

Improving Per Capita Income in Macon County, Alabama

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EXHIBIT ONLY

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Executive Summary

Macon County, Alabama is a historic county; one of the state's first. Despite its notoriety, however, the county has long suffered from decreases in economic opportunity and population. A county which was once central to early state events is now one of its poorest, with one of its lowest per capita incomes. Residents are well aware of the issues they face and are looking for ways to improve their quality of life and longevity of their community.

This paper analyzes four policy alternatives: 1) the status quo, 2) aggressive economic development, 3) employee residency, and 4) workforce development. They are evaluated by their projected performance in five criteria. First, *cost* examines the anticipated expenditure required to implement the alternative. Second, *education* examines the anticipated impacts of an alternative on public education. Third, *jobs* examines total growth in employment. Fourth, *residency* measures the projected change in population. Finally, *wealth* examines the projected change in per capita income.

Findings from this analysis concludes that Macon County should implement a combination of both workforce development and employee residency. Doing so will create an environment where current residents are empowered to create their own opportunity and improve county per capita income. Combined with community development aspects of employee residency, Macon County can also reverse its trend of population decline. Therefore, this combination improves quality of life and brings new residents to the community.

Improving Per Capita Income in Macon County, Alabama
Jay Howell

Policy Memorandum for:
Director, Tuskegee Macon County Community Development Corporation

From: Jay Howell

Date: October 5, 2016

Subject: Policy Analysis of Per Capita Income in Macon County

1. Problem Description. Per capita income in Macon County, Alabama demonstrates the significant regional disparity in opportunity that exists in East Alabama. The U.S. Census Bureau recorded the county's per capita income as \$17,113 in 2014 (Census Bureau). It is one of the lowest in the state for counties of its size and 28.5% lower than the state average. Despite what could be one of the most dynamic histories in the state, decades of marginalization and social discord have led to population decline and almost no economic growth in the county. Existing anchors in health care and education do not significantly draw from the local population and face being out-competed regionally. To reverse these trends and raise its per capita income, Macon County must persuade more of its workforce to live in the community. This will create a snowball effect in employment, improving demand in real estate and commercial markets.

2. Background. Macon County, with a population of 21,450 in 2014, lies along the I-85 corridor between Montgomery and Auburn (Census Bureau). Its rich history includes being a cross-road in the country's first post-independence expansion and historic scientific advances. Uniquely, it was a centerpiece in Confederate ideology and later a driver in the Civil Rights movement. Unfortunately, many issues stemming from this history have led to the county's decline. In addition to being significantly below the state average, only Monroe County, in southwest Alabama, has a lower per capita income (\$16,273) of the eleven other Alabama counties with populations between 15K-25K (Census Bureau). Macon County also depends

greatly on two primary economic engines: Tuskegee University and the regional Veterans Affairs hospital. The former is increasingly at odds with the community by fencing its boundaries and shuttling students to other cities for shopping. The latter could be rendered unnecessary by new VA facilities in Montgomery and Fort Benning, Georgia.

3. Analysis of Alternatives. Three alternatives studied for recommendation were (1) preserving the status quo, (2) conducting aggressive economic development, and (3) developing the workforce. The dubious option of preserving the status quo would mean continued income stagnation and population loss (from 2010 to 2014, the population decreased an average of 1.4% each year) (Census Bureau). Also, the county's two primary industries would likely decrease economic impacts. The alternative of conducting aggressive economic development would, if successful, produce more jobs and drive up commercial property values. There is no guarantee that current residents would be hired, though, and significant up-front costs in infrastructure and recruitment are expected. It could also lead to more than desired growth, as stated by local representatives, and greater likelihood of population displacement.

4. Recommendation. Encouraging well-paid employees to live locally will be a strategy most likely to improve the county's per capita income while promoting the gradual population growth desired by the community. Investments in school system and community appearance, as well as food retail, will be needed. However, these expenditures will benefit the greater community as well and not require the mass up-front investments needed for successful, aggressive economic development campaigns. Secondary effects will include increased demand in real estate and commercial markets, producing more local jobs, and promoting greater markets for the county's economic anchors. This strategy will lead to better opportunities for all and a re-invigorated community.

Living in Macon County, Alabama

The Alabama legislature established Macon County on December 18, 1832 with a recorded population of over 11,000 in the 1840 census. Established as a plantation town, the county seat of Tuskegee was already a thriving agriculture center along what came to be known as the “Old Federal Road”. Built shortly after the Louisiana Purchase of 1803, this was the federal government’s connection between the Georgia capital in Milledgeville and New Orleans. Tuskegee and Macon County grew in influence as a result of the area’s agricultural productivity – a combination of its rich soil and an enslaved labor force working it. Following the U.S. Civil War and Emancipation, the county continued to grow with the founding of Tuskegee University in July of 1881.

As a centerpiece in the Civil Rights Movement, the residents became more ostracized as white land and business owners disassociated themselves while the black community became more active. Simultaneously, the county’s predominate industry in agriculture shrank along with population in post-war urbanization. Industry centers in Opelika to the east and Montgomery to the west prevented significant economic diversification. After reaching a peak population of over 30,000 people in 1950, the county has experienced consistent decline ever since.

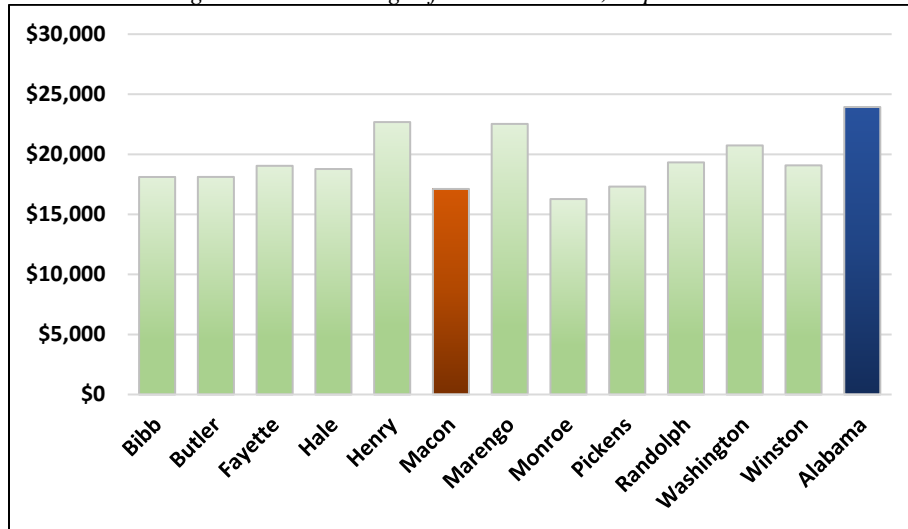
Problem Description

As a result of poor economic growth and persistent poverty, Macon County’s per capita income in 2014 was recorded as \$17,113 by the U.S. Census Bureau; 28.5% below the state average. By comparison, Alabama’s per capita income for the same year was \$23,936; the country’s was \$28,555. As shown in Figure 1, Macon County’s per capita income is one of the lowest in the state for counties of its size and 28.5% lower than the state average. Only Monroe

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County, north of Mobile, has a lower per capita income (\$16,273) of the eleven other Alabama counties with populations between 15K-25K (U.S. Census Bureau).

Figure 1: PCI Averages for AL Counties, Pop 15K-25K



Contributing Factors: Economy. Jobs in Macon County are limited. Since its founding as an agricultural center, barely 2% of current employment is related to farming. With no significant change in industrial mix, there has been little opportunity for widespread export market jobs to bring in capital from outside the region. Currently, two industrial anchors employ nearly half of the workforce: education (led by Tuskegee University) and healthcare (led by the Veterans Affairs [VA] Medical Center – Tuskegee). Together they provide over 47% of all jobs in Macon County (U.S. Census Bureau).

Unfortunately, as urban populations in nearby Montgomery and Auburn-Opelika continue to grow, so will pressures to reallocate resources to them. In the case of the VA Center, this has already begun. New facilities in Montgomery were opened in 1997 and a clinic facility in nearby Fort Benning, Georgia opened in July of 2015. While the new facilities will provide greater resource access to veterans who need them, they also reduce traffic flow in Macon

County and demand for treatment in Tuskegee. This has the potential to continue trends begun in the 1950s of businesses leaving the area and taking employment with them.

Contributing Factors: Poverty. The 2014 poverty rate in Macon County was 26.4%, compared to 18.9% for the state of Alabama. Different theoretical frameworks describing the causes of poverty range from cultural influencers (here, “poverty culture”) to individual characteristics such as intelligence, education attainment, and personal social loyalties. A third framework considers the “structure of poverty” as an array of externalities whose impacts on people dramatically hinders their capability to improve their situation (Zekeri).

It is undeniable that the black community in Macon County bears the brunt of poverty, making up nearly 90% of all people living below that threshold. Many families can trace their roots first as slaves, then as sharecroppers and migrant farmers. With minimal opportunities for socioeconomic advancement, many black communities in this region have remained economically depressed despite their history of hard work and vocational achievements. This fact is indicative of more systemic problems in racial inequalities with wide-reaching effects.

Family makeup is also significant. In Macon County, women are more likely to be householders than men signifying proportionally large numbers of multi-generational families with only one parent, typically the mother. Of the 2,731 families led by women in Macon County, 1,996 (73%) lived in poverty in 2014 (U.S. Census Bureau). Challenges presented to these householders are numerous ranging from the disparity between childcare costs versus wages earned to time off in order to care for sick family members. Emotional tolls and motivations for children to help provide for their family rather than pursue education further inhibit socio-economic mobility on a generational scale.

Contributing Factors: Residency. Despite the number of jobs available in Macon County, commuters make up a significant portion of the workforce. According to the U.S. Census, there were 4,765 jobs in Macon County in 2014. Of those, over half (2,736) were filled by non-residents. Residents themselves filled the remaining jobs while another 6,082 left the county every day to go to jobs in other communities (U.S. Census Bureau). This disparity indicates that Macon County suffers from a spatial mismatch where employed residents aren't able to take advantage of local jobs. Therefore, the county is either unable to produce a workforce that meets the demand of industry or that, once employed, many residents choose to live somewhere else. The effects of such conditions leads to a hollowing out of social networks and a workforce less vested in the circumstances within the community. It also erodes municipal revenue when such a large percentage of the workforce give property taxes to other counties.

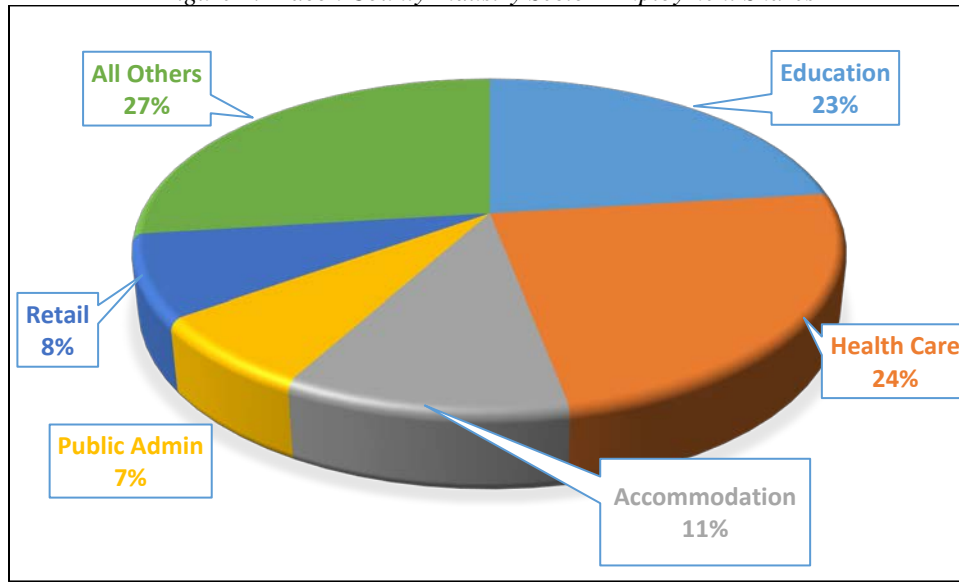
Issues resulting from non-residency are manifested in other areas as well. Commercial businesses choose not to locate in these areas since middle and high-income families are fewer. Since so many residents leave town every day to work in larger nearby cities, their shopping budgets are spent elsewhere as well. The cumulative effect is a dwindling service sector that residents need. For example, only two grocery stores exist in the County Seat of Tuskegee, each about 200 square feet.

Search for Alternatives

Status Quo (Market Driven). Presently, Macon County sees little economic change from year to year. It has seen only two large business openings in the last 13 years: Hanon Systems and Victory Land Casino. Its primary industries for employment are healthcare and education. In the ten years between 2005 to 2014, education has remained relatively constant at

about 24% of county employment. Healthcare did experience a doubling in size in 2010 and has remained relatively constant since. As Figure 2 describes, these two industries combined with a mix of other sectors has made up the bulk of Macon County employment.

Figure 2: Macon County Industry Sector Employment Shares



Macon county's population has seen very little positive change over the past decades. In fact, from 2010 to 2014, the population has decreased an average of 1.4% each year (U.S. Census Bureau). As this occurs, fewer property taxes are paid to fund municipal services such as utilities and public grade school.

The continuation of the status quo will likely mean increased population loss, particularly among those with the financial means to move, further lowering per capita income. Primary industries could become at risk, especially with regard to healthcare as a result of facility redundancy within the region as earlier mentioned.

Alternative 1: Aggressive Economic Development. This alternative involves the active involvement of Macon County economic developers to recruit potential companies to the area at an increased pace. Primary actors include the Tuskegee Macon County Community

Development Corporation (TuskMac CDC) and the Macon County Economic Development Authority (MCEDA). TuskMac CDC's website states that its purpose is to, "initiate and support economic development and community service programs... for residents and businesses in Tuskegee and Macon County, AL" (<http://www.tuskmaccdc.org/about-us.aspx>). It works closely with county governments to promote opportunities that improve quality of life within communities. MCDEA promotes the county's assets to potential businesses, acts as a point of entry for those that are interested, and liaises with the state economic development authority.

Aggressive recruitment will mean the significant investment in man hours and travel. This alternative will require individuals and groups to meet with potential business leaders where they are located in order to communicate the benefits of Macon County, possibly to those not actually considering relocation. As seen with Georgia's recruitment of KIA in West Point, a 45-minute drive from Tuskegee, this would likely involve international and long-term travel. Incentives such as tax abatements, grants, and permissive zoning will be used to encourage corporate interest. Infrastructure development will be required to expand service areas to potential business sites such as sewage, power, and roads. While costly up-front in terms of denied revenue and loan servicing, secondary industry growth and future tax revenues would eventually offset these expenditures.

Limestone County, in northern Alabama, successfully utilized this technique to grow its per capita income. In 2000, its per capita income was \$17,782; a figure similar to the current Macon County amount. By 2010, however, the county saw an increase of 35% to \$24,007; a figure greater than the state average (U.S. Census Bureau). The county shares some similar characteristics with Macon County as well. Both are near a U.S. interstate, roughly between two larger metropolitan areas, and came from predominately agricultural industrial bases. This

demonstrates that growth desired in Macon County has been experienced in Alabama before and could potentially be experienced again.

If successful, this alternative could mean a rapid growth in industry and employers in Macon County. Secondary job growth could be expected as a result of increased demand for services. However, investments in residential housing would be needed (in addition that money spent in recruitment) to encourage employees to live in Macon County as well. Current housing stock is decades old, with no real growth. This is signified by the county's average of two building permits a year, typically for single-family residential, as found on the private information website, homefacts.com.

Alternative 2: Employee Residency. A second alternative is to convert the county's large number of commuter employees into resident employees. This alternative is designed to grow per capita income through the inclusion of new residents whose increase will result in simultaneous market-demand increases. These benefits would be experienced by all members of the community. This strategy will likely result in a gradual improvement that is desirable to the community as identified by local leaders.

Encouraging well-paid employees to live locally will require improvements in key areas in order to make Macon County a competitive option for households. Essential medical care and basic goods and services will need to be improved. Both tasks in this alternative have a community benefit which is not solely experienced by the targeted demographic. Secondary effects will include increased demand in real estate and commercial markets, producing more local jobs, and promoting greater markets for the county's economic anchors.

Despite the fact that healthcare makes up nearly a quarter of all employment in the county, access medical care is limited for residents since the VA limits its services to veterans.

A search of medical providers in the county from Blue Cross Blue Shield (BCBS) only yields 49 providers, ranging in specialties from nurse practitioners to surgeons. A similar search of Tallapoosa County, which borders Macon to the north, yields 126 (BCBS). Additionally, Macon County lacks any emergency room, maternity ward, or obstetrician gynecologist providers. Working with nearby medical centers to establish satellite emergency clinics and introducing a wider variety of specialists is essential for this alternative.

Other essential investments will be the beautification of urban centers and growing Macon County's food market. Currently, the county is limited to two, 200-square foot grocery stores in Tuskegee: Piggly Wiggly and Family Foods. Indeed, the majority of the county is considered by the American Nutrition Association to be a food desert; that is having low income and low access to healthy food options (ANA Food Desert Locator). Providing greater access to and variety of food will help positively influence potential residents' location choice.

Alternative 3: Workforce Development. Another alternative is the skill development of the county's current workforce. In 2014, the county's unemployment was 10.3%; Alabama's was 6.0% (U.S. Census Bureau). Additionally, over two thirds of those employed had jobs outside the area. This demonstrates spatial mismatch between the county's workforce and the location of jobs they can fill. This final alternative is designed to improve the skillsets of residents to better fill positions located within the community. Its goal is to better enable residents to fill higher-paying positions in the county as well as lower the percentage of unemployment. With a mix of public and private organizations already operating in Macon County designed to provide a range of skills education, the area already has an established network of skills training to leverage.

The Alabama Cooperative Extension System (ACES) was established in 1915 to improve the quality of life and economic well-being of residents throughout the state of Alabama. It does so through education-based programs targeting the agricultural, community leadership capacities, and youth and adult service skills (ACES). These include science programs, career summits, and job preparation assistance. They also offer grants to small businesses and entrepreneurs.

Taking courses from ACES as a private citizen are mostly free of charge, a combination of federal, state and local funding provide necessary operating costs. However, the large number of new students would likely overwhelm existing instructor capacities if this alternative was to be effective. Providing salary and benefits costs for additional ACES instructors by the county would be a probable requirement in order to gain approval from state ACES leadership. Current job listings for ACES agents have a mean salary of \$38,890 a year (ACES, Job Posting). Hiring two additional instructors, in order to provide classes in both urban and rural programs, would be necessary.

Famously established by Booker T. Washington in 1881, Tuskegee University is a central organization to the economy and identity of Macon County. In addition to its undergraduate programs, it also offers 23 different continuing education programs for business, industry, education, government, and community-based organizations. The costs of these courses range from \$195 to \$375, with an average of \$330 (Tuskegee University). The college also offers agricultural outreach to small farms and entrepreneurs. Coordinated through the TuskMac CDC, these programs could be specifically tailored to local industry needs and filled with residents; tuition paid through local grants.

Utilizing local programs focused on meeting local job requirements would help prepare residents for employment nearby, thereby reducing unemployment and encouraging local sourcing for those jobs. It does not, however, prevent those newly trained individuals from deciding to relocate, taking their new expertise with them to another location. Incentives to encourage them to stay, such as loan forgiveness, would almost certainly be needed to prevent further brain-drain from occurring.

Criteria

Each criterion used was selected based on values stated during conversations with local leaders as well as input received in community development plans. These include the Macon County Economic Development Strategic Plan, dated September 2010; and the City of Tuskegee Comprehensive Plan Update 2011. The criterion consists of cost, education, jobs, residency, and wealth.

Cost

The criterion of cost was defined as the expenditures made by Macon County or the governments of its cities for the purpose of economic development. Any required expenditures in infrastructure or land acquisition was included in this criterion. It was calculated by determining anticipated changes in spending for each alternative as compared to other counties in Alabama using similar methods.

Education

The criterion of education was defined as the increase of public education funding as a result in ad valorem property tax growth. This criterion was identified by residents as an important aspect of any community development effort. It was calculated by projecting growth

in the real estate market for each alternative, then applying the current Macon County property tax policy.

Jobs

The criterion of jobs was defined as the total number of jobs added to the community as a result of alternative implementation. They included jobs created as a result of direct economic development, or basic jobs, as well as the projected secondary jobs created to support them, or non-basic jobs. This criterion was identified by residents as an important aspect of any community development effort. It was calculated by applying the economic base multiplier effect to the projected change in Macon County's basic job inventory.

Residency

The criterion of residency was defined as anticipated growth of residents in Macon County. It was calculated differently depending on the alternative using either current or projected trends in population growth. Alternative one used population projection methods based on no significant changes in contributing factors. Alternatives two and three projected growth as compared to Alabama counties utilizing similar methods.

Wealth

The criterion of wealth was defined as the anticipated change in per capita income of the community as a result of alternative implementation. It was restricted to residents of the county and therefore linked to the residency criterion. It was calculated by finding average per capita change from model counties and multiplying it the 2014 Macon County per capita income.

Criteria Alternative Matrix (CAM) Unweighted

Criteria	Alternatives			
	Status Quo	Economic Development	Employee Residency	Workforce Development
Cost (in millions of \$)	-\$2.8 ¹	-\$65.2 ²	-\$6.4 ³	-\$3.1 ⁴
Education (in millions of \$)	\$53.1 ⁵	\$71.2 ⁶	\$66.4 ⁷	\$55.8 ⁸
Jobs	260 ⁹	1,850 ¹⁰	627 ¹¹	1,592 ¹²
Residency	-3,003 ¹³	1,953 ¹⁴	4,960 ¹⁵	-138 ¹⁶
Wealth	\$1,915 ¹⁷	\$5,991 ¹⁸	\$2,393 ¹⁹	\$11,724 ²⁰
Total	-777.7	9,800.0	8,040.0	13,230.7

Note: For endnotes see Appendix A. For Calculations see Appendix B.

Criteria Alternative Matrix (CAM Weighted)

Criteria	Alternatives				
	Weight	Status Quo	Economic Development	Employee Residency	Workforce Development
Cost (in millions of \$)	0.4	-\$1.12	-\$26.08	-\$2.56	-\$1.24
Education (in millions of \$)	0.1	\$5.31	\$7.12	\$6.64	\$5.58
Jobs	0.2	52	370	125.4	318.4
Residency	0.1	-300.3	195.3	496	-13.8
Wealth	0.2	\$383	\$1,198	\$479	\$2,345
Total	1.0	138.9	1,744.5	1,104.1	2,653.7

Note: For calculations see Appendix B.

Outcomes

Figures in both the weighted and unweighted CAMs reflect a ten-year time horizon used in calculation. This time period was selected based on Limestone County's ability to raise its per capita income from \$17,782 in 2000 to \$24,007 in 2010 (U.S. Census Bureau). Ten years also provides time for economic and community development investments to mature and begin

providing returns. Cost is treated as a negative criterion since any alternative selection requires minimizing expenditures. Education, jobs, residency, and wealth are considered to be benefits. Criteria weights were as follows: Cost 40%, Education 10%, Jobs 20%, Residency 10%, and Wealth 20%. Weights were selected based on concerns and initiatives expressed by residents in the City of Tuskegee, Alabama; *Comprehensive Plan Update 2011* and from informal interviews conducted with residents in person (www.tuskegealabama.org/).

Workforce development was the winner in both CAMs. This alternative cost nearly as little as status quo, produced the second most number of jobs added, and raised the average per capita income as expressed by wealth the most. Implementing this alternative does limit the projected number of new residents in the county. Although it significantly reduces the amount of population decline over ten years as compared to the status quo, it does not reverse the trend completely. This is a result of the alternative's assumption that all investment is made in workforce development programs and none in community development or amenities which could act as pull factors for non-residents. This alternative also assumes that classroom sizes will be filled to capacity. It also assumes that 21% of attendees are doing so to seek new employment. This is based on findings from the Pew Research Center noting that 21% of surveyed continuing education attendees were doing so for that reason (Horrigan, 2016). The figure on new jobs added as a result of this alternative then assumes that 66% of these students are successful in their subsequent job search. Therefore, community outreach and support for these programs, the cost of which have been included in the cost criterion, must be sustained and persistent or outcomes will not reflect calculations.

Recommendation

Macon County has recognized its stagnate per capita income and declining population over decades. They wish to reverse these trends in such a way that fewer residents are in poverty, grows diversity in the community, and their education system becomes better equipped to succeed in a dynamic economy. For these reasons, my recommendation is that Macon County implement two alternatives: Workforce Development and Employee Residency. First, the workforce development alternative provides the greatest return on the investment of subsidizing classes and teacher salaries. It directly impacts current residents in a way that is near-term and provides greater social mobility. Without community development investments similar to other counties, such as Limestone County, however, it is less able to persuade non-resident Macon County workers to relocate closer to their work. Nor does it complete reverse the trend of population decline.

In order to address this critical concern, I also recommend implementing the employee residency alternative, or its community development aspects at a minimum. This represents additional investments of \$3.6M over ten years if only the community development programs are pursued. The purpose of this additional expenditure is to improve the aesthetics and functionality of critical town infrastructures to attract more residents. Doing so is essential to reversing population decline and will have the secondary effects of encouraging current residents successful in their new jobs to remain in the county instead of leaving to surrounding areas.

Conclusion

Macon County Alabama and its historic City of Tuskegee have long experienced fewer opportunities and steady social and economic downturns. Its residents have seen the results of these trends and are motivated to first stop them, then regain what has been lost in social capital and economic success. The City of Tuskegee's *Comprehensive Master Plan Update 2011* noted these facts, but failed to stem these trends because it focused too much on built environments instead of community development. This policy analysis and its recommendation provides new alternatives for the community to grow in ways not experienced in decades. Implementation of recommendations will result in increased per capita income in the county. This effect will result in improved quality of life for residents through greater financial stability and encouragement of new economic opportunities. Results of implementation depend on a consistent and determined application of investment, but will lead to widespread benefits that support current residents. Monitoring will be necessary to ensure offered education programs are representative of regional industrial needs. Assessments will determine the effectiveness of these programs in the successful acquisition of new jobs. These steps will help Macon County begin to experience the prosperity it is capable of and its residents the opportunities they desire.

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Appendix A

Criteria Alternative Matrix Endnotes

¹ \$2.8M is the sum of the average amount of projected Macon County road construction expenditures between 2016 and 2020 x 10 years (\$2.15M) and the average amount of projected Macon County community development expenditures between the same period x 10 years (\$0.688M). *City of Tuskegee 2016 Capital Improvements Projects* report.

² \$65.2M is the sum of the average amount of Limestone County road construction expenditures for 2016 x 10 years (\$61.6M) and the average amount of Limestone County community development expenditures of the same period x 10 years (\$3.6M). Dept. of Examiners of Public Accounts, “Report on the Limestone County Commission, Limestone County, Alabama, October 1, 2014 through September 30, 2015”.

³ \$6.4M is the sum of the average amount of projected Macon County road construction expenditures between 2016 and 2020 x 10 years (\$2.15M), the average amount of projected Macon County community development expenditures between the same period x 10 years (\$0.688M), and the average amount of Limestone County community development expenditures of the same period x 10 years (\$3.6M). *City of Tuskegee 2016 Capital Improvements Projects* report and Dept. of Examiners of Public Accounts, “Report on the Limestone County Commission, Limestone County, Alabama, October 1, 2014 through September 30, 2015”.

⁴ \$3.1M is the sum of 1) cost of projected Tuskegee University adult education program attendance (assumes an annual attendance of 10% of 2016 commuter residents: 5,651) at the average program rate (\$330) for 10 years, 2) the cost of two ACES agents (average salary \$38,890 each) for 10 years, and 3) the status quo costs of infrastructure development. Tuskegee University Continuing Education website.

http://www.tuskegee.edu/academics/continuing_education.aspx
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⁵ \$53.1M is the 2012 Macon County ad valorem tax distributions to the Board of Education, minus vehicle tax x 10 years. Department of Examiners of Public Accounts; “Report on the Office of Revenue Commission, Macon County, Alabama”.

⁶ \$71.2M is the sum of 2015 Limestone County ad valorem tax distributions to the Board of Education and Macon County Mill rates x 10 years. Department of Examiners of Public Accounts; “Report on the Limestone County Board of Education, Limestone County, Alabama, October 1, 2014 through September 30, 2015” and Department of Examiners of Public Accounts; “Report on the Office of Revenue Commission, Macon County, Alabama”.

⁷ \$66.4M assumes 25% growth in tax paying residents (2,000 such residents). This percentage growth is applied to status quo figure of \$53.1M. Economic Development Partnership of Alabama; “Macon County, 2016 County Profile” and Department of Examiners of Public Accounts; “Report on the Office of Revenue Commission, Macon County, Alabama”.

⁸ \$55.8M assumes a 5% increase in Macon County Status Quo assessed taxes over ten years. Department of Examiners of Public Accounts; “Report on the Office of Revenue Commission, Macon County, Alabama”.

⁹ 260 is the average growth of employment in Macon County from 2010 to 2014 (+26/year) x 10 years. U.S. Census Bureau, www.census.gov

Improving Per Capita Income in Macon County, Alabama
Jay Howell

¹⁰ 1,850 is the Limestone County rate of job growth from 2000 to 2010 (19.7%) applied to Macon County 2014 employment (9,412). U.S. Census Bureau, www.census.gov

¹¹ 627 is the difference between 2014 Winston County employment and 2014 Macon County employment. Employee Residency Alternative projects residency growth of 4,960 over 10 years (see footnote 15) placing total Macon County residency at 26,410. Winston County has the closest number of residents (24,480) of similar sized counties previously discussed (p.5). U.S. Census Bureau, www.census.gov

¹² 1,592 is the projected new jobs (assumed success rate of 66%) of professional education attendees in finding new jobs over ten years. Projected attendance of Tuskegee University and ACES programs is 11,485 over ten years based on average class sizes and recurrence. Pew Research Center identified that 21% of all workers who take part in extra training do so to be competitive for new employment (Horrigan, 2016). This equals 2,412 attendees all Macon County programs over ten years. ACES, <http://www.aces.edu/impact/>; Tuskegee University Continuing Education website, http://www.tuskegee.edu/academics/continuing_education.aspx; Pew Research Center, <http://www.pewinternet.org/2016/03/22/lifelong-learning-and-technology/>

¹³ -3,003 assumes continued population decline of 1.4% annually over ten years. U.S. Census Bureau, www.census.gov

¹⁴ 1,953 is total new workers (jobs, see footnote 10) x .43 residency rate (current residency rate of persons employed in Macon County) multiplied by the average household size of Alabama in 2010 (2.48) which is the most recent year for which that data is available. U.S. Census Bureau, www.census.gov

¹⁵ 4,960 assumes a 25% growth of tax-paying Macon County residents over 10 years (2,000) multiplied by the average household size of Alabama in 2010 (2.48) which is the most recent year for which that data is available. Economic Development Partnership of Alabama; “Macon County, 2016 County Profile” and U.S. Census Bureau, www.census.gov

¹⁶ -138 is Workforce Development jobs added (see footnote 12) multiplied by percentage of status quo jobs added (see footnote 9) to population change (see footnote 13): -8.6%. Assumes that no significant change in efforts to attract new residents is made over 10 years. U.S. Census Bureau, www.census.gov

¹⁷ \$1,915 is the 2014 per capita income of Macon County (\$17,113) multiplied by its average percent change from 2010 to 2014 (+1.1%) x 10 years. U.S. Census Bureau, www.census.gov

¹⁸ \$5,991 is the 2014 per capita income of Macon County (\$17,113) multiplied by Limestone County’s per capita income rate of change from 2000 to 2010 (35.0%). U.S. Census Bureau, www.census.gov

¹⁹ \$2,393 is the 2014 per capita income of Macon County (\$17,113) multiplied by the average percent change of Winston County from 2010 to 2014 (+1.4%) x 10 years. U.S. Census Bureau, www.census.gov

²⁰ \$11,724 is the total number of Workforce Development jobs added (see footnote 12) multiplied by the rate of dollars to jobs from Status Quo result (see footnote 17). U.S. Census Bureau, www.census.gov

Appendix B

Unweighted Ranking:

Status Quo

$$-2.8+53.1+260-3003+1915 = -777.7$$

Economic Development

$$-65.2+71.2+1850+1953+5991 = +9800.0$$

Employee Residency

$$-6.4+66.4+627+4960+2393 = +8040.0$$

Workforce Development

$$-3.1+55.8+1592-138+11724 = +13230.7 \text{ (WINNER)}$$

Weighted Ranking:

Status Quo

$$-2.8(.4)+53.1(.1)+260(.2)-3003(.1)+1915(.2) = +138.9$$

Economic Development

$$-65.2 (.4)+71.2(.1)+1850(.2)+1953(.1)+5991(.2) = +1744.5$$

Employee Residency

$$-6.4 (.4)+66.4(.1)+627(.2)+4960(.1)+2393(.2) = +1104.1$$

Workforce Development

$$-3.1(.4)+55.8(.1)+1592(.2)-138(.1)+11724(.2) = +2653.7 \text{ (WINNER)}$$

EXHIBIT ONLY

Rankings derived from public opinion expressed in the City of Tuskegee 2011 Comprehensive Plan Update, www.tuskegeealabama.org/, and during community leader interviews.

- Cost weighted at 40%
- Education weighted at 10%
- Jobs weighted at 20%
- Residency weighted at 10%
- Wealth weighted at 20%