



# **CHARLOTTE'S STATE OF BUSINESS RECRUITMENT**

**DELIVERABLE #7**

**February 2022**

---

# Table of Contents

- I. Project Background
- II. Overview of Charlotte's Current Business Recruitment System
  - Organizations
  - Targets
  - Process
- III. Insights on the Effectiveness of the System
- IV. Key Takeaways and Implications for HIRE Charlotte
- V. Takeaways





**I.  
Project  
Background**

# Overarching goal of HIRE Charlotte

Immediately increase Charlotte-Mecklenburg's employment ecosystem's impact on **creating and filling good jobs** that drive the economic prosperity for all of Charlotte's residents and businesses.

## PROJECT GOAL #1

Develop a vision and framework – a North Star for the entire employment ecosystem on how to create and fill good jobs today and tomorrow. The framework will include shared goals (key performance indicators) and specific action steps.

## PROJECT GOAL #2

Inform and help direct collective investments of the ecosystem and ARPA decision-making – how the funds should be used.

# EMPLOYMENT ECOSYSTEM

JOB SEEKERS

HIGHER ED

K-12  
EDUCATION

WORKFORCE TRAINING

ECONOMIC DEVELOPMENT



THIRD PARTY  
RECRUITERS

SOCIAL  
SERVICES

EMPLOYERS

# EVALUATION

# The Questions We Are Answering

**Where are we today – Current State?**

**What are our unmet needs?**

**What's possible in the future?**

**What's our desired future state?**



What type of job seekers are we great at serving?

What type of employers are we great at serving?

What needs does the ecosystem meet well and need to be leveraged?

What gaps in the ecosystem exist?

What type of job seekers do we want to be great at serving?

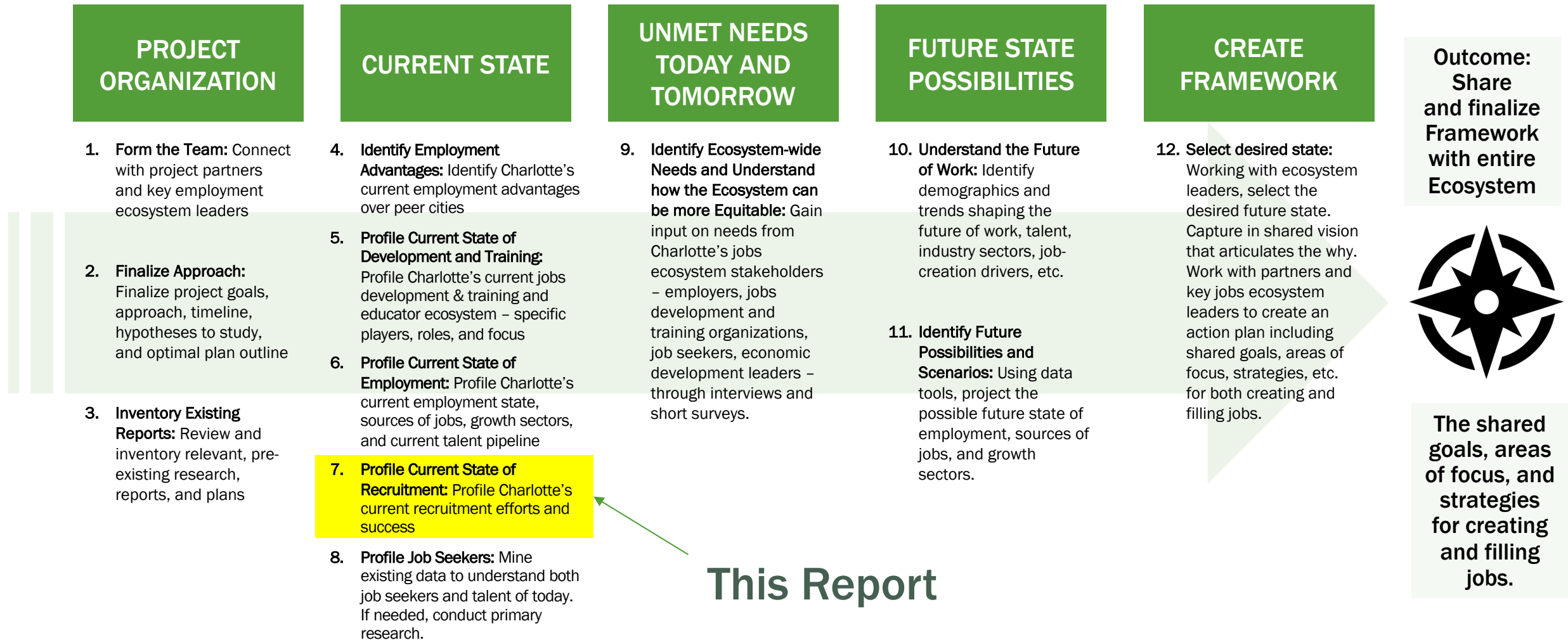
What type of employers do we want to be great at serving?

What are our goals to reach that desired future state?

What does the ecosystem look like when it works?

How will we know it is working?

# 12-Step process to identify our Desired Future State (our North Star) and the resulting Framework for how we will get to that Desired Future State



---

## CURRENT STATE

### 7. Profile the Current State of Recruitment

#### GOAL

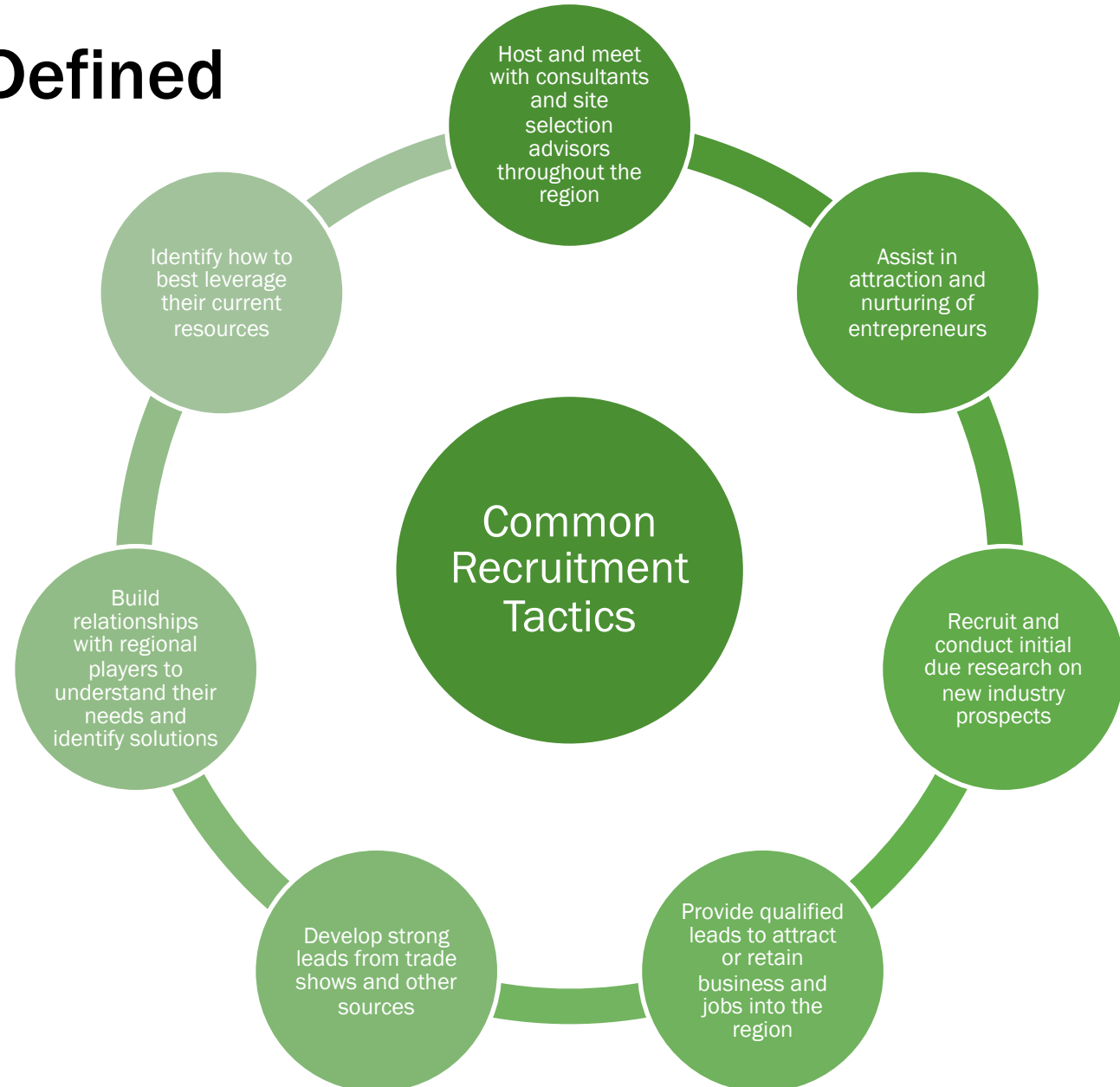
- Develop a clear understanding of the current state of business recruitment efforts and success.

#### APPROACH

- SIR, in partnership with the City of Charlotte team:
  - Mapped all players working in the business recruitment space and their areas of focus.
  - Identified the key issues that need to be addressed in terms of targeting priorities and related incentives.
  - Assessed the recruitment activities and performance outcomes to date.
- SIR interviewed external partners at the Economic Development Partnership of North Carolina (EDPNC) and a real estate broker at Cushman-Wakefield.

# Business Recruitment Defined

Business Recruitment involves actively seeking out potential businesses of interest, attracting them, and completing the cycle by having them locate their business in the region. This helps to support a healthy employment ecosystem.





**II.  
Overview of  
Charlotte's Current  
Business  
Recruitment  
System**

# ORGANIZATIONS

The City's Economic Development team has mapped out a robust business recruitment ecosystem:

## Business Recruitment Ecosystem



---

# Charlotte Regional Economic Development Organizations

**These organizations are all responsible for bringing new jobs and new employers to the area:**

- Charlotte Regional Business Alliance, formerly the Charlotte Chamber and Charlotte Regional Partnership
- City of Charlotte Economic Development
- Mecklenburg County Office of Economic Development
- Charlotte Regional Visitors Authority
- Charlotte Center City Partners
- University City Partners
- Charlotte Regional Business Alliance
- Centralina Council of Governments

| NAME                                                     | CATEGORY                                                                                                                                                                                                             | FUNCTION                                                                                                                                                                                                            | PROGRAMS                                                                                                                                                                                           | OUTPUT                                                                                                                                                                                      |
|----------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Charlotte Regional Business Alliance</b>              | <ul style="list-style-type: none"> <li>• Marketing &amp; Lead Generation</li> <li>• Economic Development</li> <li>• Business Recruitment</li> <li>• Relocation Resource</li> </ul>                                   | The Charlotte Regional Business Alliance is a non-profit organization dedicated to the economic development of the Charlotte 15-county region.                                                                      | Economic Development Advisory Council (EDAC); CLT Alliance Foundation                                                                                                                              | Project Management; Research; Real Estate; Lead Generation; Marketing; Regional Tours; Facilitate Connections; Talent and Workforce Development; Services for Foreign Owned Companies.      |
| <b>City of Charlotte Economic Development</b>            | <ul style="list-style-type: none"> <li>• Economic Development</li> <li>• Funding Opportunities</li> <li>• Incentive Development</li> <li>• Business Recruitment</li> </ul>                                           | To establish the city as the ideal place to live and do business by creating opportunities for equitable business growth and innovation, job creation, talent development and strategic investments in communities. | Charlotte City Council Oversight; Business Investment Grants; Development and Redevelopment ; Business Recruitment and Expansion; Business Innovation; Talent Development; International Relations | Funding Opportunity and Grants; Labor Market and Demographic Information; Assistance with Real Estate and Property Searches; Incentive Programs; Project Management                         |
| <b>Mecklenburg County Office of Economic Development</b> | <ul style="list-style-type: none"> <li>• Economic Development</li> <li>• Small Business Resources and Services</li> <li>• Business Recruitment</li> <li>• Talent Acquisition</li> <li>• Existing Industry</li> </ul> | Provide resources to the business communities to attract, retain, and expand employment opportunities for County residents.                                                                                         | Starting or Growing a Business; Financial Advice for Your Business; Business Attraction; Business Diversity and Inclusion; Meck Lending Loan Program; Support for an Existing Business             | Business Investment Grants; Small Business Resources; Lending Programs; Educational Resources; Attraction of Relevant Businesses; Attraction of Qualified Candidates; Incentive Development |

| NAME                                                | CATEGORY                                                                                                                                                                                                     | FUNCTION                                                                                                                                                                                                                           | PROGRAMS                                                                                                                                                                                                                      | OUTPUT                                                                                                                                                     |
|-----------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Charlotte Regional Visitors Authority (CRVA)</b> | <ul style="list-style-type: none"> <li>• Destination Development</li> <li>• Tourism</li> <li>• Event and Venue Management</li> <li>• Business Recruitment</li> </ul>                                         | The CRVA works to maximize the economic potential through visitor spending, creating jobs and opportunities for the community through destination development, marketing and venue management expertise.                           | Manages community brands including Charlotte Convention Center; NASCAR Hall of Fame; Bojangles Entertainment Complex; Spectrum Center; Visit Charlotte; Charlotte Region Film Commission; Educational Foundation; ALL IN 2040 | Actions surrounding and including place branding, event and venue management serving meetings, sports, and strategic occasions, as well as leisure travel. |
| <b>Charlotte Center City Partners (CCCP)</b>        | <ul style="list-style-type: none"> <li>• Strategic Planning</li> <li>• Economic Development</li> <li>• Research Development</li> <li>• Business Recruitment</li> </ul>                                       | Charlotte Center City Partners facilitates and promotes the economic, cultural and residential development of the urban core.                                                                                                      | Center City Exchange; Innovation Fund; Visit Uptown; Various Seasonal Events                                                                                                                                                  | Strategic Plans; Ongoing Research Initiatives; Community festivals and events;                                                                             |
| <b>University City Partners (UCP)</b>               | <ul style="list-style-type: none"> <li>• Research Development</li> <li>• Education Opportunities</li> <li>• Attraction Repository</li> <li>• Business Recruitment</li> <li>• Economic Development</li> </ul> | UCP is a non-profit that invests resources to shape public spaces and plans for a better-built environment and invites others to invest in the community via relocation of small to mid-size business HQ, or real estate, or home. | Research: Vision Plan; Tomorrow's Urban Center; University City Area Plan; University City Demographics; University Research Park Plan; University City Annual Report; JW Clay Station Plan                                   | Efforts around Planning and Development; Marketing and Communications; Operations and Governance; Recruitment.                                             |

| NAME                                     | CATEGORY                                                                                                                                                                                                                      | FUNCTION                                                                                                                                                                                                                                                                          | PROGRAMS                                                                                                                                                                                                               | OUTPUT                                                                                                                                                                                                                                                                                                                    |
|------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Centralina Council of Governments</b> | <ul style="list-style-type: none"> <li>• Strategic Planning</li> <li>• Economic Development</li> <li>• Community Development Programs</li> <li>• Workforce Development</li> <li>• Talent Acquisition and Retention</li> </ul> | Centralina is an organization dedicated to uplifting regional collaboration and sparking local action to expand opportunity and improve quality of life. This is accomplished through creative problem solving, innovative service delivery and support to the local governments. | Centralina Board of Delegates; LEAN Development Review Process; HUD Entitlement Administration; Centralina Regional Council Workplan; CONNECT Our Future; Comprehensive Economic Development Strategy; CONNECT Beyond; | Defined Regional Goals; Administration & Management Services; Economic Development infrastructure; Grant assistance and government coordination; Planning and Community Engagement; Age-Friendly Communities; Wellness Programing; Transportation and Mobility assessments and planning; Talent acquisition and retention |

## Other Ecosystem Organizations

Economic Development Partnership of North Carolina

# TARGETS

# Targeted industries and occupations as identified by the City of Charlotte's Department of Economic Development

- Finance (industry)
- Technology (occupation)
- Business, Management, and Administration (occupation)
- Transportation and Warehousing (industry)
- Manufacturing (industry)
- Health Sciences (occupation)

An **industry** category is a cluster of like businesses.

An **occupation** category is a cluster of like jobs that permeate multiple industries.

These industries and occupations were identified based on their:

- Projected growth trends
- Business recruitment successes
- Strength in talent clusters.

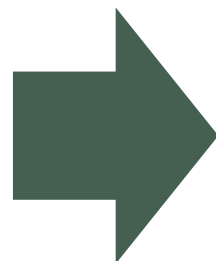
## SUMMARY

### Cluster Snapshot

| SECTOR                                  | CLUSTER TYPE | CURRENT EMPLOYMENT | CURRENT LQ | CURRENT PROJECTED GROWTH (10 YEARS) | CURRENT PROJECTED EMPLOYMENT (10 YEARS) |
|-----------------------------------------|--------------|--------------------|------------|-------------------------------------|-----------------------------------------|
| Finance                                 | Industry     | 93,632             | 1.62       | 1.4%                                | 13,887                                  |
| Technology                              | Occupation   | 46,278             | 1.06       | 2.4%                                | 12,184                                  |
| Business, Management and Administration | Occupation   | 141,472            | 0.99       | 1.5%                                | 23,351                                  |
| Transportation and Warehousing          | Industry     | 85,590             | 1.26       | 1.6%                                | 14,927                                  |
| Manufacturing                           | Industry     | 129,406            | 1.14       | 0.6%                                | 8,555                                   |
| Health Sciences                         | Occupation   | 105,028            | 1.00       | 2.2%                                | 25,048                                  |

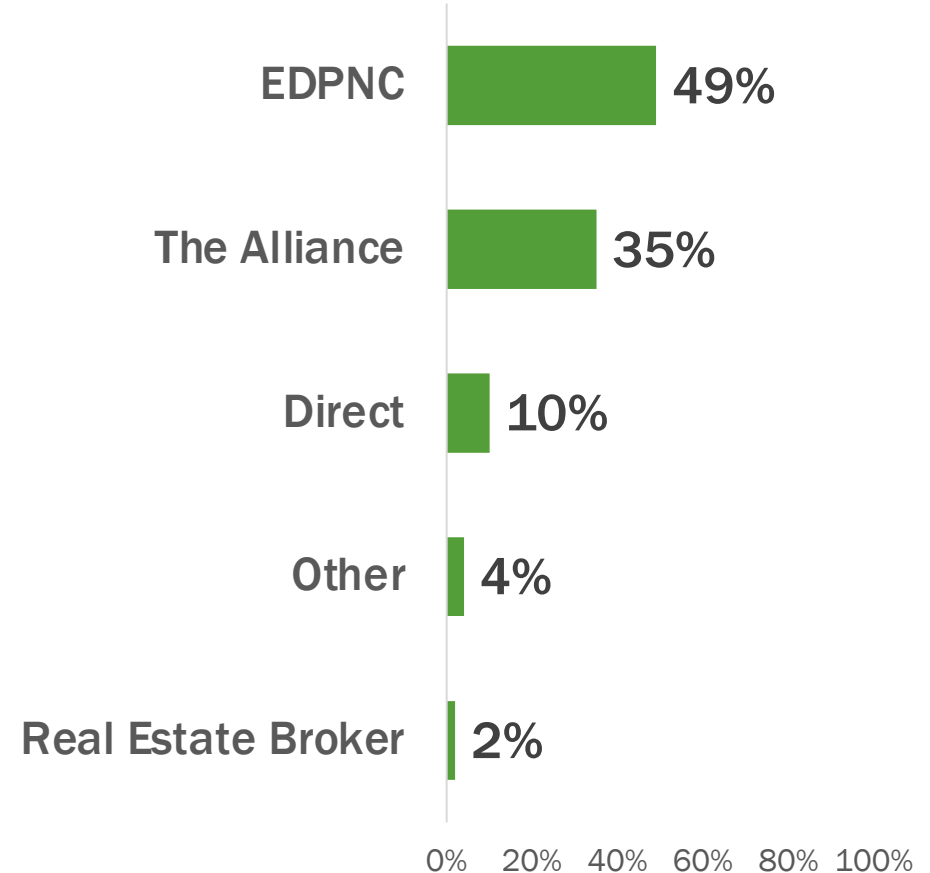
# Charlotte Recruitment Geographical Targets

Target markets for business recruitment are based on similar industry composition and labor market size and skillset



# Projects by Lead Source (as of May 2021)

- Nearly half (49%) of project leads came from EDPNC
  - 68% Industrial/Warehousing
  - 25% Office
  - 7% Other/misc.
- Over another third (35%) of project leads came from the Charlotte Regional Business Alliance
  - 86% Industrial/Warehousing
  - 14% Office
- 10% Direct
- 4% Other
- 2% Real Estate Broker



---

# Typical details and trends as seen in Requests for Information (RFI)

## OFFICE AND INDUSTRIAL PROJECT TRENDS (May 2021)

- 66% of Industrial RFIs are for 100k-500k sq. ft.
- Office is trending to either less than 50k or larger spaces (100-250k sq. ft.)

## OUT OF 110 ACTIVE PROJECTS (July 2021)

- 65% are industrial – either advanced manufacturing or logistics/distribution
- Office projects have picked up since the start of 2021, representing 26% of active projects
- 72% of RFIs from EDPNC and Alliance were for industrial projects
- Out of 86,700 total potential new jobs, 32% are industrial, 16% are tech/fintech/R&D, and 50% of jobs weren't clarified
- Projects that Charlotte has been shortlisted for or are under negotiation with a total of over 6,800 new jobs
  - Most projects are in IT or fintech and some are advanced manufacturing

# Recent Company Announcements

**11,564** **+** **6,281** **=** **17,845**  
Previous 2-Year Total      Last 12 Months      Jobs Created and Retained

**CENTENE**<sup>®</sup>  
*Corporation*

- Centene
- InterContinental Capital Group
- Credit Karma
- Arrival (HQ, EV Van Microfactory + Battery Plant)
- Robinhood

**Robinhood** 

 Intercontinental  
Capital  
Group

**ck**

**\***

**ARRIVAL**

**HIRE**  
CHARLOTTE

# PROCESS

# Charlotte's Main Business Recruitment Organizations

## ▶ **EDPNC**

- **Lead Generation**
- **Marketing**
- **JDIG Grant**

The Economic Development Partnership of North Carolina is the lead business recruitment agency for the state. They pass along leads (companies considering our area) to the City and County.

## ▶ **City of Charlotte**

- **Project Management**
- **BIP Grant**
- **Talent Development**

Handles project management, including responding to RFIs, assisting with real estate searches, providing labor market data, and pitching companies. Awards Business Investment Grant and provide talent development strategies.

## ▶ **The Alliance**

- **Lead Generation**
- **Marketing**
- **Convener**

The Charlotte Regional Business Alliance is the lead business recruitment agency for Charlotte, Mecklenburg County, and the surrounding 14 counties. They also pass along leads to the City and County.

## ▶ **Mecklenburg County**

- **Project Management**
- **BIP Grant**
- **Business Retention**

Collaborate with City on project management in Charlotte and lead project management for Meck County towns. Awards Business Investment Grant and has traditionally handled business retention for the County, particularly for manufacturers.

Also collaborate with MSD agencies incl. **Center City Partners**, **University City Partners**, etc.

# Charlotte's Business Recruitment Process Overview

- ▶ **Lead Generated**  
Leads are generated by EDPNC, Alliance, or direct
- ▶ **RFI Response**  
City & County collaborate on RFI response, coordinate on real estate searches, labor market questions, site visit planning, and pitch discussions
- ▶ **Pitch to Company**  
Build customized pitch around the company's decision drivers - typically quality of life, talent, incentives, and real estate
- ▶ **Incentive Negotiations**  
The City, County, and EDPNC all calculate incentive offers based on job count, capital investment, and location of facility and get approval from City Council/County Commission/Dept. of Commerce
- ▶ **Plan Announcement**  
Once company chooses Charlotte/Mecklenburg, all entities involved coordinate an announcement plan
- ▶ **Integrate Company into Charlotte**  
Connect the company to workforce development partners, assist them through construction process, help establish their brand in our local market

---

# City of Charlotte Business Recruitment Ecosystem

## How the City Contributes to Creating Jobs: Customized Recruitment Project Management

- ➡ Project leads are generated by EDPNC, Alliance or direct from the company or company's consultant
- ➡ For a project seeking to locate within the city limits, the City of Charlotte will lead the RFI response, site visits, and pitch discussions in cooperation with the local team.

Charlotte's approach to business recruitment is centered around customer service and tailored, customized solutions for each project.

- Driving decision factors for a company include:
  - **Talent** – The City provides a deep dive on labor through analytical labor market data and by partner facilitation.
  - **Real Estate** - They assist incoming organizations with tasks such as property searches, arranging commercial real estate tours during site visits, identifying new-to-market properties or with city services
  - **Incentives** - They also coordinate the incentive process with state and county officials via the Business Investment Grant and Opportunity Hiring programs.
  - **Quality of Life** – The City highlights the region's quality of life by providing connections for a company within the business and civic communities and by assisting with employee relocation efforts.
- The City will lead incentive negotiations and decisions with the company, county and state teams, and elected officials.
- When a company selects Charlotte, the city team will plan the announcement and coordinate media information.
- After announcement, the Charlotte team assists with integrating the company into the business and civic community.

# What Drives a Company's Decision to Relocate?

## Factors of Consideration

- Commerce Opportunities
- Industry Concentration
- Cost of Living and Doing Business
- Labor Market and Talent Supply
- Quality of Life
- Cultural Diversity and Amenities
- Population Growth and Migration
- Mutually Supportive Infrastructure and Mobility Access

## Incentives

- **Business Investment Grant** – Reimbursement of net new ad valorem property taxes, but the business must create 20 new jobs, invest \$3M, and pay an average salary of \$52,150
- **State Level Grants** – JDIG reimbursement of of employment taxes, but the business must create 200 jobs and offer an average wage of \$72,000
- **Opportunity Hiring Grants** – Offered by the city, this grant offers cash reimbursement for hiring job seekers from the region's workforce partner ecosystem



**III.  
Insights on the  
Effectiveness of  
the System**

# Overall, Charlotte has great qualities making it an attractive place for businesses to relocate.

## Credit Karma

- "North Carolina is the ideal place for technology companies to do business, thanks to our tech-savvy talent, resilient economy and great quality of life."

## Centene

- "Charlotte has great talent, excellent infrastructure and a real commitment to sustainable development..."

## Robinhood

- "Charlotte is known for its talented and diverse workforce, making it an easy choice as we looked to expand our operations. We're confident that Charlotte's workforce will further contribute to our mission and lower the barriers to investing for all."

## Arrival

- "Our work together forms a roadmap in how we design a regionally Integrated Transportation Ecosystem that pulls together components like EVs, charging infrastructure and digital mobility services, to enable more cities to achieve their zero-emission goals, connect local communities and future-proof transportation networks."

## InterContinental Capital Group

- "Growing companies like Intercontinental Capital Group choose North Carolina for their expansion plans because of our tech-ready workforce and strong leadership, even during a global pandemic..."

➤ Factors Contributing to a Quality of Life

➤ Low Cost of Living

➤ Highly Skilled Talent Base

➤ Major International Airport

# Insights from Stakeholder Interviews

Economic Development Partnership of North Carolina (EDPNC)  
and a real estate broker at Cushman-Wakefield

# Stakeholders interviewed in the business recruitment system point to many positive reasons Charlotte is an attractive place to relocate

## Companies have mentioned they like Charlotte for its:

- International airport
- Historically low cost but high quality of living
- High quality workers, especially with the labor market being top of mind
- Charlotte's strength in the financial sector means that businesses always have access to cash flow and capital
- Mild weather
- Attractiveness of ecosystem partners
- It's viewed as a place that attracts families
- Lots of higher education opportunities

## Factors that have or could impact growth:

- Economic repercussions resulting from HB2, the 'Bathroom Bill'
- Lack of geographic expansion space available. While Charlotte has many assets, they lack 'A' sites located within several miles of the interstate.
- Geographical distance makes it more challenging to target west coast financial services and technology companies.

“Space has always been an issue... Land is becoming sparser and more expensive. Industrial ‘A’ sites are disappearing, and ‘B’ and ‘C’ sites, which leads incoming companies to consider other areas to relocate.”

# EDPNC stakeholder says the business recruitment system is working today...

## The Current Process

- Many locations across the state, especially rural areas, are open and eager to except any organization that expresses interest in locating there. Charlotte is in a unique position to deliberately consider, identify, and attract the businesses and industries that best serve the community.
- The current process requires those in recruitment to collaborate with government agencies like the Department of Commerce when incentives come into play. Documentation like financial audits are needed to establish a record of the company size and type to ensure the firm is aligned with incentive requirements.
- Current incentives are geared toward target sectors and industries, hiring candidates associated with specific workforce partners, and organizations that contribute a certain level of economic investment or community stimulus. What's not included are incentives in the entrepreneurial space, but Charlotte makes up for it in the work done with regional small business centers.
- While state and local leaders target specific industries, the targets tend to change after each term and election. Therefore, the state-set priorities tend not to influence the localized business recruitment ecosystem's focus unless the organization in question falls into one of the key industry sectors.

**“We have a situation in North Carolina from a state perspective – a project has to meet the average wage of the county to go through the incentive process. Mecklenburg County has one of the highest average wages in the state and it really hurts them in that a manufacturing company has \$50K well that’s below the average. So, are we doing a disservice in requiring that? As long as they provide health insurance, a \$45K job might be a great job for someone.”**

Takeaway: Charlotte’s business recruitment is a robust system, but it could be more connected and attuned to what’s going on with the workforce to better align around intentional industry targeting. Stakeholders did not reference any sort of coordinated or targeted approach across the ecosystem. Charlotte’s higher-than-average wages also proves a challenge. Some state-level incentives require businesses to meet or exceed the average-wage for the city in which they locate. This means some businesses are simply unable to locate in Charlotte and still access incentives.



**IV.  
Key Takeaways  
and Implications  
for HIRE  
Charlotte**

---

# Key Takeaways

- Despite the pandemic, Charlotte is performing well with recruitment efforts. They have achieved some big wins. In the past three years their efforts have led to 17,845 new or retained jobs.
- The employment ecosystem is rich in partnerships within the system. There is a robust network of organizations in the business recruitment system and there appears to be a clear understanding of roles and resources.
- Most leads are coming down through partnerships with EDPNC and the Alliance. Few wins seem to come from an intentional targeted recruitment approach from the City of Charlotte.
- The stakeholders interviewed report Charlotte has gained increased momentum under new city leadership. They point to more focused and coordinated efforts allowing for the many wins Charlotte has achieved in the past several years.

---

# Implication for HIRE Charlotte

## There is an opportunity for...

- HIRE Charlotte to provide greater connectivity for business recruitment organizations to understand the landscape of talent in Charlotte.
- More integrated plans connecting workforce development, mobility, housing, and redevelopment.
- Alignment of future business recruitment and the workforce pipeline. Including agreed upon goals and targets for workforce pipeline development in targeted industries and occupations.
- Review of incentive structures at all levels. There may be opportunities to demonstrate how incentives that align with upward mobility goals have greater impact on the community.