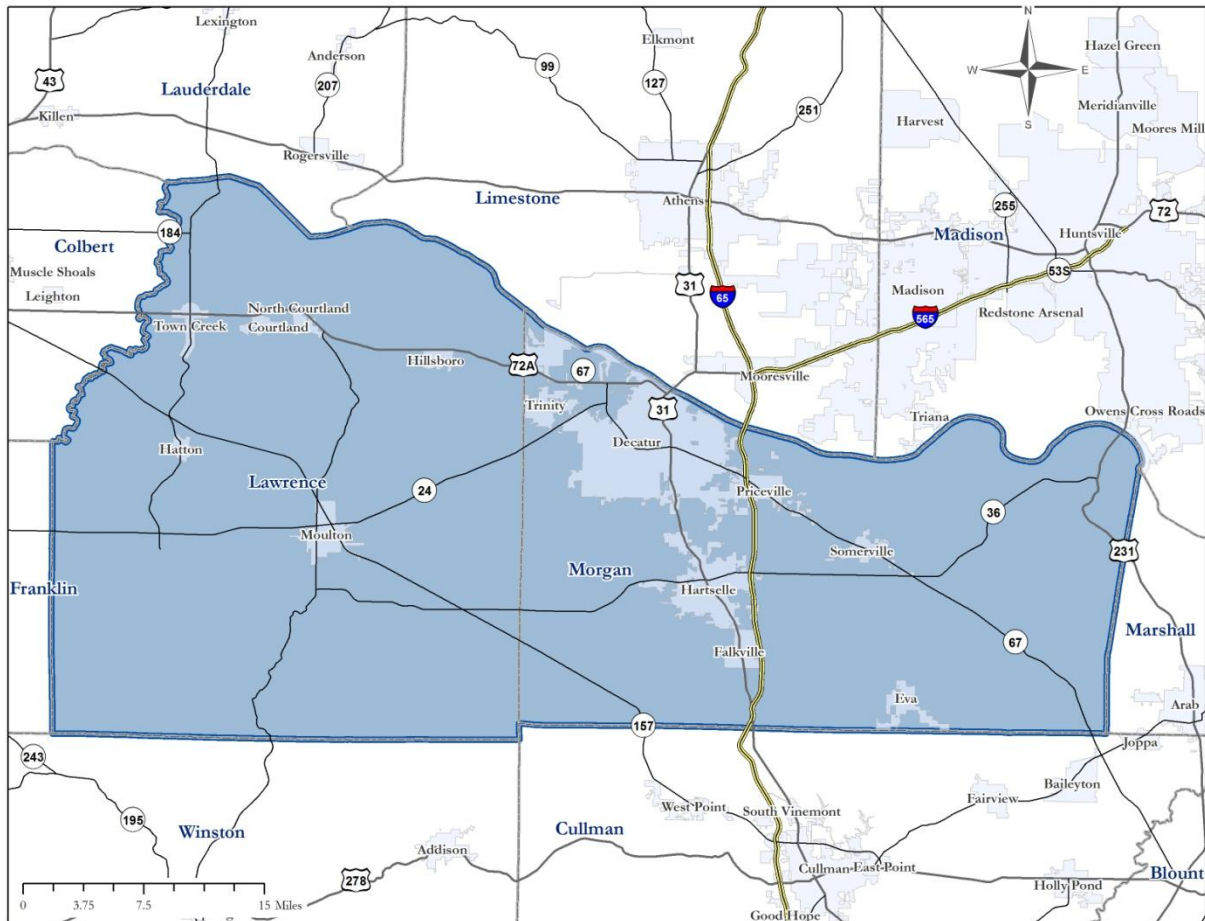


# Decatur



Because of its late entrance into the recession, Decatur was still in the midst of dealing with its effects during the past year. Monthly nonfarm employment hit its lowest point in January 2010, but has since been making slow and steady gains. Manufacturing's 22.6 percent employment share remained constant over the last year. Decatur was one of the only metro areas that did not lose jobs in this sector. Total payroll employment declined by 100 to 53,600; goods producing industries shed 100 jobs, while service providing industries as a whole remained level. In the service providing sector, 100 jobs were lost in leisure and hospitality, and another 100 in state and local government combined. These losses were evenly countered by gains of 100 jobs in trade, transportation, warehousing, and utilities, and 100 in educational and health services.

With about 11,400 more employed residents than nonfarm jobs, the Decatur metro continues to be a net exporter of workers, many of whom make the drive to nearby Huntsville. The area's labor force expanded by 2.7 percent in the 12-month period ending in October, while total employment grew by an above average 4.7 percent. Unemployment fell from 11.0 percent in October of 2009 to 9.3 percent a year later.

Though manufacturing employment remained flat for the year, area industries were actively making upgrades and bringing in grant money. In the beginning of the year, Nucor's galvanized steel for the

automotive and appliance industries was in such high demand that the plant had to operate 24 hours a day and add a third crew. Nucor and ConAgra Foods are going to pursue improvement projects worth an estimated \$80 million. DeBruce Grain bought Decatur's Cargill facility and its port for \$10.3 million in July. BP Amoco borrowed \$100 million in tax-exempt funds to expand its capacity for making terephthalic acid which it sells to AlphaPET. AlphaPET, which employs 106 people, opened their second line for resin production in June and proposed a \$12 million expansion the following month.

The Decatur Industrial Development Board conveyed the Mallard-Fox Creek Industrial Park plant site back to NEO Industries. After its recent quality system upgrade, Micor Industries contracted through 2012 to provide parts for defense contractors Alliant Techsystems and FN Manufacturing. GE is investing \$43 million more into upgrading the hydro-fluorocarbon foam insulation with cyclopentane insulation which will reduce greenhouse emissions at its Decatur refrigerator manufacturing plant by 90 percent.

Phase One of the Alabama Robotics Technology Park was completed in September, opening the Robotics Maintenance Training Center. Development of the Center was supported by 16 robotics companies contributing almost \$45 million. Joint efforts of Calhoun Community College, Athens State University and the Limestone and Morgan County commissions brought the project from idea to reality in just over four years.

United Launch Alliance (ULA) was awarded a \$6.7 million grant by NASA to develop an Emergency Detection System for safe human-rated launch vehicles. This work is an addition to already-massive efforts on its Atlas V and Delta IV rockets by the 680-employee plant. All eight ULA launches were successful in 2010, as the company celebrated 50 years of Delta Program launches. New launch contracts awarded in 2010 have ULA continuing to support NASA's Mars exploration program and add work launching wideband global SATCOM satellites.

Prospects picked up in 2010 with multiple new companies showing interest in the area. The city's Business Incubator re-opened in the middle of the year after years of inactivity, and will promote small business growth through low-cost resources and training. The Wolverine Tube property is offering vacant buildings and property with the waterfront access as a selling point. Local firm Construction Services Inc. won a gold medal from the National Ornamental and Miscellaneous Metals Association for a spiral staircase it built for Novartis Pharmaceuticals in Raleigh, N.C. And M&D Mechanical Contractors received a \$25 million contract for work at NASA's Stennis Space Center.

Early in the year, mirroring the drop of lodging tax revenue, the Decatur-Morgan County Convention and Visitors Bureau had to cut \$36,000 from its budget, but as the year progressed there were positive developments. The number of hotel guests increased, but because of low rates, lodging taxes remained low. Still, 2010 was a good year for tourism. Point Mallard ranked first among the state's seasonal attractions with 138,000 visitors. Historic Rivers Excursion Cruise made Decatur one of 11 stops on two separate legs of a three-section trip from New Orleans to Chicago. Tourism officials are also attempting to lure BASS to make the River City their corporate headquarters.

After losing three more tenants early in the year, the Decatur Mall was put up for auction as a part of a bankruptcy resolution with Citigroup, Inc. Coyote Garrison Decatur was the high bidder at \$8.5 million. Though there are still technically 35 tenants, about 18 of the storefronts are vacant.

Despite the distressed mall, developer John Mазzie considers Decatur an underserved market when it comes to retail and proposed an upscale shopping center on 50 to 60 acres near Central Avenue. A new restaurant in front of The Crossings hired 86 since it opened in May.

The 43,572 square-foot downtown arts center is in its first phase as Athens State University and Calhoun Community College partner to replace the 92-year-old Robinson Furniture Building with a community space. Both of these schools saw record high enrollment, Calhoun with 12,055 students and Athens State with 3,671 for the fall semesters. Decatur Heritage Christian Academy has also seen a 9 percent increase in enrollment. The Decatur Fire and Rescue increased its staff by 15 firefighters through a grant from Homeland Security.

Developments in 2010 will enhance the quality of life of Decatur area residents. Decatur's Downtown Redevelopment Authority completed Turner-Surles Park, which features the city's railroad history. Ingalls Harbor will be enhanced with a new 25,000 square-foot pavilion designed by GBW Architects, and the public library is seeing some renovations. A downtown beautification project on lower Bank Street promised to turn an empty lot into a park. At the start of summer, the third phase of the Dr. Bill Sims Bike Trail project began. The path already connects Point Mallard Park and Rhodes Ferry Park but dead ends when it reaches Eighth Street Southwest. These efforts will link the trail with the Aquadome Recreation Center and Wilson Morgan Park.

After the brutally cold weather last winter, the cost to fix Lawrence roads topped \$1 million on 31 miles of roads and was aided by the federal economic stimulus bill. Decatur Utilities began their repairs on mains and manholes, to be finished by the end of the year. Work on the Beltline from Gordon Terry Parkway to Alabama 20 started up again under Reed Contracting Services and Miller & Miller. Spring Avenue saw the beginning stages of its widening project to add two lanes and turning lanes. ALDOT also allocated money to Decatur, Hartselle, and Priceville for improvements.

Population in the Decatur metro rose a state-average 0.7 percent during 2009, with an estimated 1,055 new residents. A total of 93 building permits were reported for single-family homes during the first 10 months of 2010, almost double the number from the same period in 2009. In addition there were 20 multi-family units permitted through October, which was an increase compared to zero the previous year. Home prices measured by the FHFA House Price index rose 2.1 percent in the third quarter of 2010, but were still down 0.6 percent from the year before. Deposits in FDIC-insured banks decreased by 1.9 percent for the year ending June 30. The number of banking institutions was unchanged at 14, although the number of branches fell by one to 45. Per capita income fell 2.5 percent for 2009, with Decatur's decrease the second highest among the state's metro areas. The FY2010 median family income fared better, increasing by 1.8 percent over the previous year. At \$35,440, the Decatur area's 2009 average annual wage was 94.5 percent of the Alabama average.