

2009 STATE OF THE CITY REPORT: GREENSBORO, NC

**PREPARED FOR THE
GREENSBORO PARTNERSHIP, DECEMBER 17TH, 2008**

BY

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ABOUT THE RESEARCHERS

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Suzanne Gallaway is a doctoral candidate in the doctoral program in the Geography Department at the University of North Carolina at Greensboro. She is currently working on her dissertation titled “The Geography of Industry Clusters: Tourism Development Strategies within the Appalachian Regional Commission area.” Ms. Gallaway expects to graduate in 2009 and previously worked as an urban planner for the Winston-Salem/Forsyth County City Planning Department. She has recently co-authored a forthcoming book chapter with Dr. Debbage titled “Global Tourism Business Operations” in Jamal and Robinson (eds.) *Handbook of Tourism Studies* with Sage Publications.

EXECUTIVE SUMMARY

A. INTRODUCTION AND PURPOSE

- Public policy makers and economic development practitioners have become increasingly concerned with maintaining and improving the quality of life of their political jurisdictions as a way to maintain their competitive advantage. Greensboro is no exception to this rule.
- The overall purpose of this report is to provide an annual update of the Greensboro performance metrics first identified in the 2007 State of the City Report. The 2008 Update focused only on the Greensboro metrics and was the first of two annual updates that track the overall performance of our city. In 2010, a more comprehensive State of the City Report will be published that compares Greensboro to our peer cities.
- Part of the agenda is to stimulate discussion and to educate the general public about the overall performance of Greensboro. The long-term goal for the city of Greensboro is to see increased efficiency, progress and improvement over time for each of the selected community performance indicators.

B. METHODOLOGY

- The benchmark indicators were chosen based on consultation with the Greensboro Partnership and are consistent with the metrics used in the 2007 and 2008 State of the City Report. The list of benchmark indicators includes measures that capture population and demographics, economic growth, education, and health and wellness.
- All the metrics are reported for 2007 unless otherwise indicated.
- It is important to note that data on average wage rates by industry, tax base, high school drop-out rates, and health and wellness are only available at the county level.

C. MAJOR FINDINGS

THE OVERALL 'STATE OF THE CITY' IS IMPROVING AND SHOWS SIGNS OF RECOVERY

- Although last year's State of the City Report indicated that the overall health of the city of Greensboro was less than robust, the 2009 Report concluded that the state of the city has improved and is showing signs of recovery. While Greensboro continues to struggle with the ongoing ramifications of significant manufacturing job losses, both the city's per capita income and median earnings increased from 2006 to 2007 after several years of decline. That said, the 2009

Report is largely based on 2007 data and does not include the full impact of the recent economic downturn.

POPULATION GROWTH RATES CONTINUED TO BE REASONABLE

- Greensboro experienced positive population growth rates between 2006 and 2007 (i.e., 2.4%) that measured up reasonably well with our competitors along the I-85 corridor including Charlotte (2.8%), Durham (2.8%), and Winston-Salem (1.7%) although Raleigh (4.2%) had noticeably higher growth rates.

EARNINGS AND INCOMES SHOW SIGNS OF IMPROVEMENT

- One of the most troubling findings of previous State of the City reports was the continuing declines in median earnings and per capita incomes. The downward trend in both metrics was reversed between 2006 and 2007. Median earnings increased (3.8%) from \$24,398 in 2006 to \$25,321 in 2007. The relative gains in per capita income were larger (6.2%) from \$23,180 in 2006 to \$24,626 in 2007. If median earnings and per capita incomes are a proxy for the overall skill levels of a community, this is an encouraging trend line for the city of Greensboro.

GREENSBORO CONTINUES TO LOSE ITS MANUFACTURING PROFILE

- Greensboro continues to experience dramatic declines in the percentage of its workforce employed in manufacturing from 13% in 2006 to 10.6% in 2007. Given the disproportionately large share of manufacturing jobs in Greensboro, this is not an unexpected trend.

EDUCATION AND HEALTH SERVICES REMAIN AN IMPORTANT PART OF THE LOCAL ECONOMY

- Education and health services continue to be major industries in the local economy accounting for nearly one-quarter of all jobs in Greensboro. However, the overall market share of education and health services dropped noticeably from 24.6% in 2006 to 23.2% in 2007.

OVERALL AVERAGE WAGE RATES INCREASED

- Guilford County's average wage rate (i.e., \$39,026) increased 3.3% from 2006 to 2007. Some of the most significant wage gains occurred in manufacturing which grew from \$47,333 in 2006 to \$49,782 (5.2%). However, the highest relative wage gains were in poorly paid retail jobs (i.e., 5.7%) and the leisure and hospitality industry (i.e., 4.5%)..

Greensboro Benchmark Metrics: 2006 and 2007

Variable	2006	2007	Difference
<u>a. Demographics</u>			
Total Population	241,372	247,183	+5,811 (2.4%)
Median Age	34.3	33.7	- 0.6 years
% Pop. 20-34	23.8	24.1	+0.3 %pts
% Pop. 65 or more	12.4	11.4	- 1.0 %pts
% White	53.5	51.7	- 1.8 %pts
% Black	36.5	39.3	+ 2.8 %pts
% Hispanic	7.2	6.6	- 0.6 %pts
Median Household Size	2.3	2.3	+ 0.0
Mean Travel Time (mins)	19.7	18.9	-0.8 minutes
% Owner-Occupied	47.5	47.1	-0.4 %pts
Median House Value (\$)	137,600	143,500	+ 5,900
<u>b. Economic Growth</u>			
Median Earnings (\$)	24,398	25,321	+ 923 (+3.8%)
Per Capita Income (\$)	23,180	24,626	+1,446 (+6.2%)
<u>i. % Total Workforce</u>			
Manufacturing	13.0	10.6	- 2.4 %pts
Retail	10.5	13.7	+3.2 %pts
Financial Services	8.4	8.4	+0.0 %pts
Professional, Scientific	8.7	8.5	- 0.2 %pts
Education/Health	24.6	23.2	- 1.4 %pts
Arts/Entertainment	10.6	10.3	- 0.3 %pts
Transportation	4.5	5.1	+0.6 %pts
<u>ii. Average Wage Rates</u>			
All Industry (Guilford Co)	37,763	39,026	+ 1,263 (3.3%)
Manufacturing (Guilford Co)	47,333	49,782	+ 2,449 (5.2%)
Retail (Guilford Co)	25,160	26,587	+ 1,427 (5.7%)
Financial (Guilford Co)	50,460	52,540	+ 2,080 (4.1%)
Professional (Guilford Co)	38,517	39,176	+ 659 (1.7%)
Education/Health (Guilford Co)	38,672	40,185	+ 1,513 (3.9%)
Leisure/Hospitality (Guilford Co)	13,694	14,312	+ 618 (4.5%)
Transportation (Guilford Co)	40,396	41,687	+ 1,291 (3.2%)
Total Tax Base (\$) (Guilford Co)	33.6 billion (2006/7)	34.7 billion (2007/8)	+ 3.4%
% Res. Tax Base (Guilford Co)	62.8	63.5	+ 0.7%pts
<u>c. Education</u>			
Poverty Rate (%)	19.0	19.3	+0.3 %pts
H.S. Drop-Out Rate (Guilford Co)	2.98 (2004/5)	2.99 (2006/7)	+0.01%pts
% enrolled in H.S. or less	16.2	18.2	+2.0 %pts
% enrolled in College	12.4	12.1	- 0.3 %pts
% H.S. Degree or less	24.2	24.1	- 0.1 %pts
% College Degree or more	22.1	22.2	+0.1 %pts
<u>d. Health and Wellness</u>			
Infant Mortality Rate (Guilford Co)	10.6	9.5	-1.1 pts
Teen Preg Rate (Guilford Co)	56.0	56.8	+0.8 pts

POVERTY RATES AND TEENAGE PREGNANCY RATES CONTINUE TO WORSEN

- In another troubling trend line, the percentage of the city population in poverty increased from 19% to 19.3% and the Guilford County teenage pregnancy rate increased although the Guilford County infant mortality rate improved from 10.6 to 9.5 per 1,000.

INTRODUCTION AND BACKGROUND

- Public policy makers and economic development practitioners have become increasingly concerned with maintaining and improving the overall quality of life of their political jurisdictions as a way to maintain their competitive advantage. Greensboro is no exception to this rule.
- Since the early 2000's, Greensboro has conducted several 'benchmarking' studies that have quantified community performance measures over time. Action Greensboro commissioned two Benchmark Studies that generated substantial community discussion: the 2001 McKinsey Report and the 2002 Market Street Services Action Plan. The McKinsey Report concluded that "Greater Greensboro is slightly better off today than many of its peer cities in the Southeast" but questioned whether the community could maintain its current levels of prosperity. The McKinsey findings triggered a follow-up study by Market Street Services which recommended that Greensboro should begin to track a number of performance measures "to help the community benchmark progress made through its economic development efforts."
- The Action Greensboro Benchmark Report completed in 2003 was the first comprehensive empirical assessment of the overall economic performance of the Greensboro community relative to a carefully chosen peer group of cities. The Report concluded that Greensboro is much better-off than many of its peer group, although recent job losses have the potential to substantially jeopardize the city's standing.
- The follow-up 2007 State of the City Report concluded that Greensboro was lagging behind its competitors particularly in terms of average wage rates and tax base growth. The overall state of the city appeared to be less than robust, in part, because of the significant job losses the city absorbed in the early 2000's.
- Although the next comprehensive State of the City Report that compares Greensboro to a group of peer cities is not scheduled until 2010, it is vitally important that our community is provided with annual updates that closely track the performance of Greensboro. The 2008 and 2009 State of the City Reports provides those annual updates.

PURPOSE AND RATIONALE

- The overall purpose of this report is to provide an annual update of the Greensboro performance metrics identified in the 2008 State of the City Report. The 2009 Update focuses only on the Greensboro metrics and is the third of four annual updates that track the overall performance of our city. In 2010, a more comprehensive State of the City Report will be published that compares Greensboro to our peer cities.
- Part of the agenda is to stimulate discussion and to educate the general public about the overall performance of Greensboro. The long-term goal for the city of Greensboro is to see increased efficiency, progress and improvement over time for each of the selected community performance indicators.

PROJECT METHODOLOGY

A. DETERMINING THE BENCHMARK INDICATORS

- The benchmark indicators were chosen based on consultation with the Greensboro Partnership and are consistent with the metrics used in the first State of the City Report published in 2007 (which was based on 2005 data).
- All the metrics are reported for 2007 unless otherwise indicated.
- It is important to note that data on average wage rates by industry, tax base, high school drop-out rates, and health and wellness are only available at the county level.
- The list of benchmark indicators includes measures that capture population and demographics, economic growth, education, and health and wellness.
- **POPULATION AND DEMOGRAPHIC BENCHMARKS INCLUDED:**
 - Population Change, 2006-2007 (Source: U.S. Census Annual Population Estimates July 1st)
 - Age Distribution (Source: ACS)
(Median age, %20-34, %65 and over)
 - Racial/Ethnic Composition (Source: ACS)
(% white, AA, Hispanic)
 - Residential Sprawl indicators (Source: ACS)
(Mean household size, Mean travel time)
 - Home Ownership and Value (Source: ACS)
(% owner-occupied, median house value)
- **ECONOMIC GROWTH AND JOB BENCHMARKS INCLUDED:**
 - Median Earnings for all Workers (Source: ACS)
 - Per Capita Income (Source: ACS)
 - Jobs: Labor Force Composition by Industry (Source: ACS)
 - Average Wages by Industry (county only) (Source: BLS)

- Tax Base Yield (county only) (Source: NCDOR)
(Tax base growth & % Residential Taxable Property)
- Poverty Rate (Source: ACS)
- **EDUCATION BENCHMARKS INCLUDED:**
 - High School Drop-Out Rate (county only) (Source: Guilford County School Board)
 - School Enrollment (Source: ACS)
(% High School or less, % College or more)
 - Educational Attainment (Source: ACS)
(% HS or less, % BA or more)
- **HEALTH AND WELLNESS BENCHMARKS INCLUDED:**
 - Infant Mortality Rates (county only) (Source: Guilford County Department of Health)
 - Teenage Pregnancy Rates (county only) (Source: Guilford County Department of Health) (15-19 years old)
- (Note: ACS – American Community Survey; BLS – Bureau of Labor Statistics; and NCDOR – North Carolina Department of Revenue)

FINDINGS: GREENSBORO 2006 - 2007

Comparing the 2007 Greensboro metrics back to the comparable 2006 data helps the community to benchmark progress made through its economic development efforts *over time*. By developing a time-series, it becomes possible to place an emphasis on outcomes in judging the success of the city's economic development programs.

A. POPULATION AND DEMOGRAPHICS

POPULATION CHANGE: 2006 - 2007

- Net population change is a straightforward measure about whether a city is growing, stagnating or declining. Maintaining consistent net population increases over time suggests that a community is prosperous and able to attract and keep workers. Conversely, cities that have experienced substantial population losses over time may be unable to retain workers which may be a 'red-flag' for prospective businesses.
- Greensboro experienced a net population change of 2.4% from 2006 to 2007 increasing in population from 241,372 to 247,183.

AGE DISTRIBUTION

- Analyzing the age distribution of a city can provide some insight into the underlying attractiveness of the city's economy. A city with a significant number of college-aged 20-34 year olds suggests a potentially contemporary economy with 'cutting-edge' occupations. Conversely, as the population of a city ages, there will be a much greater demand for medical services which can lead to significant demands on scarce public resources.
- Between 2006 and 2007, the median age in Greensboro dropped from 34.3 to 33.7 years old and the percentage of the population between 20 – 34 years old increased from 23.8% in 2006 to 24.1% in 2007. However, the percentage of the population that was classified as elderly (> 64 years old) declined from 12.4% in 2006 to 11.4% in 2007.

RACIAL COMPOSITION

- Cities that are ethnically diverse tend to be more tolerant and innovative although integrating minorities into a contemporary workforce can pose substantial challenges.
- At 51.7%, just over half of Greensboro's population was classified as white in 2007. This was down noticeably from the 53.5% market share in 2006. By

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contrast, the percent of the Greensboro population classified as African-American was 39.3% - an increase of 2.8 percentage points from the 36.5% share in 2006.

- One of the most rapidly growing ethnic groups in the southeastern United States is the Hispanic population but recent trends in Greensboro contradict these trends. The percentage of the population classified as Hispanic decreased from 7.2% in 2006 to 6.6% in 2007 – a decrease of 0.6 percentage points.

RESIDENTIAL SPRAWL INDICATORS

- Recent sprawl studies have indicated that Greensboro and the Piedmont Triad metropolitan area have some of the most sprawling growth patterns in the United States. Relatively simple measures of sprawl include the way in which we utilize land (e.g., mean household size) and the length of our daily journey-to-work commutes (e.g., mean travel time).
- Analyzing the average number of persons resident in each dwelling unit provides some insight into how efficiently each city is utilizing land with respect to density. In Greensboro, the mean household size has changed little with a mean of 2.3 persons in both 2006 and 2007.
- Regarding mean travel time, Greensboro has reduced its overall commute time from 19.7 minutes in 2006 to just 18.9 minutes in 2007.

HOME OWNERSHIP AND VALUE

- A high percentage of home ownership illustrates a propensity for residential stability in a community and signals a vote of confidence in the overall quality of life of the area. If a large proportion of the population opts to invest in the real estate market instead of renting, it implies a long-term commitment to the community.
- Homeownership in Greensboro decreased from 47.5% of the housing stock in owner-occupied units in 2006 to 47.1% in 2007.
- Although home ownership levels declined, the median house value increased by \$5,900 from \$137,600 in 2006 to \$143,500 in 2007.

B. ECONOMIC GROWTH AND JOBS

Economic growth on its own may not be the most important indicator of economic change for a city economy. Simple employment growth can impoverish a local economy if high-wage, high-skill jobs are replaced with low-wage, low-skill jobs. Job creation without a concern for the composition of skills needed may be a flawed economic

development strategy. Substantial job growth must occur in robust and productive industries if an economy is to maintain a competitive advantage over other cities.

MEDIAN EARNINGS

- Median earnings are an excellent measure of the overall skill level of the community and the quality of jobs being created in an area. Earnings are defined as the sum of wage and salary disbursements and are often used as a proxy for income generated specifically from participation in production.
- Overall median earnings in Greensboro increased from \$24,398 in 2006 to \$25,321 in 2007 – an encouraging trend line for the city.

PER CAPITA INCOME

- Per capita income is an excellent measure of the overall accumulation of wealth although it is not a direct measure of wages and salaries because it also includes income derived from such things as interest, dividend, rent and transfer payments.
- Much like with median earnings, Greensboro also experienced an increase in per capita income from \$23,180 in 2006 to \$24,626 in 2007.

JOBS: LABOR FORCE COMPOSITION BY INDUSTRY

- Economic diversity is frequently promoted as a means through which to achieve economic stability where the underlying logic is that a higher level of economic diversification is associated with long-term economic stability. Most economic diversity studies focus on employment composition by major sector as a simple way to capture diversity.
- Greensboro continues to experience declines in the percentage of its workforce employed in **manufacturing**. The share of workers in the manufacturing sector fell by 2.4 percentage points from 13% in 2006 to 10.6% in 2007 – the largest relative decline of any industry. Given the disproportionately large share of manufacturing jobs in Greensboro compared to its peer cities, this is not an unexpected trend.
- In previous State of the City Reports, Greensboro generated a disproportionate share of **retail** jobs relative to its peer cities. That trend continued with the percentage of the labor force employed in retail continuing to increase by 3.2 percentage points from 10.5% in 2006 to 13.7% of the labor market in 2007 – the largest relative increase of any industry.
- A major component of any city economy is **financial services** – particularly in the downtown area where financial services tend to congregate because of proximity to City Hall, the courthouse and each other. Greensboro experienced

no change in the percentage of the labor pool employed in financial services – accounting for 8.4% of the labor force in both 2006 and 2007.

- **Professional, Scientific and Management** jobs specialize in a wide range of activities including legal advice, accounting, architectural and engineering services, computer services, consulting and research, logistics, plus a wide range of management and administrative services. In all cases, these activities require a high degree of expertise and training, and they are the sorts of high-wage, high-skill jobs that robust city economies should be attracting to the local area. Unfortunately, Greensboro experienced a decline in its market share in this sector slipping from 8.7% in 2006 to 8.5% of all jobs in 2007.
- Traditionally, **education and health service jobs** make up one of the largest sectors of any city economy accounting for over one-fifth of all jobs on average. Greensboro is no exception to this rule with education and health accounting for nearly one-quarter of all jobs in the city. That said, the market share decreased from 24.6% in 2006 to 23.2% in 2007.
- An important part of any city economy is the **arts and entertainment industry** particularly in downtown areas which tend to act as important focal points for the industry. Greensboro's share in this industry decreased from 10.6% of all jobs in 2006 to 10.3% in 2007. Although the Greensboro city center has recently experienced a rebirth of sorts – particularly the nightclubs and bars along South Elm Street – more could be done to attract young urban professionals to the city.
- It is clear that the **transportation logistics and warehousing industry** has the potential to become a major player in the Greensboro economy particularly with the planned opening of the mid-Atlantic FedEx hub in 2009 at Piedmont Triad International Airport. Not surprisingly, the percentage of all jobs in this industry increased slightly from a 4.5% share of the market in 2006 to 5.1% in 2007.

AVERAGE WAGES BY INDUSTRY

Analyzing average wages can provide a more detailed insight into the variation in skill levels by major industrial groupings – assuming that higher wages are a reflection of more specialized skills that require higher levels of training and expertise. The following data is derived from the U.S. Bureau of Labor Statistics (BLS) because the 2006 American Community Survey does not report data on average wages by specific industry. It should also be noted that BLS data by city is not available so the data is reported at the county level.

- **Overall average wages** in Guilford County were \$39,026 in 2007 compared to \$37,763 in 2006 – a 3.3% increase (+ \$1,263).
- Although many Southeastern cities have experienced substantial manufacturing job losses in recent years, those manufacturing workers that remain employed

tend to be involved in high-wage, high-skill activities. Guilford County's average wage rates in **manufacturing** increased 5.2% (+ \$2,449) from \$47,333 in 2006 to \$49,782 in 2007. Manufacturing companies in Guilford County continue to experience robust wage growth and pay better than any other sector – with the exception of the financial services industry.

- **Retail** jobs on the whole paid poorly offering an average wage of just \$25,160 in 2006 and \$26,587 in 2007. Only the leisure/hospitality industry generated lower average wage rates. However, retail wages experienced the highest relative wage gains (i.e., 5.7%) between 2006 and 2007.
- The **financial services** sector continued to generate the highest average wage rates in the local economy (i.e., \$52,540 in 2007). Furthermore, the financial services sector continued to experience robust wage growth (i.e., 4.1%) relative to other sectors of the economy. Guilford County appears to be cultivating a well paid, highly skilled financial cluster in the city and it seems to be a sector of the economy that deserves additional attention.
- The average wage rates in the **professional and business services** sector experienced very sluggish wage growth (i.e., 1.7%) increasing from \$38,517 in 2006 to just \$39,176 in 2007. The wage rates were also still considerably below that paid out in most of the peer cities included in the 2007 State of the City Report.
- Although **education and health services** experienced a significant decrease in the percentage of all jobs generated in the local economy, it produced significant gains in the average wage rates increasing nearly 4% from \$38,672 in 2006 to \$40,185 in 2007.
- The **leisure/hospitality** industry generated the lowest average wages of all the major industry groupings included in this report. That said, Guilford County experienced robust wage growth (i.e., 4.5%) with average wage rates of \$14,312 in 2007 compared to \$13,694 in 2006.
- Guilford County has been touted lately as an emerging **transportation and warehousing** market and it continues to offer the third highest average wage rates behind only financial services and manufacturing. Overall average wage rates in transportation and warehousing increased 3.2% from \$40,396 in 2006 to \$41,687 in 2007.

TAX BASE YIELD

One of the key metrics in determining the success or failure of a community is its ability to grow its property tax base. Healthy, thriving communities that are able to attract high value-added companies to the tax base should experience significant increases in total taxable real estate. The following data was obtained from the North Carolina Department

of Revenue (NCDOR) – it should be noted that NCDOR data by city was not available so the data is reported at the county level.

- The overall tax base in Guilford County grew 3.4% from \$33.6 billion in 2006/7 to \$34.7 billion in 2007/8 – which was an improvement on the 2.8% growth rate for the prior year.

Analyzing the percentage of total taxable real estate derived from residential properties can provide some insight into how well communities are ‘holding back’ land for industrial development. Industrial properties tend to generate better tax yields than residential properties on a per acre basis so it becomes important not to have an unusually high amount of the total tax base come from residential properties.

- The percentage of the total property tax base generated from residential properties increased 0.7 percentage points going from 62.8% of the tax base in 2006 to 63.5% in 2007. Although Guilford County had one of the smallest percentages of its tax base attributed to residential compared to its North Carolina peers in 2005, the increase in the percentage residential is a warning sign given the higher tax yields produced by industrial properties.

POVERTY RATE

The poverty rate is an indication of the magnitude of the various social problems that can adversely impact the competitive advantage of a local community. The U.S. Census Bureau uses a set of money income thresholds to define the poverty rate that vary by household size and composition to detect who is poor. For example, for a family of four with two children under the age of 18, the household is considered poor if total household income is below \$21,027 in 2007.

- Unfortunately, the Greensboro poverty rate continued to increase between 2006 and 2007 going from 19% to 19.3% of the population – although the rate of increase was much smaller than for the previous year (i.e., from 17.3% to 19%).

C. EDUCATION

A crucial indicator of the level of workforce preparedness in a city is the level of educational achievement in the community. For example, urban school systems experiencing above average high school drop-out rates and communities with a low percentage of the population enrolled in college programs are places that are unlikely to be economically sustainable in the long-term.

HIGH SCHOOL DROP-OUT RATES

- The Guilford County Schools high school dropout rate was very low and largely unchanged at 2.99% in 2006/7 compared to 2.98% in 2004/5 – one of the lowest dropout rates in North Carolina for major urban school systems.

SCHOOL ENROLLMENT

- Not unsurprisingly, the percentage of the city population enrolled in high school or less increased from 16.2% in 2006 to 18.2% in 2007. However, the percentage of the population enrolled in college decreased slightly from 12.4% to 12.1%.

EDUCATIONAL ATTAINMENT

Another way of measuring the skill levels of the adult population is by ranking the educational attainment of the population aged 25 or older. Communities with a substantial share of adults with a high school education or less are unlikely to be competitive in the contemporary knowledge economy.

- The percentage of the Greensboro population with either a high school or college degree was largely unchanged from 2006 to 2007. In 2007, the percentage of the population with a high school degree or less was 24.1% compared to 24.2% in 2006. The percentage of the population with a college degree increased slightly from 22.1% in 2006 to 22.2% in 2007.

D. HEALTH AND WELLNESS

Health and wellness metrics can be robust measures of the overall quality of life of a community. Mature, diverse economies that provide opportunities for all of the population tend to be communities that experience few underlying social problems.

INFANT MORTALITY RATE

Infant mortality rate is one of several health and wellness metrics that can accurately measure the distribution of wealth and opportunity across a community. Well-educated, affluent communities tend to experience lower infant mortality rates. Data was collected at the county level from the Guilford County Department of Health.

- The infant mortality rate decreased from 10.6 per 1,000 live births in 2006 to 9.5 in 2007.

TEENAGE PREGNANCY RATES

A large number of teenage pregnancies can be considered a major risk factor for a community because it can lead to poverty and substantially hinder the overall performance and quality of the local area's workforce. A high teenage pregnancy rate can imply that a community has some long-term systemic problems that have the potential to negatively impact the community. Data were collected at the county level from the Guilford County Health Department.

- The teenage pregnancy rate increased from 56.0 per 1,000 females aged 15-9 years old in 2006 to 56.8 in 2007.

CONCLUSION AND IMPLICATIONS

THE OVERALL ‘STATE OF THE CITY’ IS IMPROVING AND SHOWS SIGNS OF RECOVERY

- Although last year’s State of the City Report indicated that the overall health of the city of Greensboro was less than robust, the 2009 Report concluded that the state of the city has improved and is showing signs of recovery. While Greensboro continues to struggle with the ongoing ramifications of significant manufacturing job losses, both the city’s per capita income and median earnings increased from 2006 to 2007 after several years of decline. That said, the 2009 Report is largely based on 2007 data and does not include the full impact of the recent economic downturn.

POPULATION GROWTH RATES CONTINUED TO BE REASONABLE

- Greensboro experienced positive population growth rates between 2006 and 2007 (i.e., 2.4%) that measured up reasonably well with our competitors along the I-85 corridor including Charlotte (2.8%), Durham (2.8%), and Winston-Salem (1.7%) although Raleigh (4.2%) had noticeably higher growth rates.

EARNINGS AND INCOMES SHOW SIGNS OF IMPROVEMENT

- One of the most troubling findings of previous State of the City reports was the continuing declines in median earnings and per capita incomes. The downward trend in both metrics was reversed between 2006 and 2007. Median earnings increased (3.8%) from \$24,398 in 2006 to \$25,321 in 2007. The relative gains in per capita income were larger (6.2%) from \$23,180 in 2006 to \$24,626 in 2007. If median earnings and per capita incomes are a proxy for the overall skill levels of a community, this is an encouraging trend line for the city of Greensboro.

GREENSBORO CONTINUES TO LOSE ITS MANUFACTURING PROFILE

- Greensboro continues to experience dramatic declines in the percentage of its workforce employed in manufacturing from 13% in 2006 to 10.6% in 2007. Given the disproportionately large share of manufacturing jobs in Greensboro, this is not an unexpected trend.

EDUCATION AND HEALTH SERVICES REMAIN AN IMPORTANT PART OF THE LOCAL ECONOMY

- Education and health services continue to be major industries in the local economy accounting for nearly one-quarter of all jobs in Greensboro. However, the overall market share of education and health services dropped noticeably from 24.6% in 2006 to 23.2% in 2007.

OVERALL AVERAGE WAGE RATES INCREASED

- Guilford County's average wage rate (i.e., \$39,026) increased 3.3% from 2006 to 2007. Some of the most significant wage gains occurred in manufacturing which grew from \$47,333 in 2006 to \$49,782 (5.2%). However, the highest relative wage gains were in poorly paid retail jobs (i.e., 5.7%) and the leisure and hospitality industry (i.e., 4.5%)..

POVERTY RATES AND TEENAGE PREGNANCY RATES CONTINUE TO WORSEN

- In another troubling trend line, the percentage of the city population in poverty increased from 19% to 19.3% and the Guilford County teenage pregnancy rate increased although the Guilford County infant mortality rate improved from 10.6 to 9.5 per 1,000.

TECHNICAL FOOTNOTES

Unless otherwise noted, most of the data utilized in the report was derived from the 2007 American Community Survey (ACS). The ACS is a new nationwide survey that allows communities online access to current demographic and housing data on an annual basis. Instead of waiting 10 years for the decennial census data, the annual ACS makes it possible for communities to make more accurate, timely and informed decisions.

The 2007 ACS provided data for geographic areas with a total population of 65,000 or more. The annual sample size expanded from about 800,000 addresses in 1,240 counties in 2004 to approximately 3 million addresses in 3,219 U.S. counties in 2007.

Those metrics based on the 2006/7 ACS data included:

- median age of the population
- % population 20-34
- % population 65 or more
- % white, black and Hispanic
- mean household size (persons)
- mean travel time (minutes) to work for workers over age 16
- % owner-occupied housing units
- median house value (\$)
- median worker earnings (\$). (Earnings are defined as the sum of wage or salary income and net income from self-employment. "Earnings" represent the amount of income received regularly for people 16 years old and over before deductions for personal income taxes, Social Security, bond purchases, union dues, Medicare deductions, etc.)
- per capita income (\$). (Income is defined as the sum of wage and salary income plus income derived from such things as interest, dividend, rent and transfer payments.)
- % of the total workforce employed in manufacturing
- % of the total workforce employed in retail
- % of the total workforce employed in financial services
- % of the total workforce employed in professional, scientific and management services
- % of the total workforce employed in education/health services
- % of the total workforce employed in arts and entertainment
- % of the total workforce employed in transportation and warehousing
- % poverty rate (percentage of people whose income in the last 12 months is below the poverty level.) The U.S. Census Bureau uses a set of money income thresholds to define the poverty rate that vary by size and composition to detect who is poor. When the Social Security Administration (SSA) created the poverty definition in 1964, it focused on family food consumption. The U.S. Department of Agriculture (USDA) used its data about the nutritional needs of children and adults to construct food plans for families. Within each food plan, dollar amounts varied according to the total number of people in the family and the family's

composition; that is, the number of children within each family. The cheapest of these plans, the Economy Food Plan, was designed to address the dietary needs of families on an austere budget. Since the Economy Food Plan budgets varied by family size and composition, so too did the poverty thresholds. The poverty thresholds are revised annually to allow for changes in the cost of living as reflected in the Consumer Price Index (CPI-U). The poverty thresholds are the same for all parts of the country; they are not adjusted for regional, state, or local variations in the cost of living. To determine a person's poverty status, one compares the person's total family income in the last twelve months with the poverty threshold appropriate for that person's family size and composition

- % enrolled in high school or less
- % enrolled in college or more
- % of population over age 25 with a H.S. degree or less
- % of population over age 25 with a college degree or more

The **total population** data is based on the July 1st 2006/7 population estimates published by the U.S. Census Bureau and not the 2006/7 ACS data. The U.S. Census Bureau produces estimates of total resident population for all areas of general-purpose government on an annual basis. The Census Bureau develops county population estimates with a demographic procedure called an "administrative records component of population change" method. For the household population, the components of population change are births, deaths, net domestic migration, net international migration, and net military movement to and from overseas. Change in the non-household population is measured by the net change in the population living in group quarters facilities. The city population estimates are derived using the "Distributive Housing Unit Method" which uses housing unit estimates to distribute the county population to subcounty areas within the county. Housing unit estimates use building permits, mobile home shipments, and estimates of housing unit loss to update housing unit change since the last census. The Census Bureau develops a household population estimate by applying the occupancy rate and average persons per household (PPH) from the latest census at the subcounty level to an estimate of housing units. The final estimate is calculated by adding the population in group quarters to the household population. The assumption implicit in this method is that changes in the occupancy rate and/or the PPH are measured by the updated county population estimate and that the rate of change in the occupancy rate and/or PPH is uniform within counties.

The **average wage rate** data is derived from the U.S. Bureau of Labor Statistics (BLS) because the 2006/7 ACS does not report data on average wages by industry. BLS data was not available for Greensboro so all average wage rate data is for Guilford County. (Wage or salary income includes total money earnings received for work performed as an employee during the past 12 months. It includes wages, salary, armed forces pay, commissions, tips, piece-rate payments, and cash bonuses earned before deductions were made for taxes, bonds, pensions, union dues, etc. The average wages of workers in each industry was calculated in the following manner: (Federal Wages + State Wages + Local Government Wages + Private Wages) / (Federal Employees + State Employees + Local

Government Employees + Private Employees) = Average Wages. (Note: not all industries reported workers in both the public and private sectors)

The **tax base** data (total tax base and % residential) comes from the North Carolina Department of Revenue. The data is collected at the county level.

The **high school dropout rate** data were obtained from the Guilford County School Board and the reported figure is for Guilford County not the city of Greensboro.

The **health and wellness** data were collected from the North Carolina Division of Public Health. The infant mortality rate was calculated based on the number of infant deaths under one year of age per 1,000 live births. The teenage pregnancy rate was calculated based on the number of live-births, fetal deaths, and induced abortions per 1,000 females aged between 15-19 years old. Both metrics were not available for Greensboro and were reported at the county level.