High levels of government employment in the Auburn-Opelika area contributed to a relatively stable economy in 2010, and employment improved slightly in some industry sectors while remaining unchanged in most others. Several smaller manufacturing developments in Auburn-Opelika coincided with the opening of the Kia plant in nearby West Point, Ga. This pushed the unemployment rate down to 7.6 percent in October, the second lowest of any metro in the state.

The employment picture for the area improved in 2010 and was good overall. There were a total of 53,000 nonfarm jobs in Auburn-Opelika in October 2010, an increase of 0.4 percent from one year earlier. Goods producing and service providing industries each saw a net increase of 100 jobs over the past year, with the increase in goods producing industries coming in manufacturing. Notably, 33.2 percent of the area’s jobs were in government, the majority of these at Auburn University and the metro’s public school systems.

Despite modest job creation numbers in the Auburn-Opelika metro itself, the local labor force improved its situation significantly in 2010. Total employment of area residents was 60,574 in October, a 5.0 percent increase from a year earlier, and the unemployment rate fell 1.3 percentage points to 7.6 percent. The labor force saw an increase of 3.5 percent, reaching 65,528 in October.
Manufacturing accounted for 10.6 percent of total employment in Auburn-Opelika in 2010, which was slightly lower than the state average. However, the metro has regularly seen new developments in manufacturing, as the industry continues to change, local governments offer numerous incentives, and large developments nearby encourage suppliers to locate in the area. The most significant of these nearby developments was the Kia plant in West Point, Ga., which opened at the end of 2009 and currently employs about 2,500. As a result, auto suppliers in Auburn-Opelika continue to grow. An auto industry supplier, Pyongsan, announced it will invest $5 million in its existing Auburn facility and add 100 jobs there. Hoerbiger Automotive Comfort Systems and CNJ Tech also added 25 jobs each at their Auburn facilities. Other expanding local companies included Capitol Cups, CSP Technologies, and Capitol Plastic Products.

New companies moved into the metro during 2010, bringing significant amounts of investment and numerous jobs to the area. The largest operation to announce a move to Auburn was GE Aviation, which will create a new environmental coatings facility for the aerospace industry, expected to employ 300 to 400 people. Tube Technology Systems, a Volkswagen supplier, entered into a partnership agreement with Aluminum Technology Schmid, an existing Auburn company, to move to the area. Viper Motorcycles, a specialty motorcycle manufacturer, is also moving its operations to Auburn, creating 100 jobs over the next two years. Many of these new and existing companies are located at the Auburn Technology Park on the southwest side of the city. With the park continuing to grow, ALDOT began construction on a new interchange adjacent to it, at I-85 and Beehive Road.

The presence of Auburn University (AU) in the metro area has been a stabilizing force throughout the recession. AU’s enrollment grew slightly to 25,078 in 2010, and it employs nearly 5,000 full-time workers, as well as thousands of part-time and student workers. Thus, it provides a stable source of income to stimulate consumer spending in the area. It also generally provides a continuing stream of construction projects for local companies and workers. 2010 was no different, as the new 9,600-seat Auburn Arena was completed, and the second phase of the Shelby Center for Engineering Technology neared completion on campus. A new building housing the Office of Information Technology is expected to be finished in 2011. Development continued at the Auburn Research Park, which saw the addition of a new MRI imaging center, one of only 28 in the world with 7-Tesla capability. The center’s state-of-the-art capabilities will be useful for research as well as medical diagnostics, and will be used by tenants including East Alabama Medical Center, the U.S. Army Aeromedical Research Lab, and departments at Auburn University.

The retail market remained dynamic, with the opening of many new smaller establishments, and a few larger ones. Notable among the larger ones was the area’s first Publix store, located in a new development in south Auburn, and the area’s first Earth Fare, a natural and organic supermarket in a previously vacant retail space. Several new restaurants and bars opened in Auburn-Opelika in 2010, and leisure and hospitality employment remained strong. A total of 100 new jobs were added in leisure and hospitality, which accounted for 11.9 percent of area employment, compared to 9.2 percent for the state.

In the eastern end of the county, the new Smiths Station High School was completed in anticipation of continued growth, due in part to the expansion of Fort Benning in nearby Columbus, Ga. The city of Auburn was recognized by Forbes as the 6th best small metro area for business and careers. The area continued to plan for its future, as Lee County became one of the few counties in Alabama to create a master plan. Knology, a cable company, began serving parts of Auburn, and Opelika citizens voted to allow Opelika Light & Power to construct a fiber optic network and smart grid in the city, which it will initially use to provide cable and internet to the city’s residents.
The Auburn-Opelika area was the second fastest-growing metro in the state; its population increased 2.1 percent during the year to 135,883. Despite its population growth, housing market indicators were mixed. Housing market activity remained relatively steady, but prices struggled to recover, along with much of the state and the nation. The third quarter 2010 FHFA House Price Index for Auburn-Opelika fell 2.4 percent over the previous year. Single-family construction permits for the period of January to October 2010 totaled 558, an increase of 12 permits from 2009, but multi-family units permitted fell by 255 to 348. Total home sales for the same period in 2010 declined slightly to 847, down from 886 one year earlier.

The number of banks and branches in Auburn-Opelika was unchanged, and total deposits rose 0.9 percent between June 2009 and June 2010. Median family income in Auburn-Opelika remained well above the state median in 2010, rising 1.8 percent to $61,000 from fiscal year 2009. Despite the area’s families being relatively affluent, the high proportion of college students in the area and the relatively low labor force participation rate pushed per capita income downward in 2010. It remained the lowest among the state’s metros, falling 1.8 percent to $27,259.