

2015 REGIONAL ECONOMIC SCORECARD

Produced for the community by:

Charleston Metro Chamber of Commerce

Charleston Regional Development Alliance

Since 2010, the annual *Regional Economic Scorecard* has provided clarity on this region's ability to compete in a rapidly changing global economy. Measuring the Charleston region against six comparative and two leading aspirational communities has illuminated our region's successes and challenges.

Today, the Charleston metro is in a profoundly different place than it was in 2010. Charleston is no longer aspiring to be a player on the global stage. We are most assuredly globally competitive and have become the aspirational metro for many other communities.

In this 2015 *Regional Economic Scorecard*, you will see that our comparative communities have changed to reflect where Charleston is today. These are the communities we compete with for global prosperity, entrepreneurs and talent.

What does this change mean for our community? It means that the issues critical to our continued success are that much more pervasive. As you read through the *Scorecard*, you will see a consistent thread in each index, that of Talent. **Producing skilled talent for our present and future workforce is crucial.**



Mark Lattanzio
SunTrust Bank
Co-Chair, 2015 Regional
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Anton J. Gunn, MSW
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The Brookings Institution's recent report on "America's Advanced Industries" further exemplifies this competition for talent. Advanced industries power the economy through investments in technology and innovation, the success of which depends upon highly skilled STEM workers. Cementing Charleston's place on the global map requires producing, attracting and retaining world-class local talent.

We ask that you share this *Scorecard* with your colleagues and contacts, and think about how these issues affect your organization. How can you help move the needle on Talent in our region? We welcome your input and questions.

The Charleston community's progress and our ability to perform well against larger metros is the result of well-planned, consistent work to continually improve the region, attract new development and work collaboratively across public, private and disparate sectors to achieve successful results. We are experiencing the fruit of our decades-long efforts. Our continued achievements and resiliency depend upon one very important improvement: building the right talent pool to fuel all future success.

AMERICA'S ADVANCED INDUSTRIES

The Brookings Institution's Metropolitan Policy Program defines advanced industries as:



1. Employing 20%+ of their workforce in STEM-intensive occupations



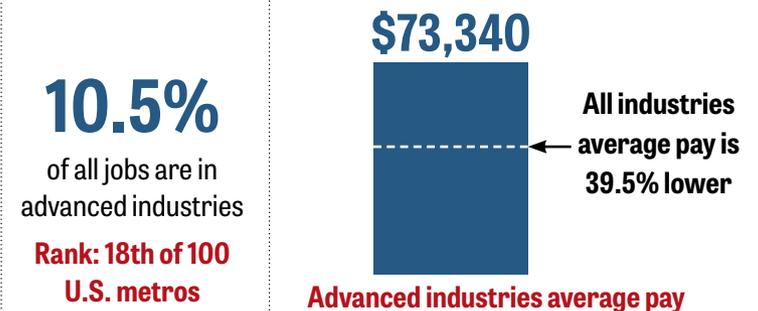
2. Spending \$450+ per worker per year on R&D

The Charleston region's economy has transformed into a STEM-based economy of advanced industry sectors including advanced manufacturing, computer technology, logistics and transportation, and medical research.

Why do they matter?

Advanced industries led the post-recession employment recovery and are the country's best opportunity to support innovative, inclusive and sustainable growth.

Charleston Region 2010 – 2013



IMPORTANT TO NOTE

Because of the time lag in data availability, this 2015 report highlights data captured from 2005 to 2013, unless otherwise noted. The most recent values are compared to a 2005 baseline and do not imply year-to-year changes.

COMPARATIVE COMMUNITIES

The Charleston region's comparative communities reflect the profound economic evolution we have experienced. Charleston's position as a global competitor ranks alongside metros throughout the country with similar economic assets. Charleston MSA population is currently 727,700 and is projected to be 1 million by 2025.

CHARLESTON INDEX RANKINGS	
Human Capital	5 th
Innovative Activity	7 th
Entrepreneurial Environment	4 th
Quality of Place	3 rd
Brookings' Advanced Industries ranking: 18th	

AUSTIN

High tech, telecommunications, business services, tourism, biomedical research and education. Produces the most science and engineering higher education degrees. MSA population is 1.9 million.



INDEX RANKINGS

Human Capital	1 st
Innovative Activity	1 st
Entrepreneurial Environment	3 rd
Quality of Place	9 th
Advanced Industries ranking	11th

GREENVILLE

Strong manufacturing sector, biotechnology and tech innovation, warehousing and distribution, healthcare, higher education, communication technology and entrepreneurship. MSA population is 862,000.



INDEX RANKINGS

Human Capital	9 th
Innovative Activity	5 th
Entrepreneurial Environment	9 th
Quality of Place	8 th
Advanced Industries ranking	29th

JACKSONVILLE

Transportation manufacturing and distribution hub. Major industries: international trade, construction equipment, paper mills, and military. MSA population is 1.4 million.



INDEX RANKINGS

Human Capital	8 th
Innovative Activity	9 th
Entrepreneurial Environment	7 th
Quality of Place	6 th
Advanced Industries ranking	77th

NASHVILLE

Economically diverse. Major industries: finance, music and entertainment, healthcare and biotechnology, plastics, publishing, technology, tourism, and transportation technology. MSA population is 1.7 million.



INDEX RANKINGS

Human Capital	7 th
Innovative Activity	6 th
Entrepreneurial Environment	2 nd
Quality of Place	7 th
Advanced Industries ranking	54th

RALEIGH

High tech, healthcare, higher education, research & development, government agencies, engineering, transportation and distribution, specialized manufacturing, and pharmaceuticals. MSA population is 1.2 million.



INDEX RANKINGS

Human Capital	2 nd
Innovative Activity	2 nd
Entrepreneurial Environment	1 st
Quality of Place	4 th
Advanced Industries ranking	13th

RICHMOND

Manufacturing, IT, semiconductor manufacturing, biotechnology, research & development, finance & insurance, distribution, government agencies, and healthcare. MSA population is 1.2 million.



INDEX RANKINGS

Human Capital	6 th
Innovative Activity	8 th
Entrepreneurial Environment	8 th
Quality of Place	1 st
Advanced Industries ranking	81st

SALT LAKE CITY

Government, commercial and industrial center for Intermountain West region. Major industries: industrial banking, finance & insurance, government, tourism, technology innovation, and healthcare. MSA population is 1.1 million.



INDEX RANKINGS

Human Capital	4 th
Innovative Activity	4 th
Entrepreneurial Environment	6 th
Quality of Place	2 nd
Advanced Industries ranking	15th

SEATTLE

Aerospace and transportation manufacturing, advanced technology including: biotechnology, health and life sciences, the Port and transportation logistics, international trade, tourism, and entrepreneurial ventures. MSA population is 3.6 million.



INDEX RANKINGS

Human Capital	2 nd
Innovative Activity	2 nd
Entrepreneurial Environment	5 th
Quality of Place	5 th
Advanced Industries ranking	2nd

A CLOSER LOOK: AVAILABLE WORKFORCE KEY TO ECONOMIC PROSPERITY

The Charleston region's ability to produce, attract and retain skilled talent is essential to attaining long-term economic prosperity. This report measures not only economic performance and well being, but also the region's attractiveness as a destination to live and work. They are interdependent and correlated. As you read the *Regional Economic Scorecard*, consider the impact our community's challenges have on our ability to produce, attract and retain a skilled workforce, and what you can do to help ensure Charleston thrives now and into the future.



THE INDICATORS

GROSS REGIONAL PRODUCT (GRP) PER CAPITA

Defined as the market value of all final goods and services produced within a region, or "economic output." A rising GRP means more money is flowing through the local economy, and per capita GRP is used as a standard of living indicator. **From 2005 to 2013, Charleston's GRP per capita grew 18.7%, outperforming six metros, and just below the U.S. average.** Salt Lake City's and Seattle's GRP per capita growth set the standard at 33% and 26% respectively.

EXPORTS AS A PERCENT OF GRP

Measures the dollar value of all purchases of U.S. goods and services by residents of foreign countries, including payments for patents and trademarks, contracts with U.S. consultants, and spending by foreign tourists and students. Between 2008 and 2014, the dollar value of Charleston region's exports **grew to \$4 billion annually, or 12.8% of GRP**, outperforming five metros and the U.S.

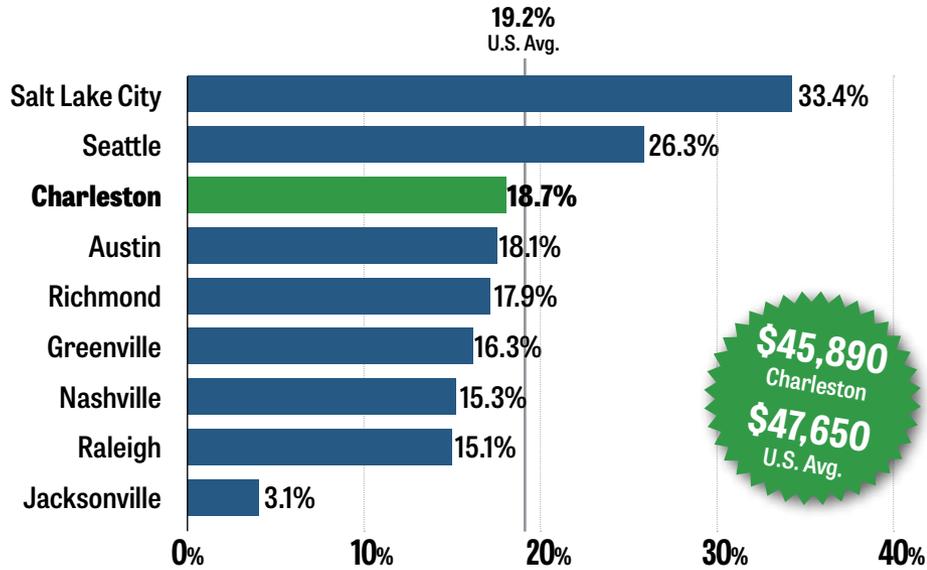
REGIONAL EMPLOYMENT

Measures the number of people actively employed in an area. Employment growth generally correlates to job growth. **From 2005 to 2014, which includes the Great Recession, employment in the Charleston region grew 17.4%.** This growth rate is double and triple that of six metros, and the U.S., which only grew 4%. Austin and Raleigh, however, experienced stronger employment growth of 31.4% and 23.4% respectively.

AVERAGE ANNUAL PAY

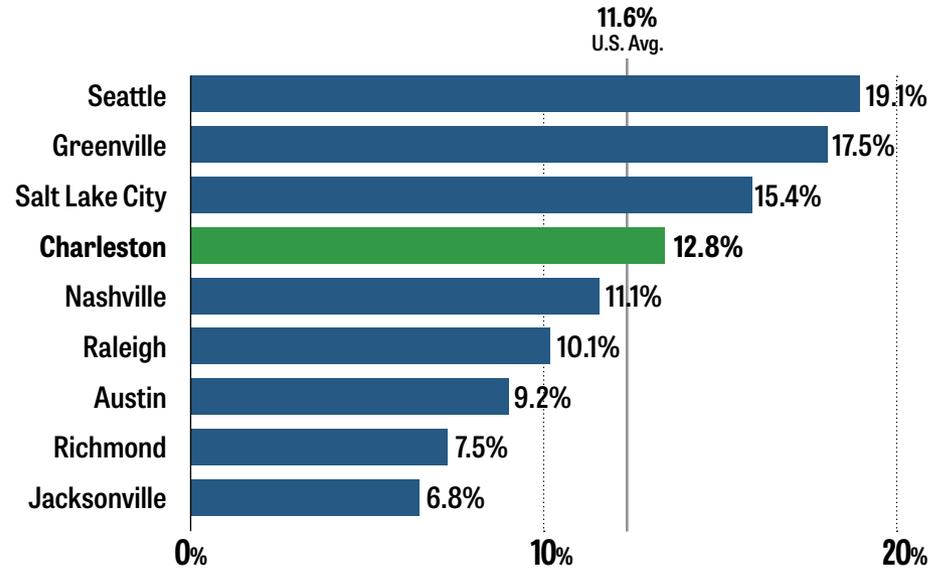
From 2005 to 2013, the Charleston region's average annual pay grew 23.7% to \$41,944, a higher growth rate than the U.S. (22.4%), S.C. (20.8%), and five metros. However, the region's average salary is below the U.S. average of \$49,808. While metro Charleston's cost of living is very close to the U.S. average, a gap exists between what people earn and what it costs to live here.

GROSS REGIONAL PRODUCT PER CAPITA GROWTH, 2005-2013



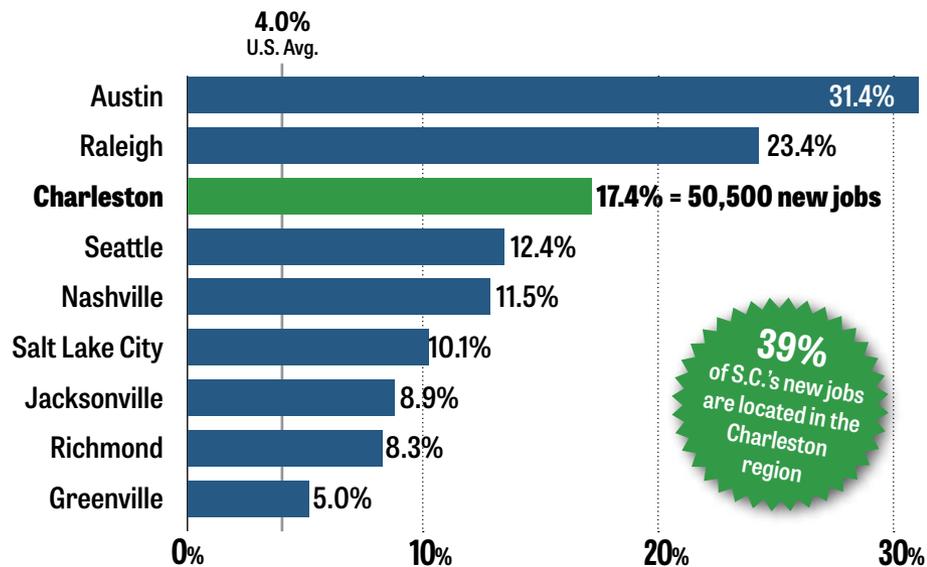
Source: Bureau of Economic Analysis

EXPORTS AS A PERCENT OF GRP, 2014



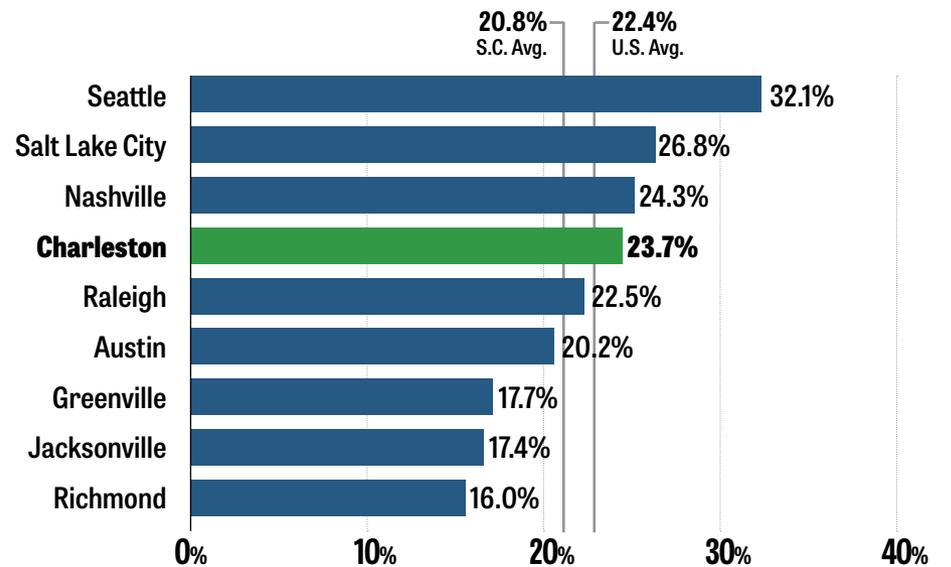
Source: Brookings Institution

REGIONAL EMPLOYMENT GROWTH, 2005-2014



Source: Bureau of Labor Statistics

AVERAGE ANNUAL PAY GROWTH, 2005-2013



Source: Bureau of Labor Statistics

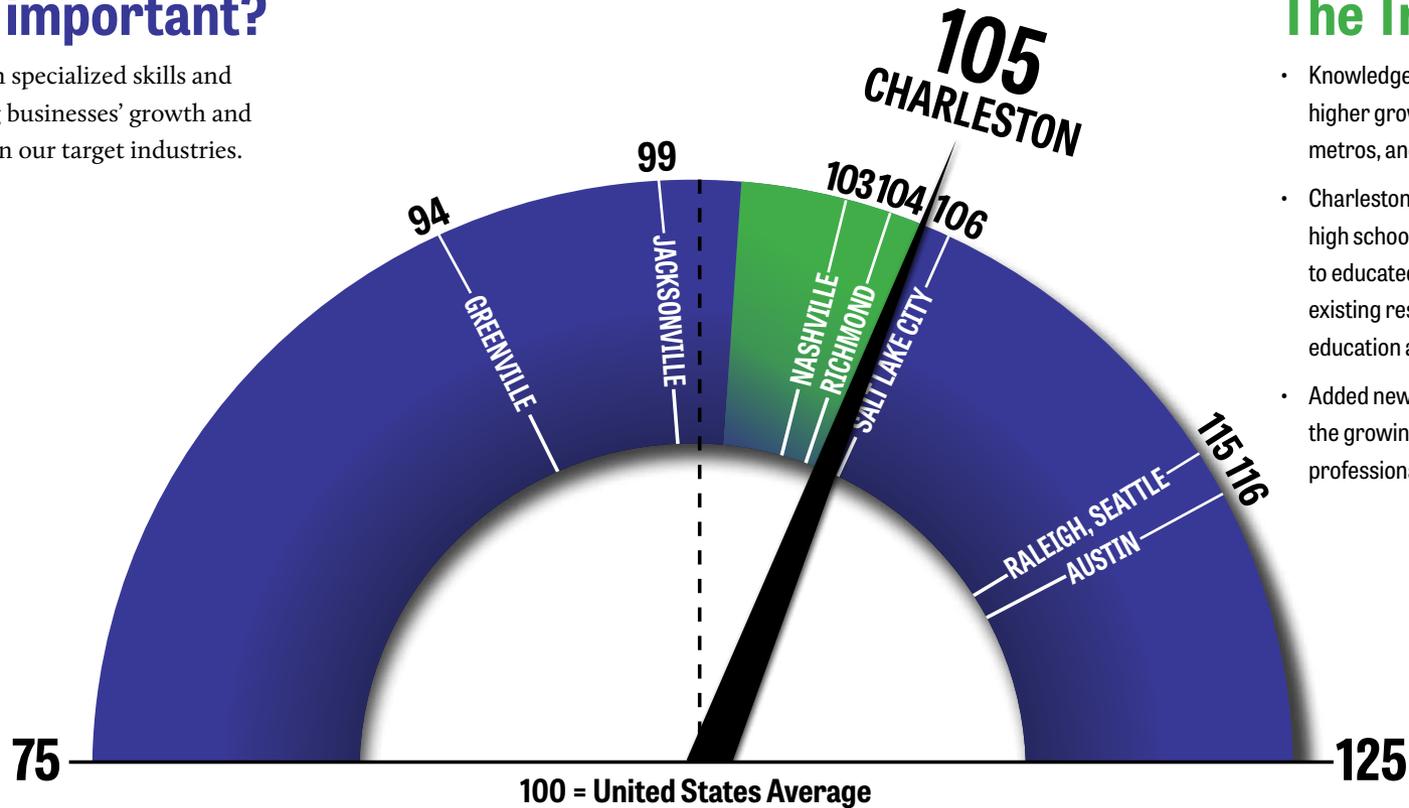
HUMAN CAPITAL INDEX, 2005 - 2013

Why is this important?

Educated residents with specialized skills and knowledge fuel existing businesses' growth and attract new employers in our target industries.

The Trend

- Knowledge workers are up 36%, a higher growth rate than all other metros, and triple the U.S.
- Charleston's growth in college and high school graduates is primarily due to educated workers in-migration; existing residents have lower education attainment levels
- Added new indicator measuring the growing population of young professionals; Charleston ranks 6th



WHERE CHARLESTON RANKS IN EACH INDICATOR

▲ KNOWLEDGE WORKERS, 2014

Percentage of population (ages 25-64) employed in occupations requiring specialized knowledge.

- | | |
|---------------------|------------------|
| 1 Seattle | 6 Salt Lake City |
| 2 Austin | 7 Jacksonville |
| 3 Raleigh | 8 Nashville |
| 4 Richmond | 9 Greenville |
| 5 Charleston | |

Source: Bureau of Labor Statistics

▲ HIGH SCHOOL GRADUATES, 2013

Percentage of adult population (25+) with a high school diploma.

- | | |
|---------------------|--------------|
| 1 Seattle | 6 Austin |
| 2 Jacksonville | 7 Nashville |
| 3 Salt Lake City | 8 Richmond |
| 4 Raleigh | 9 Greenville |
| 4 Charleston | |

Source: U.S. Census Bureau

▲ COLLEGE GRADUATES, 2013

Percentage of adult population (25+) with a Bachelor's degree or higher.

- | | |
|---------------------|------------------|
| 1 Raleigh | 6 Nashville |
| 2 Austin | 7 Salt Lake City |
| 3 Seattle | 8 Jacksonville |
| 4 Charleston | 9 Greenville |
| 5 Richmond | |

Source: U.S. Census Bureau

▲ EMPLOYMENT RATE, 2014

Percentage of an area's workforce that is actively employed.

- | | |
|------------------|---------------------|
| 1 Salt Lake City | 6 Charleston |
| 2 Austin | 6 Richmond |
| 3 Raleigh | 8 Greenville |
| 4 Seattle | 9 Jacksonville |
| 4 Nashville | |

Source: Bureau of Labor Statistics

▲ YOUNG PROFESSIONAL POPULATION, 2013

Percentage growth of population (ages 25-44).

- | | |
|------------------|---------------------|
| 1 Austin | 6 Charleston |
| 2 Salt Lake City | 7 Richmond |
| 3 Seattle | 8 Jacksonville |
| 4 Raleigh | 9 Greenville |
| 5 Nashville | |

Source: U.S. Census Bureau

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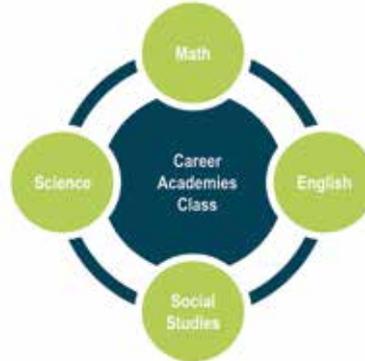
Filling the Talent Gap

The competition for talent is growing across the nation. Locally, this criticality is impacted by the lack of a comprehensive research university. As STEM-related occupations increase, many of our technical and high-wage jobs are being filled by highly educated workers moving in from out of state.

What is being done to prepare local students with the skills they need to compete in the region's job market?

High School Career Academies

21 of the region's public high schools across three school districts now have Career Academies in careers such as Mechatronics, Information Technology and Business Information Management. These schools within schools engage students in a career, in a learning environment that reflects the atmosphere and expectations of the 21st century workplace.



Business partners provide time and talent to expand students' career knowledge and help teachers connect curriculum and real-world application to ensure relevancy to current job demands.

Our 60+ Career Academies have more than 150 business partners all working hand in hand to prepare students for future careers, making this the largest regional Career Academy collaboration in the country.

Higher Education Consortium

Presidents of seven public and private colleges and universities have agreed to form a collaborative consortium focused on increasing the number of individuals with degrees or certificates. Formed with the support of the Tri-County Cradle to Career Collaborative (TCCC), the consortium includes Charleston Southern University, The Citadel, Clemson University, the College of Charleston, Medical University of South Carolina, Trident Technical College, and the University of South Carolina, and will focus on three main areas:

- Improving the alignment of current degree programs with projected workforce requirements
- Encouraging degree completion by the 107,000+ residents aged 25 or older who have completed some college work but have yet to complete a degree
- Closing the gap in enrollment and completion rates between student groups, including the 24% point gap between Blacks (22.3%) and Whites (47.1%) and the growing gap between Whites and Hispanics (28.0%)



BUSINESS PERSPECTIVE



"It is imperative that we dramatically increase STEM offerings throughout K-12 and higher education in order to meet the highly competitive technology industry talent needs in our area. Without accelerating our ability to provide strong talent within the region, companies will continue to look at other states to fill our critical tech hiring needs. We need to invest in advanced technology degrees for our students in order to stay relevant as a region, attract more high growth technology companies, and remain competitive."

Peggy Frazier

VP Global Talent Acquisition, Blackbaud

BUILDING BLOCKS FOR SUCCESS

- ✓ Focus on preparing students to be career ready and armed with 21st Century Workforce Skills: Increase enrollment in Regional High School Career Academies, increase both the number of and enrollment in High School Youth Apprenticeships, increase businesses involvement in all high school academy programs
- ✓ Support efforts of Tri-County Cradle to Career Collaborative in linking high school achievement and college readiness
- ✓ Secure final \$16 million needed in state funding to build the Aeronautical Training Facility at Trident Technical College

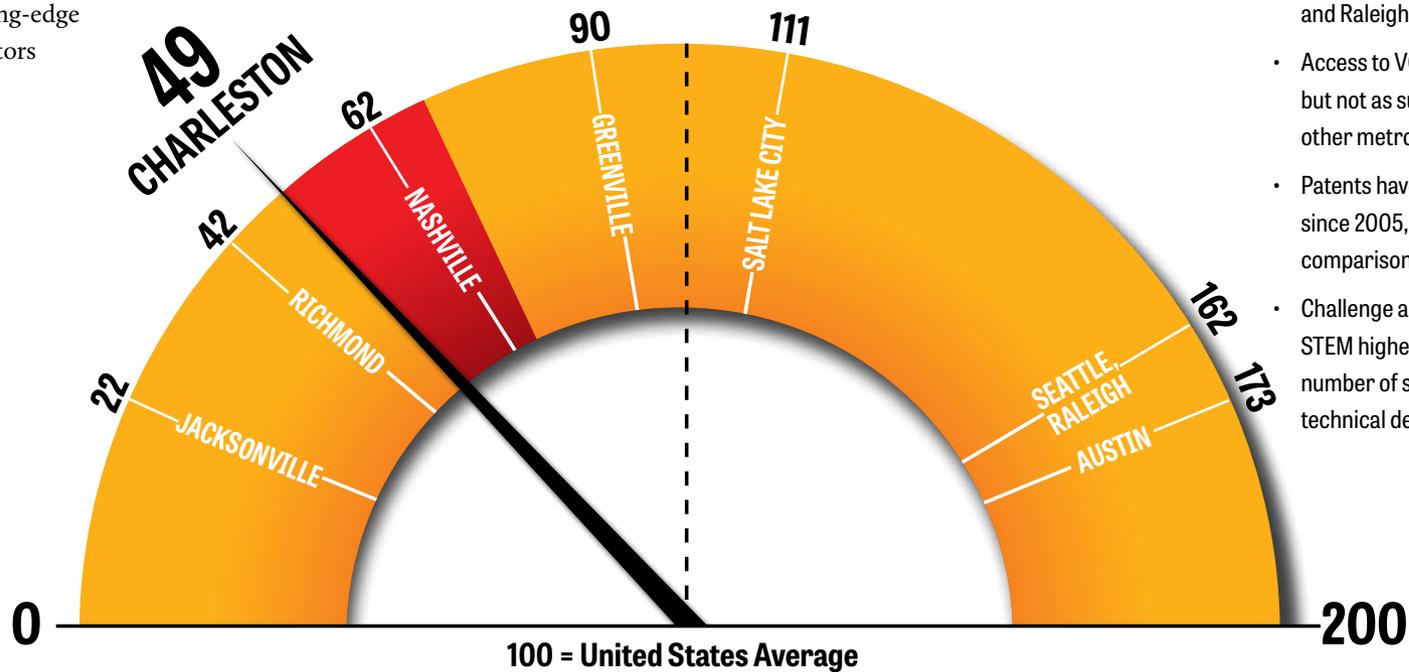
INNOVATIVE ACTIVITY INDEX, 2005 - 2013

Why is this important?

An innovative environment provides growth opportunities for existing businesses and talent, and attracts leading-edge entrepreneurs and investors from outside the region.

The Trend

- Since 2005, we have continued to lose ground on this index, while Greenville and Raleigh have progressed
- Access to VC funding has improved, but not as substantially as the U.S. and other metros
- Patents have increased 50% since 2005, but still remain low in comparison
- Challenge areas include a lack of STEM higher education programs, number of students with advanced technical degrees, and patent awards



WHERE CHARLESTON RANKS IN EACH INDICATOR

EMPLOYMENT IN TECHNICAL POSITIONS, 2013

Advanced industries employment as a percentage of total employment.

- | | |
|---------------------|----------------|
| 1 Seattle | 6 Greenville |
| 2 Austin | 7 Nashville |
| 3 Raleigh | 8 Jacksonville |
| 4 Salt Lake City | 9 Richmond |
| 5 Charleston | |

Source: Brookings Institution

NIH/NSF/NEA FUNDING, 2014

Funding from NIH, NSF & NEA presented per local job.

- | | |
|---------------------|----------------|
| 1 Seattle | 6 Austin |
| 2 Nashville | 7 Raleigh |
| 3 Charleston | 8 Greenville |
| 4 Salt Lake City | 9 Jacksonville |
| 5 Richmond | |

Source: NIH, NSF & NEA

VENTURE CAPITAL FUNDING, 2014

Financial capital provided to early stage startups, presented per local job.

- | | |
|------------------|---------------------|
| 1 Austin | 6 Greenville |
| 2 Seattle | 7 Richmond |
| 3 Salt Lake City | 8 Charleston |
| 4 Raleigh | 9 Jacksonville |
| 5 Nashville | |

Source: Thomson Reuters

PATENTS ISSUED, 2012

Number of patents issued in an area, presented per 10,000 workers.

- | | |
|------------------|---------------------|
| 1 Austin | 6 Richmond |
| 2 Raleigh | 7 Jacksonville |
| 3 Seattle | 8 Charleston |
| 4 Greenville | 9 Nashville |
| 5 Salt Lake City | |

Source: U.S. Patent & Trademark Office

SCIENCE-RELATED GRADUATE STUDENTS, 2013

Graduate students in sciences per 10,000 residents.

- | | |
|------------------|---------------------|
| 1 Raleigh | 6 Nashville |
| 2 Greenville | 7 Richmond |
| 3 Austin | 8 Charleston |
| 4 Salt Lake City | 9 Jacksonville |
| 5 Seattle | |

Source: NSF-NIH Survey of Graduate Students & Post-doctorates in S&E

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The Need for Venture Capital

Venture Capital (VC) is critical to spurring innovation in the local economy. While VC funding remains highly concentrated in metro areas like San Jose and San Francisco, the growing number of vibrant tech communities means that the investment capital is starting to follow.

The Charleston metro ranked #12 for "first fundings" in 2014 by deal concentration per capita. The top 20 metros (by total number of deals) accounted for 70% of all first venture fundings nationwide in 2014. There were 17 first funding deals made in the Charleston region—three times higher than the national average.

For more: brookings.edu/blogs/the-avenue/posts/2015/03/06-early-stage-venture-capital-hathaway

Salt Lake City has emerged as a "high-value" market. There's a large pool of high tech companies and employees, a relatively low cost of labor and commercial office rent, and an abundance of experienced, local tech talent, fed by the state universities.

For more: inc.com/ilan-mochari/silicon-valley-utah.html

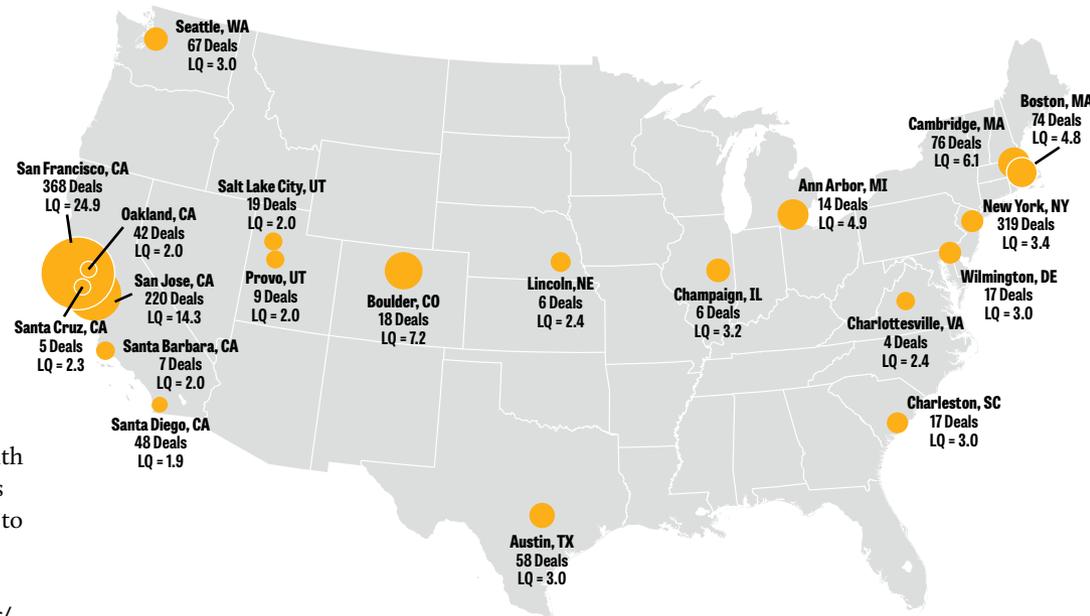
Seattle has created an ecosystem of talent, money and advisers through companies with successful initial public offerings, which in turn brings in more VC funding. "It creates an ecosystem of people who have been through it, who like to build things, and go on to other things. Capital flows to that ... If there is no ability to innovate, there is no need for venture capital," said Jeff Grabow, a U.S. venture capital leader at Ernst & Young.

For more: seattletimes.com/business/robust-vc-funding-in-state-reaches-pre-recession-levels/

Source: Brookings Institution

Venture Capital "First-Funding" Density, 2014

Number of first-round deals normalized by population into location quotients.
Top 20 metropolitan areas or divisions.



Source: Brookings' analysis of Pitchbook and U.S. Census Bureau data

BUSINESS PERSPECTIVE



"Investment begets investment. As more companies start up and grow, the Charleston region becomes more visible and attractive for VC, because investors can meet with multiple firms in a single visit. Businesses at every stage need to be ready to pitch, practicing and doing their due diligence to get positioned for funding. The community must continue fostering the growth of incubating organizations like the Harbor Entrepreneur Center and the Charleston Digital Corridor, because they are helping get companies ready to thrive."

Steve Swanson

Charleston Angel Partners member
Former CEO, Automated Trading Desk
Inside Director, SnapCap

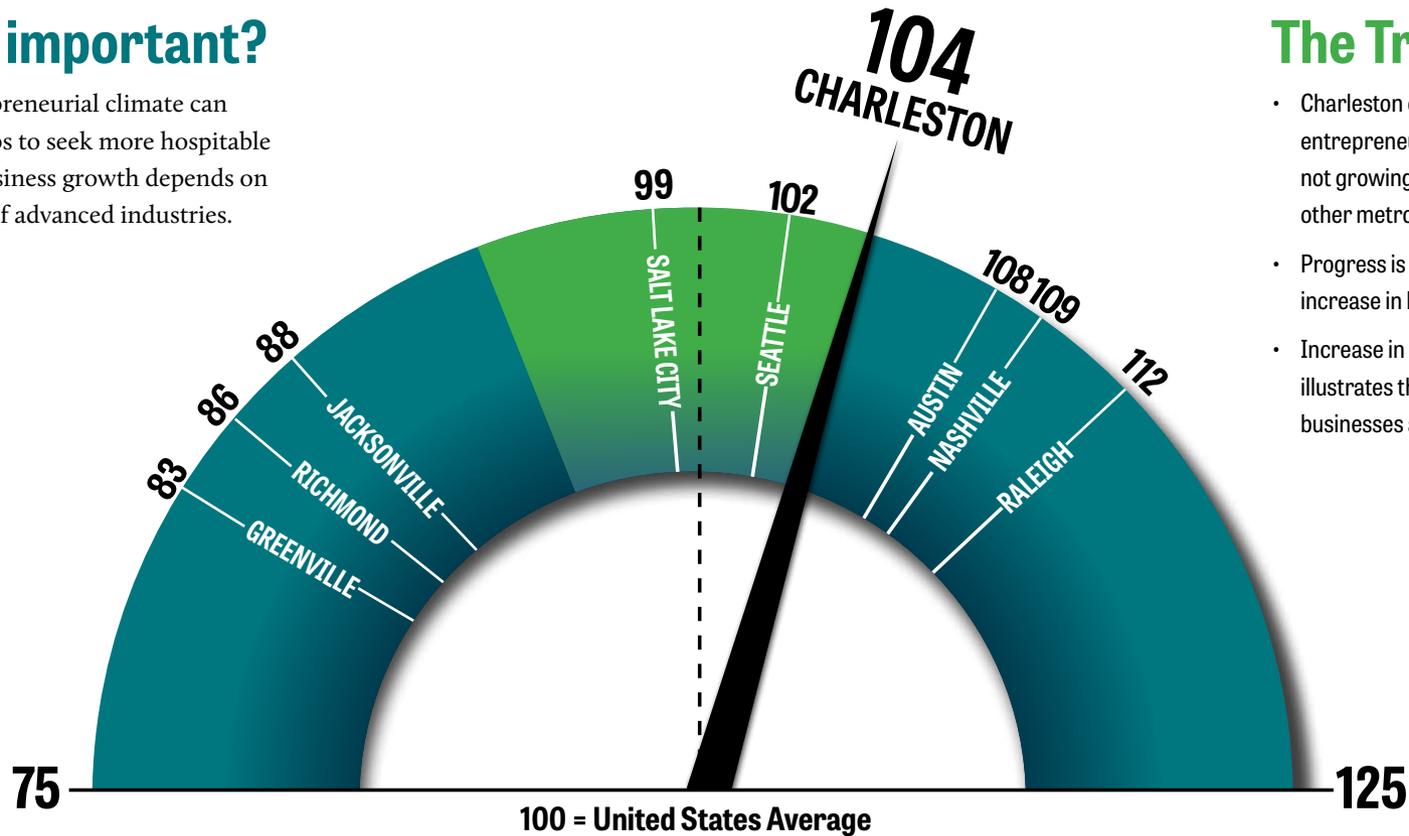
BUILDING BLOCKS FOR SUCCESS

- ✓ Encourage collaboration among the state's colleges and universities to fill the local higher education gaps
- ✓ Support efforts of Tri-County Cradle to Career Collaborative in linking high school achievement and college readiness to both better prepare high school students for college and increase educational attainment levels among working adults
- ✓ Work to increase the pipeline of computer tech skills in the region by developing, attracting and retaining talent in this sector

ENTREPRENEURIAL ENVIRONMENT INDEX, 2005 - 2013

Why is this important?

An unsupportive entrepreneurial climate can cause successful startups to seek more hospitable communities. Small business growth depends on the continued growth of advanced industries.



The Trend

- Charleston offers a solid entrepreneurial environment, but is not growing as many businesses as other metros
- Progress is primarily due to a strong increase in business services
- Increase in proprietors' income illustrates that locally-owned businesses are making more money

WHERE CHARLESTON RANKS IN EACH INDICATOR

CONCENTRATION OF SMALL TO MID-SIZE BUSINESSES, 2013

Number of area businesses with less than 250 workers, per 1,000 employees.

1 Jacksonville	4 Seattle	7 Richmond
2 Charleston	5 Greenville	8 Salt Lake City
3 Raleigh	6 Austin	9 Nashville

Source: U.S. Census Bureau

TOTAL ESTABLISHMENTS, 2013

Total number of establishments per 1,000 employees.

1 Seattle	4 Raleigh	7 Austin
2 Jacksonville	5 Richmond	8 Greenville
3 Salt Lake City	6 Charleston	9 Nashville

Source: U.S. Census Bureau

PROPRIETORS' INCOME SHARE, 2013

Percentage of an area's income generated by self-employed business owners.

1 Nashville	4 Raleigh	7 Greenville
2 Charleston	5 Salt Lake City	8 Richmond
3 Austin	6 Seattle	9 Jacksonville

Source: Bureau of Economic Analysis

BUSINESS SERVICES, 2013

Share of regional employment in the professional and technical services industries (NAICS 54).

1 Raleigh	4 Seattle	7 Jacksonville
2 Austin	5 Charleston	8 Greenville
3 Salt Lake City	6 Richmond	9 Nashville

Source: U.S. Census Bureau

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Charleston's Entrepreneurial Resources

New resources, enhanced existing services, and collaboration throughout the metro fuel further innovation for new and scaling businesses.



Charleston Digital Corridor

The Charleston Digital Corridor (CDC), a community-sourced initiative to attract, nurture and promote the region's tech economy, has been meeting the needs of technology entrepreneurs through four pillars – targeted community events, talent development, business incubation facilities and capital resources.

The CDC's Flagship & Flagship2 tech-focused business incubators provide adaptable office space for startup and intermediate-stage companies at cost effective rates. To address the growing need by tech companies, Flagship3, scheduled to open in spring of 2017, will serve the needs of startup, intermediate and growth-stage tech companies in a state-of-the-art landmark building designed to ignite the redevelopment of a dense, urban, tech-centric innovation district.
charlestondigitalcorridor.com



Catalyst Center

Entrepreneurs, mentors and business leaders throughout the region are using this resource center designed by the Charleston Metro Chamber to help startup companies and existing small businesses. Meeting space, educational programs and access to an array of services add to the energy and innovative spirit provided in part by partner organizations including BlueCross BlueShield of South Carolina, The InterTech Group, and SCRA.
charlestonchamber.net/catalyst-center/

The Harbor Entrepreneur Centers

Since the opening of the first Harbor Entrepreneur Center in 2013, the Harbor team is busy helping entrepreneurs accelerate



their scaleable businesses through 14-week accelerator programs, multiple sites for work space and conference services, and an array of events, retreats and forums. Offers four locations in Summerville, Charleston, North Charleston and Mt. Pleasant.
harborec.com

Perfect Pitch

An annual event attracting hundreds, Perfect Pitch is the result of an energetic collaboration designed to elevate entrepreneurs' chances for seed money, visibility and launch support. Brought to you by the Charleston Metro Chamber, The Harbor Entrepreneur Centers, the College of Charleston, and Dig South, Perfect Pitch showcases numerous teams pitching their business idea to a panel of judges, and ends with a high impact celebration.
bidr.co/events/perfectpitch



charleston open source_

Charleston Open Source is a collaborative economic development initiative facilitated by the Charleston Regional Development Alliance (CRDA) in partnership with more than a dozen top local tech companies. This tech talent attraction campaign is designed to build national awareness of Charleston's thriving tech economy and attract mid- to senior-level tech professionals to the region.

With 25,000 new jobs projected over the next seven years, this region needs to attract and retain a highly-skilled technical workforce now to ensure this vital industry sector continues to thrive.
charlestonopensource.com

BUSINESS PERSPECTIVE



"Thanks to resources like the Metro Chamber's Perfect Pitch and the Harbor Entrepreneur Center, Charleston has provided my startup with mentoring, seed capital, and affordable office space that allowed my entrepreneurial dreams to become reality. In order to grow the local entrepreneurial community, we must not overlook or underestimate the next generation of entrepreneurs. Providing learning, mentorship, networking, and funding opportunities tailored for high school and college students will make the difference in the success rates of startups founded by young entrepreneurs."

Riley Csernica, MS, MBA
Co-Founder, Tarian Orthotics, LLC

BUILDING BLOCKS FOR SUCCESS

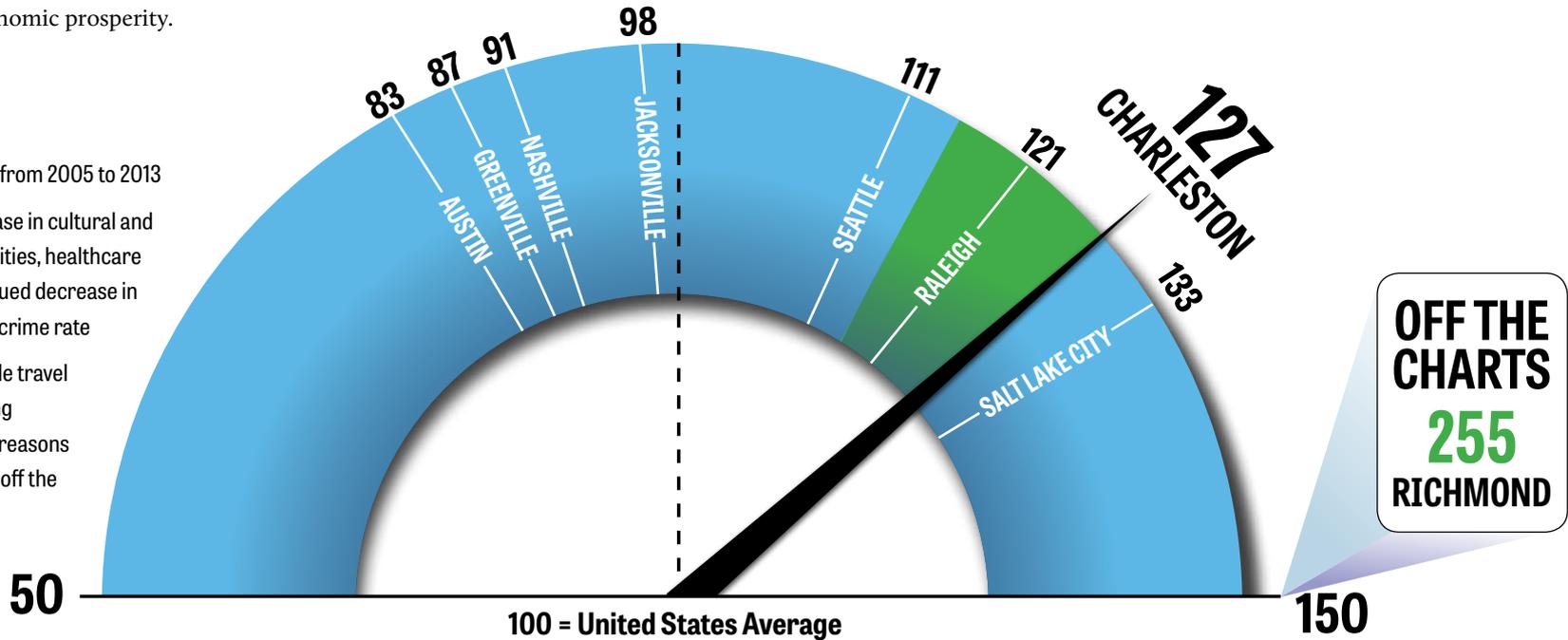
- ✓ Build regional seed/early stage funding sources for entrepreneurs
- ✓ Organize an effort to link experienced business leaders to serve on advisory boards for local entrepreneurs
- ✓ Ensure both the region's and the state's regulatory environments support business growth

Why is this important?

Highly skilled workers have more flexibility in where they choose to live and work. Lifestyle matters most. Affordable housing options near job centers and multimodal transit solutions are critical to the region's sustained economic prosperity.

The Trend

- 10 point improvement from 2005 to 2013
- Primarily due to increase in cultural and recreational opportunities, healthcare access, and the continued decrease in the still relatively high crime rate
- Challenge areas include travel congestion and housing affordability, the main reasons why Richmond scores off the chart on this index



WHERE CHARLESTON RANKS IN EACH INDICATOR

▲ CULTURE AND RECREATION, 2013

Employment in the arts, entertainment and recreation (NAICS 71) provides a measure of an area's cultural and recreational opportunities.

- | | | |
|------------|---------------------|------------------|
| 1 Seattle | 4 Jacksonville | 7 Austin |
| 2 Raleigh | 5 Nashville | 8 Salt Lake City |
| 3 Richmond | 6 Charleston | 9 Greenville |

Source: U.S. Census Bureau

▼ TRAVEL CONGESTION, 2014

Annual hours per driver in traffic congestion.
Lower number means less congestion.

- | | | |
|---------------------|----------------|-------------|
| 1 Richmond | 4 Greenville | 7 Seattle |
| 2 Salt Lake City | 5 Raleigh | 8 Nashville |
| 3 Charleston | 6 Jacksonville | 9 Austin |

Source: INRIX

▲ CRIME RATE, 2013

Violent crimes per 100,000 population.
Lower number means less crime.

- | | | |
|------------|---------------------|----------------|
| 1 Raleigh | 4 Seattle | 7 Jacksonville |
| 2 Richmond | 5 Salt Lake City | 8 Greenville |
| 3 Austin | 6 Charleston | 9 Nashville |

Source: Federal Bureau of Investigation

▲ HEALTHCARE ACCESS, 2013

Number of healthcare practitioner and technical occupations per 100,000 population provides a measure of access to healthcare professionals.

- | | | |
|---------------------|------------------|--------------|
| 1 Charleston | 4 Salt Lake City | 7 Raleigh |
| 1 Richmond | 5 Jacksonville | 8 Austin |
| 3 Nashville | 6 Seattle | 9 Greenville |

Source: Bureau of Labor Statistics

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The Need for Affordable Housing and Transportation Solutions

Housing Affordability Index, 2014

This index is the ratio of median household income to the income needed to qualify for a median-priced house.

Most Affordable	Raleigh 193.1	Nashville 191.4	Jacksonville 188.4	Greenville 186.3	Richmond 172.8	Austin 169.9	Salt Lake City 160.2	Charleston 157.3	Seattle 125.3	Least Affordable
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Source: National Association of REALTORS®

How Charleston Compares to Raleigh, the “Most Affordable” Metro

Housing density

 = 100 housing units per square mile

Raleigh: 1,232.5



Charleston: 190.75



Population density

 = 1,000 people per square mile

Raleigh: 3,023.4



Charleston: 1,152



Building permits

 = 1,000 single family homes
 = 1,000 multi-family homes

Raleigh: 7,680



Charleston: 4,144



Raleigh: 4,060



Charleston: 2,062



Sources: U.S. Census Bureau & Brookings Institution

Annual cost of congestion per motorist

 = \$1,000

Raleigh: \$1,005



Charleston: \$1,168



Source: TRIP, a national transportation research group

BUSINESS PERSPECTIVE



“Healthy communities abide by several principles—abundance of green space and dense, walkable, mixed-use cores connected by multimodal transportation corridors. Walkable jobs and updated transit systems are needed to reduce traffic congestion leading to overall better health and sustainability of our region. Integrated transportation and land use have been shown to reduce vehicle trips by 20%.”

Steve Dudash, ASLA
Regional Director, Thomas & Hutton

BUILDING BLOCKS FOR SUCCESS

-  Pass legislation to create a long-term sustainable funding mechanism to address South Carolina's infrastructure needs
-  Adopt a regional action strategy to address the region's housing affordability issue
-  Encourage higher density development where appropriate to help manage growth, decrease traffic and provide more affordable housing options

Four Lessons Charleston Can Apply

An Integrated Approach to Planning

Seattle is currently the third fastest-growing metro in the nation, and its elected officials believe rapid growth requires a different approach. Growth and community investment go hand-in-hand. They have created a new Office of Planning & Community Development to bring together planners from various city departments including transportation, parks, and housing. The office will act as “a single entry point to address community concerns” and will work closely with the Department of Neighborhoods to gather input and ideas from neighbors.



seattletimes.com/seattle-news/politics/mayor-seeks-new-agency-to-oversee-growth-quality-of-life/

Regional Cooperation and Broad-based Support for Public Transit

Salt Lake City, a region once opposed to mass transit, doubled its coverage by 70 miles in just 7 years with the broad support of users and non-users alike. With the federal government less inclined to pay for transportation projects, rallying local support and cooperation was critical. In 2006, Utah voters easily approved a quarter-cent sales tax hike so that a multimodal, public transit expansion could finish up by 2015 instead of 2030. And that \$2.5 billion project was completed a full two years early.



Photo/Utah Transit Authority

citylab.com/cityfixer/2013/10/how-utah-turned-its-unpopular-public-transit-system-hit/7298/

A Supportive Ecosystem to Foster Innovation and Scaleable Businesses

Nashville has created an entrepreneurial environment so strong and resource rich that entrepreneurs around the country are flocking there to launch their businesses. The Nashville Entrepreneur Center (EC) provides resources to help any entrepreneur with an idea, from starting a new business to scaling and expanding an existing business. In addition to co-working space and events, EC members have access to the EC’s comprehensive Mentor Program, a network of over 500 mentors from various industries and professions. The EC partners with Google for Entrepreneurs as one of nine Tech Hubs in North America to help the Nashville startup community thrive.



ec.co/aboutus/

The Fallacy of “If We Don’t Build It, They Won’t Come”

The Austin metro area, home to 1.9 million people, has some of the nation’s worst traffic congestion. For years, the region has done little to address the growing problem, and it’s grown exponentially worse during the past five years. There’s a very strong no-growth movement, which applies to transportation and other infrastructure. However, population growth has been steady and constant for decades, daily adding 150+ new residents. “While Austin fiddled decade after decade, Dallas was busy building the largest light rail system in the country. Thirty years later, the Texas city with the conservative reputation has the regional mass transit network, not Austin.”



npr.org/2013/12/17/248757580/even-an-85-mph-highway-cant-fix-austins-traffic-tangle

KEY TAKEAWAYS

The Charleston region's economy has been transformed in the last decade into a STEM-based economy centered on advanced industry sectors including advanced manufacturing, computer technology, logistics and transportation, and medical research. Thousands of new jobs are being created in the region and economic growth is attracting investors and development. The challenge for the region is how to sustain strong economic performance, manage growth and protect the local environment. To do that, the region must address five critical issues:

1. We must make the critically needed investments in education, at all levels, to transform education outcomes in our region.

Our region must build the critical education infrastructure today to be able to build the talent pipeline to meet current and future employer needs. From Career Academies to the Aeronautical Training Campus at Trident Tech to the expansion of four-year degrees in high-demand fields and the development of select advanced degrees, the region needs to ensure local students are being prepared for the careers offered today and in the future.

We can no longer accept that it is OK to have high performing high schools operating among the worst performers in the state. It is time to demand that all students be provided the opportunity for success.

2. We must develop and build the systems necessary to promote innovation.

The *2015 Scorecard* underscores that the Charleston region lacks a comprehensive research university. Without it, the region is held back in the areas of innovation and entrepreneurial success. The region cannot build a single comprehensive university to fill this gap, but we can address it innovatively by building collaborative approaches among the region's and state's colleges and universities.

3. We must develop a strategy to attract and retain the talent/human capital needed to sustain economic growth.

There is a direct link between traffic congestion, housing affordability and density. By identifying areas within the region to incentivize higher density development, we can work to reduce traffic congestion and provide the housing options young professionals are seeking in communities. An estimated 43 new people arrive in our region every day. We must work as a region to accommodate this growth and embrace the concept of developing urban corridors that attract and retain the workforce needed to sustain our economic success.

4. As a region, we must transform our infrastructure system into a world class multimodal system.

South Carolina's Department of Transportation estimates a \$42 billion funding need to bring the state's road system up to average standards. Based on this estimate, there is a need for an additional \$1.5 billion annually. Roads are not the only answer. The region must develop a multimodal system that includes successful public transit and a network of bike paths, walking trails and an overall system to meet the needs of our citizens.

In 2015, the House of Representative passed legislation to create a new, dedicated funding stream to meet the state's infrastructure needs. The bill awaits the Senate's return in January 2016. We must urge our state leadership to address this critical need.

5. Collectively and individually, we must embrace our success and position as a globally competitive metro.

In both public sector and private, in business and community, our region's citizens must champion the prosperity of our economy and our elevation as a global hub. Sustaining our region's success means we must learn to work collaboratively and more rapidly address the key challenges we face. Making incremental decisions is no longer acceptable. We must learn to make decisions, improve speed to market and keep metro Charleston at the forefront of the country's economically diverse, powerful communities.



2015 REGIONAL ECONOMIC SCORECARD

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