

**The South Alabama Regional
Planning Commission**

**COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY (CEDS)
Annual Report**



D R A F T

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ADJUSTMENTS

The economic toll of the COVID-19 has been unprecedented in Alabama and our Region. Businesses and industries of all sizes have been impacted by the pandemic, forcing them to make adjustments in order to remain operational. As the Region begins to re-open, businesses and industries are struggling with the severe lack of an available workforce, primarily in the service and retail industries. Our focus for economic growth and workforce development in our Region of southwest Alabama has been forced to make adjustments as well due to the widespread economic downturn in the economy and the lack of available workforce. In July of 2020, SARPC was awarded a \$400,000.00 grant from the U.S. Department of Commerce, Economic Development Administration to develop an Economic Relief and Resiliency Response and Workforce Development Plan. This Plan will identify industry sectors that have had little or no impact from the pandemic. This Plan is intended to identify those types of industries that can be expanded upon and also identify new industries that will excel in our Region. A Workforce Development Plan will also be developed in conjunction with the Response Plan to link regional educational institutions with regional industries in efforts to provide and develop the skills and training programs needed to supply our Region's businesses and industries.

REPORT

Southwest Alabama continues to be designated as a Manufacturing Community by the U.S. Department of Commerce. The U.S. Commerce Department-led program, part of the Investing in Manufacturing Communities Partnership, is designed to accelerate the resurgence of manufacturing in communities nationwide by supporting the development of long-term economic development strategies that help communities attract and expand private investment in the manufacturing sector and increase international trade and exports.

The District continues to seek diversification of its economic base and become more competitive in the global economy. The District is stressing the development of clusters that include the technology industry, aerospace engineering and manufacturing, medical research and tourism.

Job training and education are critical aspects of the economic development strategy; several initiatives for upgrading education and training are ongoing.

VISION STATEMENT

“To promote long-term economic resiliency through economic growth and diversification by utilizing existing resources and workforce, and eliminating unemployment and under-employment.”

FIGURE 1: *Regional Unemployment Rates by County*

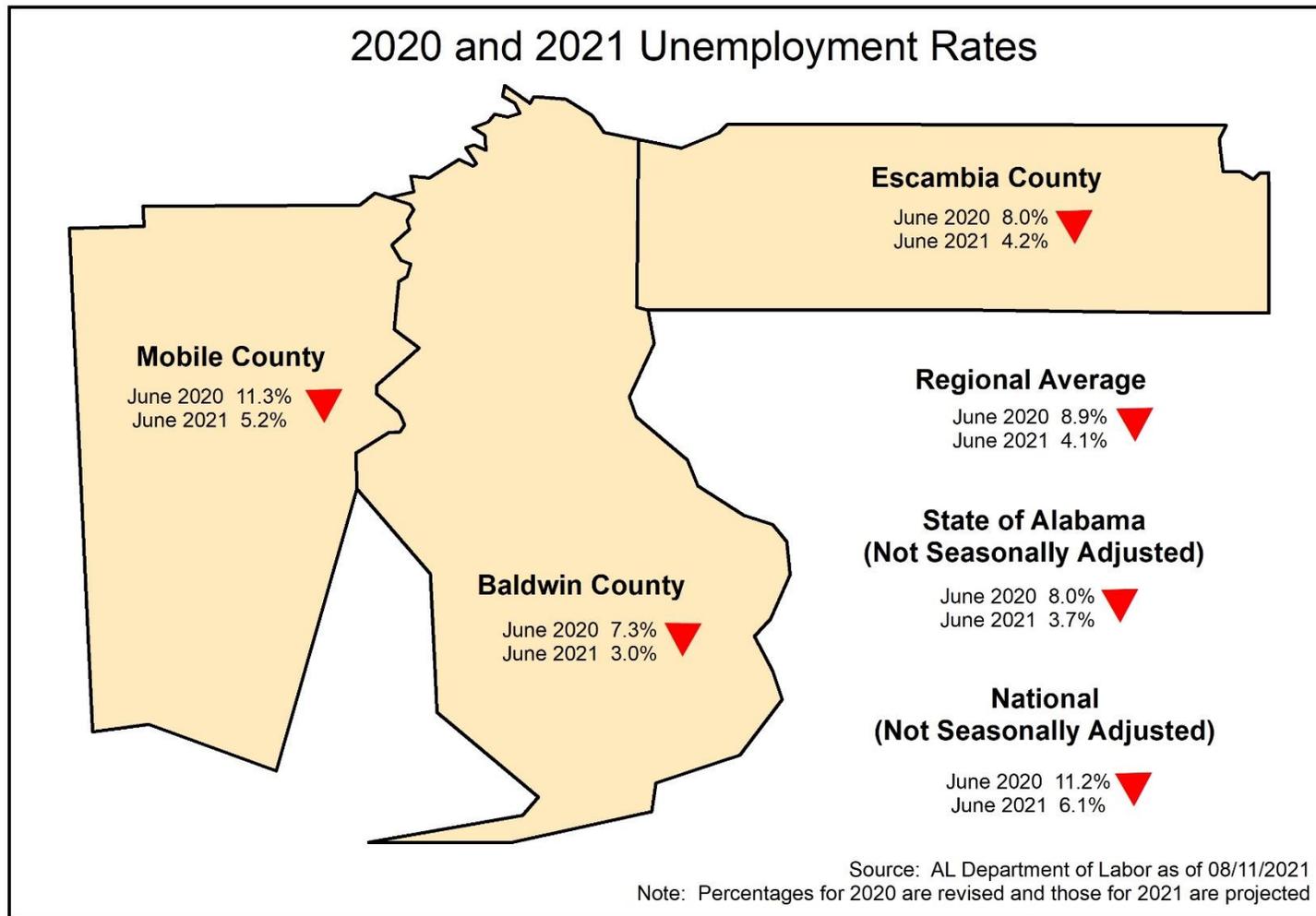


TABLE 1: Regional New and Expanding Industries for Baldwin, Escambia, and Mobile Counties/ August 2020 – July 2021

BALDWIN COUNTY				
COMPANY	LOCATION	JOBS CREATED	INVESTMENT	PRODUCT/SERVICE
NEW INDUSTRY				
Aleo Energy	Bay Minette	25	\$20,000,000	Renewable Fuels
EXPANDING INDUSTRY				
Imperial Dade	Loxley	55	\$20,000,000	Distribution & Warehousing
Meyer Utility Structures	Bay Minette	23	\$5,000,000	Utility Pole Manufacturing
Total-Baldwin County		103	\$45,000,000	
ESCAMBIA COUNTY				
NEW INDUSTRY				
Coastal Growers, LLC	Atmore	150	\$90,000,000	Peanut Processing Facility
State of Alabama Dept. of Agriculture and Industries	Atmore	20	\$2,000,000	Food Safety & Inspection Operations
EXPANDING INDUSTRY				
(none)				
Total-Escambia County		170	\$92,000,000	
MOBILE COUNTY				
NEW INDUSTRY				
Ray-Mont Logistics	Mobile	50	\$19,000,000	High Tech Logistics Park
Ren Seafoods	Mobile	54	\$12,400,000	Seafood Processing & Distribution
EXPANDING INDUSTRY				
AM/NS Calvert	Calvert	200	\$775,000,000	Steel Manufacturing
Berg Pipe	Mobile	6	\$15,000,000	Spiral Pipe
Threaded Fasteners	Mobile	15	\$1,775,000	Bolt Manufacturing and Wholesale
Coca Cola Bottling Co.United	Mobile	15	\$48,400,000	Soft Drink Manufacturing
Chart Industries	Theodore	94	\$2,500,000	Hydrogen Transport Trailers & Hydrogen Bulk Storage Tanks
Myer Marine Services	Mobile	50	\$5,500,000	Steel Fabrication, Machining and Field Services
Austal USA	Mobile	0	\$109,180,000	Shipbuilding
SSAB	Axis	31	\$69,000,000	Steel Manufacturing
Total-Mobile County		515	\$1,026,355,000	
TOTAL FOR REGION		788	\$1,163,355,000	

Sources: Baldwin County Economic Development Alliance, Coastal Gateway Economic Development Alliance, Mobile Area Chamber of Commerce

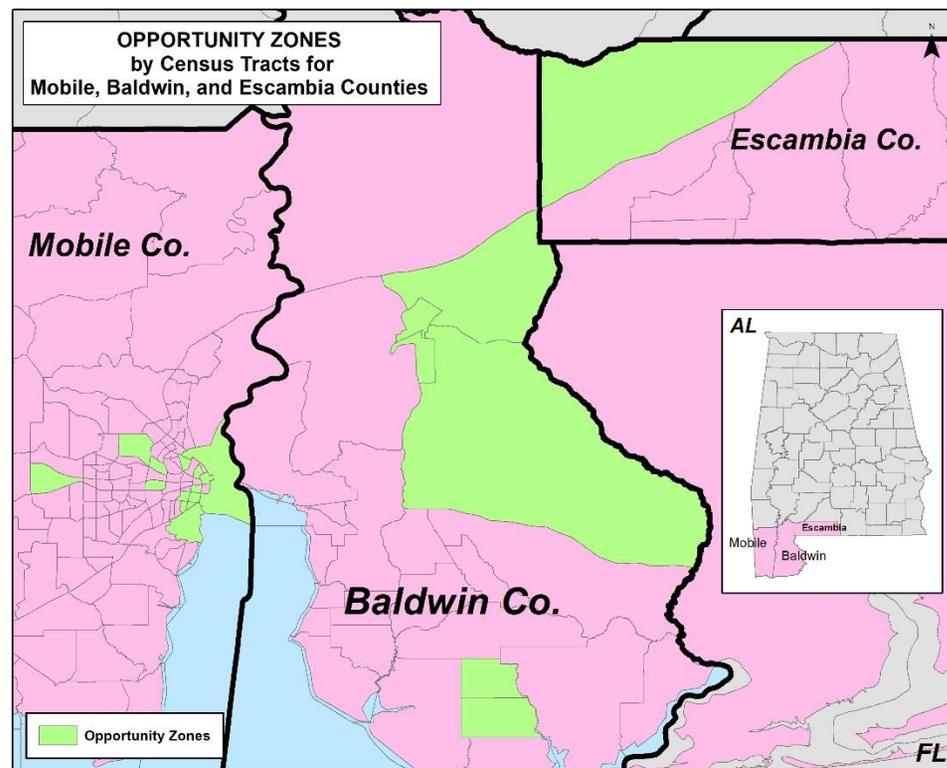
OPPORTUNITY ZONES

In 2017 the Federal Tax Cuts and Jobs Act was passed creating Opportunity Zones. Opportunity Zones are designed to drive long-term capital into low-income urban and rural communities across the nation, using tax incentives to encourage private investment into designated census tracts through privately- or publicly-managed investment funds. They are certified by the U.S. Secretary of the Treasury via his delegation of that authority to the Internal Revenue Service. Under certain conditions, new investments in Opportunity Zones may be eligible for preferential tax treatment.

In 2019, Governor Kay Ivey signed the Alabama Incentives Modernization Act (the AIM Act) into law. This law initiated a framework designed to provide the best and most impact-oriented Opportunity Zone (OZ) investments providing: (1) aligned state-level capital gains tax breaks, (2) potential state investment dollars, and (3) new impact investment tax credits to de-risk investments.

There are 21 census tracts in our Region that are designated as Opportunity Zones.

FIGURE 2: Regional Opportunity Zones



CURRENT AND PREVIOUS YEARS ECONOMIC DEVELOPMENT ACTIVITIES

The Comprehensive Economic Development Strategy Committee continues to be active. Topics of significance economic importance were reviewed and updated, as necessary, to illustrate the current and previous activities and on-going needs of our Region.

Progress achieved in accomplishing scope of work goals and objectives are as follows:

GOAL/OBJECTIVE 1: ADVANCE THE REGION'S ECONOMY

Create an environment that fosters economic diversification and growth in the region

- Continue to respond to questions about grant funding for economic development projects
- The Provalus office space is currently under construction in downtown Brewton
- Construction of the Coastal Growers peanut processing facility is underway in Atmore's Industrial Park
- New rail infrastructure is currently being installed in Atmore's Industrial Park to incorporate shared rail access to support new and existing industries in Park

Strengthen and expand economic cooperation and collaboration regionally and beyond the region's borders

- New partnerships and business opportunities with Ports of Mobile and Pensacola are being established to transload and ship product via the new rail infrastructure installed in Atmore's Industrial Park
- New peanut processing facility and rail access services will support over 100 local farmers in Alabama alone, as well as farmers in the neighboring states of Mississippi, Florida, and Georgia
- New transload services from Atmore's Industrial Park will expand and diversify the regional economy by providing services to include the agriculture industry
- 788 new jobs were created in the region by 15 new and expanding business and industries

GOAL/OBJECTIVE 2: CREATE A REGION THAT SUPPORTS EXISTING BUSINESSES, ENTREPRENEURSHIP AND INNOVATION

Improve the availability of capital

- Continue to assist with federal and state grants and revolving loan opportunities (gap financing) to stimulate new business and existing business

GOAL/OBJECTIVE 3: STABILIZE AND STRENGTHEN THE REGION'S WORKFORCE

Align education and training programs to ensure the region's current and future workforce can meet employer needs

- Provalus, an expanding industry in Brewton provides extensive training and workforce development to its employees

- Recently awarded an EDA Grant to prepare an Economic Relief and Resiliency Response and Workforce Development Plan. SARPC used EDA funds to hire an Economic Development Consulting Firm to create an Economic Development Plan for the Region. The Consultant is currently collaborating with local Economic Developers from our three-county region to develop the plan that is intended to identify the needs of local industries, to partner local industries with local educational institutions to provide education and training programs required to fill regional jobs, and to identify specific sectors of the economy that were and were not impacted by the pandemic
- AIDT services and resources are being utilized to assist the peanut processing facility through training programs, screening, and recruitment all of which will improve and advance the employability of the local workforce

GOAL/OBJECTIVE 4: PROVIDE HIGH QUALITY INFRASTRUCTURE IMPROVEMENTS TO SUPPORT DEVELOPMENT, REDEVELOPMENT, AN DREVITALIZATION OF THE BUILT ENVIRONMENT

Develop public-private partnerships that improve, expand and maintain adequate infrastructure that is current with the latest technological advancements and capable of meeting existing and future needs

- Continue to administer grants for Brewton Water Tank, well and service line due to demand based on new industry. (ADECA \$700,000 and DRA \$300,000 which support the EDA grant of \$2,800,000)
- Continue to seek grant funding from the EDA, ADECA, and the Delta Regional Authority (DRA) to fund economic development projects
- An additional bridge is planned across the intracoastal waterway to support tourism and evacuation access in Orange Beach and Gulf Shores. Negotiations are underway to either provide improvements to existing infrastructure or build new infrastructure
- The Mobile Metropolitan Planning Organization (MPO) and Eastern Shore MPO both met separately on June 2nd, 2021. Both MPOs amended each 25 Year Long Range Transportation Plan (LRTP) and Short Range Transportation Improvement Program (TIP) to include Phase One of the I-10 Mobile River Bridge and Bayway Project. Both MPOs passed the amendments unanimously. Both the Mobile and Eastern Shore LRTPs included funding for Phase One to be a toll on heavy trucks, with the potential for voluntary vehicular tolls. All legacy routes would remain free. The funding scenario includes a \$125 Million INFRA Grant, \$250 Million of state funding, and \$300 Million to be paid back with tolls from heavy trucks and voluntary vehicles. The next step is for ALDOT to hire teams of consultants for design, to include a Toll and Revenue (T&R) Study through traffic modeling to determine potential further funding scenarios

Provide adequate and safe water and sewer facilities and broadband to service existing and future needs for homes, businesses, and industries

- Construction and installation of new water well, water tank, and service lines is currently underway to provide upgraded and safer water and sewer infrastructure to Brewton

GOAL/OBJECTIVE 5: PROTECT THE ENVIRONMENT

Implement land use management policies and environmental policies that protect valuable natural resources but still allow and encourage economic development

- Worked with Dauphin Island and collaborated with local environmental consultants to create a Dune Protection Plan and Sensitive Habitats Study, both of which have been incorporated into the Town's Comprehensive Plan
- Continue to work with local governments, located in watershed areas, to increase their stormwater management regulations
- Completed work on the Alabama EMA and FEMA Hazard Mitigation funding for a regional hazard mitigation plan
- Continue to work with the Coastal Zone Management program in conjunction with the National Oceanic and Atmospheric Association (NOAA) to develop educational materials, regulatory documents, and long-range planning documents that support environmental protection standards
- Worked with the municipalities of Magnolia Springs, Loxley, Bayou La Batre, Dauphin Island, Creola, Semmes, and Prichard to update their subdivision regulations and zoning ordinances to include stronger stormwater management standards

Implement a program to clean-up and reuse contaminated sites

- Bay Minette is in year three of a three-year EPA Brownfield Community-Wide Assessment grant in the amount of \$150,00 for hazardous substances and \$150,000 for petroleum

GOAL/OBJECTIVE 6: SUPPORT AND SUSTAIN REGIONAL PARTNERSHIPS TO ACCOMPLISH THE REGION'S ECONOMIC GOALS

Strengthen and expand economic cooperation and collaboration regionally and beyond the region's borders

- New partnerships and business opportunities with Ports of Mobile and Pensacola are being established to transload and ship product via the new rail infrastructure installed in Atmore's Industrial Park
- New peanut processing facility and rail access services will support and strengthen local farmers CO-OP, benefitting over 100 local farmers in Alabama alone, as well as farmers in the neighboring states of Mississippi, Florida, and Georgia
- New transload services from Atmore's Industrial Park will expand and diversify the regional economy by providing services to include the agriculture industry
- Alabama State Docks support the new peanut processing facility and shared rail access services the new rail infrastructure enhancements will provide. New partnerships and business expansion opportunities are planned for the future to transload and ship regional products through the Port of Mobile
- Continue to seek grant funding from the EDA, ADECA, and the Delta Regional Authority (DRA) to fund economic development projects
- Continue to support and incorporate the funding priorities and criteria of the EDA, ADECA, and DRA that support job creation and retention to create a more resilient economy.
- Continue to support and align with the DRA's Regional Development Plan, which is focused around the foundational goals of advancing the productivity and economic competitiveness of the Delta workforce, strengthening the Delta's physical and digital connections to the global economy, and facilitating capacity building within Delta communities
- Attend and participate in regional stakeholder meetings that focus on the regional economy. Planners of Lower Alabama Network Group (PLAN) continues to meet monthly to collaborate and partner on regional issues.