

GROWTH & DEVELOPMENT TRENDS

APRIL 2017

FROM THE DIRECTOR

"I've learned that people will forget what you said, people will forget what you did, but people will never forget how you made them feel." — Maya Angelou

This often-used quote by Dr. Maya Angelou reminds us to treat people with respect and kindness. It reminds me of my friend and colleague, Art Davis. Art came to work in the Greensboro Planning Department in 1969. From the minute he set foot here, his smile and dedication to service made him instant friends with hundreds of people. When he retired in the mid-2000s, he continued to serve Greensboro on numerous community boards and became a very popular instructor at NC A&T. Sadly, he left us on February 1, 2017.

While with the Planning Department, Art was "the data guy." He coordinated with the US Census Bureau on four decennial census efforts. The development community heavily relied upon his reports on apartment growth, occupancy and office space. As a co-worker and a supervisor, he was a jolt of positivity especially on trying days.

We dedicate this edition of *Growth and Development Trends* in honor of Art Davis, who understood the value of getting information into the hands of employees, elected officials, and the public. As a Department, we strive to continue to honor the outstanding customer service Art was known for so that folks will remember how we made them feel.

Sue Schwartz, FAICP
Director



INSIDE

- SALES TAX
- RETAIL & SERVICE SECTOR EMPLOYMENT
- DEVELOPMENT PLANS
- JOB INFLOW AND OUTFLOW
- JOBS BY INDUSTRY
- MIGRATION



Planning Department
300 West Washington Street
PO Box 3136
Greensboro, NC 27402-3136
www.greensboro-nc.gov

"Promoting Quality Growth Throughout Greensboro"

Where We Work and Shop

The September 2015 Growth and Development Trends Report examined the types of land uses within the city to identify where people live, work, and shop. This report focuses in on where we work and shop by asking:

- Where have we built and developed?
- Where are our residents relocating to or from?
- How has our workforce changed?

To help answer these questions this report looks at indicators such as:



This data was gathered and analyzed in an effort to illustrate the story of Greensboro's economic health over the past fifteen years. This report analyzes the way Greensboro's local economy affects, and is affected by, changes in land use.

Key takeaways from this report include:

- Sales tax revenue followed the common trend among other NC municipalities with a significant decline during the Great Recession (December 2007 to June 2009). Overall, Greensboro has recovered from the recession, and growth in sales tax revenue continues, but grows at a much slower rate than larger municipalities.
- After experiencing a decline during the recession, development activity is beginning to rebound in several sectors. Site plan approvals have increased for industrial, institutional, and mixed-use sectors. Conversely, since 2008 the number of large-scale plans submitted has gone down for all sectors except institutional.
- Employment trends from 2002 to 2014 show the number of jobs located in Guilford County grew, but the share of those jobs held by Guilford County residents declined. In other words, Guilford County is importing employees from other counties. Moreover, jobs in Guilford County have trended toward service provision and away from goods production. Even so, by 2014 more workers employed in Guilford County were earning over \$3,333 per month.

Greensboro has recovered from the recession and is growing, although the distribution of growth throughout the city is uneven and when compared to Raleigh or Charlotte, is being outpaced in many categories.

Where We Shop: Sales Tax Revenue

Sources: NC Department of State Treasurer, Annual Financial Information Reports, 2000 to 2016
 City of High Point, Comprehensive Annual Financial Reports, 2013 and 2016

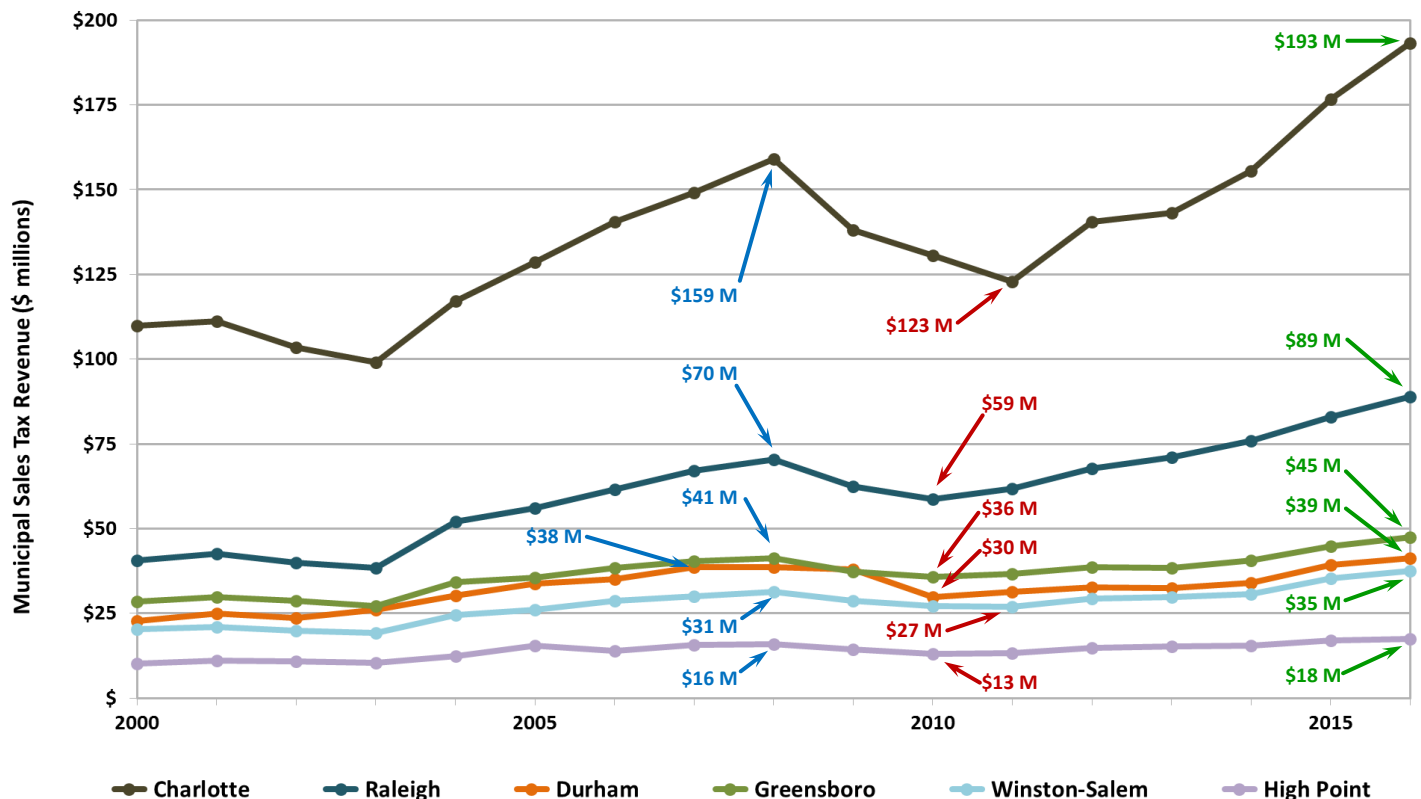
Retail sales tax revenue is a key measure of economic activity that provides insight into consumer spending trends. For instance, the affects of the recession were felt in cities throughout North Carolina in the form of decreased sales tax revenue. In most of the six comparison cities, sales tax revenue reached a pre-recession peak in 2008, then declined by an average of 18% over the next three years. Durham and Charlotte saw the largest percent decreases in sales tax revenue from their pre-recession peaks (-22.8% and -22.7%, respectively), whereas Greensboro's sales tax revenue declined the least (-13.7%).

Data shown in the chart below suggests that the local economy has now largely recovered from the Great Recession and is currently in a growth phase. However, since 2000, Greensboro's retail sales tax revenue has experienced the lowest overall percent gain among the comparison cities at 66.8%, compared with Raleigh at 118.8% and Winston-Salem at 84.2%. Greensboro's sales tax revenue reached its post-recession low in 2010. By 2016, that loss had been regained and revenue had increased by 14.7% above the city's pre-recession peak.

Notably, Raleigh's sales tax revenue recovered and eclipsed its pre-recession peak by 2013, two years earlier than the other five cities compared here. Raleigh also posted the largest percent gain over its pre-recession peak (26.3%), followed by Charlotte (21.4%). Since the recession, sales tax revenue in Charlotte and Raleigh has grown at a faster rate, reflecting the rapidly growing economies and populations in those two cities.

Municipal Retail Sales Tax Revenue, 2000 to 2016

Labeled Values: Pre-Recession Peak, Recession Low, and 2016



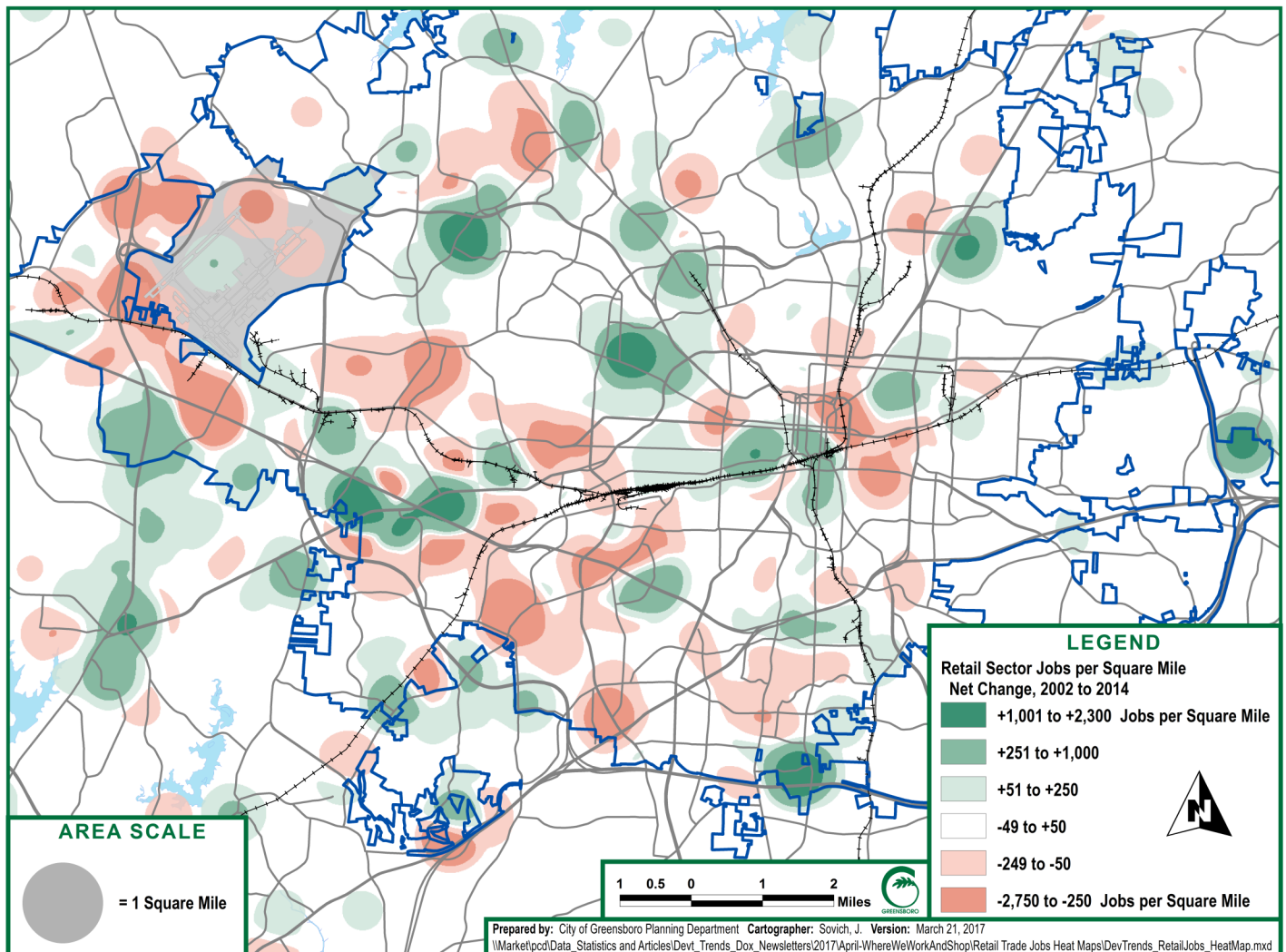
Where We Work: Retail & Service Jobs

Source: US Census Bureau, Longitudinal Employer-Household Dynamics Program, OnTheMap, 2002 & 2014

Information about retail activity and employment provides insight into the economic health of the Greensboro's households and their purchasing power. The map below depicts the density of net change in retail trade and services sector jobs in Greensboro from 2002 to 2014* (the full range of available data). The map below identifies long-term trends in the distribution of retail activity and access throughout the city. Understanding where retail activity is increasing or decreasing helps to identify areas of the community where it may be most appropriate to focus economic development assistance, or areas that may experience increased pressure for retail development.

Perhaps the most revealing dynamic here is the decrease in retail jobs in the northeast portion of downtown Greensboro, contrasted with a similar increase in retail jobs in the southern portion of downtown, corresponding closely with the segment of South Elm Street with downtown's largest concentration of pedestrian-oriented retail.

Retail Sector Jobs per Square Mile Net Change, 2002 to 2014



* This analysis is based on jobs in Retail Trade (NAICS 44-45), Arts, Entertainment, and Recreation (NAICS 71), and Accommodation and Food Services (NAICS 72).

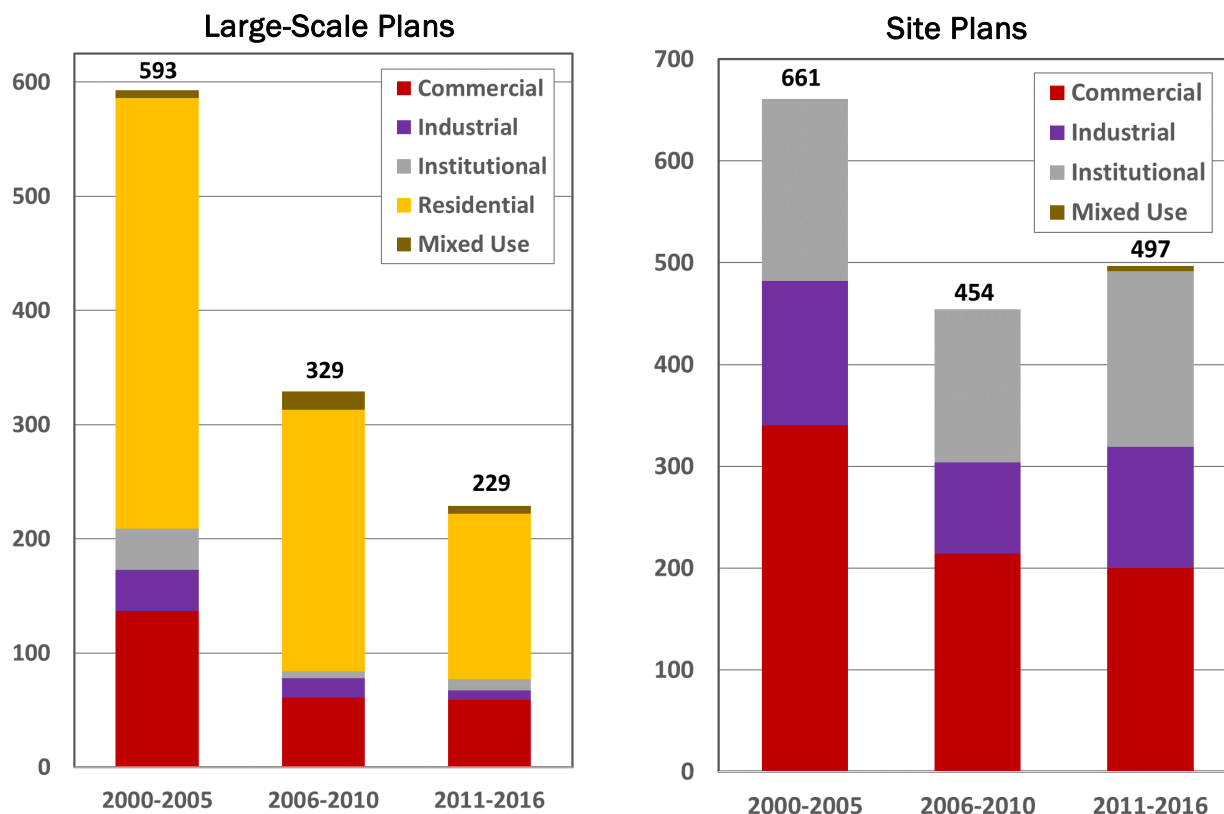
Where We Build & Develop

Source: City of Greensboro Internal Data

Development Plan Approvals

After declining during the Great Recession, development activity is beginning to stabilize and has picked up in several categories. Site plan* approvals have increased for industrial, institutional, and mixed-use development, while the submittal of large-scale plans** have declined for all categories except institutional. Large-scale residential development plans declined 61% over the last 15 years.

City Approved Development Plans, 2000 to 2016



Value of Permitted Construction

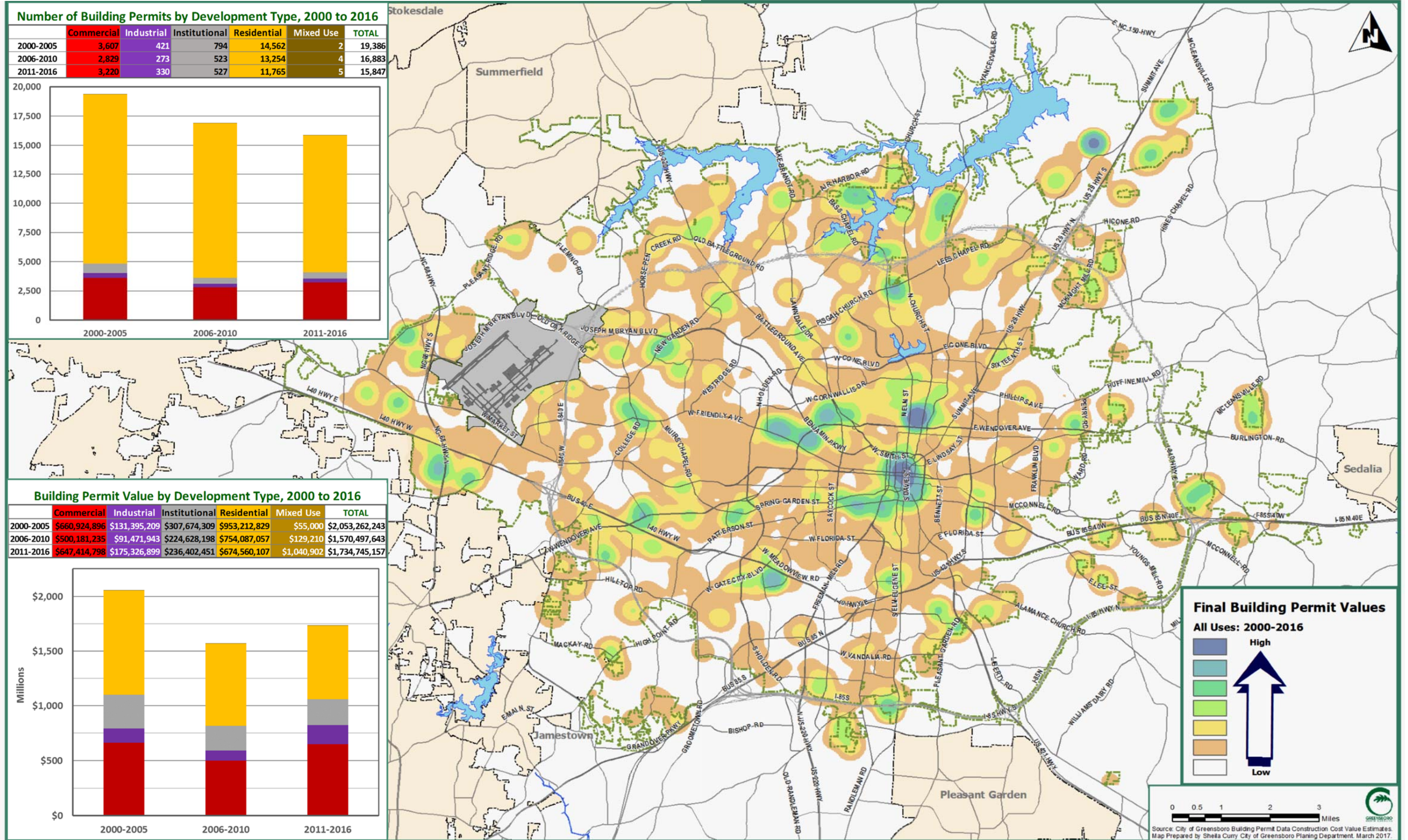
As shown in the tables on the next page, the number of building permits issued per year have trended downward over the last 15 years. In the last 5 years, the number of permits decreased by 6% compared to the previous 5 year period, while total construction value for those permits rose by 10%. Construction value of industrial permits increased by 92% during the same period. The total value of all types of permits declined by 10.5% over the last 5 years. Total construction value of permits for mixed use buildings has increased by more than 700% since 2000, though this category accounts for a small percent of all construction activity.

As the map shows, the highest concentration of permitting activity is occurring in downtown and other locations with large concentrations of institutional or retail development. Locations include Cone Hospital, UNCG's Spartan Village, Friendly Center, Four Seasons Mall, and West Wendover Avenue at I-40.

*Site plans generally involve single lot and single building projects.

**Large-scale development plans, also referred to as Preliminary Subdivision Plans, consist of residential and non-residential projects, which generally involve the installation of public infrastructure. Commercial includes retail and office developments.

Density of Construction Value, 2000-2016



Where We Work: Labor and Employment

Source: US Census Bureau, Longitudinal Employer-Household Dynamics Program, OnTheMap, 2002 & 2014
US Census Bureau, American Community Survey, 2005 & 2014 1-Year Estimates

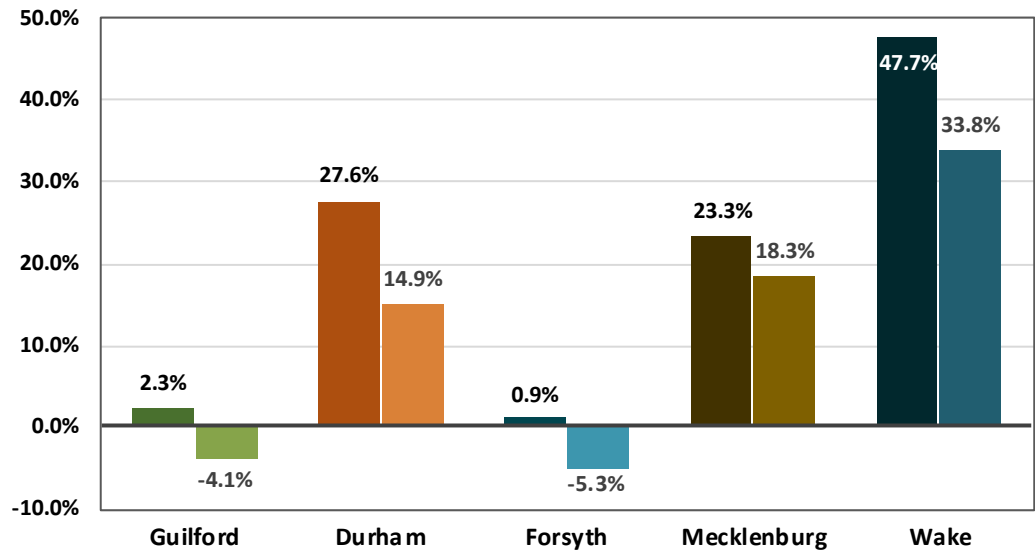
Where people work and the characteristics of their employment are important factors in Greensboro's economy. This section examines the US Census Bureau's Longitudinal Employer-Household Dynamics data to identify trends in county level employment between 2002 and 2014, (the full range of available data).

The chart to the right shows in the darker color the change in jobs and the lighter color the change of jobs held by residents of each County. Over this period, the total number of jobs located in Guilford County increased by 2.3% from 269,108 to 275,322, while the number of jobs held by residents of Guilford County, regardless of where those jobs were located, decreased by 4.1% (from 223,637 to 214,411).

At the same time, the population age 16 to 64, identified as the "labor force", grew by 18.5% in Guilford County, from 285,796 to 338,602. This means that while Guilford County gained jobs, it was not at the same rate that it gained people of working age.

The data shows that trends differ from region to region in North Carolina. In the Triad, the increase in jobs has not kept pace with the increase in workers. Mecklenburg County experienced a similar ratio of increased workers to jobs. The Triangle experienced the highest increase in jobs, particularly in Wake County where jobs increased at a higher rate than workers.

Percent Change in Jobs vs. Jobs Held by Residents by County, 2002 to 2014



Key Findings since 2002:

- The number of jobs located in Guilford County has increased
- Fewer of these jobs are held by Guilford County residents
- 24.0% more people are commuting into Guilford County for jobs (27,214)
- 17.4% more Guilford County residents are working outside of the County (11,774)

Percent Change in Labor Force, 2005 to 2014

County	2005	2014	% Change
Guilford	285,796	338,602	18.5%
Durham	158,682	202,576	27.7%
Forsyth	205,800	235,735	14.5%
Mecklenburg	529,936	687,586	29.7%
Wake	502,817	675,805	34.4%

Changes in Employment Characteristics by County, 2002 to 2014

	Guilford	Durham	Forsyth	Mecklenburg	Wake
Workers Aged 55 or older	57.9%	125.5%	62.1%	92.8%	148.8%
Workers Aged 29 or younger	-12.8%	-5.5%	-11.9%	1.8%	15.8%
Earning More than \$3,333/mo	43.4%	91.0%	42.1%	69.2%	106.4%
Earning \$1,251 to \$3,333/mo	-14.2%	-14.0%	-14.9%	-1.8%	23.6%
Earning \$1,250/mo or Less	-8.0%	-5.5%	-11.4%	3.6%	20.0%
Workers in the “Goods Producing” Industry Class	-26.0%	15.6%	-40.1%	-24.0%	-6.5%
Workers in the “All Other Services” Industry Class	16.2%	30.3%	18.0%	40.3%	64.1%

Employment Characteristics

The table above shows there have been major shifts in employee age, earnings, and industry class in all comparison counties in the period analyzed. In Guilford County, there is a higher percentage of workers 55 years or older and a smaller percentage of workers 29 or younger. Among comparison counties, Guilford County experienced the largest drop (-12.8%) in the number of workers 29 or younger, while Mecklenburg and Wake County experienced an increase in the number of workers 29 and younger.

The data also shows shifts in earnings. All comparison counties saw an increase in workers in the highest earning category (\$3,333 or more per month). Guilford, Durham, and Forsyth Counties experienced decreases in the number of workers in the lower earning categories. Wake experienced growth in all earnings categories and Mecklenburg experienced growth in the lowest earnings category (\$1,250 per month or less) and decline in the mid-level category (\$1,251 to \$3,333 per month).

Employment by industry class exhibited a shift as well. All counties except Durham experienced a loss in the “Goods Producing” industry class, while all counties increased workers in the “All Other Services” class. Mecklenburg and Wake experienced the greatest increases of 40.3% and 64.1%, respectively.

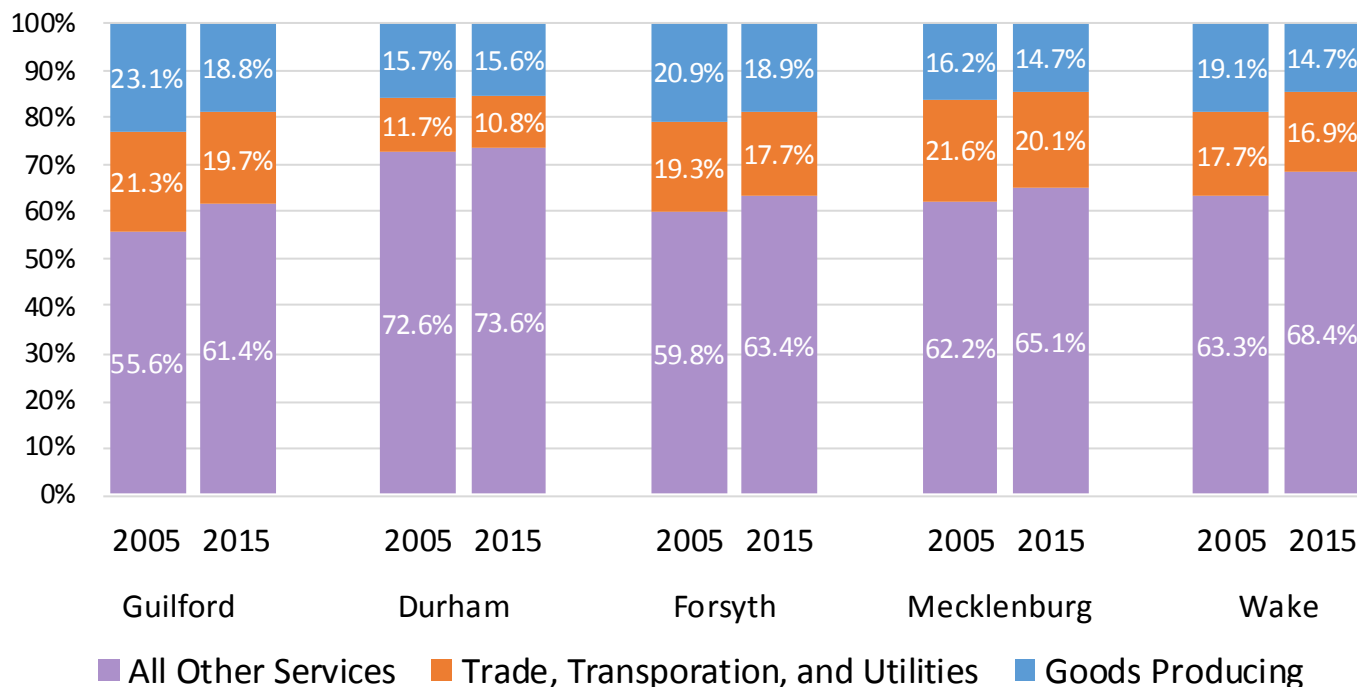
Workers 55 and older made up a greater percentage of the workforce in 2014 than in 2002. Moreover, a greater percentage of jobs are in the higher earnings category. Lastly, the workforce has shifted from “goods producing” toward services.

More about the data used in this report can be found in the appendix online at www.greensboro-nc.gov/statistics

Where We Work: Employment by Industry

Source: US Census Bureau, American Community Survey, 2005 & 2015 1-Year Estimates

Employment by Industry by County, 2005 to 2015



The chart above represents the percentage of jobs in each county grouped by industry class: Goods Producing; Trade, Transportation and Utilities; and All other services. All comparison counties experienced a decrease in the “Trade, Transportation and Utilities” and “Goods Producing” industry classes and an increase in the “All Other Services” class.

Guilford County Employment by Industry, 2005 vs. 2015

Industry Sector	2005	2015	% Change
All Industries	215,857	245,890	13.9%
Manufacturing	33,745	29,962	-11.2%
Construction	15,288	15,087	-1.3%
Agriculture, Mining, Fishing, & Logging	856	1,284	50.0%
Retail trade	23,568	27,458	16.5%
Transportation, Warehousing, & Utilities	12,630	12,553	-0.6%
Wholesale trade	9,763	8,514	-12.8%
Education & Health Services	41,698	56,757	36.1%
Professional, Scientific, & Technical Services	20,686	25,142	21.5%
Arts, Entertainment, Recreation, & Food Services	17,555	24,837	41.5%
Financial, Insurance, & Real Estate	18,783	20,199	7.5%
Other Services	9,251	13,700	48.1%
Public Administration	7,129	6,697	-6.1%
Information	4,905	3,700	-24.6%

The table to the left groups the major industry sectors in Guilford County, color coded to match the industry classes in the chart above.

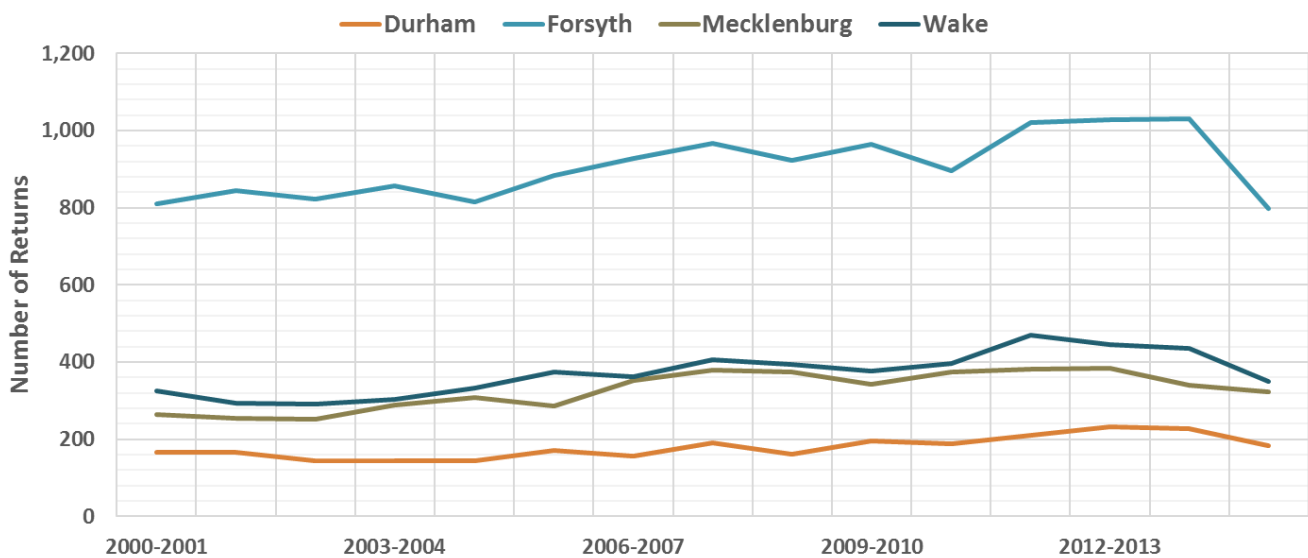
The Education and Health Services sector consistently employs the largest number of Guilford County residents and showed growth of 36.1% from 2005 to 2015.

Where Do Residents Relocate: Migration

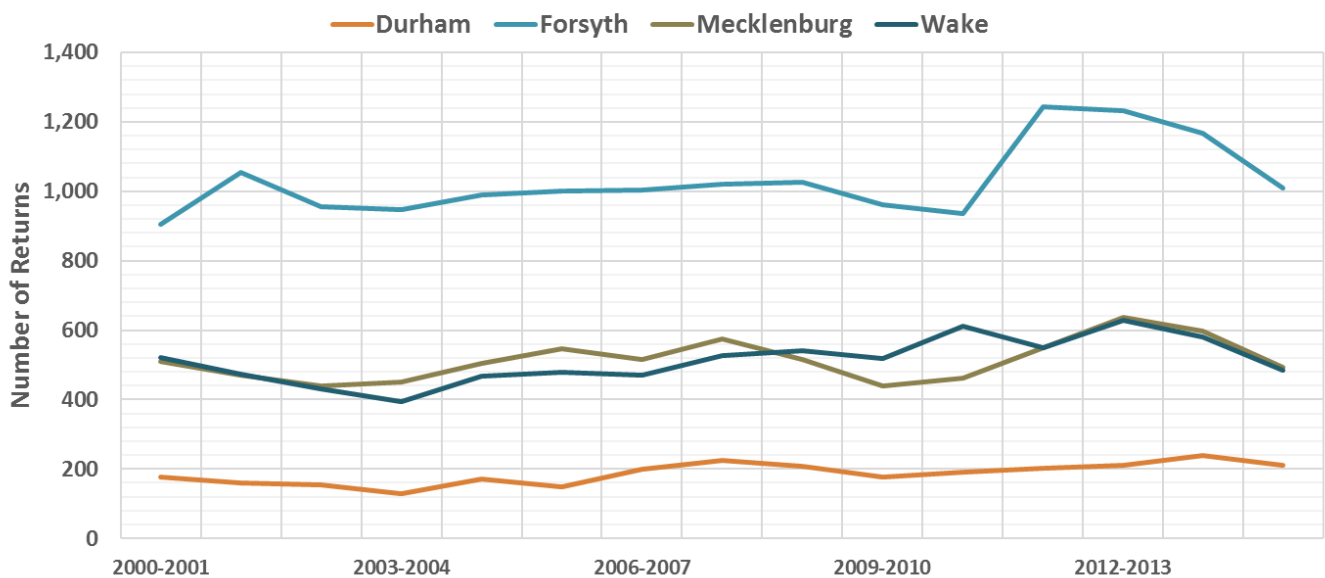
Source: Internal Revenue Service, SOI Tax Stats—Migration Data, 2000 to 2015

The charts below depict county level migration trends based on IRS income tax returns. Changes in the county in which taxpayers file returns provides an assessment of the relative scale of resident migration among counties. These figures represent tax returns filed, rather than persons or households. These charts capture the top counties that residents have moved to or from in relationship to Guilford County between 2000 and 2015. The top chart illustrates the number of tax-filers who moved into Guilford County, while the bottom chart shows the number of Guilford County tax-filers who moved to other counties over the same period.

What County are people moving from?



What County are people moving to?



Where Do Residents Relocate: Migration

Source: Internal Revenue Service, SOI Tax Stats—Migration Data, 2000 to 2015
US Census Bureau, American Community Survey, 2010 & 2015 5-Year Estimates

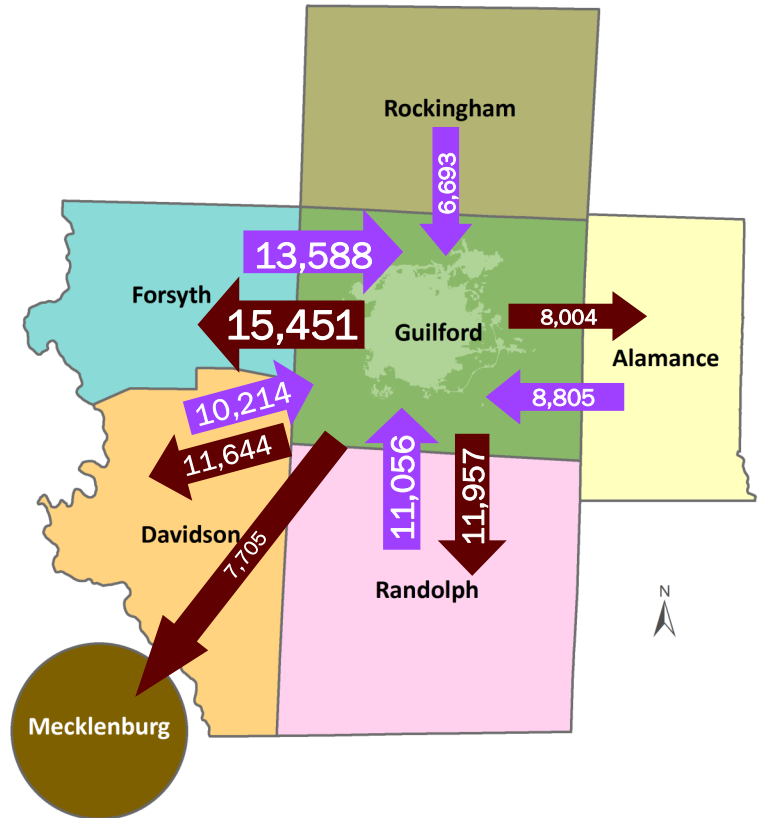
County-to-County Migration

Again analyzing IRS income tax returns between 2000 and 2015, Guilford County's top inflow and outflow counties were all in North Carolina. In general, tax filers relocated to or from other North Carolina counties at a much higher rate than between Guilford County and out-of-state counties, indicating a persistent trend in which people remain in the region. Over this period, Guilford County received fewer residents from the top five counties than those counties received from Guilford County, resulting in a negative out-flow of 8,485 people.

The map on the right shows the top five inflow and outflow counties from 2000-2015. Over this period, Guilford County exchanged the most tax filers with Forsyth County, with a net loss of 1,863. Out of all the counties, the largest net gain of tax filers for Guilford County over the fifteen-year period came from Alamance County (801).

The gross inflow and outflow figures for Mecklenburg County were slightly more than Wake County. Since 2012, the general trend has been a decrease in the overall rate of migration, with fewer tax filers coming in and moving out.

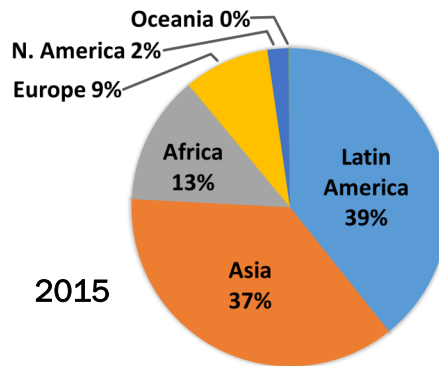
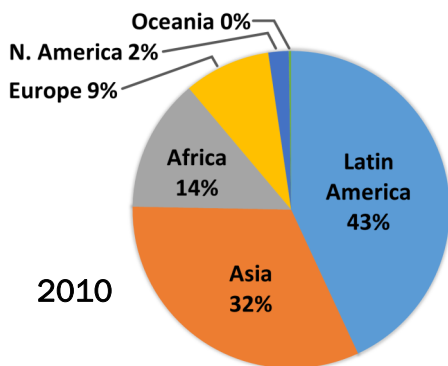
Guilford County In- and Out- Migration
Top 5 Counties, 2000 to 2015



Guilford County Foreign-Born Population

Guilford County's population is diverse, with a significant number of foreign-born residents. The table at bottom right shows that from 2010 to 2015, the foreign-born population increased by 6,419, making up 9.9% of Guilford County's total population. Asia and Latin America provided the greatest shares of this increase.

As a percent of Guilford County's total population, residents born in Latin America remained stable at around 3.9%. Over the same period, the percent of residents born in Asia increased from 2.9% to 3.6% (from 14,029 in 2010 to 18,274 in 2015).



Guilford County Foreign-Born Population
by Region of Birth, 2010 to 2015

Region	Net Change
Latin America	+ 855
Asia	+ 4,245
Africa	+ 658
Europe	+ 525
North America	+ 165
Oceania	- 29
Total Net Change:	+ 6,419