Job gains in the Decatur area’s sizeable manufacturing sector contributed to positive trends in nonfarm employment over the past year. Between October 2011 and October 2012 total payroll employment rose by 900 to 55,600; goods producing industries added 300 jobs, with service providing industries contributing 600. Forecasts for the metro’s employment during the coming year are positive; UA’s CBER expects about 1.5 percent employment expansion. GDP forecasts are also encouraging, with output growth of 2.3 percent expected in 2013.

With total employment of 68,812 and a lesser 55,600 nonfarm jobs, the Decatur metro continues to be a net exporter of workers to nearby Huntsville. The area’s labor force expanded by a slight 0.6 percent in the 12-month period ending in October 2012, while total employment grew by 1.3 percent. This caused unemployment to decrease from 8.1 percent in October of 2011 to 7.5 percent a year later. A 2011 survey by the Center for Business and Economic Research found an underemployment rate of 24.1 percent among workers in the Decatur metro. Applying this percentage to October 2012 labor force data gives an estimated 6,590 underemployed workers. Combined with 5,587 unemployed, there was an available labor pool of 22,177 for the metro area, 4.0 times the number of unemployed.

Manufacturing held a 22.5 percent employment share in October 2012, higher than in any other metro area. Employment increased from the previous year with the addition of 200 jobs in durable goods and 100 in nondurable goods manufacturing. Area industries were very active in 2012 expanding and preparing for future growth opportunities. Some of the year’s highlights included United Launch Alliance (ULA) announcing its hiring of 75 to assemble 13 rockets in 2012, up from nine the previous year. ULA won a $398 million contract for construction of two satellites—a GPS satellite aboard a Delta IV rocket and an Air Force Mobile User Objective System-4 satellite that will be put into orbit on an Atlas V rocket. The company is also designing commercial spacecraft to launch astronauts to the International Space Station in collaboration with Boeing, SpaceX, and Sierra Nevada.

Other big news in 2012 was Hexcel Corp. acquiring 74 acres for expansion of its Decatex plant and announcing it would spend $150.5 million to build a new acrylic fiber line which will add 35 employees to its current 150. Nucor recently received the Steel Manufacturers Association Achievement in Community Involvement Award for its response to the tornadoes of 2011; the company also expanded by eight employees when they added a steel mini mill.

In other expansions, Daikin America will add 50 employees with a $75 million expansion. The company was selected as the Manufacturer of the Year by the Business Council of Alabama and Alabama Technology Network and fortified its status as the biggest maker of residential heating, ventilating, and air conditioning systems with its plans to purchase Goodman Global Group. Decatur GE added 30 jobs and an assembly line for top freezer refrigerators and plans to invest $432 million in green jobs by 2014. Feralloy Corporation invested nearly $8 million creating 13 new jobs, Gavilon increased an ongoing expansion by $6 million, and Toray Carbon Fibers America began a $97 million expansion adding 43 new employees.

New manufacturing companies in the area made plans to break ground. Yates Industries, which repairs hydraulic and pneumatic cylinders, is building a $2.9 million facility on Refreshment Place and will hire 11. Jim ‘N Nick’s Bar-B-Q acquired the former emu plant in Eva which will process their restaurant’s pork. Jemison-Demsey announced it will bring 28 jobs with a $28 million metal processing plant. Brown-foreman Corporation is opening its second Alabama facility in Mallard Fox West and will create 125 jobs by 2014. The year closed with the announcement that BUSCHE would be coming to Hartselle’s old Copeland Corporation plant site with the intent of created over 200 jobs as an after-market automotive parts supplier.

Service providing sectors added 600 jobs in the Decatur metro during the 12 months ending in October 2012. The biggest gain was seen in transportation, warehousing, and utilities (200). Employment was bolstered by gains of 100 jobs in each of the following sectors: financial activity, professional and business services, leisure and hospitality, and state and local government. Area healthcare entities worked together
this year as the Healthcare Authority of Morgan County, Lawrence Medical Center, Decatur General Hospital, and Parkway Medical Center all partnered with the Huntsville Hospital system. Both North Alabama Regional Hospital and Encore Rehabilitation will remain open despite threats to close them in 2011. Decatur Utilities (DU) extended natural gas and other services this year, even as the Morgan County Commission, Northeast Morgan County Water and Sewer Authority, and Hartselle utilities aligned to create an alternative source to DU. Other infrastructure developments included Rational Energies moving forward on a $23 million facility at the Decatur-Morgan County Regional Landfill to convert plastics into fuel.

Retail in the metro area was active with closings and openings; as a result retail employment remained flat for the year. New eateries included Mellow Mushroom pizza downtown, an Olive Garden on Beltline Road, and a Jack’s restaurant which employs 45. In the Market Shoppes an ULTA Salon opened and a Kohl’s will open in Spring 2013. Electronic Express is moving into the former Dillards in the Decatur Mall. Garrison Investment Group, the owner of Decatur Mall, purchased The Crossings and Walmart purchased land on Sixth Avenue for a Walmart Neighborhood Market and gas station.

Developments completed in 2012 and planned for the coming year will improve the quality of life in Decatur. New outdoor recreation opportunities included 5.8 miles of new walking trails, the Pickwick Belle, and the beginning stages of an outdoor amphitheater in Founders Park. The new $40 million Hartselle high school neared completion as the year closed, but had already resulted in rising home sales in the area. The Decatur Arts Center, an $8.5 million partnership of Calhoun Community College and Athens State University, opened in August. These growing amenities, plus a new $3.4 million aquatic center being built next to the Sparkman Civic Center, a planned restoration of the 112-year-old L&N railroad depot, the Veterans Memorial Team Bass Tournaments at Ingalls Harbor, and the Alabama Ducks Unlimited event on the Tennessee River contributed to Decatur being named No. 1 nationally among metropolitan areas with population below 200,000 by Site Selection Magazine.

Population growth in the Decatur metro was below the state average, with a 0.1 percent increase and an estimated 136 new residents for the year ending July 1, 2011. A total of 59 building permits were reported for single-family homes during the first nine months of 2012, up by 5 from the same period in 2011. There were no multi-family units permitted through September. The number of homes sold rose by 5.2 percent for the first nine months of 2012. Despite some positive indicators, home prices in the third quarter of 2012 as measured by the FHFA House Price Index fell 1.1 percent from the previous year; prices were down 1.6 percent since the beginning of the recession in 2007. Deposits in FDIC-insured banks also decreased with a drop of 1.8 percent during the year ending June 30, 2012.

Per capita income grew 2.7 percent for 2011 to $32,071. FY2012 median family income increased by only 1.3 percent over the previous year. Decatur’s median family income of $55,900 was 101 percent of the Alabama median. At $37,630 the Decatur area’s 2011 average annual wage was 96.0 percent of the Alabama average.