

The Greater Raleigh-Durham-Chapel Hill Region



The Region

The Raleigh-Durham-Chapel Hill metro region, also known as the “Research Triangle,” is a collection of four mid-sized cities, several smaller towns and numerous rural communities. The region’s population has doubled in a generation, from 763,000 in 1970 to 1.5 million in 2000. The region is anchored by Duke University in Durham, the University of North Carolina in Chapel Hill, and North Carolina State in Raleigh. The three joined in 1959 to help create Research Triangle Park, centered in southeast Durham. The park houses more than 100 research and development facilities that employ 38,500 people. Located in the park are facilities for technology giants such as Ericsson, IBM, SAS, Nortel Networks and Cisco Systems. The region is home to 46 percent of North Carolina’s high-technology jobs. It ranks fourth in a new economy index and first in innovation, among the top 50 metro areas, according to the Progressive Policy Institute. It has one of the highest percentages of college graduates, 39%, among the nation’s largest metro areas.

People refer to the Triangle area as a region with separate but linked cities, unlike a “centered” region like Atlanta or Charlotte. No one city defines the Triangle region. Adding to the confusion, the U.S. Office of Management and Budget recently divided the region into two metropolitan statistical areas (MSAs). As of June 2003, one MSA is a four-county area around the city of Durham and the other MSA is a three-county area around the cities of Raleigh and Cary. No wonder an article on the Durham Convention and Visitors Bureau web site asks, “In a region where cooperation and collaboration is so intense, why is there frequent confusion over the nature of the region?”

Job loss is an important regional issue. The Research Triangle was tremendously affected by the economic downturn. The region’s unemployment rate, once as low as 0.8% in 2000, rose to 6.5% in 2003. The region’s high concentration of technology companies was especially hard hit.

Other important regional issues are education and transportation. “Education has taken a big leap because of the companies that have come to the area,” said Jim Roberson, President of the Research Triangle Park Foundation. “These companies want the good school systems for their families and to attract educated employees.” On the issue of transportation, a business-led regional transportation alliance is in the process of obtaining money for an ambitious plan to build a region-wide rail transit system. The proposed 35-mile rail transit system will connect Durham, Cary, and Raleigh through 16 stations. Shuttles will link to the regional airport and the Research Triangle Park.

The Business-Led Organizations

The Greater Triangle Regional Council is the only business-led civic organization that spans the region. The Council's influence has fluctuated since its inception in 1993. After beginning with a splash on the regional scene, the Council lost members and prestige. The organization became closely affiliated with the Triangle J Council of Governments, one of 18 regional councils of local elected officials in the state, and lost its big-CEO impact. Today the Council has 35 members representing business, nonprofits, educational institutions, government, and civic organizations. The Council is now rebuilding its membership and its position in the regional business-civic landscape. It is playing a lead role on regional air quality compliance issues, one of its first forays back into the regional agenda.

The Greater Raleigh Chamber of Commerce is the largest business-led organization in the region. Its membership includes 4,800 business people in Greater Raleigh and its primary mission is to sell and enhance the quality of life of Wake County and the City of Raleigh. Despite its county and city focus, the Greater Raleigh Chamber often initiates or takes a supportive role on regional issues. It houses the Regional Transportation Alliance, a business leadership group founded by the chambers of commerce in Raleigh, Durham, Chapel Hill-Carrboro, and Cary. The Greater Raleigh Chamber has contributed significant seed money to sustain the region's newest regional planning process, the "Staying on Top" project. Most recently, the Chamber started a regional communications strategy, the Triangle "Family of Communities" campaign, whose goal is to bridge divisions in the region and develop a greater understanding of the region as one community.

THE GREATER DURHAM CHAMBER INITIATES SKILLS TRAINING FOR THE DURHAM MALL

The Greater Durham Chamber of Commerce has started a new regional collaboration program that trains employees for the area's retail industry. The Durham Chamber partnered with the local workforce investment board, local schools, and the National Retail Federation to develop a retail skills center. Located at the Durham Mall, the center strengthens the customer service skills of employees and reduces employer costs associated with individualized training programs. A community-based trainer offers the program and works with employers to meet their skill demands. The program is part of the U.S. Chamber of Commerce's Workforce Innovations Network (WIN).

The Greater Durham Chamber of Commerce is smaller and has fewer resources to devote to regional issues. The Greater Durham Chamber represents 1,500 businesses. It participates in the Regional Transportation Alliance and is involved in the region's "Staying on Top" project. Besides the Greater Durham Chamber, other chambers in the region include the Cary Chamber of Commerce, which represents the City of Cary and its neighbors, and the Chapel Hill and Carrboro Chamber of Commerce.

The Research Triangle Regional Partnership (RTRP), although not a business-led regional civic organization, deserves mention. The Partnership is a public-private partnership of economic development agencies that markets the 13-county Research Triangle Region. RTRP, which has a 54-person Board of Directors, is playing a lead role in the regional planning process known as the “Staying on Top” program. Staying on Top is a vehicle through which CEO-level executives are building a regional strategy. RTRP also plays a supportive role in regional collaboration, including regional transportation and education and workforce issues. (See “North Carolina’s Incentive for Regional Cooperation” on this page.)

The Regional Business-Civic Landscape

Leadership on regional civic issues is largely split in the Research Triangle region. Individual chambers of commerce lead their own marketing efforts. Raleigh and Durham, for example, both have their own Convention and Visitor Bureaus, and they sometimes compete on recruitment efforts. Despite this competition, the Research Triangle Regional Partnership brings them together to cooperate on regional marketing and economic development efforts. The region’s new “Family of Communities” campaign is an attempt to increase marketing opportunities across the 13-county region and develop a cohesive image that can be used in economic development.

NORTH CAROLINA’S INCENTIVE FOR REGIONAL COOPERATION

The Research Triangle Regional Partnership markets a 13-county region that was established as a result of a 1994 recommendation by the N.C. Department of Commerce. The Partnership receives funding from the 13 counties as well as from state and local economic development organizations. The money from the state, which is provided by the Department of Commerce, is designed to encourage regional cooperation. Wealthier counties such as Wake, Durham and Orange receive less than \$5,000 per year from the state, while Warren County, which historically has suffered from high unemployment, receives \$90,000. The state money provides an incentive to the wealthier counties to include Warren in the Partnership. It also encourages Warren and other less prosperous counties to join.

RTRP, the Greater Raleigh Chamber of Commerce, the Research Triangle Regional Council, and other chambers of commerce were instrumental in pulling together a 27-person CEO-level task force to lead the region’s “Staying on Top” project. The project is a five-year, \$5 million strategy to generate 100,000 jobs and increase employment in all 13 counties of the region. Former Governor James B. Hunt leads the program, and the chief executives of each chamber in the region are participating. Staying on Top grew from a cluster study and planning initiative that began in 2001. The project identifies an action plan to develop eight industry clusters. RTRP, in cooperation with the Greater Raleigh Chamber and Research Triangle Regional Council, raised \$400,000 to staff and support its implementation. The program’s task force

includes CEO-level leadership that could make it an influential voice on other regional issues and even potentially take a broader role to become its own permanent, autonomous group.

Transportation is an issue shared by many of the region's business-led organizations, and the Greater Raleigh Chamber often leads the way. The Chamber helped create and support the Regional Transportation Alliance, a business leadership organization focused on the Triangle's transportation problems. The Regional Transportation Alliance was founded by the chambers of commerce in Raleigh, Durham, Chapel Hill-Carrboro, and Cary in 1998. The Greater Raleigh Chamber of Commerce contributed \$150,000 to RTA in 2003 — evidence of its lead role.

There is some overlap between RTRP and the Triangle Regional Council. Both research an issue and convene leaders around an issue. Each leaves implementation to other regional groups. The two are also housed in the same building and are collaborating closely to support the Staying on Top project.

Business Leadership

The Triangle region's prosperity during the economic expansion of the 1990's created a security among business leaders that made them less willing to get involved in regional civic issues. The economy was good, and problems were few.

The economic recession changed all of that. The bursting of the technology bubble, plant downsizings, and rising unemployment grabbed the business community's attention. "The economy has made people come out of the woodwork and say they want to keep this community viable," said Harvey Schmitt, President and CEO of the Greater Durham Chamber of Commerce.

Executives say business leaders' attention to regional civic issues has increased in the last five years. The Regional Transportation Alliance, a business-based leadership group, has seen its membership triple. Business leadership in the Future Competitiveness Cluster project has intensified.

Despite this increased regional focus, business leadership is stretched. The region has only one Fortune 500 company and many companies in the area are headquartered elsewhere. And business leadership is split by the region's geographic divisions. "The region is not a market where one side can make a decision and assume the other side is also on board," said Schmitt.