

## Dothan

Retail development continued to be a mainstay of the Dothan metropolitan economy in 2008, supported by population growth and a steady housing market. Nonagricultural employment fell by 0.8 percent (500 jobs) between October 2007 and October 2008, however, as the manufacturing sector shed 300 jobs and employment in state and local government declined by 200. Despite an increasing number of retail businesses, jobs fell slightly; information sector jobs were also down by 100. Professional and business services added 200 jobs during the year and employment in education and health services rose by 100. Total employment fell by a larger 3.5 percent, with 2,227 fewer Dothan area residents working, as some people commute to jobs outside the metro. A smaller 1.6 percent drop in the labor force pushed unemployment from 3.2 percent in October 2007 to 5.0 percent in October 2008.

Fifteen new and expanding industries listed investment of \$31.2 million in the Dothan metro area in 2007 that would create 680 jobs. New industry Qualico Steel opened a \$5 million Dothan plant that could employ 250, while the area's retail distribution business grew with a \$1 million investment by Sitwell and Eureblock that should generate about 80 jobs. Geneva County gained a new industry, Advanced Platinum Technologies, employing about 50. AWA Fabrication and Construction added 40 workers in Henry County. Expansions in Dothan included the Bremner Food Group, investing \$6.9 million and creating 100 jobs and a \$12 million project at Oncology Supply that added 40 workers. Cummings Signs increased employment by around 75 in 2007.

Industrial development in the metro area was modest in 2008. Lincoln Fabrics announced a \$2 million expansion and 31 new jobs. And in December, Cummings Signs unveiled an expansion that will create 100 jobs in Dothan, including up to 50 moving from Fort Deposit. However, BAE Systems closed its Second Chance Body Armor plant in Geneva in September, idling 194. And, with its headquarters up for sale, Movie Gallery may move from Dothan.

Dothan continued to build on its role as a regional shopping hub in 2008, with additional development poised for 2009. Best Buy and Carmike Cinemas opened during the year and Belk celebrated completion of a \$4 million renovation of its Wiregrass Commons store in mid-October. Preliminary plans were approved in October for a major retail development, Dothan Village, on the city's east side. A plan was also accepted for a New Jersey developer to raze the core of Dothan's original 1970s-era shopping destination, Northside Mall, and create a new shopping center. And in November, approval was granted for two Publix-anchored shopping centers—Westway and Cottonwood Corners—that are expected to open in fall 2009. New hotels during the year included Holiday Inn Express, Residence Inn by Marriott, and InTown Suites. Options for eating out grew, with several new restaurants in downtown Dothan contributing to ongoing renovation efforts there.

A major entertainment project proposed for the Dothan metro area took shape during the year. Country Crossing, a country music-themed resort on Hwy 231 in Houston County, broke ground in late October, with preliminary construction planned for early 2009. Venues will include country music-themed restaurants, an electronic bingo center, a hotel, an amphitheater, and other attractions; employment in the first phase could reach

700 to 1,000. The city of Dothan moved to purchase land in its southwest area for a new city park and proposed to build an \$8.5 million aquatic center downtown with financing enabled by a one cent sales tax increase. A new press box at Rip Hewes Stadium was funded in part by Knology for 10-year naming rights to what is now known as Knology Field. The first annual Alabama Heritage Classic football game was held at the stadium in September, boosting tourism revenues.

Population growth in the metro area has been strong, with a 1.4 percent increase in 2007 amounting to almost 1,940 new residents. Gains were centered in Dothan and surrounding towns and in Headland in Henry County. The area is benefiting from Florida residents moving to avoid high insurance premiums and property taxes. Relocation of some Florida businesses to the area has also brought in relocating employees. Retirees are another avenue for growth. And a Dothan resident is heading a plan to revitalize the local Jewish community by offering financial incentives to attract Jewish families with children to relocate to Dothan. Planning for an I-10 connector to relieve congestion and support economic development turned to consideration of a toll road funded by a public-private partnership. Area schools worked on a number of building projects and plans needed to support a growing number of students. Enrollment at Troy University Dothan was up 2.6 percent in the fall of 2008 compared to a year ago and the school pursued approval to add social work and nursing programs.

The housing market in the Dothan metro held up relatively well through the third quarter of 2008. Building permits for single-family homes in the first nine months of the year were 7.9 percent higher than for the same period in 2007. And the first apartment complex in two years, Highland Hills, broke ground in 2008. OFHEO's index had Dothan area house prices up 3.0 percent in third quarter 2008 compared to a year ago and 2.9 percent above the previous quarter. Homes sold through September were just 12.5 percent lower than in 2007, much better than the state's 21.8 percent decline. However, the area's per capita income rose a below-average 4.4 percent in 2007 to \$31,485, ranking in the middle of Alabama's metros. Average wages across all industries amounted to \$32,367 in 2007 and ranked 8th; manufacturing wages of \$33,948 were almost \$10,000 below the state average.