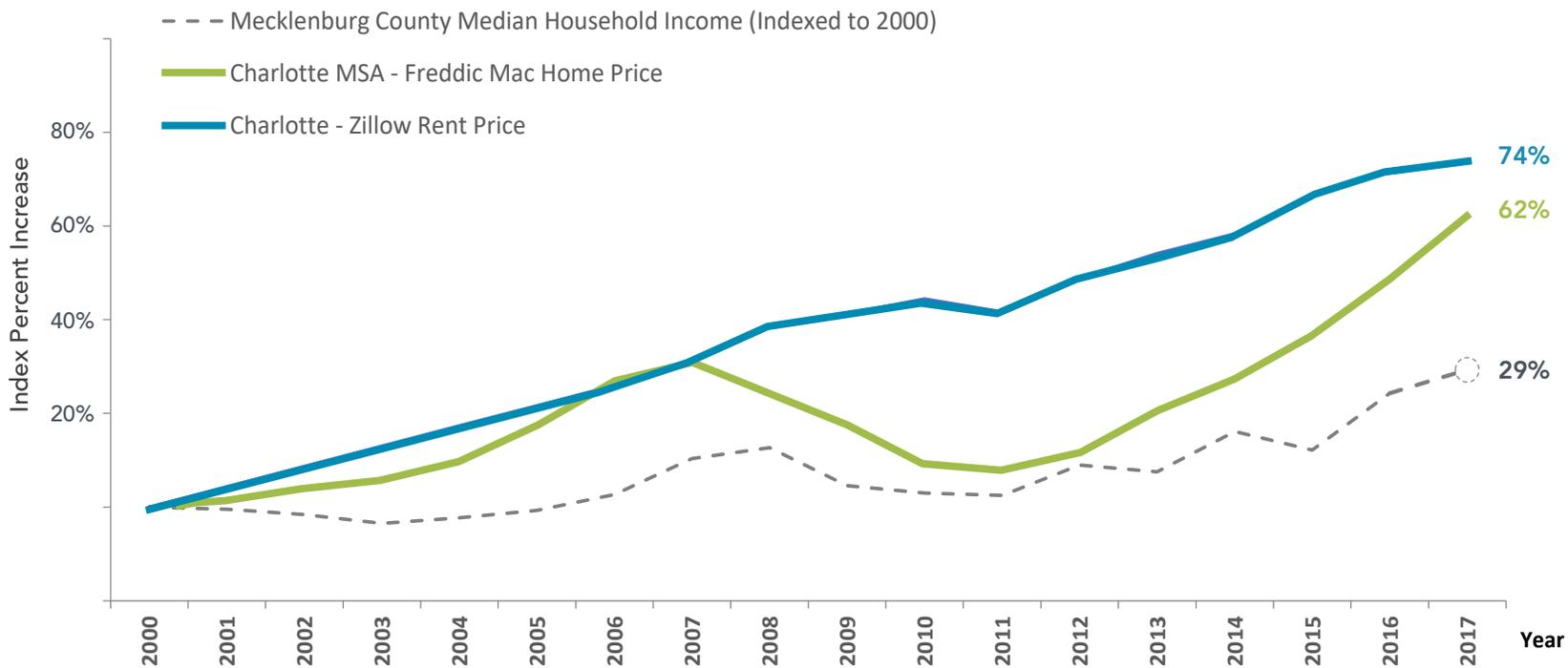
HOUSING AFFORDABILITY

The cost of living is becoming an issue of increasing concern for most communities throughout the US. Housing costs, driven by increases in the cost of materials and labor, have grown by 63% since 2000 while the median household income has only grown by 35%, which is slower than the rate of inflation. Many American households have to pay more for housing with declining real income. As a result, consumer preferences and choices based on necessity for affordable housing types and locations are changing. As a result, the rate of migration within the country

is decreasing as Americans are moving less often even as job prospects are more attractive elsewhere the cost of living is too high to take advantage in many cases. This affordability trend is most pronounced in the country's major cities, including Charlotte.

Incomes nationally are not keeping pace with the rise in housing costs, or even inflation. This is true in Charlotte also. Comparing the growth of median household incomes to the growth in home prices and rental rates in the region show how housing has become

more expensive for residents over the past two decades. The average rental rate for the City of Charlotte (as tracked by Zillow) has increased by 74% since 2000 and the average home price in the Charlotte MSA (as tracked by Freddie Mac) has increased by 62%. The median household income in Mecklenburg County during this period only increased 29%. The affordability of housing has large impacts on the location decisions for residents (and future residents) and impacts their ability to access jobs and services.



Charlotte Area Housing Cost and Income Index, 2000-2017, Source: Zillow, US Census, Freddie Mac, Economic and Planning Systems

THE INCLUSIVE CITY FINDINGS

The growth trends related to the Inclusive City theme show that the demographic make-up of the nation is changing and growing more diverse. Cities are typically more diverse and home to a wide variety of residents of different race and ethnic groups. Charlotte is no different and has attracted a growing diversity of residents of different ages, ethnic/racial backgrounds, and even country of origin. This increasing diversity means there is a greater diversity of needs, desires and cultures. However, while major cities in the US are diversifying they are also becoming more expensive to live in which could impact the diversity of the city. Charlotte, like many other major cities in the US, is dealing with growing issues with housing affordability as housing costs have risen at a greater rate than household incomes over the past two decades. Maintaining a diversity of housing options and housing affordability will continue to be major issues facing cities like Charlotte.

Livable and Connected

This section summarizes trends that are impacting the livability of Charlotte. The amount of change (new housing) in neighborhoods, proximity to amenities, and commuting patterns are depicted to understand how recent changes in the community are impacting overall connectivity and livability.



COMMUTING PATTERNS

The ability to live and work in the same city or in close proximity is part of the appeal to living in central cities for many residents. Of the peer cities analyzed, Charlotte has the largest increase in the percent of employed residents who also work in the city. Sixty seven percent of employed residents worked in the City of Charlotte in 2015, an increase from 61% in 2010. This percentage remained flat or even declined for many of the other peer cities. Charlotte also has the second highest percentage of residents working in the city among the peer cities, second to Austin. Some cities have been challenged to maintain or even grow this percentage in the past decade as employment growth has increased greatly but housing has been more difficult to attract or accommodate.

CITY	PERCENT OF RESIDENTS WORKING IN CITY		
	2010	2015	CHANGE
CHARLOTTE	61%	67%	6%
AUSTIN	65%	69%	4%
SEATTLE	63%	64%	1%
NASHVILLE	61%	62%	1%
PHOENIX	60%	59%	-1%
RALEIGH	48%	48%	0%
DENVER	48%	48%	-1%
MINNEAPOLIS	43%	44%	1%
ATLANTA	41%	43%	2%
PEER AVG (EXCL. CHARLOTTE)	54%	54%	

Commuting Patterns, Source: LEHD; Economic and Planning Systems

COMMUTE MODE SHARE

The number of Charlotte residents living and working in the city has increased; however, despite the addition of transit options in the past decade, the ways in which Charlotte residents get to work largely has not changed. The percent of residents that drive alone to work is essentially the same as it was in 2005. The percent of residents that work from home increased from 4.1% to 7.7% from 2005 to 2017, which represents the largest increase of any of the commuting modes.

MODE	2005	2010	2017
DROVE ALONE	76.1%	77.6%	76.3%
CARPOOLED	13.6%	10.6%	9.2%
PUBLIC TRANSPORTATION	3.3%	3.7%	3.0%
WALKED	1.6%	2.2%	2.1%
BICYCLE	0.2%	0.2%	0.2%
TAXI, MOTORCYCLE, OR OTHER MEANS	1.1%	0.5%	1.4%
WORKED AT HOME	4.1%	5.2%	7.7%

Journey to Work, Source: US Census; Economic & Planning Systems

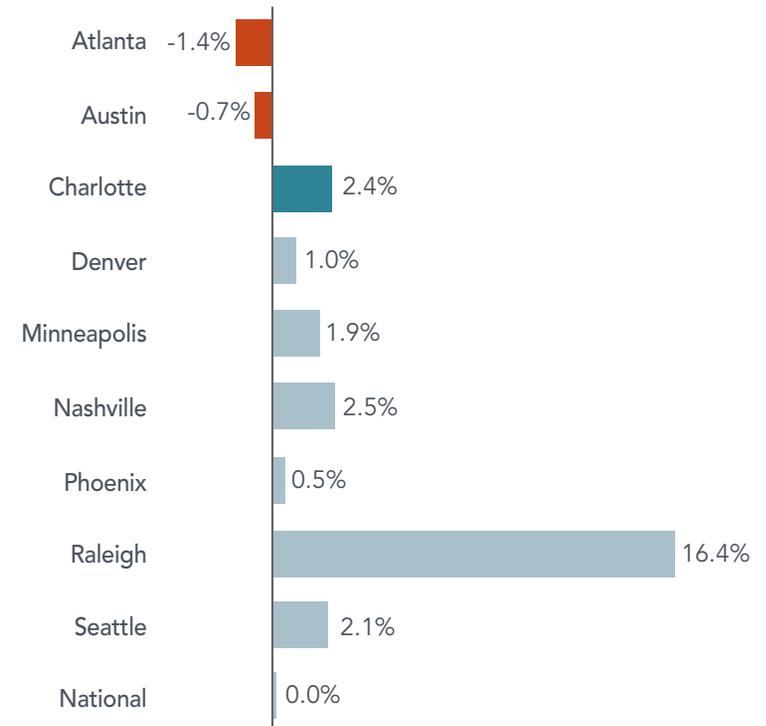
TRANSIT RIDERSHIP

Many transit agencies nationally have been dealing with declines in transit ridership as major cities are growing at fast rates and gas prices have decreased since 2010. Charlotte has one of the strongest increases in ridership of its peers. In 2010, the Charlotte Area Transit System (CATS) ranked 50th in the country for transit ridership, with 24.1 million unlinked passenger trips. From 2010

to 2015 ridership increased an average of 2.4 percent per year, or 610,000 unlinked passenger trips annually, and in 2015 the agency improved its national ranking to 45th. The growth in ridership corresponds with the opening of the first rail transit line in Charlotte, the LYNX Blue Light Rail Line, in 2007. An extension of the Blue Line was completed in 2018, which will likely continue

the growth in ridership. The annual change in ridership (measured through unlinked passenger trips) for Charlotte and its peer cities from 2010 to 2015 (the most recent year agency-level data is available) is shown in the graph. Changes in national ranking for both ridership and passenger miles from 2010 to 2015 are shown in the table.

CITY	METRIC	2010	2015
		RANK	RANK
ATLANTA	Unlinked Passenger Trips	9	9
	Passenger Miles	13	13
AUSTIN	Unlinked Passenger Trips	40	38
	Passenger Miles	46	40
CHARLOTTE	Unlinked Passenger Trips	50	45
	Passenger Miles	52	46
DENVER	Unlinked Passenger Trips	16	15
	Passenger Miles	16	16
MINNEAPOLIS	Unlinked Passenger Trips	22	22
	Passenger Miles	23	27
NASHVILLE	Unlinked Passenger Trips	103	96
	Passenger Miles	104	98
PHOENIX	Unlinked Passenger Trips	37	36
	Passenger Miles	50	47
RALEIGH	Unlinked Passenger Trips	203	126
	Passenger Miles	189	147



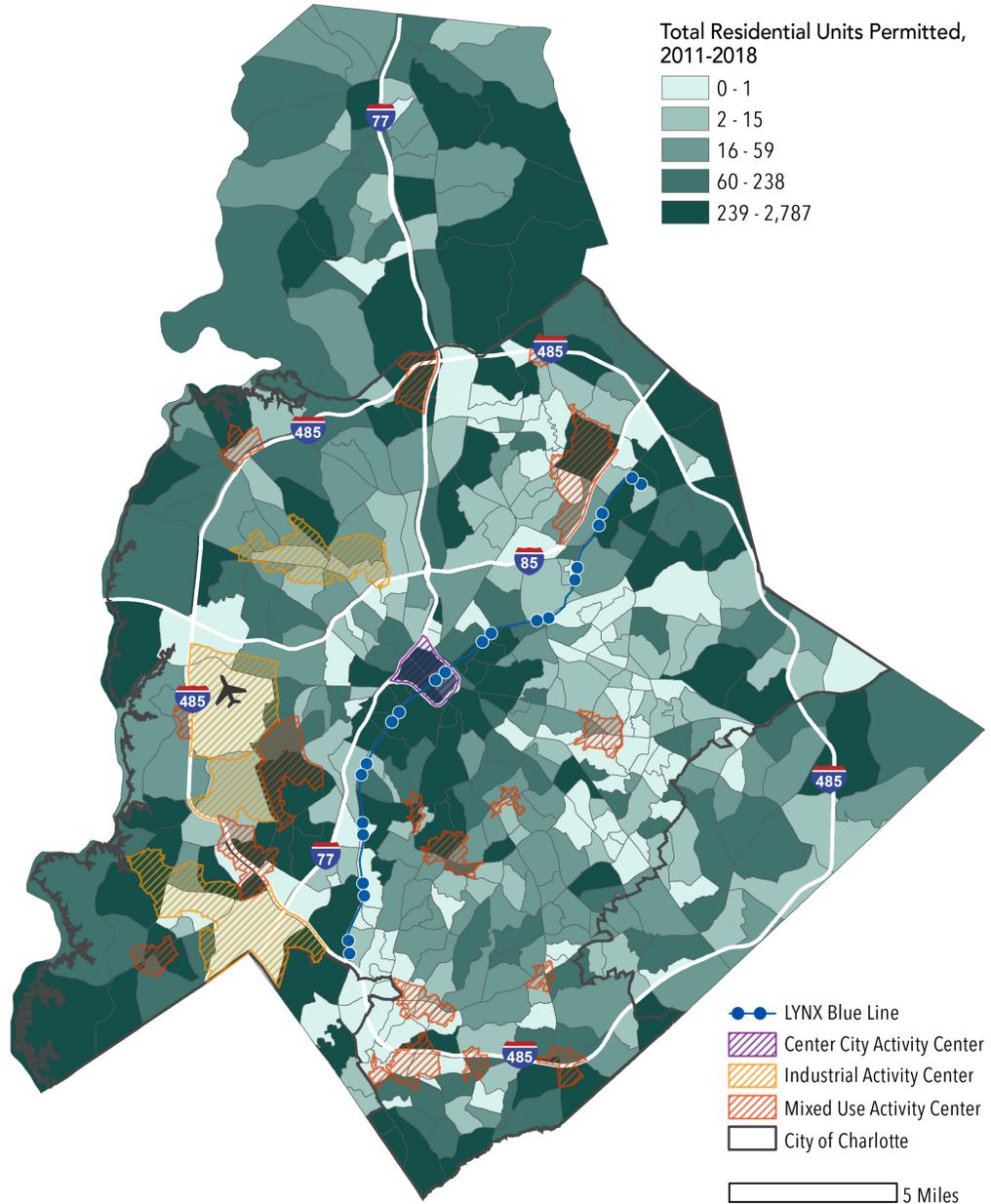
Transit Systems Commuting Patterns, Source: American Public Transportation Association (APTA); Economic and Planning Systems

Peer City Transit Agency, Average Change in Ridership, Source: American Public Transportation Association (APTA)

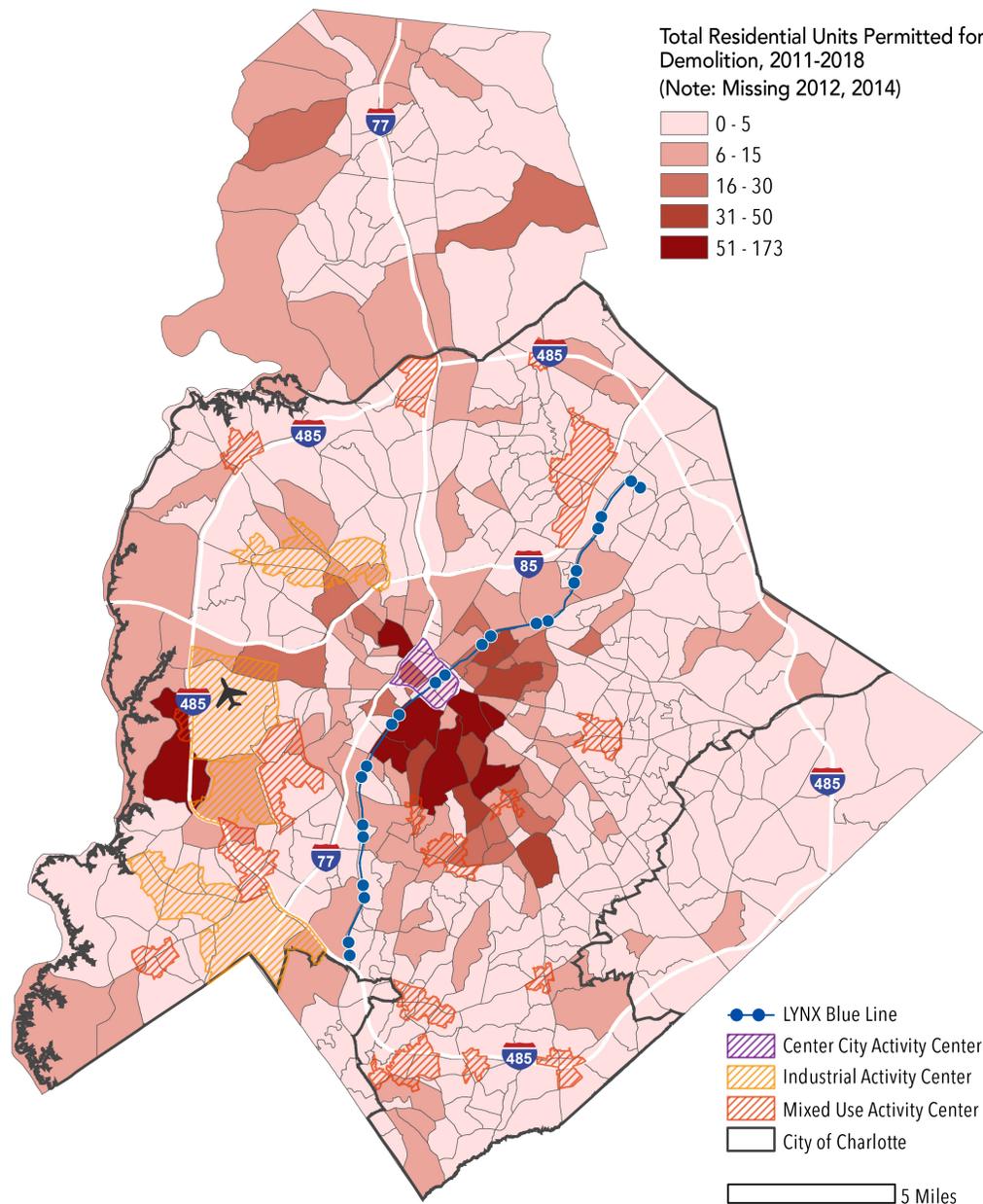
NEIGHBORHOOD CHANGE

There were 66,950 residential units permitted for new construction in Mecklenburg County between 2011 and 2018. This new development accounts for 15 percent of the County's 2018 housing inventory of 439,800 housing units. The growth pressures faced by the City's neighborhoods can impact the livability of the city for residents. The City of Charlotte has made significant efforts to plan for major growth and activity areas to help guide growth. The areas in Charlotte that attracted large amounts of new residential development are somewhat bi-furcated, as the center of the City (Uptown and neighborhoods to the south and east of Uptown) have attracted significant housing development, as have the edges of the community.

The City's Activity Centers in many cases have been the areas where significant residential growth has occurred, however some Centers have not attracted housing. The pattern of new housing growth does correlate with the arc pattern found in the Equity Atlas research. There are areas with higher amounts of new housing development radiating out of the center of the City along major highways and the LYNX Blue Line light rail running southwest out of Uptown. The extension of the Blue Line to the northeast opened in 2018 and it is not evident yet if this extension will generate the same market traction.



Total Residential Units Permitted, 2011-2018, Source: Mecklenburg Quality of Life Explorer



While neighborhoods change to accommodate new residents, the housing stock will adapt and evolve as well. The degree and rate of change of the housing stock and neighborhoods is often a major topic of concern for neighborhoods. The reinvestment and change of the housing stock is needed and healthy for cities but if left unchecked could erode the character and livability of neighborhoods. Areas with higher growth pressures often face these issues.

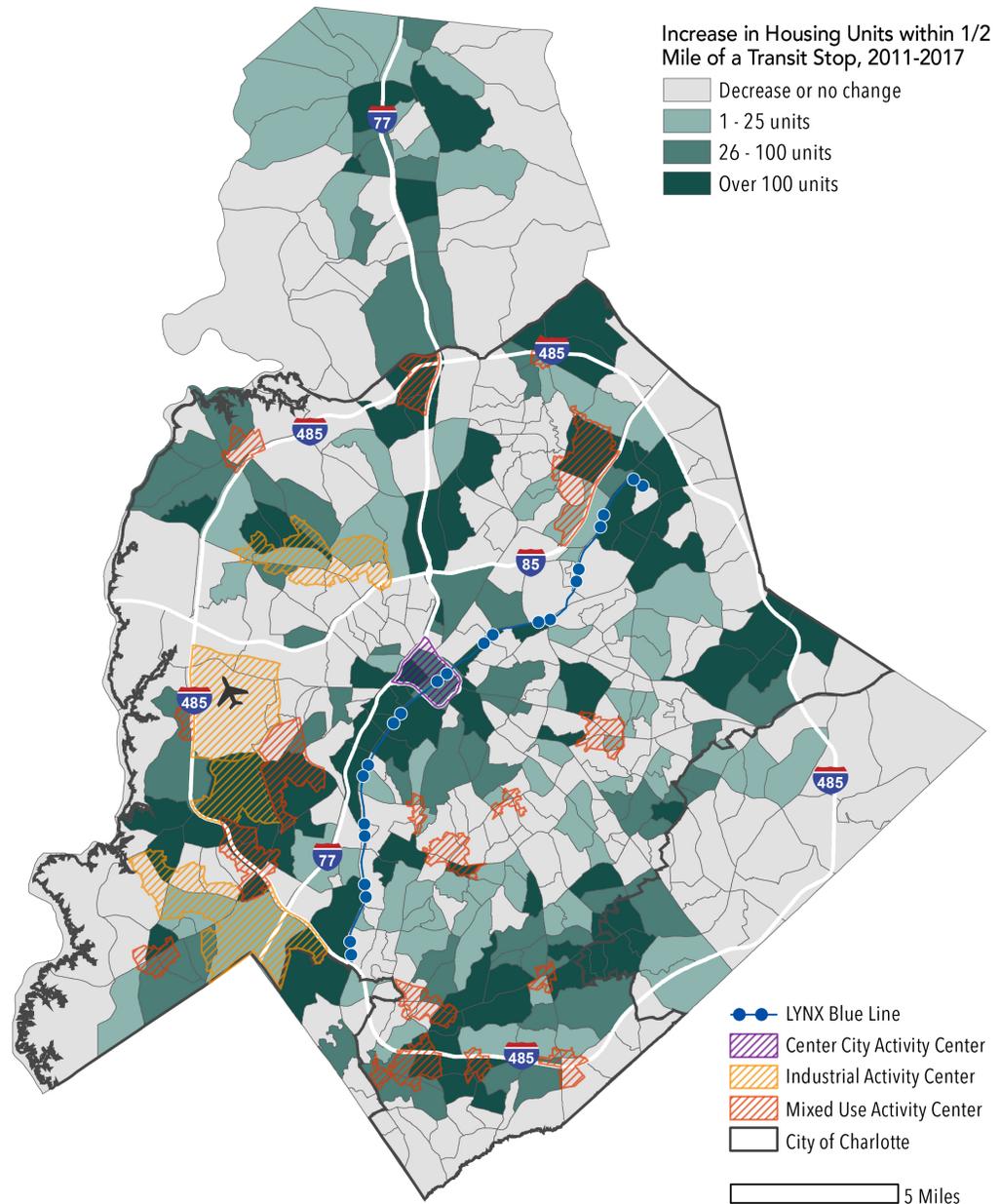
A good indicator of change is the rate of demolition of the existing housing stock. The neighborhood profile areas of Mecklenburg County had approximately 2,650 residential units permitted for demolition between 2011 and 2018 (note that this figure does not include data for 2012 and 2014, which is not available). Uptown and surrounding neighborhoods have experienced higher amounts of building demolitions as the areas have redeveloped to accommodate more dense uses. The rate of demolitions and impacts on neighborhoods warrant examination to address issues with displacement and neighborhood change.

Total Residential Units Permitted for Demolition, 2011-2018, Source: Mecklenburg Quality of Life Explorer

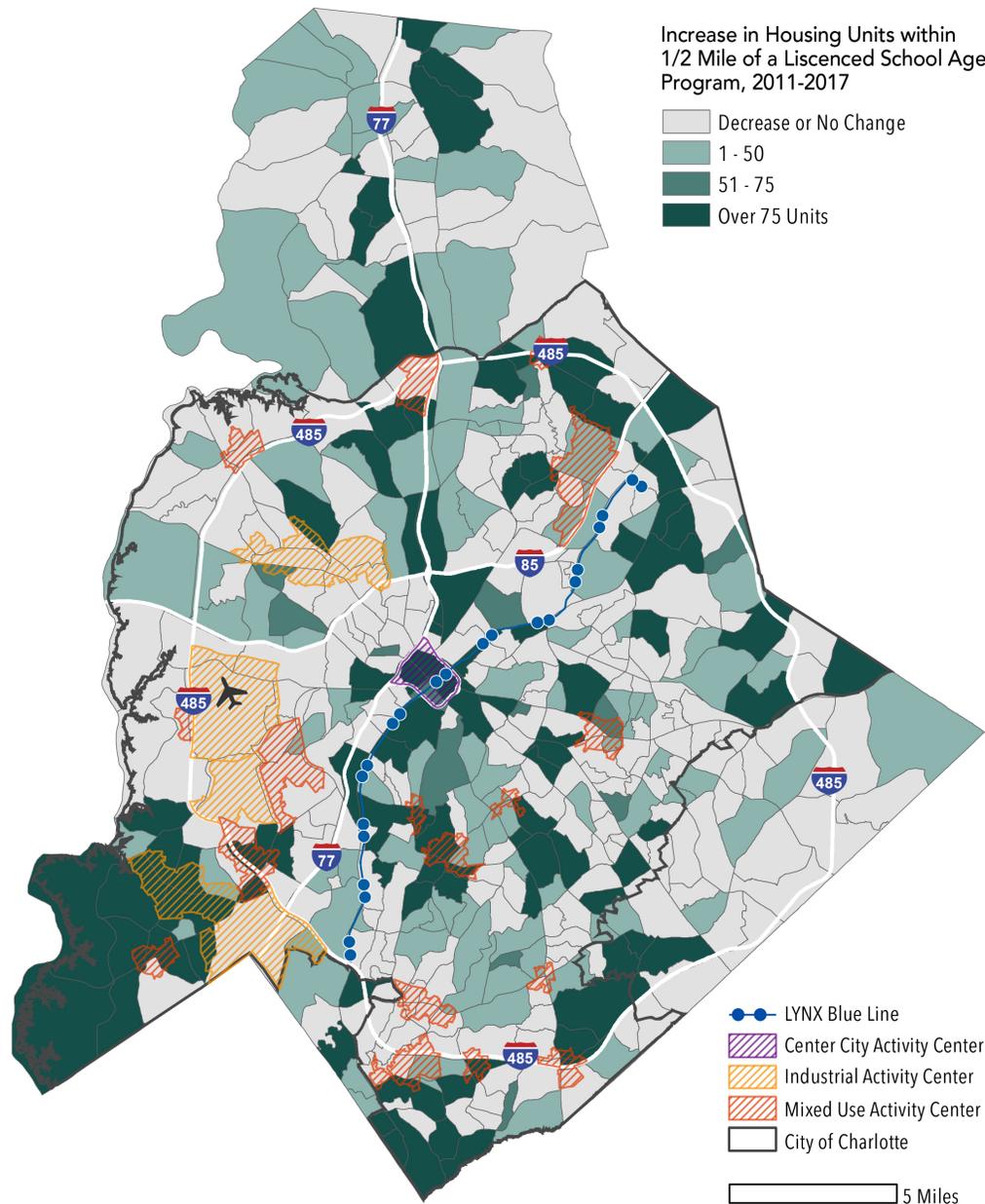
PROXIMITY TO AMENITIES

Proximity and access to transportation, services and amenities are increasingly important to residents and increase the overall livability of neighborhoods. To assess improvements in access to services, transportation, and amenities, the number of housing units proximate to transit stops/stations, parks and recreation facilities and schools were measured to provide an indication of overall livability. For amenities, such as transit, where there were major investments in extending transit service to new places and facilitating new development around the transit, significant changes occurred. For other amenities, such as parks and schools, the areas with significant new housing development were the ones with increases in the number of housing units proximate to the amenity or service, indicating the progress made to increase proximity and access for these amenities were driven by market activity more than increasing the presence of the amenities in more developed areas.

Mecklenburg County had 286,900 housing units located within ½ mile of a transit stop in 2017 – 67 percent of all housing units. This is an increase of 20,511 housing units since 2011. The increase in housing units equates to an 8% increase of housing units near transit, however the total proportion of housing units located within ½ mile of transit has remained at 67%. The market appeal of new housing



Increase in Housing Units within 1/2 Mile of a Transit Stop, 2011-2017, Source: Mecklenburg Quality of Life Explorer



Increase in Housing Units within 1/2 Mile of Licensed School Age Program, 2011-2017, Source: Mecklenburg Quality of Life Explorer

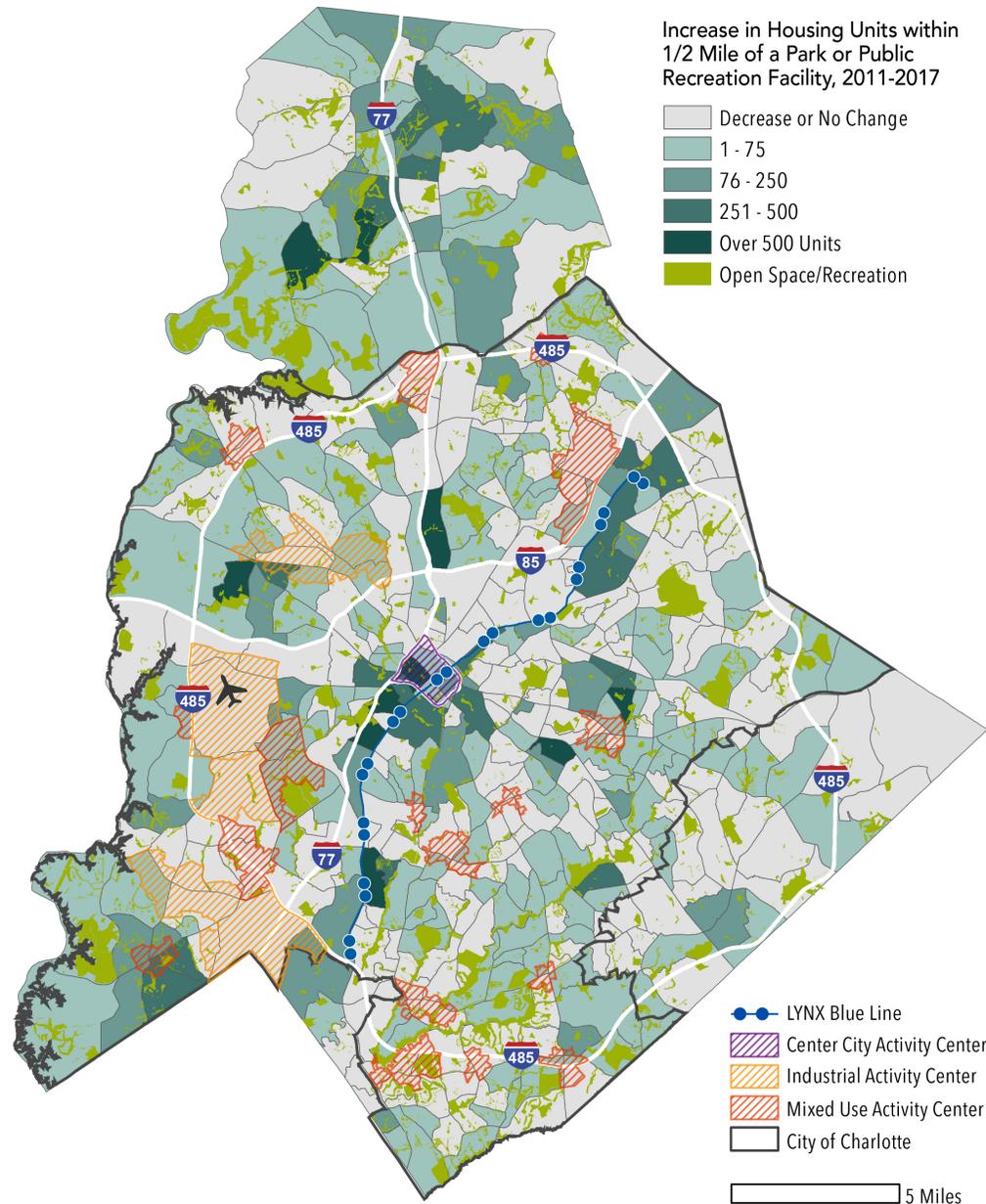
development near transit, coupled with supportive land use plans and investments by the City, has resulted in significant housing development near transit. The Noell Consulting Group estimated that 4,500 residential units were captured along the Inner Stations of the Blue Line from 2000 to 2015.

Mecklenburg County had 227,700 housing units within 1/2 mile of a park or public recreation facility in 2017 – 53% of all housing units. Since 2013 there has been an increase of 16,200 housing units near parks, or 8 % of all housing units with this proximity. The overall share of housing units within 1/2 mile of parks increased from 52% to 53% over this time. Within Charlotte, the majority of increases were in units near parks in and around Uptown (where new parks were created) or on the edges of the community where large housing developments were built.

Lastly, the increase of units near a licensed school age care program for children ages 5-12 (which is measured within the City's Quality of Life Explorer and used as a proxy for schools) was the smallest, with only a 2% increase in units near these programs between 2011 and 2017. There was an increase of 4,525 housing units located within 1/2 mile of a licensed school age program. The neighborhood increases are more scattered than the increases for parks, but largely correlate with areas with new housing development.

THE LIVABLE AND CONNECTED CITY FINDINGS

The City of Charlotte is an increasingly attractive place to live. The City's economic growth and investments in infrastructure to increase livability have helped grow the appeal. The major investment in rail transit has increased ridership and attracted development and investment. However, the growth of the city has matched with ridership growth and as a result; the percent of residents that drive alone to work has remained consistent over 15 years. The City's planning efforts and capital investments, as evidence by proximity of housing units to transit and park facilities, have helped expand housing near these amenities and services but have not significantly changed the percent of residents with access to them. A multifaceted approach is needed to increase livability and connectivity for residents, which includes investment in infrastructure and services to areas lacking them currently, increasing housing and employment near existing infrastructure and services, and lastly partnering with the private sector to help provide amenities and services in new growth areas.



Increase in Housing Units within 1/2 Mile of a Park or Public Recreation Facility, 2013-2017, Source: Mecklenburg Quality of Life Explorer

Healthy and Sustainable

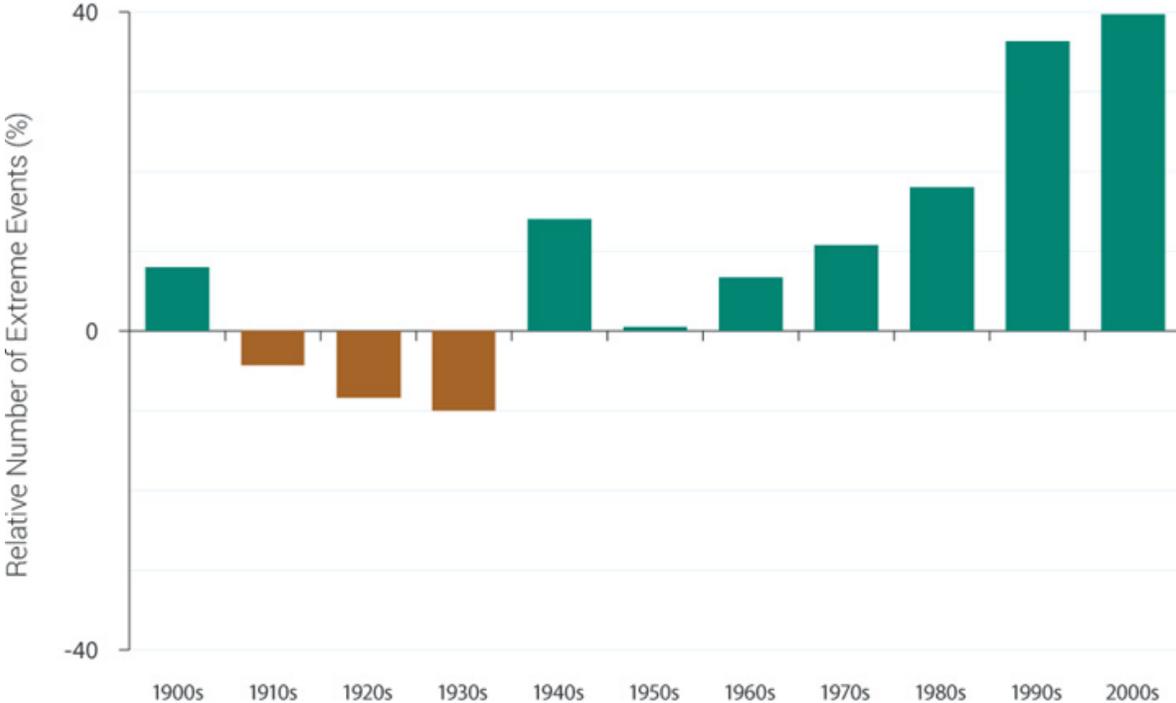
The components of a healthy and sustainable city are wide ranging and not always directly related to land use and the City's physical development. This section explores some trends related to weather events, storm water management and public health to help assess the health and sustainability of Charlotte.





CLIMATE CHANGE AND INSECURITY

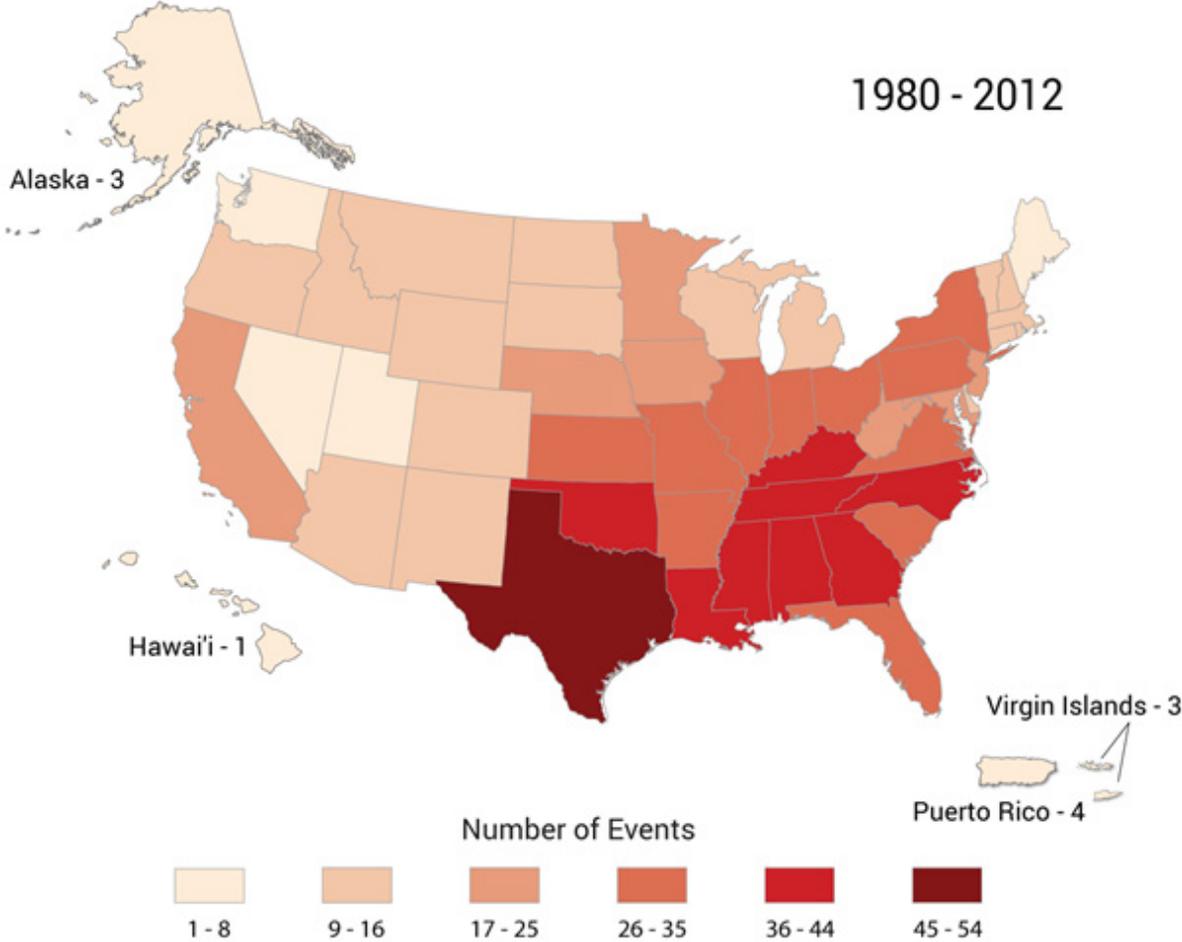
Climate change is having large impacts on the nation and world. The rising temperature of the earth is shifting weather patterns and increasing the severity of storms and weather events. The number of extreme events is increasing in the US creating more climate insecurity for communities and raising the importance of resiliency efforts.



US Heavy Precipitation Events, 1900 to 2000, Source: National Climate Data Center (NCDC) at National Oceanic and Atmospheric Administration (NOAA)

IMPACT OF MAJOR STORM EVENTS

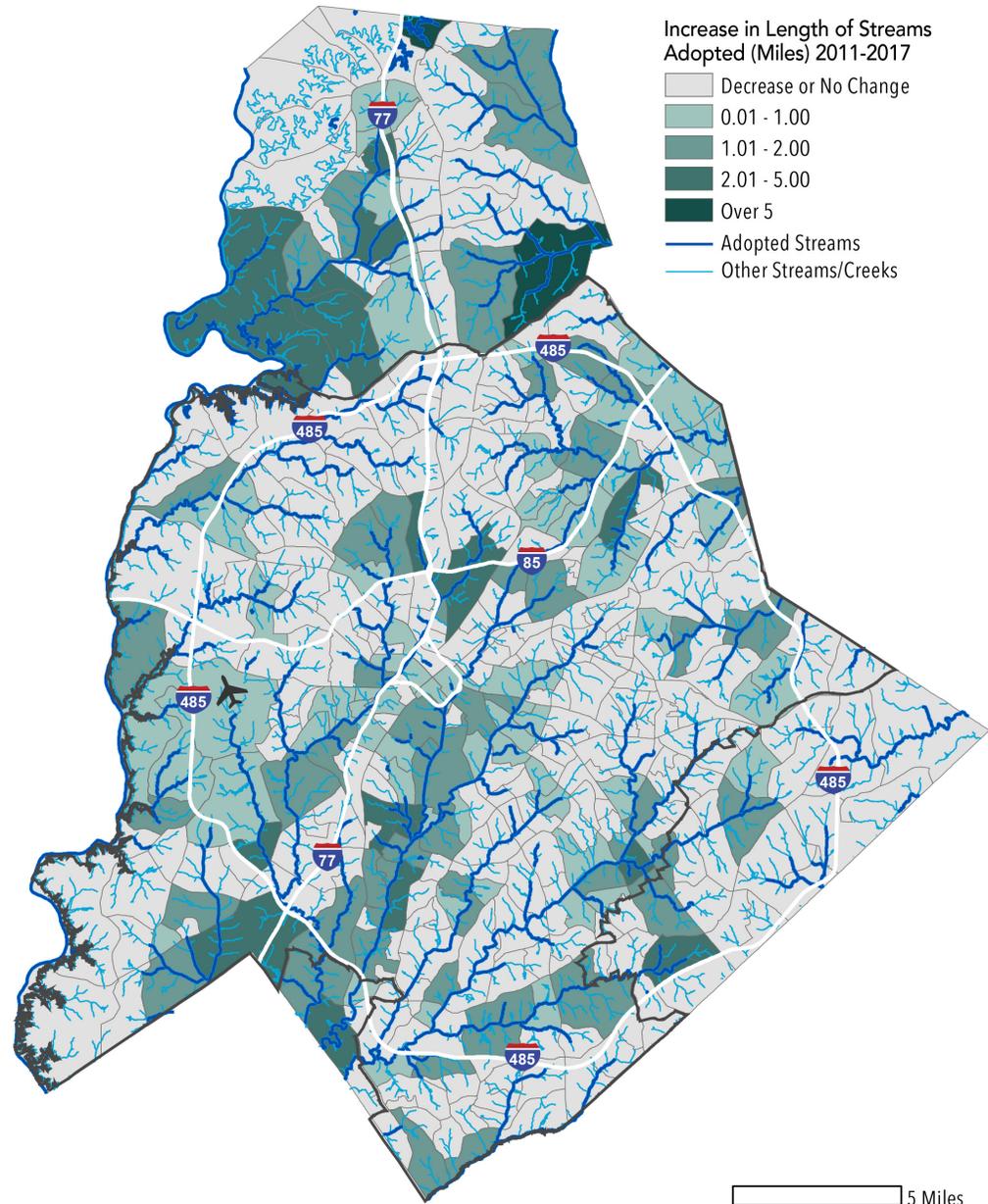
The impact of the increasing severity of major weather events have been disproportionately felt by the southeastern portion of the US. The increased severity and destruction create a major economic and financial cost to this region. The number of billion dollar weather and climate disasters in the southeast has been greater than the rest of the country. County and city governments are realizing that they must prepare for these events and address their impacts at a local level. Facing increasing frequency and cost of storm events, Charlotte will have to consider how resilient the community can be when facing future weather events.



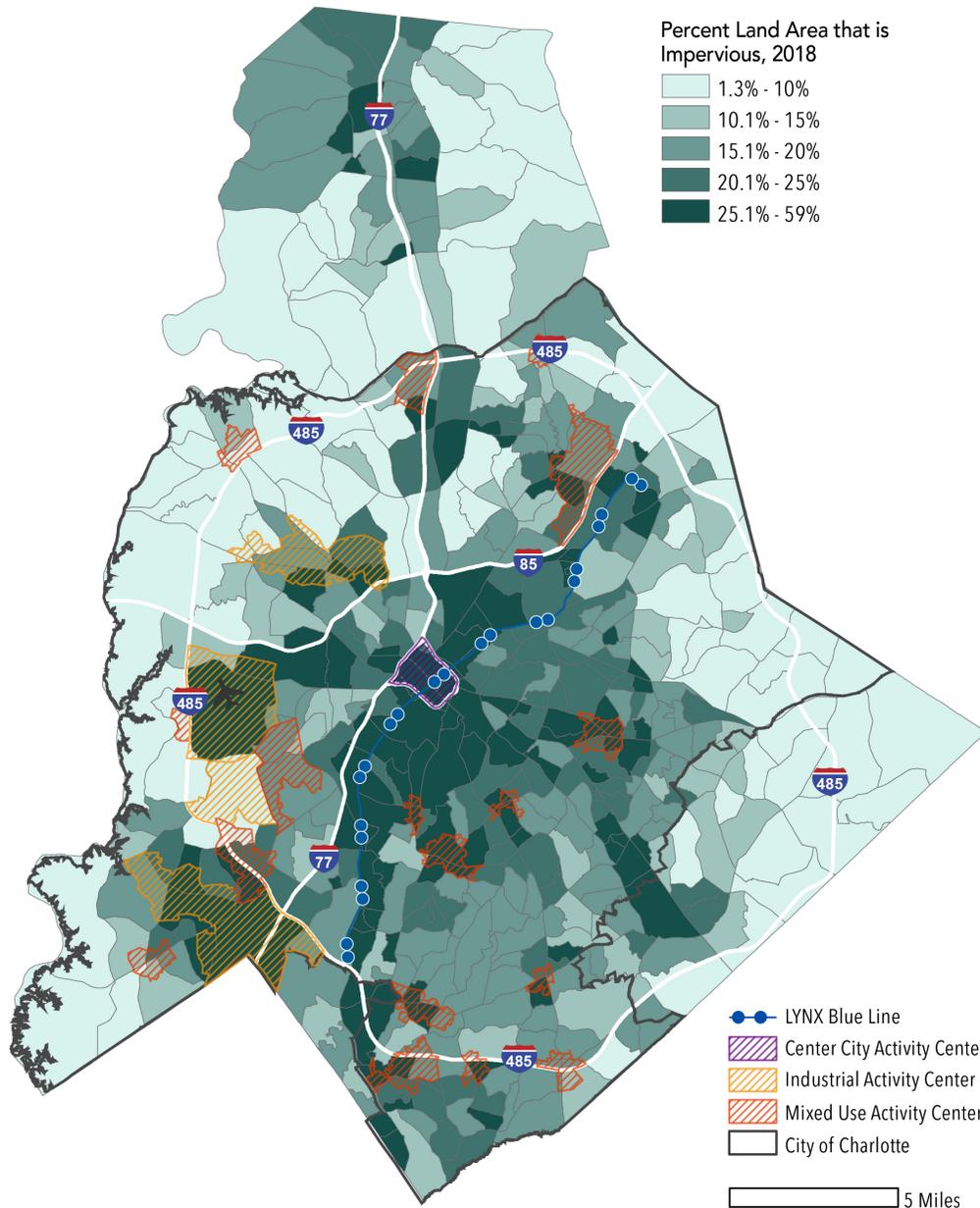
US Billion Dollar Weather Disasters by State, Source: National Climate Data Center (NCDC) at National Oceanic and Atmospheric Administration (NOAA)

WATERWAY AND STORM MANAGEMENT

The increase of extreme weather events and the growing cost of these events make management of the City's waterways and stormwater an increasingly important issue. Charlotte has made significant efforts increasing the miles of adopted streams – banks maintained by the adopt-a-stream program. The County added 158 miles from 2011 to 2017, for a total of 367.7 miles, which helps with the management of these waterways as well as the attractiveness and appeal of these areas.



Increase in Length of Streams Adopted (miles), 2011-2017, Source: Mecklenburg Quality of Life Explorer

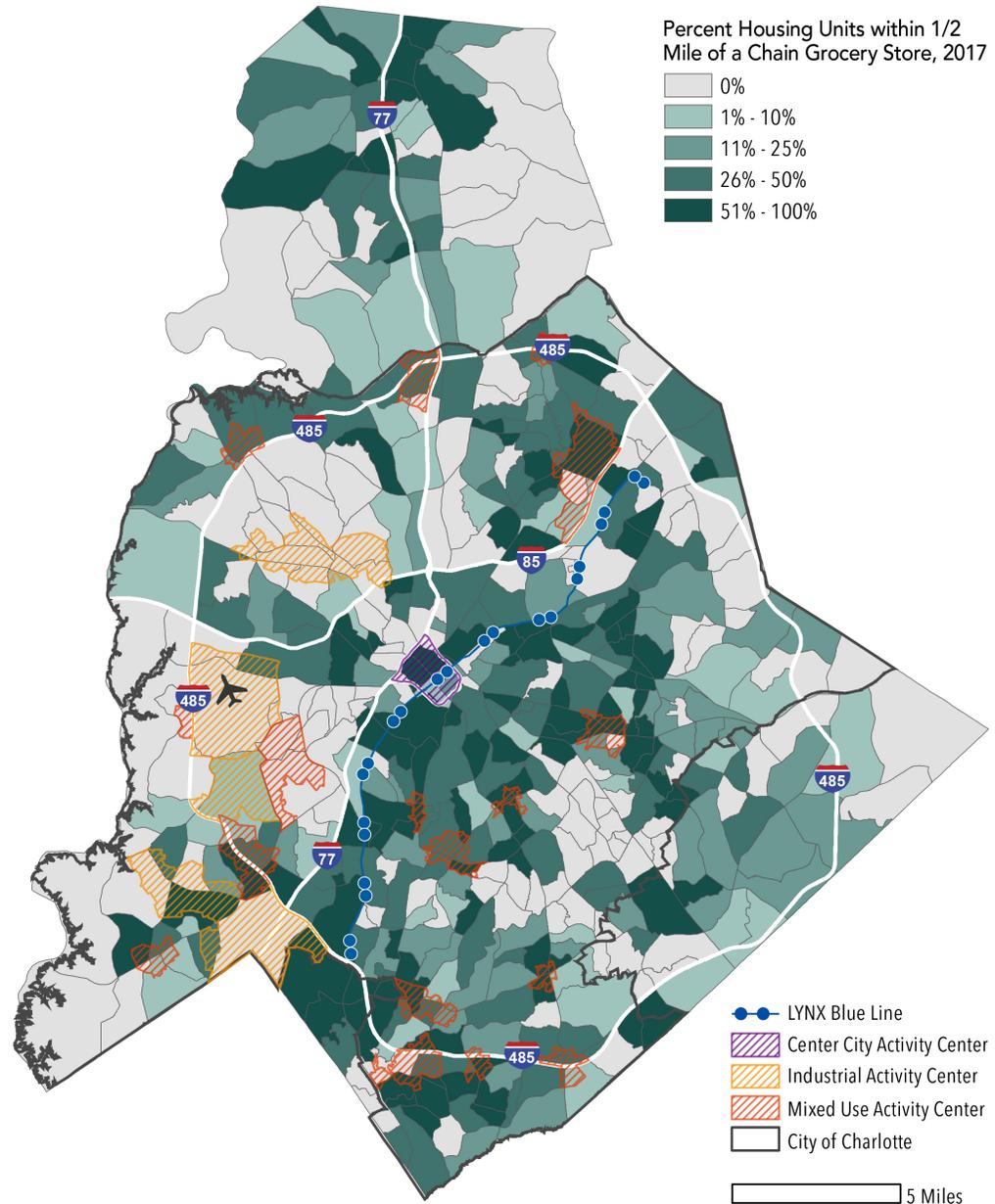


The areas in the city with a high percentage of impervious surfaces are most often in the most developed, dense areas of the city, as to be expected. There is a correlation of the areas with new adopt a stream miles and areas with high percentages of impervious surfaces, indicating an effort to protect waterways in these areas. The decreases in pervious areas puts increased pressure on storm management systems to control run-off and precipitation in major storm events. How these systems, both natural and man-made, are matched with new development areas and areas with existing flooding issues will greatly impact the City's resiliency to future extreme weather events. As well, incorporation of these improvements into large plans and designs can allow for more context sensitive development and the use of waterways and storm management as amenities in some cases.

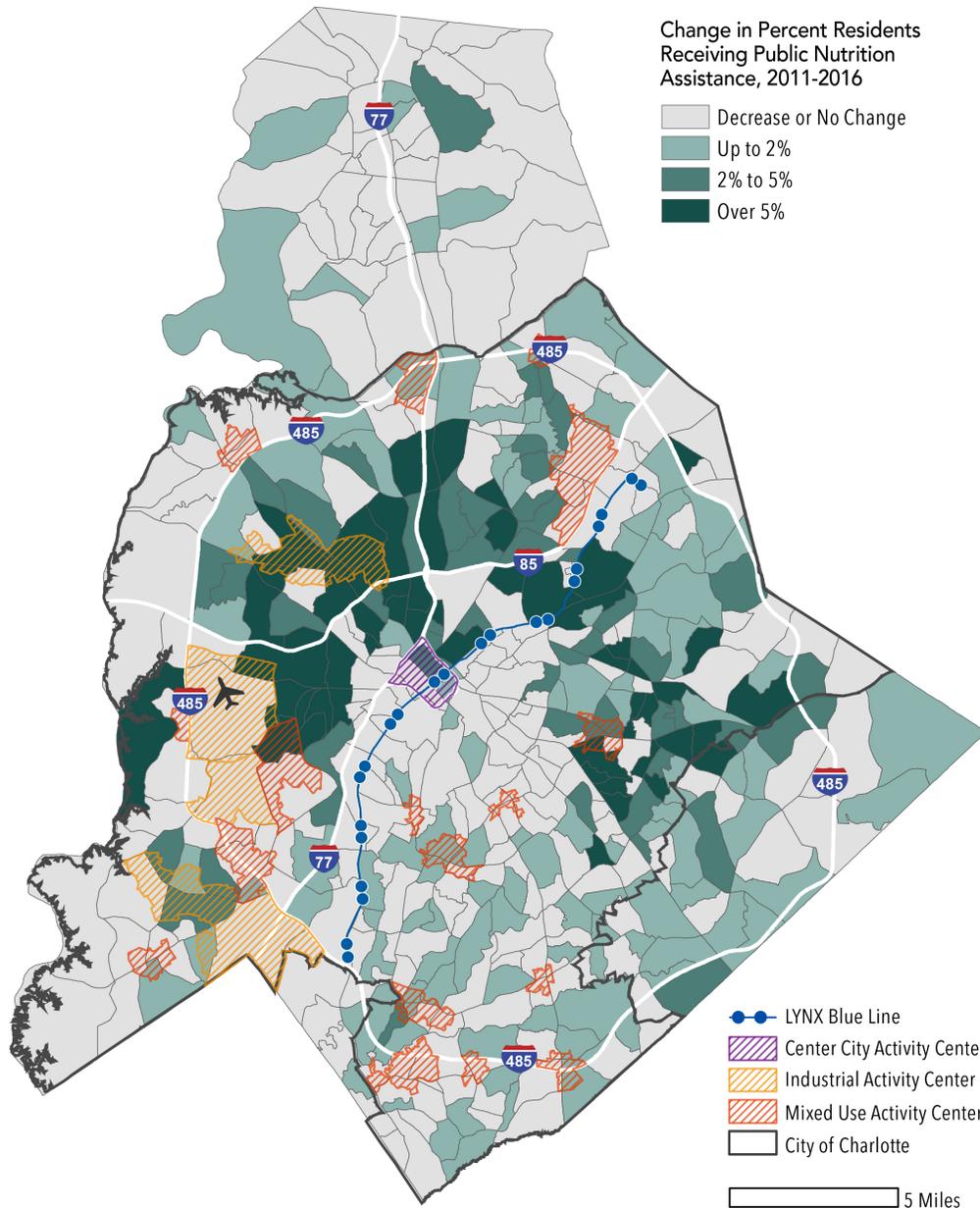
Increase in Housing Units within 1/2 Mile of Liscensed School Age Program, 2011-2017, Source: Mecklenburg Quality of Life Explorer

ACCESS TO FOOD

Access to healthy food and grocery stores is a major component of supporting healthy eating patterns. Currently, Mecklenburg County has 128,903 (2017) housing units within ½ mile of a chain grocery store – 30 percent of all housing units. The number of units within a ½ mile increased by 25,000 units from 2011 to 2017, an increase of 24 percent of housing units with this proximity. While the total share of housing units within ½ mile of a chain grocery store increased from 26 percent in 2011 to 30 percent in 2017, there were minimal changes in the number of housing units near chain grocery stores for areas that already have a lack of nearby food stores and lack access to healthy food. The NPAs that had little or no increases in housing units near grocery stores were sometimes in more employment oriented areas, but there are residential areas that have no change or decreases in the number units in close proximity to food stores.



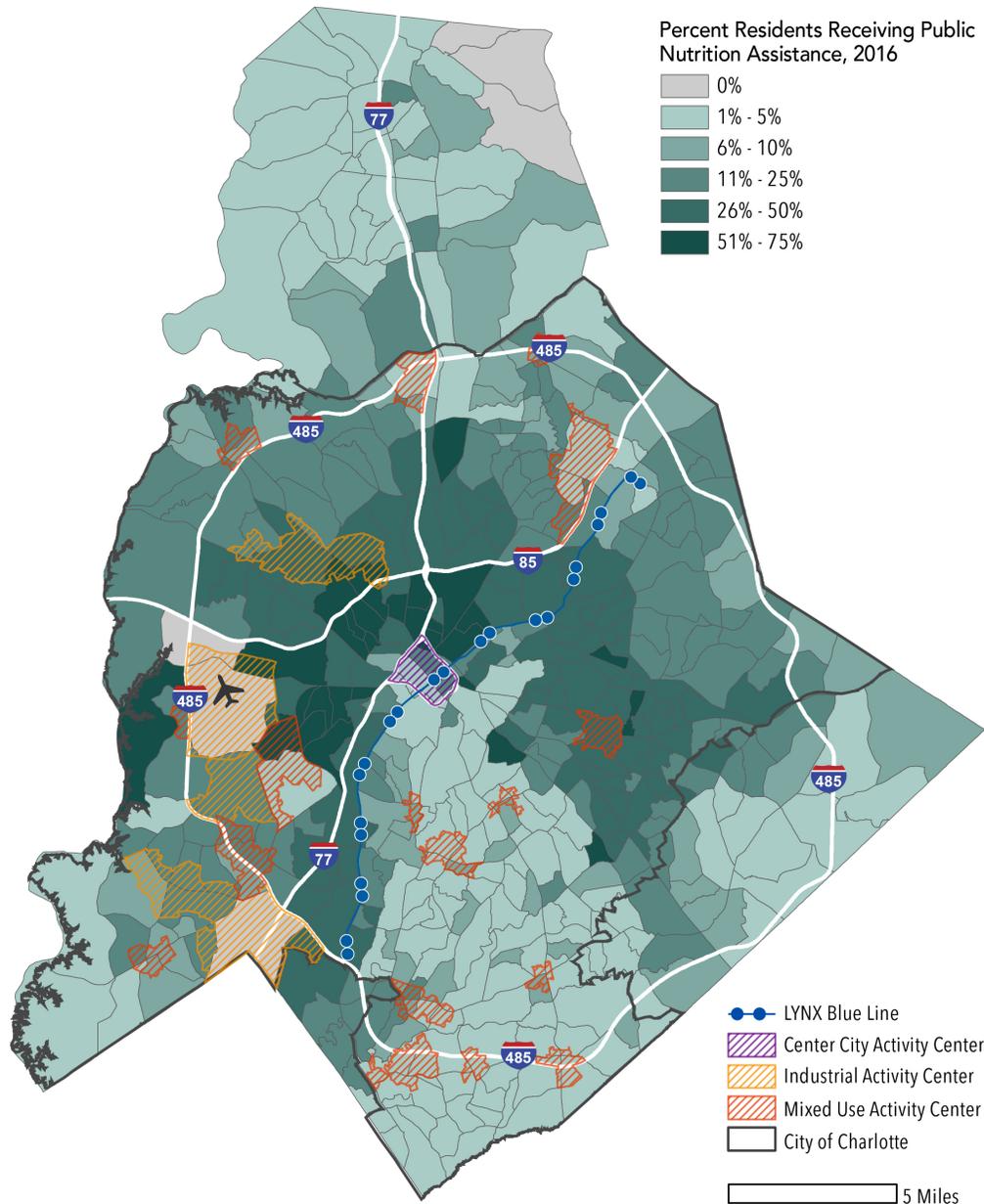
Percent Housing Units within 1/2 mile of a Chain Grocery Store, 2017, Source: Mecklenburg Quality of Life Explorer



NUTRITION ASSISTANCE

The areas that currently have less housing near grocery stores (and had small increases in housing units near grocery stores) correlate strongly with areas that have high levels of residents receiving public nutrition assistance. The areas already with high percentages of residents receiving assistance are also the ones where the largest increases were found from 2011 to 2016. These trends indicate concerted efforts are needed to help expand food access to areas that are not attractive or difficult for the private sector to address gaps.

Change in Percent Residents Receiving Public Nutrition Assistance, 2011-2016, Source: Mecklenburg Quality of Life Explorer



Percent Residents Receiving Public Nutrition Assistance, 2016, Source: Mecklenburg Quality of Life Explorer

THE HEALTHY AND SUSTAINABLE CITY FINDINGS

The national trends indicated that climate change is having increasing impact on cities. The increased frequency of storm events is causing increases in costs for cities, especially for cities in the southeast portion of the US. The City of Charlotte has made investments and efforts to help address the management of storm events. Going forward continued focus and effort on being a sustainable and resilient city is needed.

The health of the community is greatly impacted by the physical environment. Access and proximity to services and infrastructure that support healthy lifestyles are correlated to the health of neighborhoods. Existing neighborhoods with poor access and proximity to infrastructure and services are often times the areas with greater health issues and decreasing access. This is evident by the proximity of housing units to food stores in the City and the areas with higher demands for nutrition assistance. However, these areas are often the hardest to increase the presence of private businesses that can address issues (e.g. food stores, medical services, fitness clubs). Creative solutions are needed to help expand access to infrastructure and services that can better promote health in areas with the greatest needs.

Considerations for Charlotte Future 2040

There are many factors impacting growth in Charlotte. This report is meant to help highlight larger themes that directly relate to the Charlotte Future 2040 Comprehensive Plan effort. These large themes (findings) for the national trends, peer cities and the Charlotte region are summarized below. As the City of Charlotte embarks on the creation of a new Comprehensive Plan, the recent growth trends in the community highlight major considerations that should be addressed in the plan.





PEER CITIES CONSIDERATIONS

The analysis of peer communities highlighted both similarities and differences. The major takeaway is that Charlotte is prospering, much like many of the peers in the study, and some of the trends (often challenging trends) impacting the more prosperous cities are now impacting Charlotte. The Charlotte Future 2040 Comprehensive Plan is a great opportunity to address growing issues that other cities are facing now before they become more severe here in Charlotte. The following trends were identified to monitor, leverage, and/or address in the plan:



- Charlotte has a low Distressed Communities Index score, indicating that the City is doing well and has limited areas that are distressed. Peer cities that have similar low scores (Denver, Raleigh, Seattle) are currently focusing efforts around addressing displacement and equitable opportunities. In short how can we leverage the economic growth in the community to make sure it benefits all residents?
- Charlotte had the highest rate of job growth and greatest capture of new jobs in its region of the peers analyzed. Charlotte continues to grow as the major hub of the region and is attracting the largest share of investment. Similar growth patterns, in terms of employment growth, are occurring in the peer cities. However, all of the peer cities are struggling to balance housing growth with the employment growth. Affordability issues in communities that have a greater imbalance are heightened. Maintaining a balanced approach to growth will help Charlotte avoid some of the pressures on affordability of housing.
- Charlotte and Austin were unique to the other peer cities in the diversity of development types. These communities are still capturing a mixture of employment-oriented uses (office, retail and industrial), which can allow for them to maintain a diverse employment base. Many of the other peer communities have found that growth demands for new office development and housing are driving out uses that are less dense and cannot support higher land prices. Peer communities that are limited in the amount of greenfield development areas, such as Denver and Seattle, have found that loss of the industrial building stock has impacts on their residents, as residents employed in jobs located in industrial areas are now having to leave the community for work or moving out of the community to be closer to employment.



GROWTH TRENDS CONSIDERATIONS

Charlotte and the region are forecast to continue to grow at rates experienced in the previous decades. Many of the trends highlighted are likely to continue into the future. Mecklenburg County population is forecast to increase by 570,000 residents and its employment by 390,000 jobs from 2010 to 2040. Recent growth trends indicate that the City and region are already surpassing these forecasts. Major findings from the analysis of growth trends and factors are:

- **Regional Center:** The growth trends illustrated that Charlotte’s role and capture of population and employment growth is expanding. The City has captured an even greater share of the region’s employment than in the previous decade. As a result, more people are coming into the City for work, services, and entertainment. The City and its partners have made great strides in expanding transportation and transit infrastructure and services, but despite these efforts the rate of growth is over shadowing growth in transit ridership as evidenced by the flat commuting mode share in the City. As well, development patterns illustrated the market gravitation to the major transportation and transit routes in the community. As the City’s highway, roads, and transit lines become more utilized with a growing population, the stress and congestion on these networks will increase. Addressing the movement of a growing city and regional population and employment base will require both localized and regional transportation and transit solutions. As well, there will be a continued need to integrate planning of land use and transportation to increase mobility options.
- **Shared Economic Prosperity:** The City of Charlotte’s economy is growing at an impressive rate. This includes both strong growth in jobs and wages. Recent employment trends indicate a diverse economic base as well and the City has a wealth of major headquarters and companies. However, the growing economy has not translated to benefits for all residents. Household incomes have not shown the same increases as wages in the past decade. Impediments and solutions to social mobility are complex and multifaceted. The Charlotte Future 2040 Comprehensive Plan should consider how to target small business and workforce development tools in neighborhoods that are vulnerable to displacement to help keep the residents, business owners, and employees thriving in their communities.
- **Support Innovation:** Despite the diversifying economy, the rate of new business formation and startup activity has not grown. Emphasis is needed on enabling new business formation and supporting the growth of small businesses in the community. Also important is ensuring Charlotte has the places and infrastructure needed to attract talented workers and entrepreneurs.





- **Affordability:** Addressing the affordability of housing and the overall cost of living will continue to be an issue in the community. Rising housing prices and flat incomes have increased pressures on households to remain and thrive in Charlotte. The same affordability issue exists for the City's small businesses. The City has recently completed a major effort to develop a strategic plan for affordable housing in Charlotte, and there is a great opportunity to align policies and reinforce this plan within the Charlotte Future 2040 Comprehensive Plan. The Comprehensive Plan should strive to ensure that future growth benefits the whole community and not just the areas capturing new development.
- **Support Growing Diversity:** Charlotte's population is becoming more diverse as illustrated by the growth trends. The ethnic and racial diversity is increasing, the city is attracting a growing share of foreign-born residents, and the city is growing in population at all age levels. These are all positive trends and illustrate that the city has been able to support the diverse needs of its residents. As growth pressures continue and new growth areas become more limited, maintaining this diversity will be a challenge over the plan horizon.
- **Distribution of Growth and Investment:** The City's and its partners' efforts to spur reinvestment and redevelopment in the city's core have been tremendously successful, as evidenced by the strong capture of new development in and around Uptown. The investments in transit are also creating large benefits and attracting investment in center city neighborhoods. Replicating these efforts elsewhere in the community can create similar positive impacts. Establishing overarching policies for how to continue to prioritize investments should be a major objective of the Comprehensive Plan. Rather than a fixed approach, the Comprehensive Plan can establish criteria to make successive rounds of decisions that will respond to the changing needs of the community during the plan horizon. Leveraging new development to create amenities and increase access to amenities is something the City has been successful at and will need to continue to be. The greater challenge will be increasing access and availability of amenities to all areas of the city, especially those that cannot leverage the market growth and value increases, in order to create more complete neighborhoods and more equity in the built environment. For the last several decades, the City has used the Centers, Corridors and Wedges Growth Framework to help guide decisions about growth, development and investments. The Comprehensive Plan offers a great opportunity to revisit this framework and to, among other things, need to identify strategies to help the community be intentional in directing and interspersing growth pressure. As part of the Comprehensive Plan, Place Types will be used to provide guidance for the form and character of future development and to identify what amenities are needed in different areas of the City and how the City can address deficiencies in many contexts.

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