

APPENDIX I
Socio-Economic Data

Affected Environment

The I-85 extension corridor encompasses eight central Alabama counties. Six of the eight counties, including Dallas, Hale, Lowndes, Marengo, Perry, and Sumter, lie in the region of Alabama historically known as the Black Belt. Autauga County lies outside this region and Montgomery County, although geographically within the region, is generally excluded due to the sizeable economy of the city of Montgomery. The Black Belt counties were originally grouped together because of their unusually rich, black soil that supported extensive agricultural pursuits. As agriculture decreased in importance, the Black Belt connotation took on a different meaning. Today these counties are largely characterized by decades of high mortality rates, high dropout rates, racial polarization, high poverty levels, and economic stagnation. On almost every sociological, educational, and economic level, this region has not made substantive progress in the last 100-plus years.

Socio-Economic Environment

This section examines selected demographic and economic indicators for each of the eight counties in the I-85 Extension Corridor. The analysis assesses socioeconomic trends and dynamics for each county. Variables considered in this section include labor force, population, per capita income, average wage per job, the unemployment rate, and educational attainment. Trends in real output, wage and salary employment, and number and size of firms are analyzed for the period from 1980 to 2004 or to 2005, depending on data availability.

Autauga County

Table 1 shows the selected economic and demographic variables for Autauga County. The county's labor force has grown steadily since 1980, increasing even during 2001 and 2002, when the size of the labor force shrank statewide. Population growth in the county picked up sharply between 1990 and 2000; Autauga was the state's 7th fastest growing county with a population gain of 27.6 percent. The county's population growth rate of 11.3 percent between 2000 and 2005 earned a ranking as the state's 5th fastest growing county during this time. With no institutions of higher education located in the county, there was a moderate net out-migration of young adults aged 20 to 24 between 1990 and 2000 as well as a small loss of 25 to 29 year old residents, but a much larger in-migration of people aged 30 and above who see Autauga County as a good place to raise their families. A number of these movers come from neighboring Montgomery County, with some from adjoining Dallas County as well. Steady labor force growth has held unemployment below the Alabama rate from 1990 through 2005 and into 2006. An unemployment rate of 2.7 percent in September 2006 compares to 3.3 percent unemployment statewide. The share of Autauga County's population in the labor force rose from 43.8 percent in 1980 to 48.2 percent in 2005.

There have been improvements in educational attainment and in per capita income. The percentage of Autauga County residents aged 25 and over who had completed high school or a higher degree rose from 70 percent in 1990 to 78.7 percent in 2000; at the same time, the share of the population with a bachelor's degree or more increased from 14.5 percent to 18.0 percent. While the percentage of population aged 25 and above with at least a high school degree was above the Alabama average in 2000, the share with a bachelor's degree or higher was a percentage point lower. Per capita income grew 53.9 percent between 1990 and 2000, a little above average gains statewide. However, at 13.9 percent, the pace of income growth between 2000 and 2004 fell below the state's 16.5 percent gain. Autauga County ranked 15th among Alabama's 67 counties on per capita income in 2004. Wages have not kept pace with the state—while average wage per job was above the state's in 1980, it slipped to just 83.1 percent of Alabama's average wage in 2004. Wage growth has been below the statewide average during each decade of our study period.

The economy of Autauga County has grown significantly since 1980, with total output measured in 1996 dollars up 50 percent over the 25-year period. Total wage and salary employment increased by a larger 65.5 percent during this time. The county's transition since 1980 from a primarily goods producing to a services dominated economy follows the trend nationwide, but also accounts for the slower growth in gross output as these businesses overall are less output intensive. Employment in manufacturing slid from 27.8 percent of the county's jobs in 1980 to 13.8 percent in 2005, although manufacturing output as a share of the total declined only slightly. Manufacturing has picked up recently, with a revival of Autauga County's plastics industry. While an announced Tier 1 Hyundai supplier failed to materialize, proximity to the Hyundai manufacturing plant in Montgomery could lure a supplier in the future. Autauga County's construction sector, which was unusually large in 1980 reached a more normal size by 2000. Since 1980 both employment and output in trade have shown the strongest gains, followed closely by growth in services. The county has never provided enough jobs for its working residents—in 2000, 47 percent of Autauga workers commuted to Montgomery County to work. However, the growing population has resulted in strong gains in services and retail trade employment. The total number of firms has shown steady growth, with 88 new businesses added between 2000 and 2004. Significant residential and retail development is currently underway in Prattville in the vicinity of I-65, but the city now spills over into neighboring Elmore County and much of the new retail construction is located in that county.

Table 1. Autauga County existing conditions review

	1980	1990	2000	2001	2002	2003	2004	2005
Civilian labor force	14,130	16,875	21,954	22,178	22,243	22,724	23,236	23,454
Change		2,745	5,079	224	65	481	512	218
Percent change		19.4	30.1	1.0	0.3	2.2	2.3	0.9
Population	32,259	34,222	43,671	44,724	45,566	46,323	47,458	48,612
Change		1,963	9,449	1,053	842	757	1,135	1,154
Percent change		6.1	27.6	2.4	1.9	1.7	2.5	2.4
Per capita income (\$)	7,489	14,959	23,018	24,415	24,497	25,248	26,228	
Change		7,470	8,059	1,397	82	751	980	
Percent change		99.7	53.9	6.1	0.3	3.1	3.9	
Average wage per job (\$)	13,105	17,668	24,335	25,117	25,859	26,165	27,186	
Change		4,563	6,667	782	742	306	1,021	
Percent change		34.8	37.7	3.2	3.0	1.2	3.9	
Unemployment rate	7.9%	4.3%	3.5%	3.8%	4.2%	4.4%	4.3%	3.3%
Educational attainment (percent of population 25 years and over)								
High school or more	59.4	70.0	78.7					
Bachelor's or more	12.1	14.5	18.0					
Real output (\$, Millions 1996)								
Total	265.0	247.6	361.3	365.0	370.8	376.4	387.2	397.6
Manufacturing	83.3	86.1	105.9	107.1	106.9	106.8	109.9	112.6
Mining	0.0	0.7	0.0	0.5	0.5	0.6	0.6	0.6
Construction	90.2	16.7	36.4	36.9	37.7	38.8	40.1	41.0
Trade	19.7	36.0	55.9	55.4	57.6	59.9	63.2	66.3
Services	23.1	39.0	64.3	64.8	66.0	67.4	69.4	71.5
FIRE	8.2	11.6	14.1	14.2	14.5	14.8	15.4	15.9
TCPU	10.0	14.8	15.2	15.3	15.7	15.8	16.1	16.6
Government	29.4	40.7	66.3	67.6	68.7	69.0	69.2	69.8
AFFF	1.2	1.8	3.3	3.2	3.3	3.3	3.4	3.4
Wage & salary employment (jobs)								
Total	9,963	10,859	15,511	15,389	15,588	15,788	16,146	16,493
Manufacturing	2,765	2,349	2,206	2,145	2,139	2,139	2,216	2,282
Mining	0	23	0	18	19	19	20	20
Construction	1,949	777	1,552	1,545	1,561	1,588	1,617	1,637
Trade	1,287	2,330	3,913	3,930	4,004	4,085	4,195	4,302
Services	1,532	2,442	3,917	3,889	3,958	4,033	4,148	4,260
FIRE	603	708	1,017	999	1,004	1,010	1,018	1,026
TCPU	310	437	494	457	469	470	479	495
Government	1,420	1,654	2,203	2,211	2,235	2,242	2,247	2,260
AFFF	97	139	209	195	198	202	206	210
Firms by employment size								
1 to 4	206	338	417	446	452	433	451	
5 to 9	79	128	163	163	178	188	198	
10 to 19	41	58	104	103	107	111	108	
20 to 49	20	41	55	53	61	65	65	
50 to 99	10	12	16	17	20	21	19	
100 to 249	3	5	11	9	10	12	13	
250 to 499	1	2	1	2	3	1	1	
500 to 999	3	1	2	2	2	2	2	
1,000 to 4,999	0	0	0	0	0	0	0	
5,000 to 9,999	0	0	0	0	0	0	0	
10,000+	0	0	0	0	0	0	0	
Not declared	0	0	0	0	0	0	0	
Total	363	585	769	795	833	833	857	

Note: Acronyms are for Finance, Insurance, and Real Estate (FIRE); Transportation, Communications, and Public Utilities (TCPU); and Agricultural, Forestry, Fisheries, and Farming Services (AFFF).

Source: Alabama Department of Industrial Relations; Global Insight; Dun & Bradstreet; U.S. Bureau of Economic Analysis; U.S. Bureau of Labor Statistics; U.S. Census Bureau; and Center for Business and Economic Research, The University of Alabama.

Dallas County

The selected economic and demographic variables for Dallas County are presented in Table 2. Dallas County has experienced a steady decline in its population since 1980 due to net out-migration of area residents. From 1980 to 1990, almost 11 percent of the county's population moved away. This trend slowed between 1990 and 2000 and population declined by just 3.7 percent. Still, during the decade of the 1990s, about 35 percent of the county's residents aged 20 to 29 in 1990 moved away. Census Bureau estimates show a worsening decline in total population from 2000 to 2005, with the loss of about 2,000 residents amounting to 4.3 percent of Dallas County's total population during the five years. Autauga and Montgomery counties are foremost among the destinations of those who leave. The labor force has dropped off more sharply than the county's population, indicating that a larger proportion of individuals of working age moved away. While unemployment generally declined from 2003 to 2005, the county's rate has remained well above the Alabama unemployment rate. September 2006 unemployment of 8.2 percent was 2.5 times the Alabama rate of 3.3 percent. The share of Dallas County's population in the labor force fell from 39.8 percent in 1980 to 36.1 percent in 2005.

Educational attainment improved across the study period. The percentage of Dallas County residents aged 25 and over who had completed high school or a higher degree rose from 59.6 percent in 1990 to 70.2 percent in 2000; at the same time, the share of residents with a bachelor's degree or higher increased from 12.2 to 13.9 percent. These compare to statewide averages of 75.3 percent of residents aged 25 and over with at least a high school degree in 2000 and 19.0 percent holding a bachelor's degree or more. Per capita income growth exceeded the state rate between 1990 and 2000. However, the county's per capita income gain of 15.9 percent from 2000 to 2004 fell shy of the statewide increase of 16.5 percent. At \$22,302, Dallas County's 2004 per capita income amounted to 80.5 percent of the state's and ranked 45th. Average wage per job rose faster in Dallas County than in the state both from 1990 to 2000 and from 2000 to 2004, with the increase in the latter period of 18.0 percent comparing to the state's 15.0 percent. The county's average wage per job of \$27,333 was 83.5 percent of the statewide average in 2004.

The economy of Dallas County was almost stagnant between 1980 and 1990, following the closing of Craig Air Force Base in 1977, but posted a gain in total output measured in 1996 dollars of 22 percent during the decade of the 1990s. After a lull from 2000 through 2002, economic growth resumed in 2003. Development of the county's manufacturing sector contributed to output growth, both from 1990 to 2000 and during 2004 and 2005. Location of several Hyundai suppliers in the county was a key factor in recent manufacturing gains. Manufacturing accounted for 28.6 percent of real output in 2005, with services second at 24.7 percent. Services was the largest contributor to output growth since 2000, while output in trade has been flat. Total wage and salary employment, a measure of the number of jobs located in the county, grew 1 percent, with the addition of just 220 jobs between 1980 and 2005. Only services jobs increased substantially across the study period. In 2005 services provided 28.3 percent of Dallas

County jobs; manufacturing 24.0 percent; trade 17.7 percent; and government 15.6 percent. Dallas County provides more than enough jobs for its own workers, although 12.8 percent of its workforce commutes to jobs outside the county. The largest numbers of workers coming into the county to work in 2000 resided in Autauga and Perry counties. The number of firms located in Dallas County generally declined between 1980 and 2003, with attrition mostly among businesses with fewer than 20 employees.

Table 2. Dallas County existing conditions review

	1980	1990	2000	2001	2002	2003	2004	2005
Civilian labor force	21,500	19,345	17,926	17,582	17,179	16,832	16,410	16,006
Change		-2,155	-1,419	-344	-403	-347	-422	-404
Percent change		-10.0	-7.3	-1.9	-2.3	-2.0	-2.5	-2.5
Population	53,981	48,130	46,365	46,036	45,327	45,048	44,715	44,366
Change		-5,851	-1,765	-329	-709	-279	-333	-349
Percent change		-10.8	-3.7	-0.7	-1.5	-0.6	-0.7	-0.8
Per capita income (\$)	6,308	12,301	19,247	19,977	20,515	21,293	22,302	
Change		5,993	6,946	730	538	778	1,009	
Percent change		95.0	56.5	3.8	2.7	3.8	4.7	
Average wage per job (\$)	9,770	15,853	23,157	24,522	25,692	26,547	27,333	
Change		6,083	7,304	1,365	1,170	855	786	
Percent change		62.3	46.1	5.9	4.8	3.3	3.0	
Unemployment rate	10.9%	11.4%	7.2%	8.4%	10.6%	10.6%	9.5%	7.9%
Educational attainment (percent of population 25 years and over)								
High school or more	53.5	59.6	70.3					
Bachelor's or more	11.3	12.2	13.9					
Real output (\$, Millions 1996)								
Total	450.6	454.0	554.9	554.5	554.3	556.7	565.0	572.0
Manufacturing	138.8	135.1	159.3	158.8	158.6	158.6	161.2	163.4
Mining	3.7	2.9	8.7	8.8	8.5	8.5	8.4	8.6
Construction	30.7	22.0	26.8	27.1	27.2	27.5	27.8	28.2
Trade	72.4	68.1	75.2	74.3	74.5	74.7	75.0	75.2
Services	84.7	92.6	130.2	131.5	133.3	135.3	138.2	141.1
FIRE	16.5	17.5	20.3	19.6	19.8	20.0	20.3	20.6
TCPU	32.3	29.8	29.3	29.0	29.0	28.9	28.9	29.0
Government	70.1	83.0	98.3	99.0	97.0	96.2	97.1	97.6
AFFF	1.4	3.1	7.0	6.4	6.4	7.1	8.0	8.3
Wage & salary employment (jobs)								
Total	22,181	20,729	22,145	21,876	21,892	21,971	22,208	22,401
Manufacturing	5,884	5,544	5,324	5,236	5,229	5,229	5,312	5,382
Mining	110	79	43	43	41	41	41	42
Construction	1,218	940	1,015	989	993	998	1,007	1,015
Trade	4,273	3,935	4,090	3,927	3,933	3,940	3,949	3,958
Services	5,117	4,875	6,082	6,073	6,124	6,179	6,262	6,345
FIRE	1,107	830	907	940	941	942	943	944
TCPU	920	846	804	804	803	802	803	803
Government	3,453	3,453	3,482	3,517	3,480	3,465	3,482	3,491
AFFF	99	227	398	347	347	374	408	420
Firms by employment size								
1 to 4	498	527	467	452	451	443	451	
5 to 9	236	215	221	218	226	203	201	
10 to 19	140	119	134	129	120	140	141	
20 to 49	78	74	78	71	73	74	76	
50 to 99	24	26	24	18	21	16	25	
100 to 249	15	12	13	15	12	13	7	
250 to 499	7	7	8	7	4	4	3	
500 to 999	1	2	2	2	2	3	5	
1,000 to 4,999	0	0	0	1	1	0	0	
5,000 to 9,999	0	0	0	0	0	0	0	
10,000+	0	0	0	0	0	0	0	
Not declared	0	0	0	0	0	0	0	
Total	999	982	947	913	910	896	909	

Note: Acronyms are for Finance, Insurance, and Real Estate (FIRE); Transportation, Communications, and Public Utilities (TCPU) and Agricultural, Forestry, Fisheries, and Farming Services (AFFF).

Source: Alabama Department of Industrial Relations; Global Insight; Dun & Bradstreet; U.S. Bureau of Economic Analysis; U.S. Bureau of Labor Statistics; U.S. Census Bureau; and Center for Business and Economic Research, The University of Alabama.

Hale County

Table 3 shows key economic and demographic variables for Hale County. The county's labor force grew moderately between 1980 and 2000, but has been flat since 2000. After declining from 1980 to 1990, Hale County's population grew by almost 1,700 from 1990 and 2000, a gain of 10.9 percent. The sizeable jump in population in 2001 is largely the result of a change in group quarters counts made by the Census Bureau; otherwise estimates show no population gains since 2001. The northern end of Hale County around Moundville is becoming a bedroom community for residents who work in adjoining Tuscaloosa County; Hale County was added to the Tuscaloosa metropolitan area post-2000 on the basis of commuting patterns. Almost 35 percent of Hale County's workers traveled to the Tuscaloosa area to work in 2000. With the lack of institutions of higher education and limited employment opportunities, the county saw a net loss of about 27 percent of its 20 to 24 year olds and 20 percent of its 25 to 29 year olds between 1990 and 2000. Other age groups generally gained population during that time. The county's unemployment rate improved substantially between 1980 and 2000, but climbed back to 7.5 percent in 2002 and 2003. In 2005 the annual average rate was down to 4.6 percent, only modestly higher than the Alabama unemployment rate of 4.0 percent. The share of Hale County's population in the labor force rose from 34.5 percent in 1980 to 38.7 percent in 2005.

Educational attainment showed mixed improvement in Hale County between 1990 and 2000. The percentage of residents aged 25 and over who had completed high school or a higher degree rose from 54.4 percent in 1990 to 65.2 percent in 2000, but was more than 10 percentage points below the statewide average of 75.3 percent. However, the percentage of Hale County residents with a bachelor's degree or higher declined from 8.9 percent on the 1990 Census to 8.1 percent in 2000—less than half of the statewide average of 19.0 percent. Per capita income grew more rapidly in Hale County than in the state as a whole between 1980 and 1990 and from 2000 to 2004. The county's per capita income climbed from 61.0 percent of the Alabama average in 1980 to 69.8 percent in 2004, but ranked just 63rd among all 67 counties. Wage gains were generally above the statewide average from 1980 to 2002, when the ratio of average Hale County wages compared to Alabama peaked at 73.3 percent. Weaker wage growth in 2003 and 2004 dropped the ratio to 71.7 percent in 2004.

Hale County's economy expanded significantly between 1980 and 2005, with total output measured in 1996 dollars more than doubling (+121.6 percent). Over the same period, total wage and salary employment increased by a much smaller 69.0 percent. The manufacturing sector was responsible for much of the growth, with output more than tripling (+312 percent) from 1980 to 2005. Employment in manufacturing rose by a lesser 119 percent, which is typical of an industry sector where worker productivity is high. Manufacturing contributed 18.0 percent of Hale County's real output and employed 19.2 percent of its workers in 1980; by 2005 output in manufacturing amounted to 33.3 percent of the total and employment accounted for 24.9 percent. Catfish processing and lumber are the largest manufacturing industries. However, the closing of Zildjian and National Packaging Solutions Group in the fall of 2006, cost the

county 55 manufacturing jobs. Output in services rose from 15.7 percent of the total in 1980 to 18.9 percent in 2000, while services employment as a percent of the county total climbed from 20.7 percent to 25.5 percent during the 25 years. Between 1990 and 2005, services created a net of 545 jobs—45 percent of all new jobs. Output and employment in trade have been flat in recent years. The county has never provided enough jobs for its working residents—in 2000 almost 35 percent of Hale County workers commuted to Tuscaloosa County to work and just under half of workers residing in the county worked there. The number of firms located in Hale County peaked at 133 in 2002 and fell off to 104 in 2004. While population in the northern end of the county has been increasing, proximity to Tuscaloosa draws local residents away for employment as well as shopping.

Table 3. Hale County existing conditions review

	1980	1990	2000	2001	2002	2003	2004	2005
Civilian labor force	5,390	6,185	7,033	7,071	7,064	7,090	7,062	7,087
Change		795	848	38	-7	26	-28	25
Percent change		14.7	13.7	0.5	-0.1	0.4	-0.4	0.4
Population	15,604	15,498	17,185	18,340	18,253	18,314	18,228	18,316
Change		-106	1,687	1,155	-87	61	-86	88
Percent change		-0.7	10.9	6.7	-0.5	0.3	-0.5	0.5
Per capita income (\$)	4,784	11,021	16,292	16,789	17,545	18,302	19,324	
Change		6,237	5,271	497	756	757	1,022	
Percent change		130.4	47.8	3.1	4.5	4.3	5.6	
Average wage per job (\$)	7,536	12,898	20,560	21,035	22,335	23,093	23,470	
Change		5,362	7,662	475	1,300	758	377	
Percent change		71.2	59.4	2.3	6.2	3.4	1.6	
Unemployment rate	12.7%	7.2%	5.3%	6.6%	7.5%	7.5%	6.7%	4.6%
Educational attainment (percent of population 25 years and over)								
High school or more	38.2	54.4	65.2					
Bachelor's or more	6.7	8.9	8.1					
Real output (\$, Millions 1996)								
Total	55.9	80.1	113.3	113.2	114.7	115.9	119.9	123.9
Manufacturing	10.0	19.3	37.6	36.8	36.6	36.6	39.1	41.2
Mining	0.0	4.1	1.3	1.1	1.1	1.2	1.3	1.4
Construction	1.4	2.2	4.7	4.7	4.8	4.9	5.1	5.3
Trade	9.4	10.1	9.5	9.6	9.8	10.0	10.0	10.0
Services	8.8	10.8	19.7	20.1	20.7	21.4	22.4	23.4
FIRE	2.0	2.3	2.9	2.8	2.9	2.9	3.0	3.0
TCPU	4.8	7.4	6.6	6.5	6.3	6.2	6.2	6.3
Government	19.6	22.5	29.9	30.5	31.4	31.6	31.7	32.2
AFFF	0.0	1.5	1.1	1.1	1.1	1.1	1.1	1.1
Wage & salary employment (jobs)								
Total	3,268	4,323	5,335	5,307	5,346	5,388	5,452	5,523
Manufacturing	627	1,168	1,398	1,368	1,360	1,358	1,366	1,376
Mining	0	134	16	15	16	18	21	23
Construction	82	105	263	267	270	272	277	282
Trade	602	617	770	762	768	774	773	773
Services	678	864	1,275	1,263	1,290	1,320	1,365	1,409
FIRE	109	124	189	190	190	191	191	192
TCPU	155	203	195	195	192	190	191	191
Government	1,015	985	1,100	1,119	1,133	1,136	1,138	1,146
AFFF	0	123	129	129	130	130	131	132
Firms by employment size								
1 to 4	115	106	130	133	120	121	104	
5 to 9	22	48	48	52	49	39	40	
10 to 19	14	20	28	20	20	21	28	
20 to 49	11	13	14	15	17	15	17	
50 to 99	5	5	3	4	4	6	5	
100 to 249	0	4	6	5	3	3	2	
250 to 499	0	1	0	0	0	0	0	
500 to 999	0	0	1	1	1	1	1	
1,000 to 4,999	0	0	0	0	0	0	0	
5,000 to 9,999	0	0	0	0	0	0	0	
10,000+	0	0	0	0	0	0	0	
Not declared	0	0	0	0	0	0	0	
Total	167	197	230	230	214	206	197	

Note: Acronyms are for Finance, Insurance, and Real Estate (FIRE); Transportation, Communications, and Public Utilities (TCPU); and Agricultural, Forestry, Fisheries, and Farming Services (AFFF).

Source: Alabama Department of Industrial Relations; Global Insight; Dun & Bradstreet; U.S. Bureau of Economic Analysis; U.S. Bureau of Labor Statistics; U.S. Census Bureau; and Center for Business and Economic Research, The University of Alabama.

Lowndes County

Selected economic and demographic variables for Lowndes County are displayed in Table 4. The population of Lowndes County in 2005 was slightly below its 1980 count. A 6.4 percent gain in the 1990s more than wiped out a moderate decline in the previous decade, but estimates show a decrease of 2.9 percent from 2000 to 2005. The lack of institutions of higher education in the county is certainly a factor in the out-migration of young adults—between 1990 and 2000, over 35 percent of all residents aged 20 to 29 moved away. Some may later return to raise a family or retire as net migration across all ages was essentially zero. Montgomery County is a primary destination for residents moving out of Lowndes. From 1980 to 1990, the county's labor force grew at the same time that the population was declining, but since 1990 labor force and population growth have generally moved in the same direction. Unemployment in Lowndes County has historically been higher than the state rate. From a low of 6.1 percent in 2000, the unemployment rate climbed to an average of 7.2 percent in 2005, compared to the Alabama rate of 4.0 percent. Unemployment stood at 6.1 percent in September 2006, well above the state's 3.3 percent rate. The share of Lowndes County's population in the labor force increased from 32.9 percent in 1980 to 38.2 percent in 2005.

Although it remained below statewide levels, educational attainment improved across the study period. The percentage of Lowndes County residents aged 25 and over who had completed high school or above rose from 56.7 percent in 1990 to 64.3 percent in 2000, while the percentage with a bachelor's or higher degree increased from 8.2 to 11.0 percent. These compare to 2000 statewide averages of 75.3 percent of residents aged 25 and over with at least a high school education and 19.0 percent holding a bachelor's degree or more. Per capita income growth in Lowndes County exceeded the state rate of increase across the entire 25-year study period. These strong increases enabled the county to narrow the gap between per capita income in the county versus the state—in 1980 per capita income in the county stood at 65.1 percent of the Alabama average and in 2004 this percentage was 73.8. Lowndes ranked 59th among the 67 Alabama counties on per capita income in 2004. Wages in the county grew at rates well above the statewide average from 1980 to 2001 and in 2001 average wages of \$30,573 were more than \$1,100 above the Alabama average. But two years of wage declines between 2001 and 2004 dropped Lowndes County wages to just 89.2 percent of average wages statewide in 2004.

The economy of Lowndes County expanded significantly between 1980 and 2005. Total output measured in 1996 dollars much more than doubled, increasing by 167 percent during the 25 years. Wage and salary employment grew at a much slower rate, rising 64 percent over the same period. Manufacturing output increased almost four-fold during this time and accounted for 40.4 percent of the county's total output in 2005. But employment in manufacturing rose by just 43 percent during the 25 years as surging productivity allowed manufacturers to grow output per worker. Still manufacturing was Lowndes County's primary employer in 2005 with 23.6 percent of workers. General Electric is the largest manufacturing employer, but recent Hyundai supplier additions, Daehan Solutions and Sejong, have moved into the second and third spots. The county's location just south of the Hyundai plant on I-65 makes it a convenient location for firms

supplying Hyundai. Construction has been another strong sector, with employment growing steadily since 2001 as Hyundai supplier plant construction contributed to demand. Services has shown steady growth in both output and employment across the study period. While output in services as a share of the county total in 2005 was down slightly from its 1980 level, the employment share was up to 19.2 percent in 2005. Output in trade has been relatively flat, although employment has posted slow, steady growth. Lowndes County does not provide nearly enough jobs for its working population—in 2000, 31 percent of workers living in the county worked there, while almost 55 percent commuted to Montgomery County to work. The number of firms located in Lowndes County peaked at 150 in 2000 and fell off slightly to 142 in 2004.

Table 4. Lowndes County existing conditions review

	1980	1990	2000	2001	2002	2003	2004	2005
Civilian labor force	4,360	4,787	5,089	5,047	5,048	5,042	4,979	4,999
Change		427	302	-42	1	-6	-63	20
Percent change		9.8	6.3	-0.8	0.0	-0.1	-1.2	0.4
Population	13,253	12,658	13,473	13,441	13,510	13,383	13,154	13,076
Change		-595	815	-32	69	-127	-229	-78
Percent change		-4.5	6.4	-0.2	0.5	-0.9	-1.7	-0.6
Per capita income (\$)	5,102	10,779	17,478	17,914	17,948	19,044	20,438	
Change		5,677	6,699	436	34	1,096	1,394	
Percent change		111.3	62.1	2.5	0.2	6.1	7.3	
Average wage per job (\$)	7,626	17,593	28,173	30,573	28,336	29,354	29,174	
Change		9,967	10,580	2,400	-2,237	1,018	-180	
Percent change		130.7	60.1	8.5	-7.3	3.6	-0.6	
Unemployment rate	11.4%	14.8%	6.1%	6.6%	8.1%	8.5%	8.6%	7.2%
Educational attainment (percent of population 25 years and over)								
High school or more	42.5	56.7	64.3					
Bachelor's or more	6.8	8.2	11.0					
Real output (\$, Millions 1996)								
Total	45.5	85.4	110.9	108.9	110.5	112.4	117.4	121.8
Manufacturing	13.0	37.5	46.8	44.6	44.4	44.4	47.0	49.1
Mining	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Construction	2.9	12.6	13.9	14.2	14.9	16.2	17.9	19.0
Trade	7.0	6.8	7.7	7.2	7.2	7.2	7.2	7.2
Services	5.0	7.0	10.9	11.1	11.4	11.6	12.0	12.4
FIRE	0.9	1.5	3.2	3.1	3.2	3.3	3.5	3.6
TCPU	1.9	2.4	6.5	6.5	6.8	6.9	7.1	7.3
Government	14.9	17.3	20.8	21.0	21.5	21.6	21.7	22.0
AFFF	0.0	0.4	1.1	1.1	1.1	1.1	1.1	1.2
Wage & salary employment (jobs)								
Total	2,620	3,421	3,985	3,980	4,035	4,102	4,207	4,296
Manufacturing	710	996	983	985	983	983	1,001	1,016
Mining	0	0	0	0	0	0	0	0
Construction	147	430	515	496	516	552	601	633
Trade	412	433	500	510	522	532	542	552
Services	417	499	765	772	782	793	809	826
FIRE	50	90	184	178	183	189	197	205
TCPU	86	77	175	169	175	177	179	184
Government	798	870	790	798	798	799	799	799
AFFF	0	26	73	73	75	77	79	81
Firms by employment size								
1 to 4	80	76	88	83	84	78	79	
5 to 9	20	22	27	27	32	33	28	
10 to 19	13	13	17	21	16	12	18	
20 to 49	7	12	12	5	9	9	9	
50 to 99	1	4	2	4	2	2	3	
100 to 249	1	0	2	2	3	4	3	
250 to 499	1	1	2	2	2	2	2	
500 to 999	0	0	0	0	0	0	0	
1,000 to 4,999	0	0	0	0	0	0	0	
5,000 to 9,999	0	0	0	0	0	0	0	
10,000+	0	0	0	0	0	0	0	
Not declared	0	0	0	0	0	0	0	
Total	123	128	150	144	148	140	142	

Note: Acronyms are for Finance, Insurance, and Real Estate (FIRE); Transportation, Communications, and Public Utilities (TCPU); and Agricultural, Forestry, Fisheries, and Farming Services (AFFF).

Source: Alabama Department of Industrial Relations; Global Insight; Dun & Bradstreet; U.S. Bureau of Economic Analysis; U.S. Bureau of Labor Statistics; U.S. Census Bureau; and Center for Business and Economic Research, The University of Alabama.

Marengo County

Table 5 presents selected economic and demographic variables for Marengo County. The population of Marengo County declined between 1980 and 2005, with the loss of about 3,170 residents amounting to 12.6 percent of the county's 1980 population. The pace of decline slowed from 7.8 percent between 1980 and 1990 to 2.4 percent from 1990 and 2000, but from 2000 to 2005, the county lost another 660 residents, a drop of 2.9 percent. Between 1990 and 2000 Marengo saw the largest net out-migration of its residents aged 20 to 24 years old of any of the eight I-85 corridor counties. About 39 percent of the population in this age group moved away; they were joined by 33 percent of the county's 25 to 29 year olds who left during the decade. Across all ages, about 7 percent of Marengo County's population moved away between 1990 and 2000. Improved educational and employment prospects could help stem this decline. The Demopolis branch of Alabama Southern Community College opened in the fall of 2004, giving county residents the opportunity to further their education at home.

From 1980 to 1990 Marengo County's labor force grew by 3.9 percent despite a much larger population decline. But between 1990 and 2000 a 7.3 percent drop in the labor force far exceeded a 2.4 percent population loss; this same pattern was repeated in the 2000 to 2005 period, indicating that a larger proportion of individuals of working age moved out of the county. While unemployment trends have paralleled those statewide, the county rate has been above the Alabama rate since 2000. Unemployment of 3.8 percent in September 2006 compared to 3.3 percent for the state. The share of Marengo County's population in the workforce rose from 38.1 percent in 1980 to 39.4 percent in 2005.

Educational attainment improved across the 25-year study period. Between 1990 and 2000, the percentage of Marengo County residents aged 25 and over with at least a high school education rose increased from 61.4 percent to 71.9 percent; 3.4 percentage points below the statewide average. The share with a bachelor's or higher degree rose just slightly to 12.1 percent during the decade; this compares to 19.0 percent of residents statewide with at least a bachelor's in 2000. Per capita income grew more rapidly in Marengo County than in the state between 1980 and 2004 with the result that the county's per capita income as a share of the state's rose from 79.8 percent in 1980 to 90.4 percent in 2004. At \$25,034, per capita income in Marengo County ranked 20th among Alabama's 67 counties in 2004. Wage gains in the county were moderately above gains statewide between 1980 and 2000. However, weak wage increases from 2001 to 2003 held 2000 to 2004 growth to 9.3 percent, while average wages statewide climbed 15.0 percent. Economic conditions in Marengo County improved in 2004 and wages climbed 5.1 percent to an average of \$26,415, 80.7 percent of average wages across Alabama.

Marengo County's economy showed strong growth between 1980 and 2000, with total output measured in 1996 dollars rising 70.3 percent and employment up 35.4 percent. The area's developing manufacturing base was the largest contributor to this expansion. An evolving services sector was a major component of growth in both output and employment during these 20 years. The county's economy was hurt by the recession of

2001 and the ensuing weak recovery. Real output for the five years from 2000 to 2005 grew just 3.8 percent, while the county netted 270 jobs for the period, an increase of 2.6 percent. Manufacturing continued to generate the largest shares of output and employment in Marengo County, with the share of the total rising only slightly across the 25-year study period to 35.4 percent of output and 28.3 percent of employment in 2005. Wood and paper products are the largest manufacturing industries. Distance and the lack of interstate access to the state's automotive manufacturing plants have kept the county out of the supplier network. Services became the second largest employer by 2005, while government yielded the second largest share of output. Output and employment in trade have been flat since 2000. Since 2000 Marengo has been able to provide more than enough jobs for its residents. However, 70.8 percent of resident workers held jobs in the county in 2000; Choctaw and Clarke counties were the most frequent destinations for workers who traveled elsewhere. Greene, Hale, Sumter, and Perry were among the counties sending residents into Marengo County to work. The number of firms located in Marengo County rose from 502 in 2000 to 524 in 2004 and included 17 businesses with 50 or more employees.

Table 5. Marengo County existing conditions review

	1980	1990	2000	2001	2002	2003	2004	2005
Civilian labor force	9,450	9,816	9,095	8,970	9,032	9,059	8,891	8,626
Change		366	-721	-125	62	27	-168	-265
Percent change		3.9	-7.3	-1.4	0.7	0.3	-1.9	-3.0
Population	25,047	23,084	22,539	22,320	22,392	22,189	22,026	21,879
Change		-1,963	-545	-219	72	-203	-163	-147
Percent change		-7.8	-2.4	-1.0	0.3	-0.9	-0.7	-0.7
Per capita income (\$)	6,256	13,045	21,304	22,634	23,004	23,598	25,034	
Change		6,789	8,259	1,330	370	594	1,436	
Percent change		108.5	63.3	6.2	1.6	2.6	6.1	
Average wage per job (\$)	9,770	16,217	24,163	24,469	24,719	25,134	26,415	
Change		6,447	7,946	306	250	415	1,281	
Percent change		66.0	49.0	1.3	1.0	1.7	5.1	
Unemployment rate	8.4%	6.3%	4.6%	5.4%	5.9%	5.9%	5.8%	5.3%
Educational attainment (percent of population 25 years and over)								
High school or more	48.2	61.4	71.9					
Bachelor's or more	8.8	11.5	12.1					
Real output (\$, Millions 1996)								
Total	163.8	204.0	279.0	273.9	276.1	278.3	283.9	289.5
Manufacturing	55.6	69.2	102.2	95.8	95.5	95.5	99.2	102.4
Mining	0.5	0.1	0.6	0.2	0.2	0.2	0.2	0.2
Construction	5.7	10.2	13.0	14.2	14.0	14.5	14.9	15.3
Trade	34.7	28.2	32.2	31.5	31.5	31.5	31.6	31.6
Services	16.5	22.6	34.6	35.4	36.2	37.0	38.2	39.5
FIRE	6.4	8.0	10.0	10.2	10.4	10.5	10.8	11.0
TCPUR	10.8	22.6	25.3	25.4	25.6	25.9	25.6	25.3
Government	33.0	39.6	53.0	54.2	55.7	56.0	56.2	57.0
AFFF	0.6	3.6	8.2	7.1	7.1	7.2	7.3	7.4
Wage & salary employment (jobs)								
Total	7,701	8,820	10,431	10,337	10,391	10,447	10,577	10,701
Manufacturing	2,062	2,694	3,022	2,905	2,900	2,899	2,971	3,032
Mining	0	0	0	0	0	0	0	0
Construction	244	336	542	520	517	526	534	543
Trade	1,697	1,674	1,806	1,815	1,815	1,816	1,817	1,817
Services	1,353	1,477	1,868	1,877	1,902	1,929	1,970	2,010
FIRE	281	369	474	478	487	493	504	513
TCPUR	295	545	573	575	579	585	578	571
Government	1,716	1,651	1,932	1,952	1,975	1,981	1,984	1,997
AFFF	53	74	214	215	215	217	218	219
Firms by employment size								
1 to 4	219	232	261	257	283	283	280	
5 to 9	83	104	111	116	115	117	117	
10 to 19	55	52	83	73	64	71	71	
20 to 49	26	33	30	35	35	37	39	
50 to 99	6	3	7	8	8	9	8	
100 to 249	5	9	7	6	7	5	5	
250 to 499	2	2	1	2	2	2	3	
500 to 999	0	1	2	2	2	2	1	
1,000 to 4,999	0	1	0	0	0	0	0	
5,000 to 9,999	0	0	0	0	0	0	0	
10,000+	0	0	0	0	0	0	0	
Not declared	0	0	0	0	0	0	0	
Total	396	437	502	499	516	526	524	

Note: Acronyms are for Finance, Insurance, and Real Estate (FIRE); Transportation, Communications, and Public Utilities (TCPUR); and Agricultural, Forestry, Fisheries, and Farming Services (AFFF).

Source: Alabama Department of Industrial Relations; Global Insight; Dun & Bradstreet; U.S. Bureau of Economic Analysis; U.S. Bureau of Labor Statistics; U.S. Census Bureau; and Center for Business and Economic Research, The University of Alabama.

Montgomery County

Selected economic and demographic variables for Montgomery County are displayed in Table 6. The county's labor force grew between 1980 and 2000, although the rate of growth slowed considerably after 1990. However, the recession of 2001 resulted in a decline that carried on into 2002. A slow rebound began in 2003, but by 2005 the labor force was still about 850 below its 2000 level. While population growth amounted to between 6 and 7 percent during the decades of the 1980s and 1990s, the county saw a decline of almost 1,900 residents, or 0.8 percent, from 2000 to 2005. With a number of higher education institutions located in Montgomery County, there was a moderate net in-migration of young adults aged 20 to 24 between 1990 and 2000. The 25 to 29 year-old group saw a lesser amount of net out-migration during this time. Suburban Autauga and Elmore counties in the Montgomery metropolitan area are the most common destinations of residents moving out of Montgomery County. Unemployment stayed below the statewide rate until 2004 and 2005, when it edged slightly higher. Stronger job growth with the start-up of Hyundai's plant and related suppliers and the addition of Santa Fe production in 2006, brought unemployment down from an average of 4.1 percent for 2005 to 3.5 percent in September 2006.

Educational attainment improved at a steady pace across the study period. Montgomery's position as the center of state government, its institutions of higher education, and its role as a technology center for the U.S. Air Force account for a population that has a significantly higher percentage of residents with a bachelor's degree or higher than either the state or the nation. The percentage of residents of Montgomery County aged 25 and over with at least a high school degree rose from 75.3 percent in 1990 to 80.3 percent in 2000, while the share holding at least a bachelor's degree climbed from 24.2 percent to 28.5 percent. These compare to statewide averages of 75.3 percent of residents aged 25 and over with at least a high school degree in 2000 and 19.0 percent holding a bachelor's or higher degree. Per capita income rose 18.6 percent between 2000 and 2004—an increase more than two percentage points above the statewide gain. At \$32,325, per capita income in 2004 was 116.7 percent of the state's \$27,694; 4th highest among Alabama's 67 counties. Wages paid by Montgomery County businesses have risen slightly faster than wages statewide since 1980. The county's 2004 average wage of \$34,255 was 104.7 percent of the Alabama average wage.

The Montgomery County economy grew at a moderate pace across the entire 1980 to 2005 period. Real output gains, measured in 1996 dollars, amounted to 37.0 percent during the decade of the 1980s and to 33.9 percent during the 1990s. The economy has expanded 11.5 percent since 2000. Government has been a mainstay, with Montgomery's role as the Alabama state capitol the primary factor. Although government's share of real output slipped from 34.3 percent in 1980 to 30.3 percent in 2005 with growth of 81 percent, it remained the largest sector. Services, the second largest component of the county's economy since 1980, saw output more than triple and its share of the total rise from 18.3 to 28.3 percent between 1980 and 2005. FIRE also posted strong output gains, boosting its share of economic activity from 6.3 percent in 1980 to 8.8 percent in 2005. Between 2000 and 2005, however, the largest growth has

been in construction, with output rising 19.9 percent. Industrial building centered on Hyundai and its area suppliers; commercial building for retail and office use; Retirement Systems of Alabama's project with the city of Montgomery to expand the Montgomery Convention Center and add a hotel, spa, and performing arts theater; and strong residential growth in east Montgomery, all factor into construction sector gains. Manufacturing output as a share of the total declined from 12.0 percent in 1980 to 8.4 percent in 2005. After a decline from 2000 to 2003, output picked back up and should continue to increase as Hyundai reaches full production.

Total wage and salary employment showed generally steady growth, increasing 54 percent between 1980 and 2005, with a slight dip during the recession of 2001. About 9,050 jobs were added in Montgomery County between 2000 and 2005, an increase of 5.4 percent. Strongest job gains since 2000 were in services, with an 11.9 percent increase that added more than 6,000 jobs, and construction, where a jump of 13.0 percent created about 1,100 jobs. Government employment increased just 4.5 percent, with a net gain of around 1,660 employees between 2000 and 2005. Jobs in FIRE and TCPU declined modestly. In 2005 services provided 32.1 percent of Montgomery County jobs, while government accounted for 22.0 percent and trade for 20.5 percent. The county provides substantially more jobs than workers and is a major job source for commuters from suburban Autauga, Elmore, and Lowndes counties. Fifty-four percent of workers from Elmore and Lowndes counties held jobs in Montgomery County in 2000, while 47 percent of Autauga County's workers traveled to jobs in Montgomery. The number of firms located in the county grew by about 1,750 from 1980 to 2000, but has been flat since then.

Table 6. Montgomery County existing conditions review

	1980	1990	2000	2001	2002	2003	2004	2005
Civilian labor force	84,160	100,751	106,838	105,972	104,635	105,210	105,337	105,984
Change		16,591	6,087	-866	-1,337	575	127	647
Percent change		19.7	6.0	-0.8	-1.3	0.5	0.1	0.6
Population	197,038	209,085	223,510	222,789	222,957	222,319	221,802	221,619
Change		12,047	14,425	-721	168	-638	-517	-183
Percent change		6.1	6.9	-0.3	0.1	-0.3	-0.2	-0.1
Per capita income (\$)	8,944	18,505	27,256	28,494	29,852	30,871	32,325	
Change		9,561	8,751	1,238	1,358	1,019	1,454	
Percent change		106.9	47.3	4.5	4.8	3.4	4.7	
Average wage per job (\$)	12,422	20,640	29,331	30,404	32,140	33,400	34,255	
Change		8,218	8,691	1,073	1,736	1,260	855	
Percent change		66.2	42.1	3.7	5.7	3.9	2.6	
Unemployment rate	6.8%	5.8%	3.7%	4.1%	4.9%	5.4%	5.4%	4.1%
Educational attainment (percent of population 25 years and over)								
High school or more	66.8	75.3	80.3					
Bachelor's or more	20.0	24.2	28.5					
Real output (\$, Millions 1996)								
Total	2,970.2	4,070.0	5,448.2	5,489.5	5,621.1	5,725.1	5,907.6	6,076.2
Manufacturing	356.5	444.5	488.6	478.5	472.6	468.3	490.5	508.7
Mining	10.5	3.3	8.9	8.7	8.0	8.0	7.8	8.3
Construction	177.7	251.3	269.8	272.4	280.4	294.9	312.1	323.4
Trade	523.4	605.0	769.7	777.3	792.1	808.3	830.3	851.7
Services	544.3	932.8	1,465.5	1,515.7	1,553.8	1,595.0	1,657.6	1,719.2
FIRE	188.6	273.5	487.1	477.7	489.8	488.8	514.2	533.7
TCPU	146.3	200.2	279.6	262.5	258.7	256.2	257.9	260.5
Government	1,019.3	1,346.2	1,656.7	1,674.8	1,744.1	1,781.6	1,810.5	1,843.1
AFFF	3.7	13.2	22.4	21.7	21.7	23.9	26.7	27.6
Wage & salary employment (jobs)								
Total	114,457	140,955	167,444	166,549	168,541	170,561	173,374	176,498
Manufacturing	12,534	13,713	13,561	13,313	13,137	13,012	12,767	13,005
Mining	88	249	168	170	169	168	168	169
Construction	6,464	7,759	8,532	8,512	8,688	9,011	9,393	9,644
Trade	23,879	29,709	34,838	34,486	34,821	35,189	35,688	36,173
Services	25,663	36,722	50,565	51,063	52,097	53,217	54,919	56,591
FIRE	9,254	10,872	13,784	13,136	13,186	13,182	13,287	13,368
TCPU	4,225	5,420	7,472	7,320	7,226	7,165	7,207	7,271
Government	32,019	35,736	37,199	37,233	37,901	38,263	38,541	38,856
AFFF	331	775	1,325	1,326	1,326	1,365	1,414	1,431
Firms by employment size								
1 to 4	2,054	2,674	2,722	2,723	2,704	2,658	2,719	
5 to 9	909	1,184	1,283	1,294	1,237	1,206	1,216	
10 to 19	639	828	933	940	939	1,018	983	
20 to 49	411	563	666	649	646	649	666	
50 to 99	145	173	223	208	221	235	255	
100 to 249	86	99	147	150	141	140	136	
250 to 499	25	36	34	36	29	29	32	
500 to 999	5	8	16	15	11	13	13	
1,000 to 4,999	3	3	7	4	4	2	3	
5,000 to 9,999	0	0	0	0	0	0	0	
10,000+	0	0	0	0	0	0	0	
Not declared	0	0	0	0	0	0	0	
Total	4,277	5,568	6,031	6,019	5,932	5,950	6,023	

Note: Acronyms are for Finance, Insurance, and Real Estate (FIRE); Transportation, Communications, and Public Utilities (TCPU); and Agricultural, Forestry, Fisheries, and Farming Services (AFFF).

Source: Alabama Department of Industrial Relations; Global Insight; Dun & Bradstreet; U.S. Bureau of Economic Analysis; U.S. Bureau of Labor Statistics; U.S. Census Bureau; and Center for Business and Economic Research, The University of Alabama.

Perry County

Table 7 presents key demographic and economic indicators for Perry County. The county's population declined across the entire 1980 to 2005 period; however, the rate of loss slowed, with a net loss of 15.0 percent during the 1980s giving way to a decline of 7.0 percent in the 1990s. The additional loss of 490 residents between 2000 and 2005 amounted to a 4.1 percent decline. Lack of economic opportunity is the likely cause, with about 32 of every 100 residents aged 20 to 24 in 1990 and 38 out of every 100 residents aged 25 to 29 moving away by 2000. An influx of college-aged young people attending Judson College and Marion Military Institute may mask even larger losses of 20 to 24 year old residents. While the 15 percent population decline between 1980 and 1990 was accompanied by a relatively small decline in the civilian labor force, the period from 1990 forward has seen much larger attrition. Perry County's labor force shrank by 14.7 percent between 1990 and 2000 and by almost 600 workers, or 14.3 percent, from 2000 through 2005. Unemployment has been well above the statewide average since 1990, with annual averages rising to 10.1 percent in 2001 and 10.8 percent in 2002 as the state's economy as a whole struggled. Unemployment stood at 8.5 percent in September 2006, the worst rate of Alabama's 67 counties, with almost 300 residents unemployed. The share of Perry County's population in the labor force fell from 33.3 percent in 1980 to 31.0 percent in 2005.

Educational attainment improvement was mixed. The percentage of Perry County residents aged 25 and over with at least a high school education rose steadily from 43.1 percent in 1980 to 51.0 percent in 1990 and to 62.4 percent in 2000. However, between 1990 and 2000 the percentage of residents with a bachelor's or higher degree fell from 11.5 percent to 10.0 percent. Educational attainment in 2000 lagged well behind Alabama averages of 75.3 percent of residents aged 25 and over with at least a high school education and 19.0 percent holding a bachelor's degree or more. Per capita income grew at above average rates during the 1980s and 1990s, but stood at just 71.1 percent of income statewide in 2000. Income gains between 2000 and 2004 of 15.7 percent were below the Alabama increase of 16.5 percent and Perry County per capita income as a percentage of the state's fell slightly to 70.1 percent, ranking 62nd. Wages rose faster in Perry County than in the state between 1980 and 2000. However, the increase of 11.6 percent in wages from 2000 to 2004 compares to 15.0 percent for the state, with the 2004 average wage of \$21,562 amounting to just 65.9 percent of the statewide average.

Perry County has struggled economically over the last two and a half decades, managing economic growth of just 26 percent. The economy has been almost stagnant since 2000, with real output, measured in 1996 dollars, increasing by only 2.4 percent. The manufacturing sector, which was the primary source of output gains during the 1980s, was flat in the 1990s, and fell off steadily between 2000 and 2005. Still, manufacturing contributed 26.2 percent of output in 2005. Services and government, accounting for 25.3 and 28.4 percent of output in 2005, respectively, have been the consistent sources of growth in the Perry County economy across the study period. Real output in services rose 9.7 percent from 2000 to 2005, while output in government increased 6.9 percent.

Output in trade has been recovering steadily since 2000; new stores have opened recently in downtown Marion and in Uniontown. The number of jobs in Perry County, measured as total wage and salary employment, grew 1.6 percent between 1980 and 2005, with the addition of 57 jobs. Services was the only sector experiencing job gains across the study period. Jobs in services should get a boost from the May 2006 completion of the Perry County Correctional Facility, a private prison that is currently housing illegal immigrants for the U.S. government. Manufacturing saw the steepest job decline from 1980 to 2000, but employment has been rising steadily since 2000. In 2005 services provided 32.3 percent of Perry County jobs; manufacturing 21.2 percent; government 21.0 percent; and trade 15.3 percent. The number of jobs available in Perry County closely matches the size of the labor force; however, 49 percent of working residents traveled outside the county to work in 2000, with 17 percent holding jobs in Dallas County. The number of firms located in Perry County declined slightly between 1980 and 2004.

Table 7. Perry County existing conditions review

	1980	1990	2000	2001	2002	2003	2004	2005
Civilian labor force	5,010	4,828	4,120	3,887	3,847	3,844	3,694	3,530
Change		-182	-708	-233	-40	-3	-150	-164
Percent change		-3.6	-14.7	-5.7	-1.0	-0.1	-3.9	-4.4
Population	15,012	12,759	11,861	11,771	11,722	11,681	11,521	11,371
Change		-2,253	-898	-90	-49	-41	-160	-150
Percent change		-15.0	-7.0	-0.8	-0.4	-0.3	-1.4	-1.3
Per capita income (\$)	4,475	9,981	16,894	17,120	17,347	18,435	19,405	
Change		5,506	6,913	226	227	1,088	970	
Percent change		123.0	69.3	1.3	1.3	6.3	5.3	
Average wage per job (\$)	7,253	12,607	19,327	19,620	19,874	20,868	21,562	
Change		5,354	6,720	293	254	994	694	
Percent change		73.8	53.3	1.5	1.3	5.0	3.3	
Unemployment rate	8.7%	12.2%	8.2%	10.1%	10.8%	9.7%	9.3%	8.2%
Educational attainment (percent of population 25 years and over)								
High school or more	43.1	51.0	62.4					
Bachelor's or more	9.7	11.5	10.0					
Real output (\$, Millions 1996)								
Total	60.2	68.6	74.2	72.8	73.5	74.3	75.2	76.0
Manufacturing	14.8	22.1	22.3	20.3	20.2	20.2	20.1	19.9
Mining	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Construction	1.8	2.7	2.4	2.3	2.2	2.3	2.4	2.5
Trade	8.1	7.5	6.4	6.6	6.8	7.0	7.1	7.2
Services	11.8	13.5	17.5	17.8	18.0	18.3	18.8	19.2
FIRE	2.1	2.3	2.2	2.1	2.0	2.1	2.1	2.3
TCPU	1.9	1.5	2.7	2.7	2.7	2.7	2.7	2.7
Government	18.1	18.6	20.2	20.5	20.9	21.2	21.4	21.6
AFFF	1.3	0.4	0.6	0.6	0.6	0.6	0.6	0.6
Wage & salary employment (jobs)								
Total	3,538	3,826	3,572	3,497	3,518	3,537	3,570	3,595
Manufacturing	813	1,203	881	793	785	775	771	761
Mining	0	0	0	0	0	0	0	0
Construction	99	164	120	116	114	116	118	121
Trade	574	573	510	517	527	535	542	549
Services	873	876	1,084	1,095	1,107	1,120	1,140	1,160
FIRE	126	130	115	110	110	110	111	112
TCPU	73	51	90	89	88	88	88	88
Government	928	781	724	728	739	745	750	755
AFFF	52	48	48	46	46	47	47	47
Firms by employment size								
1 to 4	93	95	95	102	89	93	92	
5 to 9	40	40	34	30	29	28	30	
10 to 19	22	17	12	17	18	14	16	
20 to 49	7	10	11	9	10	10	12	
50 to 99	9	3	3	3	2	2	2	
100 to 249	1	4	2	4	6	5	4	
250 to 499	0	1	2	0	0	0	1	
500 to 999	0	0	0	0	0	0	0	
1,000 to 4,999	0	0	0	0	0	0	0	
5,000 to 9,999	0	0	0	0	0	0	0	
10,000+	0	0	0	0	0	0	0	
Not declared	0	0	0	0	0	0	0	
Total	172	170	159	165	154	152	157	

Note: Acronyms are for Finance, Insurance, and Real Estate (FIRE); Transportation, Communications, and Public Utilities (TCPU); and Agricultural, Forestry, Fisheries, and Farming Services (AFFF).

Source: Alabama Department of Industrial Relations; Global Insight; Dun & Bradstreet; U.S. Bureau of Economic Analysis; U.S. Bureau of Labor Statistics; U.S. Census Bureau; and Center for Business and Economic Research, The University of Alabama.

Sumter County

The selected demographic and economic variables for Sumter County are presented in Table 8. Sumter County has experienced a steady loss of population since 1980. While the decline amounted to 4.3 percent during the 1980s, the rate of loss accelerated to 8.5 percent in the 1990s. If the trend seen between 2000 and 2005, when the county's population decreased 6.6 percent, continues, this decade will be even worse. While the University of West Alabama in Livingston draws young people into the county during their college years, lack of suitable jobs results in their leaving after completing their education. About 30 percent of young people aged 20 to 24 who resided in Sumter County in 1990 had moved away by 2000, and the loss of population aged 25 to 29 was an even larger 35.8 percent. Across all ages, about 13 of every 100 residents migrated out of the county during the 1990s. Tuscaloosa County is foremost among the destinations of residents who leave. Sumter County's civilian labor force declined by 7.3 percent during the 1990s. Despite a small increase in 2002 and 2003, the county's labor force shrank by around 470 across the 2000 to 2005 period. Unemployment declined from 12.1 percent in 1980 to 9.1 percent during 1990 and to 8.1 percent in 2000. The rate has been generally decreasing since 2003 and in September 2006 stood at 5.6 percent, 2.3 percentage points above the Alabama rate and ranking 61st among the 67 counties. The share of Sumter County's population in the labor force rose from 55.9 percent in 1980 to 62.4 percent in 2005.

Educational attainment showed steady improvement across the study period. The percentage of Sumter County residents aged 25 and over with at least a high school education rose from 52.4 percent in 1990 to 64.8 percent in 2000, while the share of residents with a bachelor's or higher degree increased from 11.1 to 12.4 percent. These shares remain significantly below statewide averages of 75.3 percent of residents aged 25 and over with at least a high school degree in 2000 and 19.0 percent holding a bachelor's degree or more. Sumter County's per capita income grew more rapidly than the state's during the 1990s; however, the 15.7 percent increase between 2000 and 2004 was below Alabama's 16.5 percent gain. Per capita income of \$19,093 in 2004 was about 69 percent of the state average and ranked Sumter County 64th among the 67 counties. Working residents of Sumter County are somewhat better off than the per capita income statistics indicate—average wage per job climbed faster in the county than in the state across the study period. The county's average wage per job was 78.0 percent of the state average in 2004.

The economy of Sumter County showed strong growth during the 1980s, with real output increasing 23.1 percent. Output contracted between 1990 and 2000, however, and the 2000 to 2005 period has brought mixed results. Government has been a steady contributor to economic growth across the study period; employment at the University of West Alabama, which is striving to increase enrollment, falls into the government category. Output growth in services was a strong 78.2 percent during the 1990s, but slowed to 8.0 percent from 2000 to 2005. The steep decline of the manufacturing sector after 1990 has been an important contributor to Sumter County's relatively poor economic health. Output in manufacturing fell by more than 22 percent from 1990 to

2000, and decreased by 27.5 percent between 2000 and 2005. Government accounted for 36.9 percent of real output in 2005, while services accounted for 20.8 percent and manufacturing for 15.2 percent. Wage and salary employment, a measure of the number of jobs located in the county, rose by about 500 from 1980 to 1990. However, 1990 to 2000 was a period of steep decline, with manufacturing job losses totaling about 760. Textile plant closings and the loss of at least 300 jobs at the Emelle landfill hurt employment during the 1990s. The county netted around 175 jobs between 2000 and 2005, a 3.3 percent gain. The loss of manufacturing jobs has continued since 2000, but the rate of loss slowed in 2004 and 2005. Most job gains have been in services, which added 265 jobs from 2000 through 2005. In 2004 government provided 28.9 percent of Sumter County jobs; services 27.5 percent; trade 19.1 percent; and manufacturing 13.1 percent. The closing of Livingston's Wal-Mart in January 2006 cost the county both jobs and tax revenue. However, new retail and industry, several proposed biodiesel plants, and the county's inclusion in the joint Alabama-Mississippi workforce development initiative referred to as WIRED could boost the county's economy. Sumter County does not provide enough jobs for resident workers; in 2000, 69 percent worked in the county, while 9.1 percent commuted to Lauderdale County, Mississippi and 6.0 percent worked in Marengo County. The number of firms located in the county peaked at 136 in 2003, but fell by 17 in 2004.

Table 8. Sumter County existing conditions review

	1980	1990	2000	2001	2002	2003	2004	2005
Civilian labor force	9,450	9,816	9,095	8,970	9,032	9,059	8,891	8,626
Change		366	-721	-125	62	27	-168	-265
Percent change		3.9	-7.3	-1.4	0.7	0.3	-1.9	-3.0
Population	16,908	16,174	14,798	14,592	14,260	14,196	14,078	13,819
Change		-734	-1,376	-206	-332	-64	-118	-259
Percent change		-4.3	-8.5	-1.4	-2.3	-0.4	-0.8	-1.8
Per capita income (\$)	5,420	10,732	16,508	16,682	17,670	18,257	19,093	
Change		5,312	5,776	174	988	587	836	
Percent change		98.0	53.8	1.1	5.9	3.3	4.6	
Average wage per job (\$)	8,524	15,430	21,710	22,430	23,183	24,395	25,520	
Change		6,906	6,280	720	753	1,212	1,125	
Percent change		81.0	40.7	3.3	3.4	5.2	4.6	
Unemployment rate	12.1%	9.1%	8.1%	7.7%	8.3%	9.4%	8.9%	6.7%
Educational attainment (percent of population 25 years and over)								
High school or more	46.5	52.4	64.8					
Bachelor's or more	9.9	11.1	12.4					
Real output (\$, Millions 1996)								
Total	106.0	130.5	123.3	126.9	122.8	120.4	121.3	123.0
Manufacturing	36.1	33.2	25.8	27.4	22.6	19.5	18.8	18.7
Mining	0.2	0.2	0.0	0.1	0.1	0.1	0.1	0.1
Construction	3.8	2.7	2.5	2.6	2.6	2.7	2.7	2.7
Trade	13.4	12.9	15.0	14.8	14.9	15.0	15.2	15.3
Services	12.4	13.3	23.7	22.5	23.1	23.7	24.7	25.6
FIRE	2.2	2.4	0.0	1.2	1.2	1.2	1.2	1.2
TCPU	8.8	29.8	14.8	14.5	13.5	12.9	13.1	13.3
Government	29.0	35.0	41.5	43.1	44.2	44.5	44.8	45.3
AFFF	0.2	1.0	0.0	0.6	0.6	0.7	0.7	0.7
Wage & salary employment (jobs)								
Total	5,588	6,089	5,330	5,429	5,351	5,339	5,412	5,504
Manufacturing	1,585	1,520	953	943	818	753	728	723
Mining	0	0	0	1	1	1	1	1
Construction	189	138	137	134	135	136	137	138
Trade	848	880	1,055	1,026	1,031	1,036	1,043	1,050
Services	1,058	999	1,249	1,266	1,312	1,363	1,439	1,514
FIRE	115	165	0	75	78	79	79	78
TCPU	278	828	400	393	366	351	356	362
Government	1,491	1,480	1,536	1,545	1,567	1,574	1,579	1,591
AFFF	24	79	0	46	45	47	49	48
Firms by employment size								
1 to 4	128	110	117	114	131	136	119	
5 to 9	48	49	59	66	48	51	54	
10 to 19	22	29	41	30	31	30	28	
20 to 49	15	18	17	21	21	20	20	
50 to 99	4	4	9	5	7	7	9	
100 to 249	6	7	2	2	2	3	4	
250 to 499	0	1	1	1	1	1	1	
500 to 999	1	0	0	0	0	0	0	
1,000 to 4,999	0	0	0	0	0	0	0	
5,000 to 9,999	0	0	0	0	0	0	0	
10,000+	0	0	0	0	0	0	0	
Not declared	0	0	0	0	0	0	0	
Total	224	218	246	239	241	248	235	

Note: Acronyms are for Finance, Insurance, and Real Estate (FIRE); Transportation, Communications, and Public Utilities (TCPU); and Agricultural, Forestry, Fisheries, and Farming Services (AFFF).

Source: Alabama Department of Industrial Relations; Global Insight; Dun & Bradstreet; U.S. Bureau of Economic Analysis; U.S. Bureau of Labor Statistics; U.S. Census Bureau; and Center for Business and Economic Research, The University of Alabama.

2003 Poverty and Median Household Income Estimates in I-85 Counties

	All Ages		Ages 0-17		Ages 5-17		Median Household Income	Ages 0-4	
	Poverty Estimate	Percent	Poverty Estimate	Percent	Poverty Estimate	Percent		Poverty Estimate	Percent
United States	35,861,170	12.5	12,865,806	17.6	8,399,573	16.1	43,318	4,021,366	20.3
Alabama	676,417	15.2	243,154	22.3	165,225	21.0	36,131	72,384	24.7
Autauga	4,926	10.4	1,891	15.1	1,347	14.4	44,241	Not available at the county level.	
Dallas	11,162	25.0	4,436	35.9	3,061	35.1	24,385		
Hale	3,537	20.6	1,323	27.7	930	26.8	26,075		
Lowndes	3,086	23.3	1,200	32.6	856	32.3	24,009		
Marengo	4,418	20.1	1,664	28.1	1,196	27.2	28,689		
Montgomery	38,104	18.0	15,125	26.8	10,241	25.9	35,523		
Perry	3,134	28.6	1,318	40.1	966	41.6	20,555		
Sumter	3,684	26.4	1,389	36.2	1,002	35.0	20,520		

Note: There is uncertainty associated with all model-based estimates, such as these. The Census Bureau has quantified this uncertainty through confidence intervals. Please contact the Alabama State Data Center for more information, or go to the Census Bureau's website at <http://www.census.gov/hhes/www/saipe/techdoc/stcty/ci.html>

Source: U.S. Census Bureau, Small Area Estimates Branch. Release date: 11.29.2005

Health Indicators for I-85 Extension Counties, 2001 to 2005

	Doctors, 2005	Dentists, 2005	Nurses, 2003	Infant Mortality Rate ¹ , 2001-2003	Percent of Births to Unmarried Women, 2004
Alabama			45,279		
Autauga	29	11	537	8	33.0
Dallas	77	15	364	10	69.5
Hale	7	4	119	12	56.9
Lowndes	2	1	53	8	64.6
Marengo	15	4	197	18	53.2
Montgomery	655	121	1,948	10	50.3
Perry	2	1	40	7	75.1
Sumter	6	3	60	11	65.7

* Doctors are listed by the county given for the issuance or renewal of their license.
 Doctors may give a work address or a home address when they apply for a license.
 Doctors do not necessarily work in the county in which they live.
 Source: Alabama Medical Licensure Commission, special tabulation.

Source: Alabama Board of Dental Examiners, special tabulation.

Note: The tabulation of nurses includes the following degrees:	Number
Associate degree - nursing	20,320
Associate degree - other	97
Bachelor's degree - nursing	13,393
Bachelor's degree - other	955
Certificate	435
Diploma	3,428
Doctorate degree - nursing	164
Doctorate degree - other	155
Master's degree - nursing	3,345
Master's degree - other	858
No response	2,128
Total	45,279

The county is the county from which the nurse renewed or entered his/her nursing license.
 It is not necessarily the county in which the nurse practices.
 Source: Alabama Board of Nursing, special tabulation.

Source: State Department of Health, Center for Health Statistics.

¹ Rate is per 1,000 live births in specified group.

Health Insurance Coverage for I-85 Counties, 2000:

Experimental Estimates, All Ages

FIPS ID	State and County	Number Insured	Number Uninsured	90%	Percent Uninsured	90%
				Confidence Interval *		Confidence Interval*
1000	Alabama	3,713,503	666,441	26,626	15.2	1.0
1001	Autauga County	38,923	5,690	930	12.8	2.1
1047	Dallas County	36,749	9,242	979	20.1	2.1
1065	Hale County	13,552	3,422	349	20.2	2.1
1085	Lowndes County	10,541	2,951	286	21.9	2.1
1091	Marengo County	18,238	4,074	466	18.3	2.1
1101	Montgomery County	180,533	32,259	4,262	15.2	2.0
1105	Perry County	8,544	2,776	249	24.5	2.2
1119	Sumter County	10,946	3,465	315	24.0	2.2

*The 90-percent confidence interval is a measure of an estimate's variability. The larger the confidence interval in relation to the size of the estimate, the less reliable the estimate.

Note the width of the confidence intervals are the same for the SAHIE program's estimate of the number insured and uninsured. This follows from the fact that the two numbers must add to a known population. A random deviation in one must be mirrored exactly in the other, so a measure of variability like the standard deviation must be the same.

Source: U.S. Census Bureau, Housing and Household Economic Statistics Division, Small Area Estimates Branch. For assistance, please contact their information line at 301-763-3242.

Census 2000 Population of Alabama Counties

County	Total Population	Population by Race																Hispanic Origin (of any race) Percent	
		Single Race														Two or More Races			
		Total Persons of a Single Race	Percent	White	Percent	Black/African American	Percent	American Indian and Alaska Native	Percent	Asian	Percent	Native Hawaiian and Other Pacific Islander	Percent	Some Other Race	Percent	Total	Percent		
Alabama	4,447,100	4,402,921	99.0%	3,162,808	71.1%	1,155,930	26.0%	22,430	0.5%	31,346	0.7%	1,409	0.0%	28,998	0.7%	44,179	1.0%	75,830	1.7%
1 Autauga	43,671	43,266	99.1%	35,221	80.7%	7,473	17.1%	194	0.4%	200	0.5%	13	0.0%	165	0.4%	405	0.9%	610	1.4%
24 Dallas	46,365	46,110	99.5%	16,496	35.6%	29,332	63.3%	50	0.1%	160	0.3%	5	0.0%	67	0.1%	255	0.5%	290	0.6%
33 Hale	17,185	17,086	99.4%	6,844	39.8%	10,131	59.0%	30	0.2%	27	0.2%	4	0.0%	50	0.3%	99	0.6%	157	0.9%
43 Lowndes	13,473	13,419	99.6%	3,484	25.9%	9,885	73.4%	15	0.1%	16	0.1%	3	0.0%	16	0.1%	54	0.4%	85	0.6%
46 Marengo	22,539	22,432	99.5%	10,657	47.3%	11,655	51.7%	19	0.1%	41	0.2%	3	0.0%	57	0.3%	107	0.5%	219	1.0%
51 Montgomery	223,510	221,407	99.1%	109,180	48.8%	108,583	48.6%	568	0.3%	2,217	1.0%	72	0.0%	787	0.4%	2,103	0.9%	2,665	1.2%
53 Perry	11,861	11,797	99.5%	3,660	30.9%	8,111	68.4%	9	0.1%	4	0.0%	3	0.0%	10	0.1%	64	0.5%	102	0.9%
60 Sumter	14,798	14,721	99.5%	3,836	25.9%	10,827	73.2%	14	0.1%	15	0.1%	2	0.0%	27	0.2%	77	0.5%	165	1.1%

Economic Development

This information is not exhaustive. Volkert's email indicated this is a document they will use with materials they also are working on.

Autauga County. Most economic development in Autauga County is in the vicinity of Prattville, although the I-85 route will not go near Prattville. This discussion covers the entire county.

East Prattville is seeing both strong retail and residential development off I-65 near the Legends Conference Center and Capitol Hill golf course. Most of the new retail, including shopping centers anchored by Bass Pro Shops and Target, lies in the portion of Prattville in Elmore County. Much of the residential property in the neighboring Homeplace subdivision falls in Autauga County. This residential development could include as many as 1,800 homes in Autauga and Elmore counties over the next 10 or so years. Burgeoning retail and office space nearby will add to the attractiveness of this location and of Prattville in general. New neighborhoods under development in southwest Prattville and easy access to Highway 14 make this area attractive to people who work in Selma but choose to live in Prattville.

Autauga County supports about 17,000 full- and part-time jobs, although it has thousands more resident workers than that. In 2000, 47 percent of the Autauga workforce worked in Montgomery County. Perhaps because of the interstate system, the commute runs both ways. Several thousand people who live in Elmore and Montgomery counties commute to Autauga County to work. Retail trade is the largest employment sector in the county and accommodation and food service businesses also provide significant employment. The second largest employer in the county is government, including state, local, federal, and military. Manufacturing, construction, and health care are the remaining large employers.

Dallas County. Although the population of Dallas County is decreasing, and has been for many decades, Selma and the county have a diversified industrial and business base. Dallas County is home to some 17,000 private sector jobs and another 3,200 public sector jobs. Manufacturing is the largest employer, followed by state and local government. Retail trade, health care, accommodation and food services, other kinds of services, and construction are also significant Dallas County employment sectors.

Selma, the seat of Dallas County, is a beautiful, historic city with many of its structures dating back to the 1800s. Tourism is an important part of the economy because thousands of tourists come each year to visit historic downtown Selma and see the antebellum homes and museums in the area. Two major events 100 years apart projected Selma into the national and international spotlight—the Civil War in the 1860s and the Civil Rights Movement of the 1960s. Selma sponsors annual events and permanent attractions to appeal to visitors who are interested in both historical periods. Additionally, Selma was designated the Butterfly Capital of Alabama by the state legislature in an effort to stimulate the return of butterflies in gardens around the city and to attract visits from nature appreciators.

Selma has seen a good number of new business start-up in its downtown in recent years. For example, an African-American couple started a screen printing business in Selma while the wife was on active duty in Iraq. Now that she has returned home, she is also working in the business, and the business has developed a specialty of reunion tee shirts. Their business has become very stable and they continue to gain new customers. Another business is expected to open soon—a combination coffee shop, bookstore, and art gallery. Selma recently lost its only coffee shop and the city has not had a bookstore for a long time. This entrepreneur is an experienced businesswoman and believes she can fill a niche in the community. In the location of the former coffee shop is a recently opened community development center that offered a summer youth camp in 2006. Other entrepreneurs are also pursuing business ideas that have not yet resulted in business starts.

Retail activity for the entire county is centered in Selma, whose 2005 population was 19,401. The recently incorporated Valley Grande has 3,874 residents. Forty-seven percent of Dallas County residents live in unincorporated portions of the county.

Hale County. In 2005 Hale County had 18,316 people, 13,101 of whom lived in an unincorporated, rural part of the county. Greensboro (2,616) is the largest town and the county seat. The portion of Moundville that is in Hale County (1,857) is the second largest municipality. Hale County's population had a steep decline between 1900 and 1990, moving from about 31,000 to about 15,500. However, since 1990 the population has been growing; most of the growth is at the north end of the county and is associated with jobs in Tuscaloosa County held by residents of Hale County.

HERO (Hale Empowerment and Revitalization Organization) in Hale County is the agency in that county most involved with economic development and quality of life. HERO offers seminars for the public on a frequent, but irregular, basis about how to start your own business. The seminars are usually conducted by the local extension agent, and HERO offers follow-up services to help people in their business planning, with the hope that some will actually open a business.

Greensboro leaders have also been active in historical preservation and downtown revitalization. In 2004 the old opera house on Greensboro's main thoroughfare was purchased with plans to renovate it. Their experience is that when a major project is undertaken by a nonprofit agency, other owners are stimulated to upgrade their own nearby properties. The economic ripple effect benefits the entire community. The group hopes to remodel the first floor of the opera house, recently used by discount stores, to be an art gallery. When the theater is renovated, it can be a performance setting again.

The Rural Studio, operated by the Auburn University College of Architecture, Design and Construction in Hale County, is a national model of teaching excellence, service learning, and university outreach. The Rural Studio has completed numerous restoration and construction projects in the Black Belt, primarily in Hale County that includes homes, playgrounds, and other public structures erected by the students. The innovative and affordable architectural endeavors have become tourism attractions, bringing in people who live outside of Hale County, thus adding another dimension to the economic development aspect of the Rural Studio's products.

Economic development in Hale County seems to have been hampered over time because of political dissention. The newly installed mayor of Greensboro, whose lawful

election was recently upheld by the court system, has pledged to work for a reduction in racial distrust and an increase in economic activity in Greensboro.

Lowndes County. Lowndes County is sparsely populated—total population in 2005 was 13,076—and is a majority black county. Hayneville is the county seat, with a 2005 population of 1,141. The largest town in the county, Fort Deposit, has a population of 1,229. About 60 percent of the county’s residents live in unincorporated rural areas. Despite the rural nature of the county and its lack of many city-style amenities, there are economic development initiatives.

On August 1, 2006 the U.S. Assistant Secretary of Commerce for Economic Development announced a \$20,000 Economic Development Administration (EDA) grant to the Lowndes County Commission. The investment will help the county plan projects designed to boost business development and job growth in the region. The capital improvements plan will explore ways to improve road, water, wastewater treatment, and industrial park sites in the area. It will also explore tourism, recreation, and other assets such as the Selma to Montgomery Civil Rights Trail along Highway 80 for development potential.

Tuskegee University’s Rural Business and Economic Development program is active in Lowndes County. They have recently focused on assisting individuals to write business plans, helping with community participation in the governor’s Black Belt Initiative, and improving the use of information technology at the County Extension Office.

A Community Resource Center was opened in White Hall in 2004. Job training and financial literacy classes are held and information is available on home ownership, maintaining septic systems, energy conservation, and other subjects. Assistance is also provided in preparing job applications and resumes. The Senior Centers in Fort Deposit and Hayneville supply meals, nutrition education, and transportation for shopping trips or doctor visits. Lowndes County has no hospital and a great many retail purchases are made in Montgomery County.

Many economic development efforts in Lowndes County are collaborations with social service agencies. Nutrition, access to medical care, adequate housing, and transportation issues are addressed by several nonprofit agencies in the county. Because Lowndes has a declining population, a significant proportion of senior citizens, high poverty, and low average educational levels, solving some of the social needs makes a more attractive climate for economic development.

Marengo County. Linden, with population in 2005 of 2,336, is the seat of Marengo County, but Demopolis, population 7,555, is the largest city. Other incorporated places in the county have fewer than 1,000 residents each. Nearly 50 percent of the people in Marengo County live in an unincorporated rural area. Marengo County has a slight (51 percent) black majority. The county’s population has declined every decade since 1900 (population 38,315) and has continued its decline in this decade (2005 population estimate 21,879).

The largest private sector employers located within the county are Linden Lumber Company (wood flooring), Rock Tenn Co. (paper mill), Bryan Whitfield Hospital (health care), New Era Cap Company (major league baseball caps), Southern Pride Catfish Co.

(food processing), Foster Farms (meat/corndogs/hushpuppies), and WalMart SuperCenter (retail sales). Additionally, significant employment is provided to Marengo County residents by the Georgia Pacific Corporation (paper products) and Weyerhaeuser (wood products, container board), which companies are located outside Marengo County.

The public sector also provides a significant percent of the jobs in Marengo County. The Demopolis City School System, the Marengo County School System, the Linden City School System, the City of Demopolis, and the Alabama Department of Human Resources (DHR) are important employers in the county.

Tourism is an industry the county encourages. There are some year-round and some seasonal venues for tourism. *Christmas on the River* is an annual event in Demopolis that features a nighttime nautical parade and fireworks extravaganza, a children's parade, a championship barbeque cook-off, and tours of antebellum homes. The Demopolis Sport-Plex is a 299-acre recreation complex managed by the Demopolis Parks and Recreation Department that sponsors youth sports leagues and special events. The Black Warrior and Tombigbee Lakes provide locations for hunting, fishing, boating, camping, parks, and history exploration.

Thomaston is a very small town in Marengo County with a big idea. The Alabama Rural Heritage Foundation and Center (the Center) is located there at the site of the former Marengo County High School, built in 1909. The Center moved in April 2005 into the newly renovated former Home Economics building of the school. The Center displays and sells traditional folk art and crafts, all made by native Alabama artisans. Handmade quilts, pottery, baskets, and paintings are just some of the items available. A unique line of green pepper jelly, red pepper jelly, and watermelon rind pickles created from produce grown on-site in the Center's garden are prepared in the Center's kitchen. Thomaston hopes the economic benefits of the Center will redound throughout the county.

Montgomery County. The City of Montgomery is the state capital, affecting the economy of all of Montgomery County. Twenty-three percent of jobs in Montgomery County are government jobs, mostly state jobs, but also with a significant number of local government, federal civilian, and military jobs. For instance, there are two military installations, several state prisons/work release facilities, and one federal prison in Montgomery County. The next largest employment sector in the county is retail trade, followed by health care. As can be expected because the City of Montgomery is the state's second largest city in the state's fourth largest county, Montgomery has several large hospital facilities.

Manufacturing is another large employment sector in the county. Although the economy of Montgomery County declined between 2000 and 2002, activity picked back up from 2002 to 2003, with the attraction of Hyundai and a number of suppliers helping push both the civilian labor force and employment up significantly between 2004 and 2005. In 2005 Montgomery County was home to 17 automotive-related plants, including Hyundai and about 10 Hyundai suppliers. From January to December 2005, the Montgomery metropolitan area, which includes Montgomery, Autauga, Elmore, and Lowndes counties, added 7,300 jobs, many of which were located in Montgomery County. Auto manufacturing jobs alone increased by about 4,050 from 2003 to 2005. The automotive sector will likely see additional job gains given Hyundai's success with

the vehicles produced in Montgomery and the potential sharing of suppliers with sister company Kia, which is building up I-85 in West Point, Georgia.

Service-providing industries of many kinds, including waste management, accommodation, food services, professional, and technical services also provide many employment opportunities in Montgomery County.

While every year from 2000 to 2005 saw population loss due to out-migration, according to the Census Bureau estimates, the decline slowed from 2003 to 2005. Even with total population not increasing, building permit activity in the county rose steadily, increasing from an annual total of 801 single- and multifamily permits in 2001 to 1,481 in 2005. Quality of life improvements are taking place in downtown Montgomery, including a Retirement Systems of Alabama investment in an expansion of the civic center and construction of an adjoining hotel downtown and continued riverfront development. A spate of building activity on the eastern side of Montgomery and in the town of Pike Road along I-85 could provide attractive living options to families who otherwise would have left the county for suburban Autauga or Elmore counties. And there is potential for residential development in southwestern Montgomery County to provide more housing in closer proximity to Hyundai and its suppliers. Downtown Montgomery is beginning to see loft, condo, and apartment construction in the vicinity of recent riverfront development.

Perry County. Earlier this year the Perry County Chamber of Commerce actively recruited an aircraft refurbishing business to locate at the airport in Perry County, hoping to bring a significant number of jobs. That business did not come, but the result of the recruiting effort is that the Perry County Airport and Industrial Authority placed an RFP on Dec. 10, 2006 for a \$25,000 airport layout plan. The layout plan is the initial stage expenditure of a \$150,000 grant from the State for maintenance of Vadien Field. This \$150,000 expenditure is the first move to acquire a much larger federal grant that would, over five years, resurface and restripe the runway, put up new runway lights, build a new hangar, fence the entire airport property, and improve the access road to the airport. Local leaders believe their airport is one of their most valuable economic development resources. Vadien Field has the second longest runway, 10,000 feet, in Alabama. If the I-85 extension takes a northern route, Perry County believes it has an excellent chance to further market its airport facilities.

In partnership, The University of Alabama, Auburn University, Tuskegee University, and other organizations secured funds from the U.S. Department of Housing and Urban Development to assist start-up entrepreneurs in business plan development and in connecting the community to BISNet last year at the Uniontown local public library. Business education classes average six participants each in Uniontown.

The nonprofit organization Sowing Seeds of Hope spearheaded the organization and building of a new job training center in Marion. The building is within two months of occupancy. Two persons have been already been hired with three to five more jobs anticipated as the new building opens and the training facility ramps up. The original plan was for an associated day care center, but the day care plan did not materialize. The job training center will allow the community to stay abreast of technological progress in improving work skills.

The new private prison in Perry County is now fully occupied. The prison is already considering an expansion to add another dormitory. The county expects this large new employer will continue to bring more purchasing power into the county, supporting new and existing locally-owned businesses.

In fact, there have been several new business starts on the town square in the past year, locating in newly renovated space made available by a local real estate developer who has a financial interest in downtown revitalization. The *Perry County Herald* is the newest business on the square. The downtown square area is looking more prosperous than it has in many years.

There have been other inquiries from entrepreneurs who want to locate in other parts of the city of Marion. A potential restaurant and an antique store are currently being considered. A young woman has purchased one of the area's historic properties to use as a training farm for Arabian horses. She currently has 18 horses there.

Fifty workers at Marion Military Institute are in transition from being private sector employees to being state employees, as Alabama's Department of Postsecondary Education has acquired the school. The county hopes this status change will be a catalyst for positive economic change.

Local women's clubs have purchased new Christmas lights for downtown Marion. Several civic organizations are promoting "curb appeal." Business and home owners are paying attention to litter collection, gutter cleaning, shrubbery cutting, and sprucing up with fresh paint. The civic and political atmosphere in Perry County seems better right now than it has been in the past 30 years, according to Mr. John Martin of the Perry County Chamber of Commerce.

Sumter County. Historically the aggregated lumber, furniture, pulp, and paper manufacturing sectors have been the leading manufacturing sector in Sumter County. Textile and apparel manufacturing also had a strong presence. Agricultural production, including forestry, is also an important industry. Sumter County residents hoped for an economic boom related to the opening of the Tennessee-Tombigbee Waterway in 1985, however, the waterway has not sparked the economic prosperity that was predicted. The heavy industry for which the waterway was intended has seen downturns, and the waterway competes with the Mississippi River for barge traffic.

The world's largest toxic waste dump was once located in Emelle, Sumter County. Up to 1991 the dump had received between five and six million tons of waste, mainly from Superfund removal sites in other states and military installations overseas. Among the toxic chemicals dumped in Emelle are PCBs, DDTs, dioxins, and benzene. After degradation of water and soil resources in Sumter County and several off-site and on-site spills, the organized efforts of local activists reduced dumping in Emelle in the 1990s to approximately 15 percent of what it had been in the prior decade. This reduction revealed the extreme dependence of the local economy on the dump. There was a direct loss of 340 jobs in addition to the loss of support activities in the local economy. In the years following, there has not been another large employer in Sumter County to replace the jobs lost at the toxic waste dump.

In part because of years of sustained economic loss, the county's population has been declining for over a century. In 1900 Sumter County had 32,710 people. In 2005 the estimate was 13,819.

There are local efforts to build local businesses. The Greene-Sumter Enterprise Community and the Sumter County Industrial Development Authority (IDA) have been actively involved with one-on-one technical assistance in business plan development and other educational services. Sessions have been held in the office suite of the IDA, using materials provided through the Alabama Entrepreneurial Research Network (AERN), a partnership with The University of Alabama. The business education classes focus on better business plans with realistic financial projections. With training, technical assistance, and one-on-one help with start-up or struggling businesses, several loans have been successfully submitted to local banks and to the Revolving Loan Program in the last two years. Close to 90 jobs have been created or saved in the areas of agricultural product processing, transportation, storage facilities, day care, beauty salons, and construction.

Local leaders have been working to start a business incubator, but the idea has not yet come into fruition. Financing has been problematic. The consensus is that it would be a good idea, but a lot of money is needed to get it started. Sumter County has also been working with the East Mississippi/West Alabama Partnership, which is funded through the U.S. Department of Labor for workforce development.

There have been some new locally-owned business start-ups in Sumter County in the past year. One is a small family-owned restaurant in York named Madea's. After an initial employment of about 15, they have settled into a permanent workforce of about 10. The restaurant is greatly appreciated in a small town like York. Additionally, the Weatherly-Studdard Memorial Chapel, headquartered in Sumter County, added a second location in 2006 in Choctaw County.

Sources

Telephone interviews with Mr. John Martin, Director of the Perry County Chamber of Commerce, Mr. Jay Shows, Director of the Demopolis Area Chamber of Commerce, and Ms. Claire Twardy, former Director of the Selma-Dallas Chamber of Commerce.

Economic Base Assessment of Sumter County, Alabama. Monitoring and Assessment Team, Institute for Policy Research and Evaluation, The Pennsylvania State University.

Press releases from the U. S. Department of Commerce, the U.S. Department of Housing and Urban Development, and the Alabama Rural Heritage Foundation.

Website information from the Marengo County Extension Office, the Demopolis Chamber of Commerce, the Dallas-Selma Chamber of Commerce, the Tuskegee University Rural Business and Economic Development Program, the Sumter County Extension Office, and the Housing Assistance Council.

U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System.

Black Belt Initiatives

Governor Riley's Black Belt Action Commission. Numerous organizations and agencies within the state offer multicounty initiatives targeted at alleviating some of the needs present in the Black Belt. Most notable among Black Belt Initiatives is Governor Riley's Black Belt Action Commission. Governor Riley issued Executive Order establishing the Black Belt ACTION Commission (BBAC) in August 2004. He actively engaged his cabinet and government agencies to assess and develop solutions to the chronic issues in this economically challenged region. Cabinet departments and state agencies work in partnership with the BBAC to make tangible progress; BBAC continues to meet and work.

The mission statement of the BBAC is: Measurably improve the quality of life in Alabama's Black Belt Region by actively working with all citizens of Alabama and any other supportive parties. The Commission is divided into 13 working committees including Agriculture, Communications, Community Development, Cultural and Youth, Education, Families, Health, Infrastructure, Manufacturing, Marketing and Tourism, Small Business Development, Transit and Transportation, and Workforce Development. Each committee developed recommended projects with the following criteria:

- Clearly supports the mission of the BBAC
- Clearly supports at least one of the priorities of the BBAC:
- Create jobs
- Educate citizens
- Prepare workers for jobs
- Promote racial harmony
- Prepare students for school
- Actively engage all citizens and communities
- Provides a product or service to the Black Belt Region as determined by valid research and data reflecting such need.
- Provides a service that does not currently exist in the Black Belt Region or provides a service or product which enhances an existing product or service in the Black Belt Region.
- Provides quantifiable measures of project performance.
- Includes a clear and specific implementation plan.

There is an annual report containing information from each committee that can be accessed at <http://www.blackbeltaction.org/BBAC%20Annual%20report%20Nov05.pdf> and the committees continue their work at this writing.

Other Initiatives. Initiatives of other organizations generally fall into the areas of education, health and wellness, housing, community development and economic development, and transportation. The University of Alabama, Auburn University, and Tuskegee University are three institutions of higher education with a well-developed, highly visible Black Belt presence in all those arenas. Examples of some of the economic development and other projects associated with these universities and the Black Belt follow.

Economic Development. Tuskegee University's Alabama Small Farm Rural Economic Development Center has numerous collaborative arrangements with various partners, including USDA agencies, the State of Alabama Department of Agriculture and Industries, county extension programs, banks, community groups, and private entrepreneurs/farmers. The Small Farm Center targets rural community development efforts that are farm-related, value-added, wholesale/retail, and community-based. The Center offers technical assistance and has a small loans program.

Auburn University also offers extensive services in the areas of agriculture and natural resources. Because of the rich, fertile soil that gives the region its name, the Black Belt has historically been the agricultural center of the state. Auburn University has for many years been assisting landowners on refining and developing best practices for farming and timber and wildlife management through the Cooperative Extension System and the School of Forestry and Wildlife Sciences.

The Alabama Entrepreneurial Research Network (AERN) at The University of Alabama is a program with three components. One is to provide computers and peripheral equipment, business software, and other business research resources to chambers of commerce, industrial development agencies, or other nonprofit organizations whose mission includes business development in very rural, low income portions of Alabama. These organizations make the resources available to the public for the purpose of encouraging potential entrepreneurs to start a microenterprise, for an existing small business owner to expand, or for other economic development work in the target area. The second component is a strong training emphasis. The staffs of the partner agencies receive training in how to use the materials and the public is offered seminars and workshops. The third component is the AERN website. Many online resources are easily accessible there and the site is designed for ease of use by the lay public.

Education. The universities and community colleges in the Black Belt all have many educational outreach programs for the citizens of the area. Auburn University, The University of Alabama, Alabama State University, Alabama Southern and Beville State Community Colleges, and the Universities of Montevallo, South Alabama, and West Alabama promote innovative educational methods and practices throughout the Black Belt. Examples of some of the initiatives include internship opportunities, experiential learning activities, field-based experiences for course credit, student teaching placements, and specific activities linked to school-based problems. In a different setting, the Extension 4-H has youth development programs in which students tackle tough issues and are given encouragement to attend college or achieve other educational goals.

A recent example of educational outreach by Wallace Community College in Selma is the September, 2006 groundbreaking ceremony for a 36,000 square-foot building for technology-focused curricula. The Hank Sanders Technology Center will be home to the Alabama Technology Network, Workforce Development, Business Education, Business Management, and Computer Information Systems. It will also contain classrooms, computer laboratories, conference facilities, and some administrative offices.

Wallace Community College is also the home base of an innovative partnership among Wallace Community College Selma, Tuskegee University, Alabama State University, and the Selma City School System to help high school students with demonstrated academic potential succeed in high school and transition to college. Students take a combination of high school and college classes, graduating from high school with up to 60 hours of college credit. Student start college work based on their performance and some students in the program have not taken college classes because they must have a 3.0 grade point average for dual enrollment/dual credit.

Community Development and Cultural Awareness. The Black Belt has been the center for some of the state's and the nation's most historic events. The region has been host to the founding of Tuskegee University and the launching of the Civil Rights Movement, both of which profoundly advanced freedom in this country. However, Black Belt citizens have limited institutional resources to document and preserve their heritage. At the same time, there are few opportunities for people in the region to learn in context about cultural links and about the differences between the Black Belt and the wider world around it. Several organizations have programs to address this issue. Auburn University and The University of Alabama in particular have programs that promote the humanities and the arts in

the Black Belt; encourage local artisans; emphasize maintaining cultural and environmental surroundings, and develop leadership skills of Black Belt youth and adults.

One example is the Center for Community-Based Partnerships (CCBP): Engaging Communities and Changing Lives, an initiative of The University of Alabama's Division of Community Affairs devoted to facilitating and stimulating multidisciplinary community-based partnerships that both support the service and research mission of the University and address specific quality of life needs as identified by community partners. The CCBP combines the resources of a major research university with community partners in an effort to expand the classroom for University of Alabama students and faculty while assisting in improving the quality of life for those living in Black Belt communities.

Another example is the Black Belt School and Library Humanities Initiative at Auburn University's College of Liberal Arts. Through this program Black Belt schools and local public libraries are able to host a number of plays, poetry workshops, author visits, and civil rights presentations otherwise not accessible to students in rural communities.

Sowing Seeds of Hope is a partnership between the people of Perry County and the Alabama Cooperative Baptist Fellowship. This partnership is aimed at improving the quality of living and working in Perry County through improved educational opportunities, health care, tourism, transportation, and economic development. Sowing Seeds of Hope has several institutional supporters, including Samford University's Howard College of Arts and Sciences. Samford University was born as Howard College in the town of Marion in 1841. It has changed its name and its location, but the current students have for several years held a bike ride, this year in April, to benefit Sowing Seeds of Hope in the county that nurtured Samford's formative years. And Sowing Seeds of Hope has recently seen several major successes. In the first part of 2007 a new jobs training center will open in Marion with a focus on technological/computer skills. In September 2006 they were awarded a \$338,000 federal grant for the creation of a self-help housing initiative. The grant will fund the program's infrastructure, including four employees and a portion of the salary for Sowing Seeds of Hope's executive director. They predict building 20 custom-designed homes within two years.

Sumter and Greene counties are part of a "Renewal Community," designated by the US Department of Housing and Urban Development. That designation makes the counties eligible to share in tax incentives to stimulate job growth, promote economic development, and create affordable housing. Renewal Communities can take advantage of wage credits, tax deductions, capital gains exclusions, and bond financing to stimulate economic development and job growth. Each incentive is tailored to meet the particular needs of a business and offers a significant inducement for companies to locate and hire additional workers.

The Black Belt Community Foundation based in Selma has been operational for two years. Its purpose is to put money into projects in the Black Belt that might not otherwise be funded. Recently the Foundation has provided grants to Grassroots Leadership Development Seminars that support community leaders; Youth Leadership/Philanthropy Initiatives that build a sense of ownership for future generations; Community Building Workshops that strengthen the community-based organization by bringing in additional resources, forums that allow all voices to be heard in the community; summits that revitalize organizations; and Financial Planning for organizations and individuals in building wealth in their communities. An October meeting was held in Demopolis to discuss ways to initiate art within the community.

Child Care. Due to inadequate training for many childcare providers, the Federal Child Care Partnerships (FCCP) was established by the Alabama Department of Human Resources and Auburn University. FCCP is currently offering training and professional development to child care workers in

Dallas, Greene, Hale, Macon, Marengo, and Sumter counties. Since 2000 more than 21 licensed family child care providers in Black Belt counties have received in-home mentoring to improve the quality of child care.

The University of Alabama also offers child development resources to Black Belt counties. Child Development Resources (CDR) is west central Alabama's resource for information about the well-being of young children. Their mission is to help families succeed by providing information and resources to enhance the family's ability to provide a safe, loving, and enriching life for young children. Child Development Resources manages a child care subsidy program and provides training for professional child care providers, offers child care resource and referral information, and conducts parenting education and support programming. Child Development Resources works to increase the availability, affordability, and quality of child care for families in Bibb, Choctaw, Fayette, Greene, Hale, Lamar, Marengo, Marion, Perry, Pickens, Sumter, and Tuscaloosa counties.

Health Care. Access to health care can be problematic in rural Alabama. For example, Lowndes County does not have a hospital. The University of Alabama's Rural Scholars programs and other rural health initiatives were developed in collaboration with the Rural Alabama Health Alliance, rural community partners, and organizations in the public and private sector to recruit rural students into medical and health careers, urging them to practice where they are most needed—back home in rural Alabama. These programs take place at the College of Community Health Sciences, which conducts rural programs of education and research and serves as a branch of the University of Alabama School of Medicine. The programs for rural high school students, minority high school graduates, and premed college seniors or graduate students are part of a series of progressive educational and supportive experiences in the "Rural Health Leaders Pipeline" to identify, nurture, and assist rural students who can return to rural Alabama as primary care physicians and health practitioners.

Transportation. Recent federal funds have been approved for transportation upgrades in several of this study's Black Belt counties. Examples of these are

- A grant to the City of Montgomery for an Intelligent Transportation System (ITS) to upgrade traffic monitoring systems, including traffic light improvements and installation of additional camera systems to monitor high traffic areas particularly during emergency situations.
- A grant to the City of Montgomery for construction of bus stops and shelters and installation of a real-time GPS for the city's fleet.
- A grant to be used to develop a pedestrian riverwalk to compliment Montgomery's downtown development project.
- The Alabama Department of Transportation gave a grant to Uniontown in Perry County for new sidewalks, shrubbery, decorative lighting, and street signs. The city is planning a new visitor's center to be built with federal funds made available by Representative Artur Davis.

Regional Councils of Government also administer grant funds for various transportation development projects in Black Belt counties.

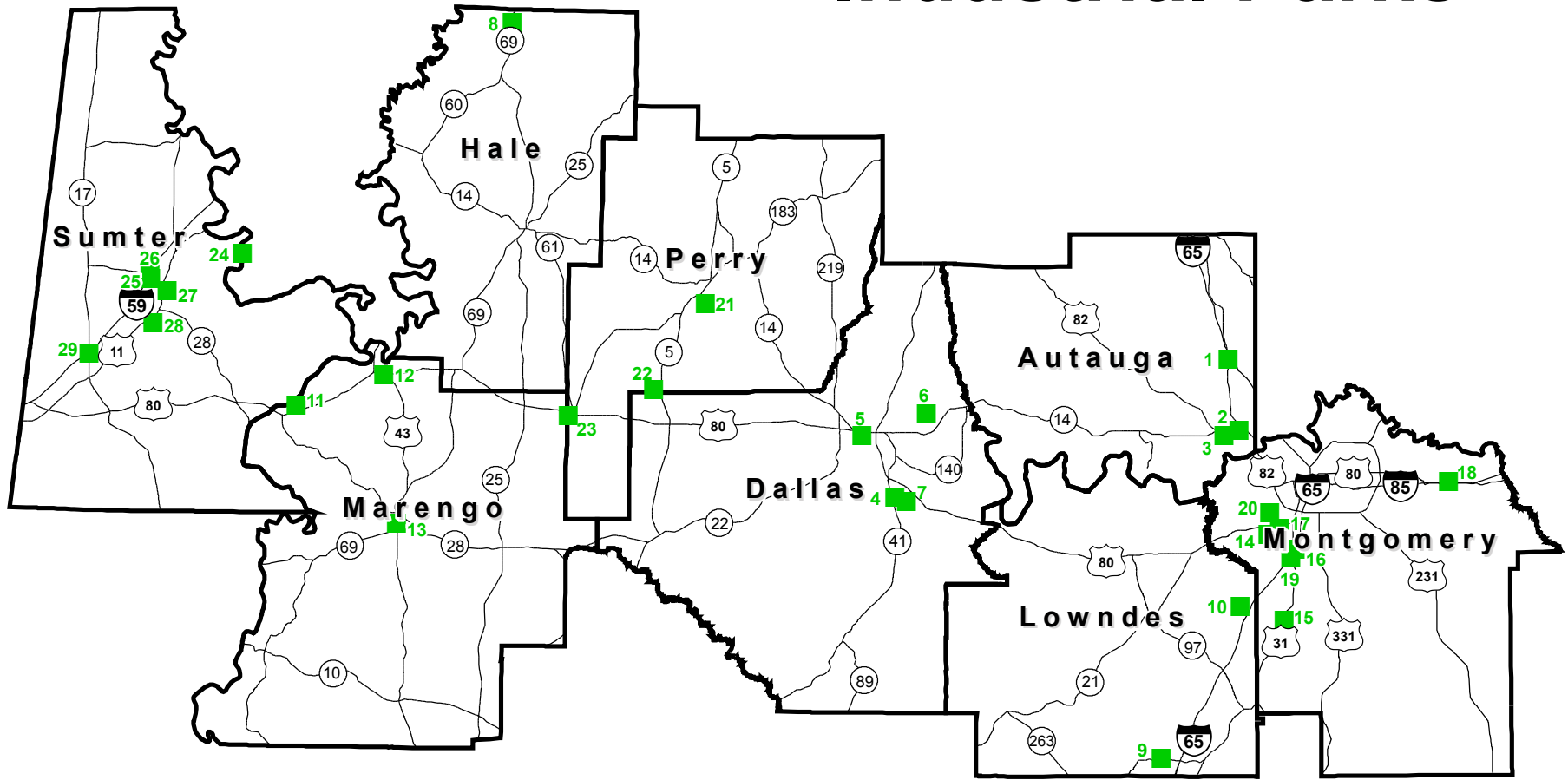
I-85 Extension Project Industrial Parks
See Map for locations

Site Name	City	County	Avail. Acreage	Total Acreage	Natural Gas	Water	Sewer	Rail	Zone
1) I-65 Industrial Park	Prattville	Autauga	50.3	55	Y	Y	Y	N/A	Light Industrial
2) Prattville South Industrial Park	Prattville	Autauga	430	450	Y	Y	Y	Adjacent Track	Heavy Industrial
3) Prattville West Industrial Park	Prattville	Autauga	77	111	Y	Y	Y	Not Specified	Heavy Industrial
4) Craig Industrial Complex	Selma	Dallas	400	700	Y	Y	Y	Spur Available	Heavy Industrial
5) Bell Road Industrial Park	Selma	Dallas	198	198	Y	Y	Y	Adjacent Track	Light Industrial
6) Selfield Industrial Park	Selma	Dallas	234	434	Y	Y	Y	Adjacent Track	None
7) South Dallas Industrial Park	Selma	Dallas	300	400	Y	Y	Y	Spur Available	None
8) Hampton Hills	Moundville	Hale	320	360	Y	N	N	< 1 mile	None
9) Fort Deposit Industrial Park	Fort Deposit	Lowndes	104.1	152.8	Y	Y	Y	<1,500 ft	Light Industrial
10) Lowndes County Industrial Park		Lowndes	143	168	Y	Y	Y	Spur Available	Heavy Industrial
11) Airport Industrial Park	Demopolis	Marengo	100	100	<500 ft	<500 ft	N	Spur Available	Agricultural
12) Industrial Park South	Demopolis	Marengo	78	135	Y	Y	Y	< 1/4 mile	Heavy Industrial
13) Linden Industrial Park	Linden	Marengo	250	250	Y	Y	Y	Adjacent Track	Heavy Industrial
14) Airport Industrial and Commerce Park	Montgomery	Montgomery	910	1,044	Y	Y	Y	Adjacent Track	Heavy Industrial
15) Catmoa Industrial Park	Montgomery	Montgomery	159.8	159.8	Y	Y	Y	Adjacent Track	Light Industrial
16) Westwood Industrial Park	Montgomery	Montgomery	N/A	N/A	N/A	N/A	N/A	N/A	N/A
17) Gateway Center	Montgomery	Montgomery	181	227	Y	Y	Y	Not Specified	Light Industrial
18) Montgomery East Industrial Park	Montgomery	Montgomery	204	345	Y	Y	Y	Not Specified	Light Industrial

**I-85 Extension Project Industrial Parks
See Map for locations**

19) Interstate Industrial Park	Montgomery	Montgomery	395	700	Y	Y	Y	Spur Available	Light Industrial
20) Montgomery Industrial Terminal	Montgomery	Montgomery	67	664	Y	Y	Y	Spur Available	Heavy Industrial
21) Marion Industrial Park	Marion	Perry	40	72	Y	Y	Y	< 1 mile	Heavy Industrial
22) Vaiden Industrial Complex	Marion	Perry	385	385	Y	Y	N	Not Specified	Heavy Industrial
23) Uniontown Industrial Park	Uniontown	Perry	3	40	<1 mile	<1 mile	N	Not Specified	Light Industrial
24) Port of Epes Site	Epes	Sumter	500	580	Y	Y	Y	Spur Available	Heavy Industrial
25) Interstate Park	Livingston	Sumter	100	100	Y	Y	Y	< 1 mile	Heavy Industrial
26) McDowell Industrial Park	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
27) North Industrial Park	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
28) South Industrial Park	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
29) York Industrial Park	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

I-85 Extension Project Industrial Parks



- Industrial Parks
- Major Roads
- Name County Line

United States Census Bureau 2000 TIGER Line Files and EDPA
October 2006



Socio-Economic Analysis Methodology

Existing Conditions Review

The existing condition review is a socioeconomic assessment of the project impact area using selected economic and demographic variables. The specific variables are labor force, population, unemployment rate, per capita income, average wage per job, number of firms (all registered economic entities), employment, and economic output. We use firms and economic entities interchangeably in this report. The review involved data collection and analysis of the region's current condition and historical trends by county. The main sources of data for the review are Alabama Department of Industrial Relations (ADIR), Global Insight, Dun & Bradstreet, U.S. Bureau of Economic Analysis (BEA), U.S. Bureau of Labor Statistics (BLS), and U.S. Census Bureau.

Population and Household County Projections

Population projections are generated using an in-house cohort-component model developed by the Center for Business and Economic Research (CBER). The model is driven by measured demographic change including population growth (or decline) between 1990 and 2000 and recent county birth and death rates. Any remaining population change is assumed to be the result of migration as people move into and out of the county during the decade. Net migration is calculated as the residual between the 2000 Census count and the 1990 tally after adding births between 1990 and 2000 and subtracting deaths. Announced changes in group quarter population and permitted and ongoing real estate developments are also taken into consideration.

Assumptions about future migration trends are key factors in the projections process. Age groups which have been experiencing strong in-migration are unlikely to see in-migration continue at the same rate, so migration expectations for these cohorts are generally dampened during each five-year projection period. Similarly, age groups having more residents move out than in will likely not experience the same level of out-migration in the future. The demographics of aging will naturally come into play to dampen population growth, with the number and percent of population 65 and over increasing rapidly as the first of the baby boom generation enter this age group in 2011.

Since recent population estimates data are available, population projections have been modified to account for the trend between April 1, 2000 and July 1, 2005 using Census Bureau estimates. Annual rates of change are calculated for the various age groupings for this time period and used in the projections model, which works in five-year increments.

Household projections are derived from the projected total county populations. The household population of an area is defined as the resident population minus the population living in group quarters. Group quarters include institutional populations such as correctional facilities, nursing homes, and mental hospitals as well as non-institutional dwellings such as college dormitories, military barracks, group homes, and shelters.

Census 2000 data provide the average number of persons per household by county. Calculation of household projections is then accomplished by subtracting the group quarters population (assumed to hold constant at the 2000 number plus any announcements) from the projected total population for a given projection year and dividing by the average number of persons per household. While there are indications that persons per household could be declining as an aging population creates more one- and two-person households, the Census Bureau has not yet projected household size based on the 2000 Census. Thus there currently is no reasonable basis for revising average household size from the 2000 value.

Economic Forecasts

Economic output and employment forecasts of the county economies are made to 2030 in five-year increments at the one-digit SIC level. County versions of the Alabama Econometric Model (AEM) are used to make the economic forecasts. The AEM is developed by CBER based on Global Insight's macroeconomic forecasting model. At the one-digit SIC level, the sectors are (in parentheses are the two-digit SIC industries that make up the sector and in some cases an acronym):

- Agriculture, Fisheries, Forestry, and Farming (AFFF, SIC 01-09);
- Mining (SIC 10-14);
- Construction (SIC 15-17);
- Manufacturing (SIC 20-39);
- Transportation, Communications, and Utilities (TCPU, SIC 40-49);
- Wholesale and Retail Trade (SIC 50-59);
- Finance, Insurance, and Real Estate (FIRE, SIC 60-67);
- Services (SIC 70-89);
- Government (SIC 91-97);

AEM is a simultaneous equation model with more than 250 equations, including approximately 230 stochastic equations and 38 identities. The simultaneous equation structure captures the interrelationships and feedbacks among economic variables and provides consistent measures of economic activity across all sectors of the state economy, including the gross state product (GSP), employment, wage rates, and income. This consistency is achieved because all of the equations included in the model are solved simultaneously. Simultaneous equation econometric models are based on sound statistical methodology that enables the testing of estimated structural relationships. These models are powerful tools for regional economic forecasting and economic impact analysis because they represent a compromise between simplistic economic base models and detailed input-output models. AEM consists of five major components or blocks, each consisting of a set of equations for every major sector and industry in the state economy.

Output Block. This models gross output in 1996 dollars (real gross output) for the major sectors. In general, the component of GSP originating from a state sector is influenced by the national counterpart, aggregate state demand as represented by total real personal income, and competitive factors such as the relative tax burden and the relative wage rate. U.S. output and state total personal income are positively related to output. Typically, a negative relationship exists with the relative tax burden variable as higher state and local taxes reduce output. A lower relative wage rate tends to increase investment and production. Total GSP is obtained through

the use of an identity that sums up each sector's output. The general functional form of the output equation is:

State sector real output = $F(\text{U.S. same sector output, relative sector wage rate, relative tax burden, ...})$

For sectors such as trade and finance, insurance, and real estate (FIRE), the state real personal income could be a better driving force of the output variable because internal demand tends to play a stronger role. The final selection of independent variables for the output equation depends on model fitness and is therefore determined empirically. Use of state real personal income as the driving variable introduces more feedback effects in the model through the output-employment-income relationship.

Employment Block. This block models demand for labor. Each sector's wage and salary employment is derived from its real gross output and real wage rate. Theoretically, real gross output should be positively related to employment, while the real wage rate has a negative relationship. The total state wage and salary employment is obtained as the sum of the employment for each sector. The general functional form of the employment equation is:

State sector wage and salary employment = $F(\text{Same state sector real output, real sector wage rate, ...})$

Unemployment Rate. State unemployment rate is typically a function of the U.S. unemployment rate and total state employment or the change in total state employment. The state unemployment rate is positively related to the U.S. unemployment rate and negatively related to the level of state employment or the change in total state employment, as rising employment creates additional aggregate demand generating downward pressure on unemployment. The general functional form of the unemployment rate equation is:

State unemployment rate = $F(\text{U.S. unemployment rate, change in or actual state total employment, ...})$

Wage Rates. Each sector's wage rate is explained by the corresponding U.S. sector wage rate and the state unemployment rate. While the state wage rate has a tendency to move together with the U.S. wage rate, its rise can be tempered by a high state unemployment rate. The general functional form of the wage rate equation is:

State sector wage rate = $F(\text{corresponding U.S. sector wage rate, state unemployment rate, ...})$

Income Block. Wages and salary income is obtained by multiplying wages and salary employment by the wage rate for each sector and then summing up across the sectors. Other income categories such as dividends, interest, and rent; transfer payments; other labor income; proprietors' income; and adjustment for residence are driven by their national level counterparts. The general functional form of the income equations are:

State income category = $F(\text{The Corresponding U.S. Income Category, ...})$.

Total personal income is the sum of total wages and salary income and the other income categories. Very often total personal income, deflated by the GNP price deflator, is used to drive the output variables of such sectors as construction, TCPU, FIRE, and services.

Economic Impact

Economic impact analysis measures the effects of a specific economic activity or event on a specified geographic area. Examples include the economic impact of a proposed industrial plant on a state or county; the economic impact of an existing industry; and the economic impact of closing a military installation on a state, county, or city. In some cases, federal laws, as well as state and local regulations, require economic impact studies prior to the implementation of a particular policy (relocation of an economic activity, changes in zoning ordinance, etc.). Whatever the justification, impact studies are designed to provide information for instituting policies to mitigate potential negative impacts, and/or facilitate any positive economic impacts. Economic impact analysis is therefore an important decision making tool which can enhance the quality of decisions made, as well as the decision making process in both public and private sectors.

The analysis typically focuses on one or more of the major economic indicators: output, employment, and income. The purpose of an impact study usually determines which socioeconomic variable(s) should be monitored. In this study, the primary focus is on all three major indicators and the consequent changes in tax revenues: income, property, and sales taxes.

Economic impacts can be classified into two types: direct and indirect impacts. Direct impacts are those that are most obvious and include the wages and salaries of the employees who work directly for a firm or industry, as well as all other expenditures of the firm or industry, including taxes and profits. Indirect economic impacts, often referred to as the “ripple” or “multiplier” effects, occur because of the additional demands arising from new income and expenditures for inputs and products related to the activity under study. The spending activity of supplier organizations and employees may create a demand for the output of the firm or industry under study, creating further economic impacts, also known as induced impacts. For example, a road contractor creates an indirect impact on wholesale and retail industries through purchases of supplies, etc. These trade industries purchase electricity and products from manufacturing industries that also use power. The electricity industry in turn, working with property developers may contract with the road contractor for roads in a new development. Economic impacts include these induced impacts. The combined direct, indirect, and induced effects constitute the total economic impact of the organization being studied. The ratio of the total economic impact to the direct is the multiplier that can be used to summarize the economic effects of the organization on the region or area of focus.

Economic relationships do not obey strict geographic boundaries; workers and their incomes, and industry purchases flow across these boundaries enabled by transportation and communication. Thus a portion of the indirect effects of purchases or expenditures may occur beyond the boundaries of the specified region. Such occurrences are called *leakages*, as opposed to *linkages* (supplier-purchaser relationships) within the region. In general a small geographic area will have a small *absolute* economic impact due to a high likelihood of leakage. A large

region will have a larger absolute economic impact, but a smaller *relative* economic impact of an individual firm or industry on that area. The closure of one plant within a state, for example, may have only a small relative impact even if the plant employs thousands of workers; the absolute impact could be very large. The important point is that the effect or size of the economic impact is influenced by the size of the study area. If the area is too broadly defined, the relative impact will be small. If narrowly defined, the relative impact will be large.

Several methodological approaches are used in estimating economic impacts. These include the construction of econometric models, economic base models, and input-output (I-O) models. Econometric models can be very costly and time-consuming to build. Economic base models require a very detailed set of information that is sometimes not available. The other methodological approaches generate slightly smaller multipliers than I-O models because of assumptions on factors such as input substitution and optimization behavior by economic agents.

The I-O modeling framework is used in this study. The technique generates multipliers for the economic activity of interest by focusing on economic interactions among all industries and all other economic transactions in the specified region. Interindustry relationships exist in both a backward direction (suppliers and other upstream linkages and leakages), and a forward direction (distributors, retailers, customers, and other downstream linkages and leakages). The number and strength of these backward and forward linkages and leakages determines the multiplier effects of the industry. In general products that require a small number of inputs and little additional processing will have relatively small multiplier effects. Complex products requiring thousands of inputs and extensive processing (value added) will have large multipliers, and hence large impacts.

The three main types of multipliers—output, income or earnings, and employment—are defined as follows. Output multipliers represent the total dollar change in all industries that results from a \$1 change in output delivered to final demand (final consumption) by the industry under study. Earnings multipliers represent the total dollar change in earnings of households employed by all industries for each dollar of payroll expenditure or each dollar of output delivered to final demand by the industry whose economic impact is being estimated. Employment multipliers represent the total change in the number of jobs in all industries for each direct job or for each million dollars of output delivered to final demand by the industry whose economic impact is being estimated.

The nature of the product and technology largely determine the degree of interindustry linkages and leakages (and thus the overall impact), and the specific impact on a region depends upon the degree to which these interindustry relationships are localized. Technology determines inputs and economics determines the geographic source of supply. Inputs purchased outside the economic impact study area constitute a leakage of potential impact. The leakage represents activities of local firms that have no economic impact on the local economy, and provides opportunities for “localizing” such impact. Identifying leakage can provide valuable planning information to local economic development authorities for commercial or industrial development. An activity’s maximum impact on a specific area is obtained when all interindustry linkages occur within the area. A system-wide view is required since different

firms have different linkages. The I-O technique permits the incorporation of such system-wide perspectives.

To estimate the economic impact of the I-85 Extension, linkages between this activity or the industry it belongs to and all its suppliers and customers must be traced. This task is greatly facilitated by the Regional Input-Output Modeling System (RIMS II), an I-O model developed and maintained by BEA. The model is available for every state in the nation, and also for many counties. This study uses RIMS II for the 8-county region.

The RIMS II I-O model consists of several hundred industries. Data on each industry reflects the value of inputs used per dollar of output in the production of that industry's output. For example, data for the construction phase shows the value of each input per dollar of product (or service) produced in the state. Since the rows (outputs) are produced by specific industries, they are also columns (inputs). Demand for a particular input will cause supply from the industry that produces it. This then creates demand for the inputs that are used to produce the particular product, and so on. The round-by-round impacts decrease and provide convergence. The I-O model captures the total effect of these rounds of spending as the multiplier effect. RIMS II multipliers for an economy take into account all the linkages within and leakages from that economy. I-O models are based on a table of transaction balances, which ensures economy-wide accounting consistency. Total payments equal total receipts for each producing sector. Aggregate final demand equals aggregate value added.

Multipliers are determined mathematically from I-O tables that are constructed from observed data for the economic area of interest. The economy is divided into a number of producing industries or sectors that sell and purchase goods and services to and from each other (*interindustry* or *intersectoral* flows). These interindustry flows are key data. Sector goods and services are purchased by domestic consumers (households), international customers (exports), government (federal, state, and local), and for private investment purposes. These external to production purchases are for direct use and termed *final demand*. Assume an economy with n sectors, let X_i represent total output for sector i , Y_i be final demand for sector i products, and z_{ij} represent interindustry flows. Then for each sector,

$$X_i = \sum_{j=1}^n z_{ij} + Y_i \quad (1)$$

If we let a_{ij} represent the I-O technical coefficients where $a_{ij} = z_{ij} / X_j$ so that sectors use inputs in fixed proportions (the constant returns to scale Leontief production function) then the above equation becomes

$$X_i = \sum_{j=1}^n a_{ij} X_j + Y_i \quad (2)$$

The standard formulation of the basic I-O model and its application, in matrix notation is as follows:

$$\text{Transactions balance: } X = AX + Y \quad (3)$$

$$\text{Solving for X: } X = (I - A)^{-1}Y \quad (4)$$

$$\text{For a change in Y: } \Delta X = (I - A)^{-1}\Delta Y \quad (5)$$

where X is the gross output column vector, A is the matrix of fixed I-O coefficients, Y is the final demand column vector, and I is the identity matrix. With this basic model, the resulting

output is computed given changes in final demand levels (consumption, investment, government, or exports). The Leontief inverse, $(I - A)^{-1}$, is the source of multipliers for determining impacts in the I-O methodology. The elements of the matrix are really very useful and important. Each captures in a single number, an entire series of direct and indirect effects. Gross output requirements are translatable into employment coefficients in a diagonal matrix that is used together with the Leontief inverse to generate employment impacts. Similar manipulations generate income and earnings multipliers.