



# BATTLE IN THE VALLEY OF THE SUN:

How does the Charlotte Region compare with the Phoenix Region?

## KEY REGIONAL METRICS



	 CHARLOTTE	 PHOENIX
Gross Regional Product (2023)	\$234.7 billion	\$351.7 billion
Population	2.9 million	5.0 million
Historical Population Change (2018 – 2028)	7%	4%
Projected Population Growth (2023 – 2028)	6%	1%
Labor Force	1.5 million*	2.6 million*
Unemployment Rate	3.1%*	3.4%*
% of Population with a Bachelor’s Degree or Higher	36.0%	33.8%
% of Population of Prime Working Ages	41%	40%

Source: Lightcast 2024

\*As of December 2023

Where the Charlotte Region lacks in sheer size is made up for in growth compared to their western peer, Phoenix. While the Phoenix Region is larger than the Charlotte Region in terms of population, recent and projected growth favor Charlotte. Additionally, the Charlotte Region currently boasts a higher percentage of college educated residents and a slightly higher percentage of the populous in the prime working age group. Data from the University of Wisconsin has shown that in the previous decade, about 2/3 of people who moved into Charlotte were prime-working age as of 2020, compared to just over half the movers into Phoenix. Recent trends suggest that Charlotte is attracting a slightly younger more educated talent base.

## KEY INDUSTRY METRICS

	 CHARLOTTE	 PHOENIX
FORTUNE 1000 (HQ AND OPERATIONS)		
# of Fortune 1000 Companies (HQ and operations)	18	19

Source: Lightcast 2024

### EMPLOYMENT (2023) AND EMPLOYMENT PERCENT GROWTH (2018-2023)

	Employment	Employment % Growth (2018-2023)	Employment	Employment % Growth (2018-2023)
Financial Services	106k	29%	161k	4%
Manufacturing	146k	2%	153k	17%
Distribution and Logistics	89k	35%	119k	35%
Life Sciences	21k	19%	51k	36%
Information and Tech*	28k	-8%	41k	4%

Source: Lightcast 2024, \*Information and Tech presents opportunity for 1:1 comparison over Innovation Economy

Charlotte and Phoenix have both been among the nations’ top performing economies. This economic strength becomes apparent when focusing on five key industries: financial services, manufacturing, distribution and logistics, life sciences, and information and tech. Despite having a considerably smaller labor force, Charlotte continues to display its dominance as a financial hub, growing by nearly 30% in the past five years compared to just 4% growth in Phoenix.

Charlotte also compares favorably with Phoenix in the manufacturing industry. Even though the labor force in Phoenix has about one million more participants compared with Charlotte, Charlotte’s manufacturing industry employs only seven thousand less workers. However, Phoenix has made recent gains. Stemming from the Creating Helpful Incentives to Produce Semiconductors (CHIPS) act, Phoenix has seen massive announcements. Taiwan Semiconductor Manufacturing Company announced a third factory to the region expanding TSMC’s total investment to over \$65 billion. Additionally, Intel has made a \$20 billion commitment to the region in the form of cutting-edge chip factories. With these recent historic announcements, Phoenix has positioned themselves to be a manufacturing leader.



Charlotte has been and continues to be a hotbed for manufacturing operations. Due to its historic success in manufacturing, the Charlotte Region has built a strong base of education assets and a diverse industrial base and workforce. The region is home to 15 advanced manufacturing training programs, and over 10 apprenticeship programs. These assets heavily contribute to the steady flow of manufacturers choosing the region in recent years. Both regions, however, remain prime for industry growth.

Charlotte and Phoenix have also focused on building emerging industries like life sciences in recent years. Though the workforce is smaller than traditional industries, both regions are seeing fast industry growth. With this growth, the industries have been rewarded with significant investments. Breaking ground in 2023 is Charlotte’s Innovation District, The Pearl. A mixed-use development featuring office, lab, retail, and residential developments will also be home to Charlotte’s first medical school.

Likewise, Phoenix has seen similar investments. Discovery Oasis in Phoenix will operate as a hub for groundbreaking research in medical equipment manufacturing, biotechnology, next-generation diagnostics, and more. In a similar fashion of Charlotte’s Pearl Innovation Center, Phoenix is home to the Phoenix Bioscience Core. Both The Pearl and the Bioscience Core promote innovation and development and signal major commitment to growing in the industry in their respective regions. These investments put both regions at the forefront of innovation in the life sciences industry.

## KEY QUALITY OF LIFE METRICS

POTENTIAL SAVINGS IF YOU MOVE FROM PHOENIX TO CHARLOTTE:

	 <b>CHARLOTTE</b>	 <b>PHOENIX</b>
Expenditure	% Savings Moving to Charlotte	You Will Spend Less/More
Grocery	3.7%	Less
Housing	23.7%	Less
Utilities	10.26%	Less
Transportation	8.2%	Less
Healthcare	17.7%	More
Miscellaneous	12.7%	More



Cost of Living	97.5	108.0
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Source: Lightcast 2024

	Average Wages	COL Adjstd Wages	Average Wages	COL Adjstd Wages
Financial Services	\$143k	\$147k	\$100k	\$93k
Manufacturing	\$68k	\$70k	\$91k	\$84k
Distribution and Logistics	\$59k	\$61k	\$58k	\$54k
Life Sciences	\$88k	\$90k	\$92k	\$85k
Information and Tech*	\$105k	\$108k	\$108k	\$100k

Source: Lightcast 2024, \*The Charlotte Region Innovation Economy employs 67k. Innovation and Tech is a subset of the Innovation Economy and presents the opportunity for a 1:1 comparison

Average Rent 2-Bedrm Apt	\$1,295	\$1,409
Median Household Income	69k	72k
Median Single-Family Home Price	\$395,100	\$466,500

Source: Lightcast 2024, \*Information and Tech presents opportunity for 1:1 comparison over Innovation Economy

Cost-of-living data suggests that currently Charlotte is overall a better bargain than Phoenix. Even after adjusting for cost-of-living, wages stretch further in Charlotte in four out of five key industries. Moving from Phoenix to Charlotte would represent a potential easing of some financial burdens.

## TRANSPORTATION COMPARISON

CHARLOTTE DOUGLAS INTERNATIONAL AIRPORT AND PHOENIX SKY HARBOR INTERNATIONAL AIRPORT





J.D. North America Airport Satisfaction Survey	12TH	13TH
Air Traffic	7TH	13TH
Passenger Traffic (U.S.)	10TH	12TH

Source: J.D. Power, Airports Council International, Stratos

Airports often act as the heartbeat to an economically prosperous region. It should come as no surprise both Charlotte and Phoenix have two of the busiest international airports in the world, with each serving as hubs to American Airlines. Employing thousands in Charlotte, American Airlines has become a staple in the regional workforce and a driver of economic development. Charlotte Douglas International Airport serves nonstop air services to 180 destinations around the world, and is home to eight major air carriers, 15 regional carriers, and three foreign flag carriers. Phoenix Sky Harbor International Airport is home to 23 airlines offering nonstop service to 146 domestic and international destinations.

## TRANSPORTATION OPTIONS AND COMMUTE TIMES




	 CHARLOTTE	 PHOENIX
Average Commute Time	27.0 minutes	26.8 minutes
Bus	Yes	Yes
Rapid Bus	Yes	Yes
Vanpool	Yes	Yes
Streetcar	Yes	No
Rail	Yes	Yes

Source: Lightcast 2024, CATS 2024, Visit Phoenix 2024

Transportation in the Phoenix MSA and the Charlotte Region offer differences due to their distinct urban layouts and transportation infrastructures. Both regions, however, sprawled across large landscape, making personal vehicles still the dominant mode of transportation. Phoenix and Charlotte are committed to advancing their respective transportation systems and infrastructure. The Bipartisan Infrastructure Law has produced billions in spending on infrastructure and transportation in Arizona and the Carolinas. Additionally, Phoenix is on the cutting edge of adding new transportation options. Early this year, Waymo began testing driverless vehicles across the Phoenix Metro. Supporting key legislation that boosts infrastructure will be key in remaining competitive for two growing regions.

## BUSINESS CLIMATE AND TAXES

### BUSINESS CLIMATE RANKINGS

	 NORTH CAROLINA	 SOUTH CAROLINA	 ARIZONA
CNBC's Top States for Business	1ST	27TH	14TH
Site Selection Ranking	1ST	12TH	7TH
Site Selection Best States for Manufacturing	2ND	6TH	9TH

Source: CNBC 2023, Site Selection Magazine 2022 . \*Survey of site selectors who ranked states in order of attractiveness based on experience of locating projects.

## TAXES



Corporate Income tax	2.5% (0% by 2030)	5.00%	4.9%
Combined State and Average Local Sales Tax	7.00%	7.58%	7.62%
Personal Income Tax	4.5%	0%-6.4%	2.5%

Source: Foundation Tax 2023

Factoring in criteria including workforce, infrastructure, economy, health, cost of doing business, and tech and innovation, North Carolina ranks as CNBC's number one state in the country for business for the second consecutive year. While North Carolina's current corporate income tax is already the lowest among states that levy such a tax, the rate is scheduled to drop to 0% by 2030. Arizona (14th) and South Carolina (27th) fall short of North Carolina's top ranking, but each have their selling points. All three states ranked in the top eight as the best states for manufacturing in the country.



Phoenix, Arizona



Downtown Charlotte



Greater Phoenix is home to more than  
**160**  
**golf clubs**  
 that offer more than  
**185**  
 different golf courses.



There are **six lakes** within  
 a **75-minute drive**  
 of downtown Phoenix.



Final Four Tournament host.

Phoenix is home to one of the **largest municipal parks in North America**. South Mountain Park and Preserve covers more than **16,000 acres** and has more than **50 miles** of hiking, biking and equestrian trails.



  
 The Arizona Cardinals, Phoenix Suns, Arizona Diamondbacks, and Arizona Coyotes all play their home games within  
**16.5 miles**  
 of downtown Phoenix.

Estimated direct spending by visitors in the city  
**exceeded**  
**\$4.4 billion.**



  
**19.5 million**  
 people visited Phoenix in 2022, including overnight and day trip visitors and  
**one million**  
 international visitors.



Tournament first and second round host.



The Charlotte Hornets, Carolina Panthers, Charlotte Knights, Charlotte FC all play their home games within

**1 mile**

radius of each other in uptown Charlotte.

Estimated direct spending by visitors in the city **exceeded \$7.3 billion.**



There are **76 breweries** in the Charlotte Metro: including the **#1 best beer garden** in the United States



There are over **138k** travel and tourism jobs in the region.

With theatre venues like the Blumenthal and Ovens Auditorium, more than **1,000 events** are performed annually in the region.



On top of each region being home to several professional sports teams, Phoenix and Charlotte have become a magnet for hosting major sporting events. Both cities will be hosting portions of the 2024 Men's College Basketball March Madness tournament, with Phoenix receiving the distinction of hosting both the Final Four and National Championship. While both cities host key events in NASCAR, professional golf, NBA, NFL, college athletics, and more, Phoenix has been able to deliver larger-scale marquee events. According to the Arizona Super Bowl Host Committee, the 2023 Super Bowl alone produced \$1.3 billion for the state's economy.

Capturing these mega events has been no accident in Phoenix. In November of 2000, Arizona passed proposition 302, which led the way to a new multi-purpose stadium and created a lasting public-private partnership with the NFL's Arizona Cardinals. Proposition 302 paved the way to boost the state's tourism budget, and the Phoenix Region has been reaping the benefits ever since. With an older stadium by NFL standards in Charlotte, there has long been speculation on what it would take to build a more modern facility. Charlotte can look no further to Phoenix as a role model in this process. With the right investment and infrastructure, Charlotte could eventually compete with Phoenix for mega events.

Both Charlotte and Phoenix excel in being a destination for tourists and residents alike to live, work, and play. Charlotte welcomes those in the region with a blend of Southern charm and modern allure. Phoenix offers 300 days of sunshine a year, a warm climate, and a flourishing outdoor lifestyle. Both regions are in firm competition, each with plenty of options for attracting movers and tourists from all over.

