

# Chapter 9: Economic Development



## Introduction

Economic development is an essential activity of local governments. As part of this activity, local governments act to make local markets work more efficiently; supply infrastructure, such as roads, water, and sewer; collect taxes; and regulate use of the land, buildings, and activities. Economic development involves public sector collaboration with private entities to promote and improve local economies. Successful economic development requires cooperation among governments, businesses, educational institutions, and civic organizations.

Communities also compete with each other, both regionally and in an increasingly global marketplace. At one time business and industry had to locate near natural resources in order to have adequate water and transportation to meet their needs. In today's economies, businesses and industries have a wide range of choices in which to locate. As a result, in order to attract those businesses, a city must capitalize on local assets, such as a skilled workforce; quality transportation resources; telecommunications services; good climate; proximity to cultural, educational, natural, and recreational resources; and availability of attractive housing and retail opportunities. Many of these assets are interconnected. For example, a quality public educational system is an essential prerequisite for a skilled workforce. The importance of Talladega County Public Schools, as well as the close proximity of Jefferson State and Central Alabama Community Colleges cannot be understated as a means of maintaining a skilled workforce.

**Economic development is an essential activity of local governments.**

The goals of an economic development program include a combination of job creation, job retention, tax-base creation, increase in property values, retention of wealth, reduction of poverty, economic stability, and economic self-sufficiency. A city whose economic development objectives complement those of the surrounding localities will have a stronger base to attract new business and retain existing businesses.

As with most other communities, economic development is one of Lincoln's priorities. Closely related priorities are the revitalization of Historic Downtown and the enhancement of real estate value throughout the City. In a community like Lincoln with available vacant land and some

significant topographical constraints, redevelopment of previously developed sites and underutilized or vacant buildings are important considerations as they relate to economic development.

## **Context**

In several respects, Lincoln is an economically favored city. From its auspicious beginnings as a farm and railroad center, to the building of Lake Logan Martin and the decision in the 1960s to locate Interstate 20 at the community's doorstep, this opened many possibilities for Lincoln and lead to Honda Manufacturing of Alabama opening its operations in 2001. Lincoln today is a retirement community, bedroom community to Birmingham, a leisure and sports destination, and a leading automotive manufacturing center in the United States (World).

Current economic development efforts are focused on retention and expansion of existing businesses throughout the City, along with redevelopment of the Historic Downtown and the redevelopment of the current commercial district at and near the intersection of Magnolia and US 78 with emphasis of redevelopment of the old football stadium site.

Partners in economic development efforts continue to be the major industry sectors in the City, as well as other smaller businesses, Alabama Department of Commerce, East Alabama Regional Planning and Development Commission, the Greater Talladega and Lincoln Chamber of Commerce, Coosa Valley Electric Co-op, Talladega Industrial Development Authority and City government, especially the Industrial Development Authority. In addition to coordinating with economic development entities throughout the region, the City emphasizes the importance of coordinating economic development with the City's long-range planning and community development efforts.

There is a substantial amount of lake shoreline on Lake Logan Martin within Lincoln's corporate limits; however there is little or no public access. The lake is a large economic development asset and has gone untapped for years. Consideration should be given to the development of public access either as part of a City recreation area with boat ramps and a pier, and/or to include commercial development including a fueling station, restaurant and supply store.

Lincoln's economic impact region is influenced by the Anniston MSA and the Greater Birmingham MSA. Focusing on the economic impact region rather than just the City incorporates the impacts of regional growth and development and is a more accurate reflection of commercial, retail, office, and industrial markets. It recognizes the fact that people who live in one of the surrounding counties (MSAs) may work and shop in Lincoln, and conversely. Lincoln should focus on becoming one of its region's retail and commercial hubs while coordinating its economic development efforts with those of the surrounding counties.

The City should place a strong emphasis on understanding the fiscal impacts of economic development initiatives. When evaluating a proposed development for a site, the City should evaluate following potential economic impacts:

- Construction investment
- Temporary construction income/state income taxes during construction
- Permanent new jobs/new annual state income taxes
- Net new annual City property taxes
- New annual retail sales taxes
- New residents
- Retail and restaurant space supported by new employees and residents

## **Challenges**

Lincoln, now a city of 21.5 square miles, has vacant land remaining, with limited sewer and stormwater systems. One reason is the topography; many sites are sloped (some steeply) or crossed by one of the City's many streams and Lake Logan Martin. Sites for buildings requiring large floor-plates or large, flat parking areas are the most limited. There are many more sites available for smaller footprint development.

Some of the sites have vacant buildings or structures of varying sizes and conditions. Future users of these sites face either renovation of the buildings or demolition and new construction. The added cost of dealing with these existing buildings must be factored into a company's expansion/relocation calculations. The City should look into additional incentives to encourage businesses to reuse previously developed sites. Reuse would both lessen demand for "greenfield" sites, some of which would be outside the City, and preserve the City's remaining vacant sites for those users that required them.

Lake Logan Martin is an untapped opportunity for a public-private partnership to develop a marina or landing to provide for public access to the Lake. This would have the potential to provide locations for public events, social gatherings and private ventures, such as fishing rodeos.

The Future Land Use Map identifies several areas in which the City would like to focus on new businesses. Concentrating businesses, rather than scattering them throughout the City, means business users are more likely to meet their needs in the same area. Less travel will be necessary, thereby lessening traffic congestion, and businesses in the same area can market their proximity. These focus areas are along major corridors, such as Interstate Interchanges at the intersection of Magnolia and US 78 and among others. Other areas are the City's major business/technology and employment areas at the three interstate interchanges that commercial and industrial has already accord and surrounding properties and around Honda Manufacturing of Alabama. Great

care needs to be taken by the City during planning for these areas to encourage the most appropriate uses based on the type of business and space needs.

Development, particularly retail, has followed a pattern that reflects nationwide trends. From its founding as a City, the downtown area was the major retail location. Then, in 1980's, the Super Foods Shopping Center was built near the intersection of Magnolia and US 78. Stores moved out of downtown and new ones located around the Plaza, these actions caused the decline of downtown.



Historic Downtown Lincoln

The Historic Downtown will never be the same type of commercial it was in the earlier history of Lincoln. It can, however, become a focal point in the community as the entertainment or civic (ceremonial) center of the community. The development of the Blue Eye Fishing Trial, Music on the Magnolia, tree lightings and other similar activities bring a breath of fresh air to this area. The City needs to become partners with developers and current property owners to revitalize the downtown by encouraging “mixed uses” and renovation of existing buildings. Creation of a Downtown Redevelopment Authority or an independent organization (non-profit) would help to attract unique retailers and other businesses to historic downtown. This organization could also encourage the creation or expansion of new business and residential development in this

distinctive Lincoln neighborhood, which celebrates the City's past while embracing the principals of the Comprehensive Plan.

The City should focus on three levels of retail, based on market served: neighborhood, community, and regional. The smallest "neighborhood businesses" would provide services to the immediate adjacent residential developments and will allow patrons to either walk or drive a short distance. Community commercial will feature those businesses that will attract customers from throughout the City; a customer might drive across town to avail themselves of their products and services. The largest retailers are those which will attract customers from throughout the region, well beyond the City limits.

There are a number of incentives available to facilitate this process. The City is also providing infrastructure improvements to support the revitalization process. The City faces a number of issues. First, the City will work to persuade businesses to locate in the City. If an appropriate site is not available, then the business will be referred to other sites in the region. As the number of vacant sites, especially large ones, in the City decreases, large parcels just outside the City limits will become increasingly attractive to retail developers. Because of the separation of cities and counties in Alabama, loss of a business to a location just outside the City limits in one of the surrounding counties means that the City will lose sales tax and possibly other revenues.

In order to make the best use of limited land resources and to identify possible incentives for location and expansion of business in the City, Lincoln should prepared an Economic Development Strategic Plan. Along with the goals, objectives, and strategies, the Economic Development Strategic Plan will serve as the basis for sound economic planning in Lincoln.

The City of Lincoln expresses its concern for the economic health of the community through its economic development programs. The promotion of business and industrial investment along with jobs retention and creation supports the City's tax base, increases property values, provides work opportunities for the citizens, helps reduce poverty, and moves the City toward economic stability and self-sufficiency. This chapter focuses on Lincoln's economic health and the efforts to maintain and enhance it through economic development and tourism promotion.

## **Economic Conditions**

The Lincoln Industrial Park, a 160 acre tract of land bordering McCaig Road and adjacent to I-20, is presently vacant land. With two interstate interchanges, #165 and #168, full access to sewer and a looped 12 inch water main this property is prime for industrial development. Electrical service is available from either Alabama Power or Coosa Valley Electric Cooperative. The site has excellent visibility from Interstate 20 and the land is available in a variety of parcel acreages.

The city is actively recruiting new industry to increase jobs in the community. Major industries in the area are:

- Honda Manufacturing of Alabama is Honda's largest light truck production facility in the world, and the sole manufacturer of the Odyssey minivan, Pilot sport utility vehicle, Ridgeline pickup truck, the Acura MDX and the V-6 engines that power them.



- Legacy Cabinet – Residential and commercial cabinetry
- CKC Systems, Inc. – Wood Containers
- ATAP – Ground support vehicle and ground support equipment.

## Goals

The Health Care Committee identified four primary goals for inclusion in the City's Comprehensive Plan. Along with these goals have been provided recommended action items for which the City will need to formulate policies and programs to carry out.

## **ED-1. Improve the image, cohesiveness and vitality of Lincoln.**

- a. Develop City gateways, landscape and maintenance of public facilities.
  - Implement landscaping improvement demonstration projects at City gateways and other appropriate locations to include signage.
  - Provide proper maintenance of City landscaping projects
  - Prepare and implement landscaping plans for City public facilities and development projects.
- b. Promote and enhance the current City Clean-up Campaigns
  - Fully engage all communities, organizations, businesses and individuals one annual clean-up days.
- c. Promote proper private property maintenance and upkeep.
  - Fully enforcement of current nuisance and property maintenance ordinances.
    1. Clearance and removal of dilapidated structures
    2. Maintenance of lots: cutting of grass, removed of dead trees, clearance of abandoned/junk vehicles and equipment.

## **ED-2. Expanding the Tax Base**

1. Attract new businesses and companies to the City
  - Facilitate new business recruitment with all economic coordinating agencies to promote Lincoln to business prospects.
    3. Chamber
    4. Coosa Valley Cooperative
  - Conduct a market analyst of Lincoln and surrounding hinterland
  - Develop educational marketing materials to aid in business recruitment

## **ED-3. Attract new industries to the City**

- Facilitate new industrial recruitment with all economic coordinating agencies to promote Lincoln.
  1. State of Alabama
  2. East Alabama Regional Commission
  3. Coosa Valley Cooperative
- Develop educational marketing materials to aid in industrial recruitment

#### **ED-4. Retain Existing Businesses**

- Promote local business expansion opportunities to Lincoln's existing industry and businesses
  - Provide information on state and federal programs available for local business expansion
  - Be a conduit of information sharing between businesses
  - Build productive and collaborative relationships with existing businesses
  - Improve interactions with businesses

#### **ED-5. Promote Tourism**

- a. Expand the amount of open spaces, trails, walkways and passive recreation activities
  - Build a municipal owned boat dock and landing on Lake Login Martin.
  - Enhance and expand the trail system to connect schools with parks, commercial centers, public buildings, historic downtown and open spaces.
  - Develop educational marketing materials on Lincoln's activities, special events and facilitates.