The stability of The University of Alabama, the throngs of visitors that swarmed Tuscaloosa for home football games and other sporting events at the University, and the steady presence of state and local government offered much-needed support and assistance in a year marked by tragedy, destruction, and the struggle of rebuilding.

On April 27th one of the most devastating tornadoes in the history of the United States touched down in Tuscaloosa, taking the lives of 51, and disrupting the lives, homes, and businesses of those in its path. About 650 businesses were destroyed or damaged, leaving their employees (approximately 6,200) hanging in the balance. In addition, over 1,000 businesses without physical damage saw economic losses in the wake of the tornado. Without discrimination, the EF4 tornado destroyed warehouses, public housing, commercial properties, and multi- and single-family homes. Despite the tremendous loss, there is opportunity for growth and businesses are taking advantage of the federal, state, and local support offered as they rebuild the city into an even more vibrant economic center for west Alabama.

A total of 1,600 nonfarm jobs (1.1 percent) were lost between October 2010 and October 2011, decreasing payroll employment in the Tuscaloosa metro to 93,100. Goods producing industries shed 200 jobs, all in natural resources, mining, and construction, while manufacturing employment was stable. Service providing industries were responsible for most job losses in the metro, with the federal government shedding 100 jobs, and state and local governments losing 1,900. The Department of Mental Health laid off nearly one-fourth of its workforce statewide, the majority of which (400) were jobs at the W.D. Partlow Developmental Center in Tuscaloosa. The metro area posted gains of 100 in each of the following sectors: wholesale trade; retail trade; transportation, warehousing, and utilities; and education and health services. Professional and business services added 200. The forecast for Tuscaloosa metro employment in 2012 is positive, with the expectation of a 1.4 percent employment expansion, or about 1,260 new jobs. GDP forecasts are also encouraging; Tuscaloosa area output should grow 3.6 percent over the next year.

The Tuscaloosa metro is a net importer of workers, providing almost 2,000 more jobs than the number of employed residents. Workers from surrounding rural counties often continue to live there and commute to Tuscaloosa. During the 12 months through October 2011, employment of area workers rose 0.7 percent and the labor force also expanded by 0.7 percent. Unemployment remained below the state average of 8.7 percent, and fell 0.1 percentage points to 8.0 percent from 2010.

Manufacturing contributed 13.5 percent of Tuscaloosa area jobs in October 2011, above the state average of 12.6 percent. Although closed briefly in the wake of the April 27th tornadoes, Mercedes-Benz’s Vance plant saw production continue to rebound in 2011, with total vehicles manufactured during the year expected to reach 143,000 compared to 125,000 in 2010. Production could rise to 185,900 vehicles in 2012. Mid-year saw commercial production and sale of the 2012 model of Mercedes-Benz M-Class sport utility vehicle, an update of the same vehicle that brought the automotive industry to life in Alabama in the 1990s. This time around it has taken advantage of the latest technology and improved efficiency, safety features, and control. Mercedes broke ground on a $289 million expansion that will ready the plant for C-Class production, set to begin in 2014 and raise employment by about 1,000. As the first suppliers announced for the next generation of the C-Class, Brose expects to add 80 workers and Johnson Controls plans to hire 180. Another 400 jobs will be added when the M-Class coupe goes into production. Mercedes investment in the plant could total $2 billion over the next several years. The plant also announced they would be taking on the production of a fifth model starting in 2015.
The April tornado destroyed the R.L. Zeigler Packing Co. headquarters and Cintas, a national uniform and workplace supply company, while Peco Foods poultry processing plant sustained heavy damage. RadiciSpandex Corp. shut its doors at the end of the year. Despite these setbacks, there were a number of other positive developments across the metro area. The Westervelt Company expanded in 2011, breaking ground early in the year for a new electricity generating plant in Hale County through a partnership with Alabama Power Company. Phifer Inc. invested $6.7 million to increase production of its interior sun control fabrics, creating 21 new jobs. Power and Rubber Supply Inc. expanded its conveyor belt to handle bigger industrial coils, creating 15 new jobs. Gaylord Chemical Co. started up operations to produce dimethyl sulfoxide (DMSO), making Tuscaloosa the western hemisphere’s center for production of the chemical. Alabama Protein Products made similar strides to build the area’s reputation by becoming the first to commercially use environmentally responsible technology called Agricultural Byproducts Value Recovery System. The plant, which created 12 new jobs, could revolutionize the rendering of byproducts from meat processing plants.

Tuscaloosa’s mining industry could grow with Walter Energy’s announcement late in the year that they are likely to begin development of a new underground mine for the recovery of Blue Creek metallurgical coal reserves in north Tuscaloosa County. The project would create 500 high-paying jobs and include investment of over $1 billion. Walter Energy bought the mineral rights for the area from Chevron Corporation in 2011.

Fall 2011 enrollment at The University of Alabama (UA) reached 31,747, an increase of over 1,500 students from the previous year. With The University of Alabama’s Crimson Tide having another winning season, Tuscaloosa saw an influx of fans and opportunities. Alabama football games bring approximately an extra $15 million into the local economy for most game weekends, and against major rivals like LSU, Auburn, and Tennessee, the games produce an additional $2 to $3 million in impact. Local public schools had a harder road, as the Tuscaloosa County Board of Education had to cut $3.1 million from its 2011 budget. Still, the year saw some improvements to local schools. Northside Middle School fully renovated its library, and a new Head Start learning facility opened with capacity for 135 children. Late in the year, Tuscaloosa County began the process of repairing Holt Elementary School, which was heavily damaged by the April tornado. Tuscaloosa City Schools still face the challenge of replacing Alberta Elementary and University Place Elementary and Middle schools, both destroyed by the tornado.

The University of Alabama is looking to continue its physical growth as its student population grows. Rose Towers will be demolished in the coming year and two phases of the North Bluff Residential Community are planned to be finished over the next two and half years. Other student housing developments include an 868-bedroom student complex on Highway 69 South, geared toward both students at Shelton State Community College and UA, and the Delaware Jackson property near UA which will be a 774-bedroom apartment complex.

Tuscaloosa’s housing stock was seriously diminished by the April 27th tornado. According to the Red Cross, a total of 2,375 homes were destroyed, 2,349 sustained major damage, and another 1,077 suffered minor damage. Almost all of the units destroyed or heavily damaged were single-family homes. With only a modest amount of rebuilding underway by September, building permits for single-family homes in the Tuscaloosa metro were down by 33 to 242 for the first nine months of 2011 compared to the same period in 2010. At 312 the number of multifamily units permitted was up 69 from a year ago, as builders began work on apartment buildings and condos. On a year-over-year comparison, prices measured by the FHFA House Price Index were down 1.2 percent in the third quarter, in a year where all Alabama metro areas posted losses. From the second to third quarter of 2011, however, prices rose 3.6 percent. Home sales increased 6.0 percent for the first nine months of 2011.

Bank deposits in FDIC-insured institutions increased by 6.1 percent during the year that ended on June 30. Renasant Bank opened a branch in the Fitts building downtown and Robertson Banking Co. began construction on its second branch in the city. The new Tuscaloosa Federal Building and Courthouse opened in the fall, forming the cornerstone of Tuscaloosa’s continuing downtown revitalization. Tuscaloosa is beginning to replace four city buildings, housing seven departments, which were destroyed or damaged by the April 27th tornado, at a cost of $23 million. A new Armed Forces Reserve Center in Taylorville was also completed.
Population in the metro area rose by 0.8 percent in 2010 to reach 219,731. On per capita income Tuscaloosa fared better than the state in 2010, with an increase of 2.9 percent, compared to a 2.6 percent increase statewide. At $33,355 Tuscaloosa’s per capita income ranked fourth among the 11 metro areas. Median family income posted a 1.1 percent decrease in FY2011 and ranked fifth at $55,700. Average annual pay of $37,990 was 98.4 percent of the Alabama average in 2010.

Retail growth was underscored by dramatic changes in 2011. Early in the year, businesses were very active in development. New construction began on the River Market and a fresh fish market called Steamers opened along the city’s riverwalk. An IMAX screen was added to the Cobb Hollywood 16. Sunday alcohol sales passed in the City of Tuscaloosa, followed a few months later by Northport’s approval. On The University of Alabama’s campus, Moe’s Southwest Grill, Zoe’s Kitchen, and YogurtLab Express at Bryant-Denny Stadium opened.

After the April 27th tornado, the character of the retail industry was altered. In a matter of minutes the focus changed from growth to rebuilding for a large portion of the community. Wood Square Shopping Center was destroyed but two of its stores, Big Lots and Hobby Lobby, are opening in Northport. Mike & Ed’s Bar-B-Q also relocated to Northport, while Full Moon Bar-B-Q opened in a temporary location in Tuscaloosa. Krispy Kreme has made plans to rebuild in Tuscaloosa, and also intends to open a second location in Northport. The Pharmacy on 15th Street moved to Midtown Village to join other new additions including White House Black Market, Soca Clothing, Altar’d State, European Wax Center, and Soma Intimates. Planet Fitness has plans to locate in Midtown Village as well. Bama Mini-Golf and The Crimson Café are back in business and Archibald & Woodrow’s Bar-B-Q opened a new location in Tuscaloosa. Expeditions, an outdoors apparel store, opened on the Strip. Improvements around the city are ongoing. The city’s Tuscaloosa Forward master plan, passed at the start of the fall, will change the face of retail in the city.

The Tuscaloosa area boosted its capacity for the arts, entertainment, and recreation in 2011. The University of Alabama completed a $16 million renovation of Foster Auditorium for athletic events. Munny Sokol and Bowers parks are going to see additions of softball, football, and soccer fields. The Mildred Westervelt Warner Transportation Museum opened in the former Queen City bathhouse and, late in the year, the Westervelt-Warner Museum of American Art moved its collection to the new Tuscaloosa Museum of Art, which displays American and Asian art, furniture, and decorative work in its new location, the Westervelt Company’s corporate headquarters.

The entertainment highlight of the year was the opening of the Tuscaloosa Amphitheater. In its first season, the amphitheater hosted 17 concerts, including Kenny Chesney, Steely Dan, Widespread Panic, Alabama and ZZ Top, Lynyrd Skynyrd, and the Avett Brothers. A number of artists performing after April 27 donated to the city’s tornado recovery. The city also took advantage of the space for nonprofit events and relief efforts following the tornado. After the season ended, Pollstar announced that the Amphitheater was nominated for best new concert venue in the country.