

## Auburn-Opelika

Strong population growth supported increased retail offerings and gains in government employment in the Auburn-Opelika metro during 2008. A strategic location between Hyundai in Montgomery and Kia, under construction in West Point, Georgia, is helping the area grow its automotive supplier cluster, while engineering programs at Auburn University support the technology needs of the industry. Nonagricultural jobs climbed by 700 between October 2007 and October 2008 on the strength of state and local government employment; an increase of 200 professional and business services jobs offset modest losses in manufacturing and leisure and hospitality. Unemployment rose to 4.5 percent in October from 3.0 percent a year earlier, however, as employment of area residents fell by 2.0 percent and the labor force contracted by a lesser 0.5 percent.

Nine new and expanding industries announced planned investment of \$90 million with about 430 new jobs in 2007. Northrup Grumman's National Work Force Center opened in the first building in the new university-affiliated Auburn Research Park in September 2008 and is expected to employ around 50. New auto suppliers Seohan Auto USA and Seohan NTN Driveshaft USA began production at their \$20 million Auburn facility in April; employment is expected to grow from 50 to 70 by year-end. Auto trim manufacturer SCA was expanding its plant with an \$8.2 million investment that will create 40 new jobs. Mando America in Opelika undertook a \$21 million expansion that added 77 jobs.

Auburn-Opelika continued to add to its auto supplier base in 2008, propelled in part by Kia's approaching November 2009 start-up date. Mando announced additional investment in a \$25 million 400,000 sq. ft. facility that will create 200 jobs. Daewon America opened its \$33 million Opelika plant early in 2008; employment will grow from 63 to 170. Auto suppliers expanding in 2008 included Hanwah, investing \$15 million and planning to add 46 jobs, and Aluminum Technology Schmid, moving to a new building in Auburn and adding 20 employees. Three new suppliers were announced in 2008: Selzer Automotive, which broke ground in August on a \$22 million plant that will employ 80; SMI Auto USA, refurbishing an existing building structure and beginning operation in Auburn with about 50 workers; and Kull Die Casting Technology, subleasing space from Aluminum Technology Schmid for its small new U.S. venture. Related new industry includes ToolCare, a management service that designs and builds tooling, and APR, an automotive software company.

Growth and employment trends earned the Auburn-Opelika area the #5 spot on Inc.com's list of the best U.S. cities for doing business. In other industrial developments, the Gambro Renal Products plant neared completion and continued to add to its workforce as initial employees returned from Germany to train new workers. Acquisitions helped preserve area jobs in 2008, with the Borbet Group buying Light Alloy Wheels Alabama and keeping its more than 200 workers and Kenner and Company purchasing Leggett and Platt, retaining almost 200 employees. However, weak auto sales resulted in BFGoodrich laying off production workers in the fall.

Opelika's TigerTown saw the addition of retailers Bed, Bath, and Beyond and Kohl's and a Zaxby's restaurant. Hotel development at TigerTown and the new Shoppes at Capp's Farms included Hampton Inn and Suites, Fairfield Inn, and Holiday Inn Express, with

Country Inn and Suites under construction in 2008. Sam's Club opened in Auburn early in the year and was joined by Academy Sports and Outdoors in August. Celebrate Alabama moved closer to reality with Silver Company buying homes and grading land for the development. The 12-year project will incorporate theaters, music venues, an expo/convention center, hotels, an RV park, and retail shops. Design of the first phase of the West Pace project in Auburn was approved and will include six auto dealerships, including Lynch Nissan as the first announced tenant.

Preparations for the transfer of the Army's armor school to Fort Benning in nearby Columbus, Georgia, have military officials telling Lee County to expect an influx of military personnel and their families beginning in 2010, adding to already-strong population gains. The Auburn-Opelika area added almost 2,500 residents in 2007, an increase of 1.9 percent that ranked second among the state's metros. Success in attracting small and medium-sized technology-based businesses led Forbes.com to predict strong population and GDP growth by 2012 and name the area the 6th fastest-growing small metro on its 2008 list. Plans moved forward for a new high school in Smiths Station, the area closest to Fort Benning, that should be ready by fall 2011. Auburn opened Richland Elementary in the fall of 2008 and worked on finalizing plans for an additional elementary school and a new high school. Opelika is planning additions to its high school for around 2010.

Auburn University dedicated the \$54 million Shelby Center for Engineering Technology in the spring and began site preparation for a second phase of the complex. Enrollment continued the moderate upward trend that began in 2005, reaching 24,530 for the 2008-09 school year. Construction on the University's west campus will add a dining hall and dorm rooms in the fall of 2009, with additional dorm space in fall 2010.

A growing population and increasing industry has area governments studying infrastructure needs, including a possible bypass around the two cities. Work progressed on Opelika's \$32 million Sportsplex and Aquatic Center that is expected to open in July 2009. The Auburn Public Library finished an expansion in the spring of 2008. Opelika's Grand National Golf Course was ranked the #1 public course in the United States by GolfWorld and the overall strength of the area's courses earned it a spot on the U.S. News list of "10 great retirement spots for golf nuts" in 2008.

Per capita income and wages in the Auburn-Opelika area are pulled down by the large number of college students—per capita income of \$26,411 was the lowest among the state's metros in 2007. However, median family income jumped 13.4 percent from FY2007 to \$61,700 in FY2008, ranking 2nd. The area's housing market slipped in 2008, following a strong year in 2007; building permits for single-family homes in the first nine months of 2008 were down 31.3 percent from the same period a year ago. Home sales were down a lesser 15.3 percent during this time. According to OFHEO, house prices in the metro area posted a gain of 2.4 percent for the third quarter of 2008 compared to a year ago.