

MARKET ST

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LIVE GROW WORK

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LIVE GROW WORK

Market Street brings original insights and clarity to the evaluation and revitalization of the places where people live, grow and work. *Market Street* works with all community stakeholders – citizens, educators, leadership and industry – because our holistic, proactive process takes into account all the aspects that shape community life. Through honest and informed assessments, *Market Street* can equip you with the tools to create meaningful change. Our solutions successfully merge your unique vision with your capacity to achieve lasting economic and social change.

TABLE OF CONTENTS

Project Overview	2
Steering Committee	4
Leadership Coalition.....	5
Methodology	7
Montgomery Economic Development Strategy	9
Goal I: Champion Public Education and Build a Competitive Workforce	11
Goal II: Strengthen the Montgomery Regional Economy	26
Goal III: Transform Montgomery’s Image.....	41
Goal IV: Embrace Diversity and Enhance Leadership Capacity	60
Benchmarks and Performance Measures	68
Appendix A: Review of Previous Findings.....	73
Appendix B: Data Sources and Monitoring	82

PROJECT OVERVIEW

The Montgomery Area Chamber of Commerce has engaged *Market Street Services*, a national economic and workforce consulting firm headquartered in Atlanta, Georgia, to develop a new economic development strategy and implementation plan under the Chamber's new economic development initiative, "Imagine a Greater Montgomery". The new initiative is designed to bring a fresh approach to Montgomery's economic development planning process. This effort will strengthen support for economic development in the region and will help build the capacity and cooperation necessary to move the Chamber's economic development program to the next level.

The five stages of the project include the following:

- I. **Economic and Demographic Profile.** Assessed the structure of the Montgomery MSA's economy, the region's economic performance, and changes in the MSA's demographic characteristics. The MSA's trends were compared to the state and the nation.
- II. **Competitive Assessment.** Analyzed a combination of factors that determine a community's competitiveness as a place to live, work, and do business. Competitiveness was evaluated using four key components: education and workforce development, infrastructure, business costs, and quality of life. *Market Street* used local, state, and national data sources to assess the Montgomery MSA's competitiveness and compared it to the following three communities: Chattanooga, Tennessee; Columbus, Georgia; and Jackson, Mississippi.
- III. **Target Business Analysis.** Identified the primary business sectors that have the highest probability of success in the Montgomery MSA. *Market Street* based target sector recommendations on several factors, which include national economic trends, workforce skill levels and capacity, existing clusters, and so forth. The *Target Business Analysis* included quantitative research, such as location quotient and economic base analysis, as well as qualitative research.
- IV. **Economic Development Strategy.** The *Strategy* presents the goals and action steps needed to produce effective results for the Montgomery community. The *Strategy* brings together all parts of the process and provides a blueprint for the future actions of the community.
- V. **Implementation Plan.** *Market Street* will assist the Montgomery area with selecting strategic options, prioritizing implementation actions, assigning roles and responsibilities to key participants, developing a realistic timeframe

for implementation, and reviewing funding priorities and potential funding sources.

This *Economic Development Strategy* is based on the findings from the previous research documents and makes recommendations about the steps that the Montgomery region needs to take to continue its economic success and strengthen its foundations for the future.

STEERING COMMITTEE

The *Economic Development Strategy* process is guided by a Steering Committee, which includes public and private sector representatives from multiple segments of the community, including elected officials, business leaders, higher education institutions, and community development groups. The Steering Committee was established at the beginning of the strategic planning process to provide guidance and leadership to the effort. The Steering Committee's role is to review reports, provide insights and feedback, participate in discussions about the future direction of the Montgomery region, and commit to the successful development of the *Strategy*. Their participation has been invaluable to this process.

The following are the members of the Steering Committee.

Chair

Purser L. "Mac" McLeod, Jr. The Colonial Company

Members

Jake Aronov	Aronov Realty Management, Inc.
Owen Aronov	Aronov Realty Management, Inc.
G. Carlton Barker	Regions Bank
Carl Barranco	Wilson, Price, Barranco, Blakenship & Billingsley
Jere Beasley	Beasley, Allen, Crow, Methvin, Portis & Miles P.C.
David Borden	Aldridge, Borden & Company P.C.
Bobby Bright	City of Montgomery
Scott Brown	The Advertiser Company
Lawrence Cole	Thomas, Means, Gillis & Seay, P.C.
A. Bruce Crawford	Compass Bank
Edward Crowell	VT Miltope
R. Guy Davis	BankTrust
Elton Dean	Montgomery County Commission
Arthur DuCote	AmSouth Bank
G. Blake Earnest	Hager Hinge Company
Steven Flanagan	Alabama Gas Corporation
Nimrod Frazer	Industrial Partners
Robert Gilpin	Kaufman & Rothfeder, P.C.
F. Berry Grant	All Seasons Travel

Richard Hanan	Montgomery Water Works & Sanitary Sewer Board
Don Henderson	Jackson Hospital & Clinic, Inc.
Horace Horn	Alabama Electric Cooperative
W. Daniel Hughes	Summit America
Charles Jinright	Montgomery City Council
Kevin Ketzler	Alfa Insurance Companies
Jerry Kyser	Jerry Kyser Builder, Inc.
Jason Lee	Hyundai Motor Manufacturing of Alabama, LLC
Joe Lee	Alabama State University
John Livings	Wachovia
James Lowder	The Colonial Company
Chester Mallory	Mallory Realty Company, Inc.
Gordon Martin	Alabama Power Company
Cameron Martindale	Troy University
Joel McClinton	McClinton and Company, Inc.
Tommie Miller	Montgomery County Tax Appraisal
Anthony Molina	Trenholm State Technical College
Guin Nance	Auburn University Montgomery
Larry Puckett	Larry Puckett Chevrolet
Carlinda Purcell	Montgomery Public Schools
Tracy Scott	GE Advanced Materials-Plastics
Todd Strange	Montgomery County Commission
George Taylor	Standard/Taylor Industries, Inc.
Percy Thomas	Thomas Construction & Masonry Company, Inc.
Michael Thurman	Dexter Avenue King Memorial Baptist Church
Russell Tyner	Baptist Health
Olan Waldrop	Electronic Data Systems

LEADERSHIP COALITION

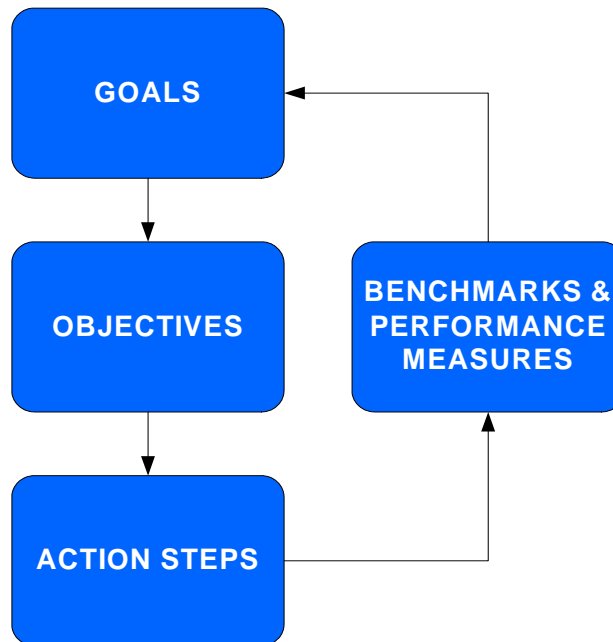
To increase community involvement in the *Strategy* development, multiple Leadership Coalition meetings were held throughout the planning process. Attendees included a broad base of community and business leaders who have a role and a stake in improving the future for Montgomery. Over 200 leaders have been invited to the Coalition meetings, and attendance has averaged nearly 100 at each meeting.

The input and engagement of these key leaders has been a vital component of the *Strategy* development process and will be critical for effective implementation of the *Strategy*.

METHODOLOGY

This *Economic Development Strategy* presents a plan for the Montgomery region’s future, and outlines four primary goals that the community will strive for in its economic development efforts. Each goal includes a set of objectives that represent the key strategies to focus on to attain that goal. Recommended action steps are provided for each objective. Action steps are the specific policies the Montgomery region will need to implement the objectives, and ultimately achieve their goals.

Economic Development Strategy



For this *Strategy* to be successful, the progress of implementation must be monitored to keep the work focused on the most pressing issues and completed in a timely manner. This can be done by regularly collecting and analyzing data pertaining to the benchmarks and performance measures that accompany each goal in this *Economic Development Strategy*. The benchmarks and performance measures will allow the Montgomery area to gauge the impact of individual action steps and assess the overall progress of achieving the goals. Performance measures are the indicators to monitor, and benchmarks are the indicator levels to strive for. For example, a performance measure might be the percent growth in the community’s jobs, and the benchmark would then be to exceed national job growth rates.

Benchmarks and performance measures will enable the Montgomery area to track the progress of strategy elements and determine if additional efforts are needed to reach the community's goals. However, as an Urban Institute report notes, performance measurements do have limitations: they cannot reveal the full extent to which a program caused the measured results; they cannot measure certain non-quantifiable outcomes like an area's "culture of entrepreneurship;" and they do not replace the need for political judgment, good management, creativity, etc., in the decision-making process.¹ However, performance measurements can nevertheless identify trends, and trends can indicate progress, or the lack thereof.

While every attempt was made to ensure that the benchmarks and performance measures included in this document are comprehensive, Montgomery is encouraged to monitor the progress of this *Strategy* to the level of detail they see fit. Additionally, sometimes up-to-date data are not always publicly available. In these instances, Montgomery may have to work with local and regional organizations to collect the necessary data.

Because this plan is a "living" document, it will change and adapt over time to shifting economic, political and social conditions. Key leaders may decide to adjust various parts of the *Strategy*, including benchmarks and performance measures, as appropriate. Monitoring the progress of each strategic component will enable regional decision-makers to determine the effect of policies and programs on overall regional goals, and identify what elements of the *Strategy* need to be expanded, contracted, or altered.

¹ Hatry, Harry P. *Performance Measurement: Getting Results*. Washington, D.C.: The Urban Institute, 1999, p. 3.

MONTGOMERY ECONOMIC DEVELOPMENT STRATEGY

The four main goals and subsequent objectives presented in this *Strategy* are a result of the quantitative and qualitative research findings from the previous deliverables. These goals are holistic, in that they address multiple key issues that affect economic development in Montgomery and the River Region. They are all necessary and interdependent – implementing all four goals is required to achieve quality growth in the short-term and establish a firm foundation for long-term prosperity.

This is not a strategy for the Montgomery Area Chamber; this is a strategy for the Montgomery community. These goals and action steps go far beyond the current capacity of the Montgomery Area Chamber, and the Montgomery Area Chamber cannot be expected to accomplish this *Strategy* on its own. Successful communities have increased their capacity to work on economic and community development issues by building partnerships across both public and private sectors. Effecting positive community change is hard work that can only be achieved by bringing together a broad representation of community constituents who are willing to set political and turf issues aside to work collaboratively towards common goals.

The Montgomery Area Chamber’s role will be different for each objective and even for each action step. The Chamber’s role can include being a convener, supporter, leader, motivator, or facilitator. While the *Implementation Plan* will identify the lead organization for each objective, a number of public and private entities will need to be involved as partners to carry out this *Strategy*.

Goal I: Champion Public Education and Build a Competitive Workforce

- Objective 1:** Succeed in Public Education
- Objective 2:** Enhance Post-Secondary Education Options
- Objective 3:** Develop a More Effective Workforce Development System
- Objective 4:** Increase Support Services for the Workforce

Goal II: Strengthen the Montgomery Regional Economy

- Objective 1:** Grow and Support Entrepreneurial Activity
- Objective 2:** Support the Expansion and Retention of Existing Businesses
- Objective 3:** Refine Recruitment Efforts

Goal III: Transform Montgomery’s Image

- Objective 1: Grow a Stronger Tourism Economy
- Objective 2: Achieve a Vibrant Downtown
- Objective 3: Spur Quality Growth Throughout the City
- Objective 4: Increase Cultural, Recreational, and Entertainment Options
- Objective 5: Make Montgomery a Safer Place
- Objective 6: Address Priority Social Concerns

Goal IV: Embrace Diversity and Enhance Leadership Capacity

- Objective 1: Foster a Culture of Trust and Open Communication
- Objective 2: Develop Leadership Skills and Enhance Civic Capacity
- Objective 3: Achieve Greater Inter-governmental Cooperation

Envision 2020

Started in 1999, Envision 2020 is a community-driven strategic planning effort involving citizens and leaders in Autauga, Elmore, Lowndes, Macon, and Montgomery Counties (referred to as the River Region by Envision 2020). The plan presents a picture of what participants hope for the River Region’s future.

The five main sections of the plan address education, physical planning, community development, social services, and civic participation and cooperation. Recent implementation efforts have focused on creation of the River Region Principals Leadership Academy, education of leaders and the general public about smart growth principles, development of Kid One Transport for non-emergency health care, and plans for a transportation/transit conference in November 2006.

There are overlaps between this *Economic Development Strategy* and the Envision 2020 plan. This *Strategy* is not meant to duplicate the work of Envision 2020; this *Strategy* is different in that it addresses community and economic development issues from the business perspective in Montgomery. The Chamber’s economic development initiative, Imagine a Greater Montgomery, is focused on creating quality economic and community growth in the short term while establishing a firm foundation for long-term prosperity through comprehensive economic development strategies. While the Envision 2020 plan is for the entire River Region, this *Strategy* is for the four-county Montgomery MSA. Parts of the Envision 2020 plan are referenced in this *Strategy* where appropriate. Implementation of the two plans should be a collaborative and complementary effort rather than a competing one.

GOAL I: CHAMPION PUBLIC EDUCATION AND BUILD A COMPETITIVE WORKFORCE

In today's knowledge-based economy, the most competitive local economies will be those with a well-trained workforce. Building a strong workforce requires addressing the education and training needs of existing workers. It is also about preparing America's children, teenagers, and young adults to compete for some of the same jobs that people in China, India, and elsewhere are seeking. In this global economy, the U.S. as well as the Montgomery region will be able to stay ahead only if they invest in education, advanced skills, and innovation.

Finding qualified and skilled workers is now a priority issue for many businesses. According to employment firm Challenger, Gray & Christmas, Inc., 44 percent of human resource executives surveyed in June 2005 said that qualified workers are increasingly hard to find.² In addition, the National Association of Manufacturers released a report in November 2005 highlighting a serious shortage of qualified employees in manufacturing as a threat to America's competitiveness and a critical business issue.

Other recent reports have raised alarms about the impact of labor force and education trends. A report by the National Center for Public Policy and Higher Education from November 2005 raised the issue that if current population trends continue and states do not improve education for all racial and ethnic groups, educational attainment and personal income of Americans will decrease over the next 15 years. In a December 2005 report for CEOs for Cities called "The Young and the Restless in a Knowledge Economy", economist Joseph Cortright wrote that the U.S. is about to experience a "seismic" shift in labor markets. With the aging of the Baby Boomer generation and a plateau in female labor force participation rates and in college graduation rates, Cortright argues that the U.S. is facing a shortage of skilled labor.

Education and workforce development are extremely broad issues that are influenced by federal, state, and local policies. The extent to which diverse segments of a community (public and private sectors) can come together and work on these issues will be a significant determinant in the long-term economic health of the community.

A good workforce development system can be an important part of transitioning the long-term unemployed, sometimes called the "hidden" workforce, into well-paying jobs. The hidden workforce includes persons who have left the workforce but would return for the right opportunity, high school dropouts, workers displaced from low-skill occupations, formerly incarcerated individuals, and persons with disabilities.

² <http://www.inc.com/criticalnews/articles/200506/skilledworker.html>

The *Competitive Assessment* showed that while the Montgomery region has many strengths and assets, there are certain areas of education and workforce development that need improvement. Specifically:

- There is a lack of early education options. The state of Alabama, as a whole, is behind in establishing a widespread pre-K program.
- The Montgomery MSA has below average public school systems. The schools of the MSA consistently fall behind the national and state averages in standardized test scores.
- There are limited two-year degree programs and opportunities in the metro area. While the MSA's four-year colleges and universities are important assets, there needs to be more support for education at the two-year degree level.
- Alabama's workforce development structure is confusing and repetitive; consequently, residents of the MSA are unable to fully access all of the state's workforce resources.

The objectives presented here focus on providing the steps necessary for Montgomery's public schools to succeed, enhancing the region's post-secondary options, developing a more effective workforce development system, and increasing support services for the workforce.

Objective 1: Succeed in Public Education

No factor is more critical to workforce development than the quality of graduates coming from a community's public school system. Good public schools help to develop new generations of productive employees, good citizens, creative entrepreneurs and innovators, and effective leaders in all fields. Public schools are children's primary opportunity to establish a foundation for future success. Deficiencies in a public school system can hold back the economic development efforts of an entire community.

It has been widely documented that pre-kindergarten education is vital for establishing a foundation for success in learning for future years. As discussed in the *Competitive Assessment*, the state of Alabama is behind in establishing a widespread pre-K program. During the 2002-2003 school year, only two percent of four-year olds in Alabama were enrolled in the state pre-K program. The Montgomery County School District does have an instructional program for pre-schoolers. HIPPY (Home Instruction Program for Preschool Youngsters) is a program that parents teach at home with materials provided by the public school system. However, the program does not offer any options for parents who work outside of the home nor does it provide the social interaction with other pre-schoolers that is a vital part of pre-kindergarten education.

In the *Community Input Summary*, 74 percent of the respondents felt the quality of the Montgomery area K-12 public schools is below average or poor, making K-12 public education the lowest rated item in the entire survey. In addition, the site selection consultants surveyed for the *Community Input Summary* did not have a positive image of the MSA's workforce. One consultant likened Montgomery to an island of "white collar" government workers surrounded by low-wage, low-skill labor. Most consultants noted that Montgomery, at the very least, has challenges in terms of its workforce.

The Montgomery MSA's historically low property taxes have limited investment in the area's school systems, and the MSA's per pupil expenditures have consistently been lower than the per pupil expenditures of both Alabama and the nation. The out-migration of residents from Montgomery County into the higher performing school districts of Autauga and Elmore Counties, combined with a high percentage of children in private school (18.6 percent), show a lack of confidence in the Montgomery County School District. In addition, standardized test scores in Montgomery are a major area of concern.

Reading initiatives at the elementary school levels in Montgomery County have achieved significant results, but middle and high schools are still struggling academically. While a number of magnet schools have been successful in Montgomery, there is a need to expand options to generate success at all levels.

Various community programs and foundations, such as Partners in Education (PIE), the United Way's Success by 6, and the Central Alabama Community Foundation (CACF) provide services (such as tutoring and mentoring) and grants to the Montgomery County Schools. However, many view these programs as band-aids that do not directly address the district's problems. In addition, the linkages between secondary and post-secondary institutions are weak, as are the linkages between the education and business sectors.

Objective 1 focuses on the Montgomery County Public School District since the system is the largest school district in the MSA and the district's test scores are consistently below state and national averages. The action steps concentrate on the efforts Montgomery area businesses and community leaders can undertake to help improve Montgomery's schools. The steps are divided into five primary sections: accountability, workforce-oriented curricula, high school reform, institutional and systemic change, and family and community support. The action steps contain both short term strategies to achieve quick and noticeable results and a long term framework for addressing larger institutional and systemic issues.

ACTION STEPS

Accountability (Short Term)

- ✓ Establish an annual report card that evaluates the Montgomery Public School System’s progress and the areas in need of improvement, while showing business and public support for the school system.
 - Such a report card would be prepared by the business and civic community rather than the Montgomery Public School System to ensure the objectiveness of the report.
 - Use the Nashville Area Chamber of Commerce’s annual Community Report Card as a model.³

Workforce-Oriented Curricula (Short Term)

- ✓ Involve businesses in identifying “career ladders” for each target business sector that begin in high school and continue through to two-year or four-year higher education institutions.
 - Clearly identify education requirements and core skills for each position and level within the career ladder.
- ✓ Work with businesses to develop courses and curricula at local high schools to prepare students for jobs in the target sectors.
 - Expand the concept of career academies in the high school system.
 - Use Okaloosa Florida’s CHOICE (Community High Okaloosa Institutes for Career Education) program as a model.⁴
 - Continue to develop internship and apprenticeship opportunities with local businesses, including the Montgomery Area Chamber’s new Youth Apprentice Program.
 - Expand dual enrollment options and establish scholarships to allow students to take collegiate classes related to the target sectors.
 - Give priority to areas of high demand, such as creating a pre-RN track to allow high school juniors and seniors to work towards a nursing degree.
- ✓ Promote career opportunities in the target business sectors, beginning at the middle school level.
 - Involve businesses in educating students, parents, teachers, and school administrators about opportunities in target sectors, required

³The annual *Progress Report on Metro Schools* is led and created by the Citizens Panel for a Community Report Card, a diverse group of concerned citizens convened by the Nashville Chamber. “The Citizens Panel examines various factors related to the performance of the school system, and issues a ‘grade’ for that school year that reflects the needs of the community at large, rather than the agenda of the Nashville Chamber.” The Panel members include business leaders, parents, community leaders, and education experts (who are familiar with but outside of the school system) who gather and analyze performance data, both quantitative and qualitative (interviews with school administration and teachers).
<http://www.nashvillechamber.com/education/reportcard.html>

⁴CHOICE provides high school juniors and seniors with career and college-level training. Participants earn industry certifications and/or college credit. CHOICE is made up of four institutes: the Creative Arts, Aerospace, Information Technology, and Construction Technology Institutes.
<http://www.choiceinstitutes.com/index.html> It should be noted that there are many school systems across the U.S. that have successfully implemented a career academy-type program.

education and skill levels, their respective career ladders, and annual salaries.

- Use web and video conferencing as a technology tool to allow one panel of speakers/business leaders to reach out to multiple schools and classrooms at the same time.
- Create publication materials for parents and students on potential career opportunities in target sectors.
- Beginning in the sixth-grade, provide career counseling and require each student to develop a comprehensive education and career plan.

High School Reform (Short and Long Term)

- ✓ Restructure the high school system to create smaller schools that support career academies or thematic high schools.
- ✓ Develop work-readiness and college-readiness programs.
 - Require every high school student to take a course in basic business skills such as budgeting, time management, and other “soft skills”.
 - Create college and work-ready assessments for high school students so that they get clear and timely information and are able to address critical skill deficiencies while still in high school.
 - Partner with post-secondary institutions to create a clear definition of “college-ready”.
 - Create different evaluations depending on what “track” a student is following, i.e. different tests for two-year versus four-year college tracks.
 - Partner with local businesses to create a basic skills or work-readiness test for high school students that tests a student’s ability to go directly from high school to the workforce.
- ✓ Promote use of the ACCESS (Alabama Connecting Classrooms, Educators, and Students Statewide) initiative, which is a new statewide distance learning initiative that allows schools that do not have advanced level courses or electives to offer interactive, distance-learning labs and internet-delivered courses from schools that offer the courses.
- ✓ Use vacant buildings downtown as opportunities for high school students to obtain renovation and construction skills and to learn about building renovation and the construction business.

Institutional and Systemic Change (Long Term)

- ✓ Support the DeJong facilities recommendations to build modern, high quality learning facilities in Montgomery.
- ✓ Build a network of instructional expertise, including a strong corps of principals and teachers as instructional leaders.
 - Foster networks of teacher leaders at the district and school levels who provide instructional assistance, support, and mentorship to other teachers and leaders.

- Empower teachers and administrators to effectively do their jobs by providing them with support, training, and flexibility.
 - Consider hiring more teaching assistants to provide more classroom help.
- Utilize the Department of Defense and the Department of Education's *Troops to Teachers* program, which transitions military personnel into classrooms, and assist graduates with placement in the Montgomery County School System.
- Identify potential ways that the training expertise of individuals associated with the Maxwell-Gunter Air Force Base can be used to improve instructional quality within the Montgomery County school system.
- ✓ Enlist school staff and administrators as active partners in developing a team-oriented partnership and a culture of commitment to school reform and improvement.
 - Establish clear goals and strategies for achieving them.
 - Consider retaining an education consultant to assist with the implementation of the strategies.
 - Create an incentive program to reward teachers, administrators, and schools for improvements in performance.
- ✓ Create a safe school environment for students, teachers, and school staff, and promote a culture of respect and discipline.
 - Raise the level of the pay-rate of in-school security officers.
 - Create a father/grandfather organization where fathers and grandfathers volunteer their time (once every month or every other month) to patrol school campuses, monitor the hallways, and/or assist with breakfast, lunch, and field day activities.
 - Require community service as a requirement of high school graduation.
- ✓ Establish a "Homework Hotline" and/or "Lesson Line" to give students and/or their parents/guardians the opportunity to contact individual schools (via telephone or internet) after hours to ask questions and get extra help.
- ✓ Implement best practice programs that target at-risk students.
 - Consider using a program like *Project Grad* that helps at-risk students graduate from both high school and college.⁵
 - Target average performing students using programs like *AVID* (Advancement Via Individual Determination) that provides in-school academic support and programs for fifth to 12th grade students that prepares them for college eligibility and success.⁶
 - Investigate using programs like *Project SEED*, which partners with school districts, universities, and corporations in programs that use

⁵ <http://www.projectgrad.org>

⁶ <http://www.avidonline.org>

mathematics to increase the educational options of the school district's urban youth.⁷

- Consider options such as a freshman-only academy or single-sex classes to focus on academics and reduce distractions and discipline problems.

Family and Community Support (Short Term)

- ✓ Involve businesses with developing a program that focuses on mentoring all students at the middle school level.
 - Use programs like Big Brother/Big Sisters, Boys & Girls Club, and Partners in Education as examples and blueprints.
 - Include churches and other community organizations in coordinating these efforts.
 - Partner with teachers in mentoring at-risk kids, or consider collaborating with teaching or social work programs of local universities.
 - Offer training programs for mentors, including regular update sessions or forums on handling specific issues.
 - Include group programs on handling adolescent issues, including peer pressure, self image, and personal responsibility.
- ✓ Expand and continue to support the Chamber's job shadowing program.
- ✓ Support such programs as AIDT's "Industry Day"⁸ and launch the AIDT/Hyundai Apprenticeship Program.
- ✓ Work to further involve parents in their children's education.
 - Hire a family coordinator to act as a liaison between families and schools and to oversee family and community involvement programs.
 - Hold a "Parent Forum on Standards" where teachers and administrators explain school standards in simple and clear language and helps parents understand how they can help improve the academic performance of their children.
 - Consider establishing a framework for family support groups consisting of 10-15 parents who gather to jointly address issues like carpooling, learning disabilities, childcare, and parenting.
 - Target single parents and parents of at-risk students.
 - The support groups should act as a forum for information sharing and parental support, with access to teachers and administrators if needed.
 - Reach out to area churches and other religious organizations for assistance and collaboration in parental involvement and support.
- ✓ Work to change the negative image of Montgomery's public school system.

⁷ <http://www.projectseed.org>

⁸ Where more than 400 middle school students from Elmore and Montgomery Counties explored careers in several fields at the Hyundai training center.

- Better utilize the Montgomery County Public School System's Communication Office as a tool for changing negative perceptions of Montgomery's public schools.
 - Talk about the successes and improvements in Montgomery's schools. Publicize hardworking, caring teachers and student achievement and improvement.
 - Publicize effective programs like the Alabama Reading Initiative (ARI).
- ✓ Investigate spearheading a campaign to gain public support for a referendum to support local funding for education.
 - Consider hiring a public relations firm like Voss and Associates that specializes in creating public relations campaigns for educational institutions.⁹
 - Also seek other local revenue streams that could be used for education initiatives.

Pre-K and Early Childhood Development (Long Term)

- ✓ Advocate for the expansion of the Alabama Pre-Kindergarten Initiative.
- ✓ Investigate innovative ways to fund public pre-kindergarten.
 - Consider advocating that the state legislature create a lottery, like Georgia's, North Carolina's, and Tennessee's, which funds public pre-kindergarten.
 - Investigate California's use of a "sin tax" to fund public pre-kindergarten or other targeted education initiatives.
 - Investigate using general education expenditures like Maine, Nebraska, Oklahoma, and West Virginia, to fund public pre-kindergarten.

⁹ <http://www.vossandassociates.net>

Objective 2: Enhance Post-Secondary Education Options

In today's economy, more occupations require a two-year or four-year degree for employment. Therefore, increasing the number of post-high school degree opportunities in the Montgomery region is a key element for developing the workforce and enhancing the area's attractiveness as a place to do business. However, these efforts will best serve the workforce if they are pursued with a demand-driven approach, i.e. the additional degree opportunities are focused on occupations within existing and recommended business target sectors. The efforts also require the collaboration of higher education institutions, workforce development professionals, economic development professionals, and area businesses.

The region is home to three public four-year institutions: Alabama State University (ASU), Auburn University-Montgomery (AUM), and Troy State University-Montgomery. ASU and AUM are the region's only doctorate awarding institutions. Montgomery County is also the location of Huntingdon College and Faulkner University, two private, religiously-affiliated four-year institutions. Both schools offer bachelor's degrees and pre-professional degrees, while Faulkner University also offers master's degrees.

There are no community colleges within the Montgomery MSA, however there are three community colleges located just outside of the metro area. Trenholm State Technical College is located in Montgomery. However, because Trenholm Tech is not a community college, course credits cannot be transferred from Trenholm Tech to other two and four-year educational institutions without a specially negotiated agreement. Trenholm Tech is currently attempting to remedy the credit transfer problem by applying for accreditation from the Southern Association of Colleges and Schools (SACS). Once accredited, Trenholm Tech will then go before the state board to obtain official community college designation. Trenholm Tech expects to achieve full membership as a community college by December 2007.

Currently, Trenholm Tech offers certificate and associate's degree programs in such fields as education, health care, and computer information systems. Trenholm also provides customized training and services for businesses throughout the region. Montgomery can and should use this opportunity to attract more students to training programs for high-skilled, high-demand jobs in technical areas. It was announced in August 2005 that the Consortium for Alabama Regional Center for Automotive Manufacturing (CARCAM), a group of five community colleges in Alabama, including Trenholm Tech, received federal funding to establish a standardized two-year "Automotive Manufacturing Technology" program.

In the *Community Input Summary*, respondents tended to be more satisfied with the quality and variety of technical colleges and four-year universities in the area, but the absence of community colleges in the metro region is considered a disadvantage for

the MSA. Many comments on higher education referred to the strength of Auburn University, which is outside the Montgomery MSA. Although Montgomery has an Auburn campus, the university's main campus' proximity to the metro area may have impacted survey responses regarding the MSA's educational assets.

ACTION STEPS

- ✓ Align area post-secondary institutions' curricula with the needs of Montgomery's workforce and businesses, particularly in the target sectors.
 - Through the target business sector councils discussed in Goal II, Objective 2, seek business input on designing curricula to provide education for jobs in target sectors.
 - Pay particular attention to areas of high demand, including increasing the number of nursing faculty.
 - Engage higher education institutions in workforce discussions.
 - Develop internships and other apprenticeship programs in collaboration with area target sectors businesses.
- ✓ Strengthen linkages between area colleges and universities and Montgomery's public K-12 schools, via methods described in Goal I, Objective 1.
- ✓ Strengthen university and college outreach programs that emphasize partnerships between post-secondary institutions and the community.
 - Include the Air University at the Maxwell-Gunter Air Force Base in efforts to strengthen outreach programs.
 - Encourage student, staff, and university involvement in various community outreach and community improvement programs such as local homeless shelters, food banks, and national programs like Habitat for Humanity.
 - Consider using the University of Richmond's various community outreach programs as examples of partnerships between post-secondary institutions and communities.
 - Create a web-based information clearinghouse on community service options and opportunities like ConnectRichmond.¹⁰
- ✓ Ensure that the career ladders discussed in Goal I, Objective 1 continue through to two- and four-year higher education institutions.
 - Publicize to students the types of job opportunities available in target sectors and the education and skill levels required.
- ✓ Publicize the important role of a strong technical and community college in workforce and economic development.
 - Promote Trenholm Tech and its programs as providers of high-end technical training and career preparation.
 - Encourage and support Trenholm's pursuit of community college status.

¹⁰ <http://oncampus.richmond.edu/connect/geninfo/aboutus.html>

Objective 3: Develop a More Effective Workforce Development System

Workforce development is a critical component of a target sector program and requires the collaborative efforts of public schools, higher education institutions, workforce development professionals, economic development professionals, and area businesses. As discussed in the *Competitive Assessment*, the Montgomery region lacks a coherent workforce development plan to address training needs, work with businesses and economic developers, and provide support for target sectors. Montgomery should work to ensure that local workforce programs are tailored to the needs of local businesses and the area's workforce.

Other workforce development programs include the Alabama Technology Network (ATN) and Alabama Industrial Development Training (AIDT). ATN, a public/private partnership of the University of Alabama System, Auburn University, the Economic Development Partnership of Alabama, and selected technical colleges, provides hands-on business and technical assistance using experts located at seven centers of excellence and at the University of Alabama, Auburn University, and the University of Alabama in Huntsville.¹¹ ATN works to enhance the competitiveness of companies, strengthen the industrial base, and improve the effectiveness of the workforce through a coordinated network of education, training, and technical assistance providers.

AIDT is an institute of Alabama's Department of Postsecondary Education, established to recruit, assess, and train qualified potential employees based on company criteria for both new and expanding industries at no cost to the individual companies. AIDT is headquartered in Montgomery. Job-specific pre-employment and on-the-job training programs are provided in addition to trainee recruitment and screening, and a full range of customized technical training programs that are free to the employers and to the trainees.

In the *Community Input Summary*, the majority of the survey respondents felt that the quality and availability of workforce programs in the Montgomery MSA are average or good. However, many survey respondents believe the quality of the region's workforce is below average or poor. In addition, Montgomery's low labor force participation rates illustrate the need for programs that target the MSA's "hidden workforce". The "hidden workforce" refers to individuals who have fallen out of the workforce and require more assistance and a variety of support services to find a job and remain employed. Such support services should include programs that teach "soft" and basic skills.

The following action steps provide a number of approaches for the Montgomery area to improve the quality of the region's workforce. By expanding and strengthening

¹¹ The closest Alabama Technology Network Center to the Montgomery MSA is in Selma at Wallace Community College.

current initiatives and providing new programs to meet not only the workforce needs of the target sectors but also the general workforce needs of local businesses, Montgomery can improve perceptions of the local workforce and prepare for jobs in demand.

ACTION STEPS

- ✓ Involve workforce development professionals in workforce-related discussions of the target industry councils discussed in Goal II, Objective 2.
 - Strengthen relationships among the Chamber, workforce development organizations, AIDT, and higher education institutions.
 - Establish a “target specialist” for each of the target sectors who understands the workforce, education, and training needs of that target sector.
- ✓ Coordinate existing programs and develop new training and education programs to help prepare the workforce for employment in the target business sectors.
 - Work to ensure that a whole spectrum of education options from the certificate level to the four-year degree level are available, especially for programs in the target sectors.
 - Develop public/private partnerships and innovative programs for job training and education in the target sectors.
- ✓ Develop career readiness certificates to determine minimum skill levels of workers.
 - Use the career readiness certificate programs of Virginia, Kentucky, North Carolina, Maryland, Tennessee, and West Virginia as examples of best practices.¹²
 - Expand the usage of WorkKeys as an assessment tool.
- ✓ Develop a skills certification system for jobs in the target sectors as a way to assess workers’ skills and abilities in relation to a specific target sector.
 - Use the Manufacturing Skill Standards Council’s certification system as a blueprint.¹³
- ✓ Partner with area hospitals and other health care providers to create a nursing mentoring program to help with retention in the nursing field.
- ✓ Create workforce training and education programs for the Montgomery MSA’s “hidden workforce”.
 - Partner with TANF and local social service, community, and religious organizations to identify Montgomery’s hidden workforce, especially those persons without a high school diploma.
 - Use the U.S. Chamber of Commerce’s “Workforce Readiness Credential” to evaluate the soft skills of the hidden workforce.

¹² Bolin, Barbara. “The Career Readiness Certificate: An Ideas Whose Time Has Come”. *Economic Development America*, Fall 2005.

¹³ Reddy, Leo. “Manufacturing Skills Certification: A New Fast Track for Regional Innovation”. *Economic Development America*, Fall 2005.

- Include local businesses, business representatives, local schools and universities, and other interested parties in the creation of workforce training and education programs for the hidden workforce.
 - Create a training program similar to the programs of Detroit-based Focus: Hope.¹⁴
- Partner with local businesses, community service and faith-based organizations, and other similar organizations to identify what outreach initiatives, support services, and job training programs are needed to better service the hidden workforce.
 - Reduce risks of hiring and training the hard-to-employ by providing workforce services that include skills upgrading for low wage, entry-level workers who are having a hard time advancing from the bottom of the labor market.
- ✓ Advocate for an Alabama Technology Network Center to be located in the Montgomery MSA.
- ✓ Consider negotiating with the state government to allow a Montgomery-specific workforce investment board.¹⁵
 - Build a system that matches the geography of the labor market by changing boundaries of Workforce Investment Area (WIA) service areas or create regional cooperation and plans with other workforce investment boards.

¹⁴ Focus: HOPE is a non-profit, public/private partnership that combines in-house-resources with industry and university expertise to fill a workforce training and education void for some of the most economically distressed areas in Detroit. Their training program consists of First Step, FAST TRACK, Machinist Training Institute, the Center for Advanced Technologies, and the Information Technologies Center. <http://www.focushope.edu/default.htm>

¹⁵ Under the new Workforce Investment Act (WIA) system, cities with more than 200,000 people can create their own workforce investment board.

Objective 4: Increase Support Services for the Workforce

The *Community Input Summary* showed that Montgomery's residents believe there are not enough quality child care programs and public transit options in the region. In addition to workforce training, child care and transportation needs are barriers to entry into the workforce. If a parent cannot find quality child care during his or her hours of employment, that parent cannot go to work. Likewise, if a worker does not have a means of transportation to that worker's place of employment then that worker will be unable to find and keep a job. Developing additional, affordable child care services and public transportation is extremely important in enabling workers to find and retain employment and in helping the long-term unemployed improve their standard of living.

ACTION STEPS

- ✓ Evaluate the potential demand for various types of mass transit and public transportation services.
 - Be inclusive of the needs of multiple segments of the community.
- ✓ Work to establish transit service for key employment locations in the Montgomery MSA.
 - Pursue potential grants and other available funding from the private sector and state and federal governments.
 - Identify key neighborhoods, employment centers, and destinations within the MSA that should be part of the routes.
 - Create a campaign to educate the public about the benefit of public transportation and to dispel commonly-held myths and negative associations regarding public transit.
- ✓ Work to provide quality, affordable, accessible child care for the Montgomery MSA.
 - Assess the state of the MSA's child care services.
 - Develop an action plan to improve the accessibility, affordability, and quality of child care in the Montgomery MSA.
 - Consider developing a quality assessment system for child care providers in the Montgomery MSA using Tennessee's Star-Quality Child Care Program as a best practice.¹⁶
 - Engage in discussions with the region's largest employers about the possibility of providing company-sponsored, on-site child care centers, especially during second-shift periods and weekends.
 - Consider creating public pre-K and other public child care programs in locations accessible to Montgomery's major employers.
 - Create strong after school programs for children whose parents work.

¹⁶ <http://tnstarquality.org/html/star-quality.htm>

- Encourage and provide incentives for religious institutions and other community organizations to provide child care.
- Facilitate communication among interfaith coalitions that work to address community needs such as child care.

GOAL II: STRENGTHEN THE MONTGOMERY REGIONAL ECONOMY

Local economic development practice has had to change with the emergence of the New Economy. No longer can economic developers rely on traditional recruitment activities alone to generate job growth, if they ever really could. Today, successful regions are those that recognize economic development must be approached holistically, addressing all the issues outlined in this *Strategy*. Maintaining a strong regional economy requires a commitment to workforce development, tourism sector growth, and downtown development, as much as it requires a commitment to the three more traditional techniques used to create jobs: 1) small business creation; 2) existing business retention and expansion; and 3) recruitment. This goal focuses on refining the Montgomery region's economic development practices using small business development, retention and expansion, and recruitment. These techniques, when implemented along with recommendations in the other goals of this strategy, will together help strengthen the regional economy.

The Montgomery region's agreed-upon target business sectors – health care, logistics, automotive and transportation equipment manufacturing, and finance and insurance – as well as the opportunity areas in information technology and tourism, should be priorities for the implementation of all elements of this strategy; for example, identifying business opportunities within these targets that can be integrated into downtown development plans. The objectives of this goal reflect that prioritization by providing specific actions for each target. Additionally, each objective provides actions to pursue that apply to a wide variety of potential or existing business activities and to the opportunity areas in information technology and tourism development. Each action listed in this goal is vital to ensuring Montgomery's leaders build a strong, diversified regional economy that can more effectively withstand changes in the local, state, and national economy.

Objective 1: Grow and Support Entrepreneurial Activity

Research has shown that most job growth in the U.S. is derived from small business development and expansion; therefore, creating the support structure necessary to convert a business plan into a successful venture is a critical component of a comprehensive economic development strategy. Small business ownership can help to strengthen the local economy by providing stronger earnings potential for the workforce.

The Montgomery region already has support structures in place to support new business owners and foster an entrepreneurial spirit in the community. The *Competitive Assessment* of this strategy development process analyzed the Montgomery Area Small Business Incubator (or Montgomery Area Center for

Entrepreneurial Development). The Incubator offers space for start-up entrepreneurs at below-market rates, shared resources for tenants (administrative support, copy machines, fax machines, furnishings, conference space, etc), and support services including counseling and assistance accessing non-conventional financing.

The Incubator is also home to organizations that provide support services to area small businesses, including the Montgomery Independent Living Center, Alabama State University's Center for Leadership and Public Policy, Auburn University-Montgomery's Center for Business and Economic Development, Montgomery Area Community Development Corporation (provides loans and equity investments assistance) and the Montgomery area's chapters of SCORE (Service Corps of Retired Executives) and COSBE (Council of Small Business Executives). Additionally, the Incubator's NXLevel Entrepreneurial University is an important resource for training prospective entrepreneurs and small business owners.

The action steps of this objective focus on increasing small business start-up activity and fostering a stronger entrepreneurial spirit in the Montgomery region. Certain action steps are applicable to businesses in any sector, while others are focused on the target business sectors. They also address key initiatives such as minority business development, access to capital, and research-driven small business opportunities. The Montgomery Area Chamber already has staff committed to minority business development, an effort that is predominantly focused on outreach, marketing, and inclusion of minority business owners in all Chamber activities.

ACTION STEPS

General Small Business Development

- ✓ Maintain a commitment to the Montgomery Area Small Business Incubator and comprehensive small business support initiatives.
 - Maintain ongoing relationships with existing partners, and identify new partnership opportunities.
 - Consider new initiatives to fostering entrepreneurship, including a business plan competition in partnership with local university business programs.
- ✓ Aggressively promote widespread participation in the NXLevel Entrepreneurial University, CEO Roundtable networking group, and other opportunities available at the Incubator.
- ✓ Continue to use the Incubator's website to advertise helpful information, resources, and services for prospective and existing small business owners, providing detailed instructions and contact information (including website links) wherever that can help facilitate the process for the user.
 - For example, provide substantive information regarding the City and County business licensure process and links to their websites.

- ✓ Pursue an aggressive public relations and marketing campaign to raise the profile of the Incubator in the community, and increase awareness regarding the potential value of pursuing entrepreneurial dreams.
 - Encourage local print, radio, television, and Internet media outlets to profile successful entrepreneurs; promote small business ownership as a means to economic self-sufficiency and as a vital contributor to the region's economic health; and report on positive improvements in entrepreneurial activity performance measures.
- ✓ Proactively identify new opportunities at the Montgomery area's K-12, two-year, and four-year educational institutions to 1) increase students' understanding of the personal and economic value of pursuing entrepreneurial dreams; and 2) train students in basic small business ownership skills.
 - Incorporate the best practice North Carolina REAL Enterprises entrepreneurship education program into the curriculum of the region's primary, secondary, and post-secondary educational institutions, as possible.¹⁷

Target-Driven Small Business Development

- ✓ Ensure that local small business development staff (i.e., at the Incubator) are trained in the growth requirements and support-services needed in the target sectors, and offer outreach services specific to the needs of small to medium-sized firms in those sectors.
- ✓ Establish proactive initiatives focused on small-business creation in the target sectors, and the additional economic opportunity focus areas of information technology (IT) and tourism development.
 - Aggressively advertise each of the following initiatives and available entrepreneurial support services to organizations, associations, and businesses that would have a large number of professional in the target business sectors.
 - **Health Care:** Work with physicians, nurses, technicians, and staff in the health care field interested in pursuing a small business opportunity.
 - **Logistics:** Help interested individuals become self-employed wholesale brokers or open wholesale distribution businesses, and help individuals with the necessary expertise create IT-based inventory tracking logistics business ventures.
 - **Automotive and Transportation Equipment Manufacturing:** Work with individuals that have identified a new process or product related to automotive and transportation equipment manufacturing that has strong new venture potential.
 - **Finance and Insurance:** Encourage and help professionals interested in starting a new finance services or insurance brokerage or consulting firm.

¹⁷ North Carolina REAL Enterprises. <http://www.ncreal.org>.

- **Information Technology:** Market available entrepreneurship support opportunities to current and former Maxwell-Gunter Air Force Base Operations Sustainment and Systems Group employees potentially interested in starting an IT-related business opportunity. Consider starting a mentor program to pair OSSG-related professionals interested in entrepreneurship with experienced IT entrepreneurs, not necessarily from just the Montgomery area.
- **Tourism and Downtown Development.** Encourage and help individuals interested in opening boutique restaurants and retail stores, art galleries, and similar amenities.
 - Place a particular emphasis, possibly via an incentives program, on encouraging these entrepreneurs to open their business in downtown Montgomery and other historic business districts in the area (i.e., Old Cloverdale).
- ✓ Pursue the possibility of developing tax incentives, discounted services, or favorable loan programs for new business ventures in target business sectors.
- ✓ As a component of the target councils recommended in Objective 2 of this goal, establish networking groups for each of the target business sectors, to provide a forum through which local professionals can identify potential small business opportunities and available support services and funding resources.

Minority-Owned Business Development

- ✓ Establish a comprehensive, supply and demand-driven approach to minority-owned business development, modeled after the Minority Business Accelerator of the Cincinnati USA Regional Chamber.¹⁸
 - Champion the program as one of the priority initiatives of the Montgomery Area Chamber of Commerce.
 - For the demand-side, develop a program focused on encouraging corporations to set measurable goals for use of minority-owned suppliers. Consider contracting with Accel Advisors to help establish the initiative.¹⁹
 - For the supply-side, help minority-owned businesses form joint ventures, navigate acquisitions, launch new businesses, and other action-oriented support services beyond traditional training programs.
- ✓ Continue to host semi-annual focus groups to identify challenges and opportunities regarding minority business development, and make a commitment to address issues raised.
- ✓ Identify and implement opportunities to expand or alter the Chamber's MED Week Conference agenda to achieve its mission of celebrating minority enterprise in the Montgomery area.
 - Foster additional non-minority-owned business involvement in the conference, to strengthen linkages between minority-owned and non-minority-owned businesses.
- ✓ Establish partnerships with majority-minority organizations, for example, majority-minority churches and community service organizations, to help achieve the following:
 - Aggressively advertise all Chamber networking and other events to minority business owners.
 - Target minority business owners for Chamber membership drives.
 - Establish a program in which Incubator staff/small business service providers visit majority-minority organizations to provide entrepreneurship awareness and business ownership education sessions.
- ✓ Maintain an aggressive public relations campaign by working directly with area print, radio, television, and Internet media outlets to obtain positive coverage regarding services and opportunities for minority business owners.
- ✓ Have an ongoing commitment to increasing opportunities and forums for minority-owned and non-minority-owned businesses to strengthen linkages,

¹⁸ Minority Business Accelerator, Cincinnati USA Partnership. http://www.cincinnatiachamber.com/ecodev_b.aspx?id=117&rid=204; May, Lucy. "Driving Change: Minority Business Accelerator has helped close economic gap, but much work remains." *Cincinnati Business Courier*. 24 March 2006.

<http://www.bizjournals.com/cincinnati/stories/2006/03/27/story1.html?page=1>.

¹⁹ Accel Advisors. <http://www.acceladvisors.com>. The Jacksonville, Florida Regional Chamber of Commerce is currently considering contracting with Accel: May, Lucy. "Driving Change: Minority Business Accelerator has helped close economic gap, but much work remains." *Cincinnati Business Courier*. 24 March 2006.

and maintain active, joint involvement in all Chamber activities and operations.

Women-Owned Business Development

- ✓ Make women a target audience for advertising small business development services and networking opportunities at the Incubator.
 - Also, raise awareness regarding potential resources, for example, the U.S. Small Business Administration Contract Assistance for Women Business Owners initiative.²⁰
- ✓ Establish a program in which Incubator staff/small business service providers visit community service organizations that predominantly serve women to provide entrepreneurship awareness and business ownership education sessions.
- ✓ Make women a target audience for Chamber membership drives.
 - Target women's organizations, for example, the Junior League of Montgomery.

Access to Capital

- ✓ Consider the development of additional seed-capital funding streams, such as local bank loans, micro-enterprise grants, and other small business support capital.
- ✓ Connect local small business owners with the wide range of funding sources available at the regional, state and national level.
 - Develop a comprehensive list of regional, state, and national funding sources, with contact and important application information, to be made available online and in print form.
- ✓ Work with local financial institutions to ensure they are utilizing and promoting all available U.S. Small Business Administration loans and other funding programs, particularly to minority and women-owned businesses.

R&D Driven Small Business Development

- ✓ Foster relationships with professors and researchers at Auburn University that have the potential to transition research into a product-driven small business opportunity in the Montgomery area.
 - Particular focus should be given to opportunities related to Montgomery's target business sectors.
 - Invite Auburn professors and researchers to meet with Montgomery area businesses in their fields of study.
 - Sponsor professor and researcher visits to Montgomery, and/or Montgomery business professional visits to Auburn.
 - Encourage Auburn professors and researchers to participate in Chamber networking activities.

²⁰ U.S. Small Business Administration Government Contracting. Contract Assistance for Women Business Owners (CAWBO). <http://www.sba.gov/GC/indexprograms-cawbo.html>.

- ✓ Communicate with potential partners to ascertain the possibility of establishing an automotive manufacturing research center in the Montgomery region, or along the I-85 corridor.
 - Contacts for potential partnerships should include the State of Alabama, Auburn University, Tuskegee University, Hyundai Motor Manufacturing, Kia Motors Corp., Mobis Alabama, Lear Montgomery, as well as other area employers, educational institutions, governments, and organizations that would potentially benefit from an automotive manufacturing research center in the region.

Objective 2: Support the Expansion and Retention of Existing Businesses

Some of a region's greatest assets are the businesses currently operating in the area. These are firms already established in the community, employing local residents, generating sales revenue and income, and enhancing the tax base. Effectively managing and acting on the expansion and workforce needs of these companies should be a primary concern of regional economic developers.

Goal I already addressed workforce development considerations, a vital initiative of a successful business expansion and retention effort. Also, the maintenance and improvement of basic infrastructure needs is necessary for retention, expansion, and recruitment of the targets, as well as other business operations. This objective addresses the primary infrastructure needs of the Montgomery area, including its airport, railways, highways, telecommunications capacity, and water systems.

The Montgomery Area Chamber already has a strong partnership with the Montgomery Airport Authority. The airport is in the midst of a \$40 million expansion that encompasses increased air service, expanded facilities, and an improved façade. A continued focus on maintaining the quality of the airport and number of direct flights will be important for recruiting and retaining corporate and knowledge-based businesses and employees.

The Chamber has also established a business retention and expansion program, which has already resulted in new business leads. The program, begun in the last quarter of 2005, is an important addition to the Chamber's support services. Existing business retention and expansion efforts should be given a level of attention reflective of their vital role in sustaining the Montgomery region's economic health.

The goal of the Chamber's business retention and expansion program is to visit every company in the Montgomery area with more than 25 employees every 18 months. The program's work could be raised to a higher, more productive level with the addition of more staff time committed to setting up, conducting, and following up on interviews and site visits. Currently, two people are committed to the program: a Chamber staff person with additional responsibilities and a part-time independent consultant.

The program has all needed resources for initial operations, including the Synchronist System software for analyzing and reporting company data, and a confidential interview survey form which covers information regarding the company and its primary competitors, R&D investments, assessed possibility of expansion or relocation, suppliers with potential to relocate, exporting sales and primary international markets, upcoming legislation affecting business operations, and technological needs and emerging trends. The survey instrument also includes questions regarding the company's satisfaction with the community's business climate, workforce availability and skill-levels, and local utility and community

services (water, sewer, natural gas, cellular service, Internet access, police, health care, child care, education, public transportation, highways, roads, air service, etc.).

To maintain the highest possible level of effectiveness, the Chamber should periodically review the survey instrument to ensure it is effectively addressing potential business concerns and expansion opportunities. Additionally, while the current interview survey form is very comprehensive, additional questions regarding potential customers, as well as suppliers, and more general solicitations for potential leads would help the Chamber more effectively use the program to support recruitment efforts.

While the Maxwell-Gunter Air Force Base (AFB) survived the Base Realignment and Closure (BRAC) process, the base will continue to face pressure from future changes within the Air Force. Maxwell-Gunter AFB has large economic impacts on the Montgomery area economy and needs to be supported with as much attention as existing businesses are given.

ACTION STEPS

Business Retention and Expansion Program

- ✓ Maintain a well-publicized commitment to the success of the Chamber's business retention and expansion program.
 - Hire one to two professional staff dedicated full-time to identifying and addressing the needs of existing businesses.
 - Continue to develop individualized or Chamber-wide initiatives (as the need for the latter is identified), or connect businesses with other organizations (i.e., Alabama Department of Transportation, Alabama Industrial Development Training, etc.) to address business needs identified in the site visits and interviews.
 - Revise the call-sequencing schedule to prioritize the target business sectors of health care, logistics, automotive and transportation equipment manufacturing, and finance and insurance.
 - Periodically review the survey instrument to ensure it is effectively addressing potential business concerns and expansion opportunities.
 - Make it a priority to feed information obtained during site visits and interviews regarding potential buyer-supplier matches and other identified leads into the Chamber's recruitment work.
 - Garner awareness – internally and externally – regarding the successes of the program via a public relations and marketing effort.
 - Track results of business retention and expansion efforts, including the following data measures: net change in employment at existing companies, additional capital investment, number of businesses contacted, number of resource interventions, and number of recruitment leads generated.

- ✓ Formalize the Chamber's international business development efforts into a comprehensive program to support businesses with the potential to expand their exports.
- ✓ Formalize the Chamber's government procurement assistance efforts into a comprehensive program to help connect businesses with potential opportunities with local, state, and federal government entities.
 - Incorporate minority and women-owned business needs into the program's design.
- ✓ Continue to develop strong relationships with the Maxwell-Gunter Air Force Base and provide community-wide support and recognition of the importance of the base to the region's economy.
 - Seek additional opportunities to expand the operations of the base.

Retention and Expansion of Target Business Sectors

- ✓ Establish councils for each of the target business sectors and opportunity areas, with the mission of serving as forums for identifying existing business needs (from workforce to infrastructure) and new business opportunities (i.e., prospective contacts for strengthening buyer-supplier linkages).
 - Council meetings should include representatives of the Montgomery Area Chamber, public school systems, Alabama State University, Auburn University-Montgomery, Troy State University-Montgomery, and Trenholm State Technical College.
 - Each council should be comprised of both large and small employers within the sector.
 - A new sub-group of the existing Industry Roundtable for Manufacturing could serve as the council for the automotive and transportation equipment manufacturing target.
 - Build on the activities of the Information Technology Committee of the Montgomery Area Chamber to assist with networking, idea exchange, and learning opportunities.
 - Under the umbrella of the Montgomery Area Chamber of Commerce Convention and Visitor Bureau, establish a council of businesses within the tourism sector (arts organizations, tourist attractions, special events organizers, hotels, and restaurants) with a similar mission.

Fulfilling Business Infrastructure Needs

- ✓ Maintain a commitment to improving the quality of Montgomery Regional Airport and increasing the number of destinations with direct flights from the airport.
- ✓ As the need arises, lobby state and federal officials for resources to maintain and improve the condition and capacity of the region's interstates and highways, including I-85 and the Outer Loop.
- ✓ Continue to pursue reasonable site development, particularly for the needs of target business sectors, and ensure information regarding available sites is

up-to-date on regional and state-level economic development websites and site selection information databases.

- ✓ Consider pursuing neighborhood-based wireless initiatives, for downtown Montgomery and other mixed-use areas.
- ✓ Encourage local governments throughout the region to ensure that investments in water and sewer infrastructure are in line with projected growth needs, and fair to existing and new businesses and residents.
- ✓ Host regular regional forums on water and sewer planning to allow local officials to discuss common obstacles and best practices.

Objective 3: Refine Recruitment Efforts

After small business development and existing business retention and expansion, the final approach to job creation is recruitment. Recruitment practices have changed substantially from traditional recruitment of manufacturing industries. Today, recruitment should be limited to opportunities within previously agreed upon target business sectors, or worthwhile, reasonable opportunities that present themselves outside of the targets. No prospect should be pursued that does not promise to provide stable, high-paying, quality jobs.

The Montgomery region should prioritize its recruitment efforts on opportunities within the identified target business sectors: health care, logistics, automotive and transportation equipment manufacturing, and finance and insurance. While some recruitment activities outlined in the following action steps are applicable to each of these targets, most activities will require a different response depending on the nature of the target sector and the promising recruitment prospects within each of them. Thus, the action steps are split into two categories: Action Steps Applicable to All Targets, and Action Steps Applicable to Specific Targets. The latter includes recommendations for developing the information technology sector as a long term opportunity area.

ACTION STEPS

For All Targets

- ✓ Pursue a branding and marketing strategy development process for the Montgomery area's economic development work.
 - The brand and core message should be consistent with existing positive perceptions, redirect existing negative perceptions, and reflect Montgomery's core competitive advantages.
 - Redevelop design and content of website and collateral materials to reflect the new brand and core message.
- ✓ Focus recruitment and related marketing efforts on the existing sector strengths of the four targets, and complementary business sector categories.
- ✓ In recruitment work, focus on creating buyer-supplier linkages by identifying opportunities via direct communications with existing firms, using the expanded business retention and expansion program.²¹
- ✓ Formalize existing efforts to build personal relationships with existing businesses to help recruit prospective businesses.
 - Enlist volunteers for an official Ambassadors group, complete with training for volunteers to ensure they understand how they can be most beneficial to the recruitment process.

²¹ Note: this is the only appropriate approach for the automotive and transportation equipment manufacturing target, as the Montgomery area cannot reasonably expect to attract another large automobile assembly manufacturing facility.

- ✓ Ensure that marketing materials, industry-specific trade show visits, and other efforts effectively identify the targets as local priorities.
- ✓ Strive to continue to provide current data and information on the economic dynamics of the Montgomery area to prospective companies and site selection professionals.
 - Focus on the preferred sources and formats of community information the site selection respondents identified in the interviews of this strategy development process.²²
 - Focus on providing the data that site selection respondents identified to be most useful.²³
- ✓ Work with local and state elected officials to ensure that incentives monies and programs are available for qualified target businesses, and competitive with other areas.
- ✓ Develop a process to determine the criteria and format in which local incentives should be provided to attract retail or commercial businesses throughout Montgomery.
 - Educate local officials on how incentives can be an effective tool for redeveloping blighted and older corridors, revitalizing downtown areas, and directing development to desired areas. Identify best practices and policies from other communities that have used incentives as tools for development.
 - Consider establishing objective criteria that will determine whether businesses meet specified thresholds to merit investment.
 - Possible decision factors could include job creation and wages, effect on tax revenues and per capita income, potential for attraction of related businesses or additional residents, and amount of business investment.
 - A fiscal impact model such as the LOCI model created by the Georgia Institute of Technology's Economic Development Institute can help local governments determine the effect of commercial and retail development and can be used as a tool to determine whether incentives would be prudent.²⁴
 - Hire professional staff who are dedicated to working with commercial developers to attract development to the Montgomery area.

²² The sources were, in order of importance: state/local economic development organizations, internal databases, economic development websites, federal government sources, and chambers of commerce. The formats were, in order of importance: electronic, community databases, letters, email, and website.

²³ Those were, in order of importance: local and state incentives, cost of doing business, workforce information, available buildings and sites, quality of life amenities, and demographics. Also, specifically related to workforce, the following were identified as the most important information, in order of importance: quantify available skill sets by target industry, wage/salary/benefits information, major employers, recent closures/downsizing/expansions, list of annual graduates from area institutions, union activity, employment opportunities, available training resources, radial mapping around sites, and employment by county by occupation.

²⁴ <http://innovate.gatech.edu/Default.aspx?tabid=1694#loci>

For Specific Targets

- ✓ **Health Care:** Identify potential health care suppliers, service providers, and partners of existing businesses that would help fulfill regional needs, and consider approaches to attract them to the Montgomery area.
 - For example, specialty care centers, transitional residential services for older adults, and medical supplies and equipment wholesalers and manufacturers.
- ✓ **Health Care:** Actively recruit doctors and medical practices to the area.
 - Focus on doctors in areas of other states that have a poorer quality of life, higher costs, and a more punitive legal climate for medical practitioners.
- ✓ **Logistics:** Actively recruit logistics firms that would serve existing Montgomery area businesses currently without sufficient distribution services to support growth.
 - These efforts should focus on businesses in the other targets. For example, identify potential partnerships and opportunities for vertical integration of existing firms in health care and automotive and transportation equipment manufacturing.
- ✓ **Logistics:** Actively recruit logistics firms specializing in IT-based tracking systems.
- ✓ **Automotive and Transportation Equipment Manufacturing:** Actively recruit automotive and aerospace parts manufacturers, suppliers, and other potential partners of existing businesses, including Hyundai, Mobis Alabama, Lear Montgomery, GKN Aerospace Services, Kelly Aerospace, and others in automotive and transportation equipment manufacturing.
 - Focus on companies that are technology intensive, pay high wages, and require a highly skilled workforce.
- ✓ **Finance and Insurance:** Actively recruit specific finance and insurance companies to the area.
 - Focus on firms in existing sub-sector strengths and complementary industry categories, which would pay high wages and require a skilled workforce.
 - Effectively market the Montgomery area to these firms as a low-cost location with a high quality of life.
 - Partner with existing finance and insurance firms to develop an approach to attracting knowledge workers to the Montgomery area, as well as to help introduce recruits to the area and answer relocation questions.
 - Use career services offices and alumni networks of colleges and universities throughout the Southeastern United States to recruit knowledge workers to the Montgomery area.
- ✓ **Information Technology:** Develop a specific, focused approach to recruitment of information technology businesses.
 - Identify and consider pursuing IT departments of corporations with an existing presence in the Montgomery area.

- Identify and consider pursuing IT firms that provide products and services specific to the target sectors (health care, logistics, finance and insurance, and automotive and transportation equipment manufacturing). For example, determine what types of technology Hyundai uses or needs, and whether those IT firms would consider relocating to the Montgomery region.
- To assist with marketing and focused recruitment, conduct additional research to quantify specific skill sets of those in IT services in the Montgomery area.

GOAL III: TRANSFORM MONTGOMERY'S IMAGE

Montgomery has a rich history and the potential for a stronger future. The region should build on its strong economic growth to create a Montgomery that other cities strive to be. Montgomery has the capability to improve internal and external perceptions of itself, and in the process, transform its image into one that residents and businesses are proud to represent. This goal addresses multiple aspects that affect the way residents, businesses, and visitors view the Montgomery region.

Objective 1 focuses on strengthening Montgomery's tourism efforts as a key driver for economic growth. In marketing what the Montgomery region has to offer, the region has the opportunity to make a positive impression on potential visitors and residents, and change any pre-existing misconceptions.

A vibrant downtown is an essential component of economic development, and it represents the heart and soul of a community. Objective 2 addresses downtown and Riverwalk development in Montgomery, through multiple initiatives that include implementation of the master plan, establishment of criteria for local incentives for retail and commercial development, and creation of a downtown Ambassador program.

While downtown Montgomery is important, quality development of the rest of the Montgomery area cannot be neglected. Objective 3 aims to spur quality growth throughout the city, by focusing on developments and improvements along key corridors, supporting neighborhood development and historic preservation efforts, and creating land-use and zoning plans to encourage mixed-use development.

Objective 4 addresses the need to continue development of cultural, recreational, and entertainment options that can serve both residents and visitors. Action steps include better promoting the region's assets to its residents, capitalizing on the Alabama River as a recreational amenity, and considering development of a greenway system.

Both the reality and perception of crime affect the image of a community. Objective 5 provides recommendations to address public safety issues through youth development programs, neighborhood crime prevention programs, building neighborhood connections, and publicizing public safety improvements.

Objective 6 addresses certain social issues that negatively affect the Montgomery community. Issues such as teenage pregnancy, poverty, and access to health care are difficult to tackle, but the region cannot afford to ignore these issues. They can undermine the economic and social health and capacity of a community over the long term.

The Montgomery area has the potential to be an attractive community whose strengths reach beyond aesthetics to a strong community core. Achieving the six objectives under Goal III will mean that Montgomery has made great strides in transforming its image into one that people from both inside and outside the community view positively.

Objective 1: Grow a Stronger Tourism Economy

A vibrant tourism economy can become an important economic engine for a region, and provide the additional benefit of establishing a reputation for the community as an attractive place to visit or live. Thus, a dedicated tourism development effort supports job and revenue growth (measured in payroll and tax receipts), the region's targeted business recruitment and retention initiatives, and its workforce. Tourism development should be given equal importance to Montgomery's economic future as its target business sector development efforts, but must be approached differently because of the nature of the industry.

Montgomery's leaders have already recognized this reality with the pursuit of the tourism development and marketing strategy conducted by Randall Travel Marketing, Inc. The January 2006 strategy found that the Montgomery Area Chamber of Commerce Convention and Visitors Bureau (CVB) has already made significant improvements, and can now focus its efforts on remaining opportunities. The improvements include effective use of the positioning statement, and increased tourism revenues and lodging tax collections in recent years. The work to implement the Downtown Riverfront Plan, new Southern Poverty Law Center Civil Rights Museum, new Children's Museum of Alabama, new Rosa Parks Library & Museum Children's Wing, and other initiatives each help enhance Montgomery's tourism product offerings. The Civil Rights Museum is an important asset as Montgomery focuses on growing Civil Rights-related tourism activity.

By supporting the implementation of the Randall Travel Marketing strategy, and a few additional opportunities *Market Street* has identified in its research, this objective addresses actions to further advance Montgomery's tourism development work. In order to leverage Montgomery's place in American history and status as a capital city, one product development opportunity is to create a high-profile museum of Alabama state history that can draw visitors from throughout the southeastern United States. Numerous states have already achieved this, and Montgomery and the State of Alabama leaders should begin the process by assessing potential demand for this opportunity area.²⁵

²⁵ Examples of other state history museums include the following ones accredited by the American Association of Museums: Colorado History Museum, Museum of Florida History, Kansas Museum of History, Missouri History Museum, Museum of Nebraska History, Museum of New Hampshire History, North Carolina Museum of History, and Museum of Rhode Island History.

ACTION STEPS

- ✓ Commit to the timely implementation of the tourism development and marketing strategy conducted by Randall Travel Marketing.
- ✓ Focus on the primary concerns outlined in that strategy, including the following *Market Street* has also found to be priority concerns:
 - Develop gateways on Interstates 65 and 85, signage, and wayfinding programs.
 - In the Interstate gateway design, leverage Montgomery’s state capital status.
 - Renovate the downtown visitor center, and incorporate intermodal heritage exhibits into the layout of the facility.
 - To raise the profile of the Alabama River, and address survey respondents’ desired new tourism products, consider incorporating a small Alabama River aquatic life aquarium into the facility.
 - “Freshen” content and design of all materials, websites, and tracking mechanisms for advertising, marketing, and public relations efforts.
 - Update the video and other materials of the Visitor Center and Lightning Route Trolleys. The trolleys will serve as an important part of the tourism infrastructure needed to support the new convention center and hotel. They must be a priority and meet the needs of visitors.
 - Consider staffing the trolleys with volunteer tour guides to provide information and answer questions.
 - Maintain a commitment to strong partnerships between the CVB and area attractions, lodging amenities, restaurants, and special events organizers to ensure a mutually beneficial approach to product development and marketing efforts to increase number and duration of visits to the area.
 - Advocate for the CVB to receive 50% of the total occupancy tax collections, to enhance marketing capacity, increase product development potential, and expand the CVB staff by at least two (a new Deputy Director position and an additional convention and meeting sales staff person) to fully market the new convention center and seek additional opportunities with large events.
 - Focus on product development opportunities, as reported by survey respondents:
 - Commit to the aggressive pursuit of downtown riverfront revitalization, addressed in Objective 2: Achieve a Vibrant Downtown.
 - Identify entrepreneurs potentially interested in establishing a riverboat dinner cruise operation and historic walking tour service, and help them establish and market their business.

- Study best practice large-scale festivals, and develop one for the Montgomery area, reflective of the area’s heritage and assets.
 - Best practice examples include the Enchanted Maize by See Rock City in Tennessee, and the Flowertown Festival in South Carolina.²⁶
- Develop a comprehensive program at the CVB for initial and ongoing motivational and educational training for “front line” hotel, restaurant, and tourist attractions personnel.
- Commit to an ongoing evaluation of tourist activity and levels of satisfaction to identify areas of concern and new opportunities to be pursued.
- ✓ Continue to develop a regional approach to tourism development.
 - Build stronger relationships across the region within the tourism industry.
 - Develop regional marketing materials that are distributed in multiple counties.
 - Over time, seek the financial support of the region’s counties in for regional marketing efforts through the Montgomery CVB.
- ✓ Transform the existing assets and strengths of the museum at the Alabama Department of Archives and History into a high-profile museum of Alabama state history that can draw visitors from throughout the southeastern United States.
 - Assess potential demand levels for the museum.
 - Garner public and private support for the initiative, for example, from the Retirement Systems of Alabama and other statewide public, private, and non-profit organizations.
 - Identify potential sites for the museum, ideally in a high tourist traffic area of the revitalized downtown riverfront neighborhood.
 - Develop a range of exhibits to cover all periods of Alabama history, particularly civil war and civil rights, and include exhibits that appeal to both children and adults.

²⁶ These were the Southeast Tourism Society’s 2005 Shining Example Award Winners in the category of Festival of the Year: http://www.southeasttourism.org/awards_2005.HTML. Enchanted Maize by Rock City: <http://www.enchantedmaze.com>. Flowertown Festival: <http://www.summervilleymca.org/flowertown/index.html>. Additional best practice examples are listed in the Southeast Tourism Society’s quarterly “Top 20 Events” list: http://www.southeasttourism.org/top_20_events.html. In 2001, Montgomery’s Alabama National Fair was on the Top 20 Events list.

Objective 2: Achieve a Vibrant Downtown

A downtown area is the heart and soul of a community – it can embody the overall characteristics of a city. Downtowns leave a lasting impression on the minds of visitors, whether they come for business, leisure, or other reasons. Downtowns also reflect the pride of a city’s residents; neglect and poor planning can leave long-term scars. A thriving downtown requires a public and private commitment to developing a dynamic area for residents, visitors, and businesses.

In 2001, the City of Montgomery adopted a master plan for the Riverfront and downtown. The vision was to develop a scenic riverfront walkway and revitalized downtown area. Civic improvement projects were divided into three phases over a 20-year period. The projects in Phase 1 have for the most part either been completed or are underway. The baseball stadium, amphitheater, and walkway from Coosa Street to the amphitheater have been built. Projects under development include an intermodal facility (parking deck and bus transfer station), the Coosa Street parking deck, and the convention center.

The Riverfront Development Foundation was formed to oversee implementation of the master plan. With a staff of just one, the Foundation has helped to attract \$150 million in private investment in Downtown since 2001. In 2004, the City adopted a tax increment financing (TIF) district, which covers the downtown area and raised \$16 million to pay for two parking decks and a pedestrian walkway/alleyway that leads to the convention center.

The Foundation is working on a market study to determine the factors that would make developing condominiums on top of the Coosa Street parking deck feasible. The Foundation is also looking into the possibility of affordable housing for artists to take an arts-based approach to downtown revitalization. Recently, the Foundation submitted an application for \$150 million in New Market Tax Credits from the federal government. The funds would go toward redevelopment of the East Bank area and redevelopment of the old judicial building on Dexter Avenue in downtown. The bulk of the New Markets Tax Credit program funds are going towards Hurricane Katrina rebuilding efforts, and the Foundation does not expect a response on its application until May.

Despite the investments in downtown Montgomery so far, the implementation of the master plan is facing some significant challenges in moving forward:

- The construction of a few loft apartments in downtown Montgomery has not been enough to generate a critical mass of residents that can attract retail businesses.
- Dexter Avenue is one of the most important streets in Montgomery, but one area in particular has a number of vacant buildings that make it difficult for the street to reach its full potential.

- The City lacks a structure for deciding whether retail projects, commercial development, and other private development in downtown should qualify for incentives.
- There is a perception of a public safety problem in the downtown area in the evenings.
- There needs to be more commitment, cooperation, and coordination on the part of local leaders and elected officials to make downtown revitalization a necessity and a reality.
- Montgomery County is considering a \$48 million expansion of its jail (Detention Facility) downtown, across the street from its current location, resulting in a facility with three times the capacity of the current one.²⁷ A large jail downtown would have a serious impact on the City's perception of public safety and its ability to attract new residents downtown.

At this point, success in downtown Montgomery is still a question mark. Addressing the identified challenges will help remove the major roadblocks to downtown development. However, City and County leaders, both public and private, should recognize that a vibrant downtown requires a long-term and consistent commitment to attracting a mix of businesses, residents, and visitors. The City is considering contracting with a firm to develop another master plan and Smart Code plan for downtown Montgomery. The City should work to ensure that this plan builds on the elements of the previous one and does not send a message of inconsistency and lack of commitment.

ACTION STEPS

- ✓ Support and implement the master plan for the Riverwalk and downtown.
 - Use the master plan as a basis to develop a land-use plan, urban design guidelines, and zoning codes.
 - Send a clear message to the private sector that the City is committed to implementing the master plan, and that developers can use the plan to make their investment decisions.
- ✓ Develop stronger champions for the downtown effort and improve communication and cooperation on downtown and Riverfront initiatives.
 - Secure public commitment from the entities that must work together to achieve the master plan.
 - Identify ways to improve communication and reduce duplicative efforts.
 - Agree to keep the end goal in mind and to work collaboratively to get there.
 - Increase support and staffing dedicated to downtown development.
 - Identify a single entity such as the Chamber to coordinate and lead the effort if necessary.

²⁷ Source: Kitchen, Sebastian. "County could triple jail capacity." *Montgomery Advertiser*. July 17, 2005.

- Engage County and State leaders in the redevelopment process to get their support and buy-in.
- Work with the Retirement Systems of Alabama (RSA) to determine their development plans in downtown and how their development efforts can help support the revitalization of downtown.
- ✓ As discussed in Goal II, Objective 3, develop a framework to determine the criteria and format in which local incentives should be provided to attract retail or commercial businesses.
 - Tailor incentives to meet downtown Montgomery’s special needs.
- ✓ Create a downtown Ambassador program, with uniformed, professional trained staff stationed in key downtown areas to provide directions and improve public safety perceptions.
 - Use as a guide Atlanta’s Ambassador program, which was funded and run by the downtown business improvement district, Central Atlanta Progress.
 - Ensure that the Ambassadors are visible in the evenings and have direct contact with the police if necessary.
- ✓ Identify creative ways to make public institutions and university facilities anchors of activity in downtown.
 - Invite Troy University and Alabama State University to be a prominent part of downtown redevelopment, by locating student housing and academic or community outreach facilities downtown.
 - Identify opportunities for dual use facilities, such as the collocation of the new location for the Montgomery County library and the Alabama State University library.
- ✓ Seek winter use of the baseball stadium to bring year-round foot traffic downtown.
 - Consider holding youth baseball training camps and collegiate baseball tournaments at the stadium.
 - Other potential functions include corporate events, other sporting events (i.e. rugby, flag football, boxing, motorbike races, rodeos, etc.), vintage car shows, boat or RV shows, evangelical speakers, and “upscale” flea markets.
- ✓ Create a business improvement district (BID) for the downtown area to focus on downtown businesses.
 - The entity’s responsibilities would include marketing, streetscape improvements, public safety (Ambassador program), capital improvements, and sanitation (street sweeping).
 - Seek public and private investment in the BID.
 - Use examples of the many other cities that have successfully used BIDs for downtown development to help sell the idea to local businesses.
- ✓ Consider split-rate taxation of properties to encourage the redevelopment of vacant buildings and land.

- Split-rate property taxation divides taxation into two parts: one for land, and another for improvements on the property. Land is taxed at a higher rate than buildings, to encourage improvements and renovations and to discourage land speculation.²⁸
- ✓ Support prudent use of eminent domain as a last resort for blighted, vacant property downtown.
- ✓ Support affordable housing for artists downtown.
 - Provide an incentive for developers to build artist housing, such as density bonuses or parking.
 - Encourage developers to include gallery space and workshops for specific functions (i.e. woodworking, darkroom, and ceramics kiln).²⁹
 - Help connect property owners with artists seeking studio space via a city website, as has been done in Providence, Rhode Island.³⁰
- ✓ Commission local artists and art students to create public art.
 - Hold contests and provide awards for top artists.

²⁸ Split-rate taxation has been successful in a number of communities in Pennsylvania, including Harrisburg and Pittsburgh. Harrisburg has been able to attract high-rise construction and many property owners pay less taxes under the split-rate tax system than they would under a single rate system. <http://www.brookings.edu/es/urban/publications/leighvacant.pdf>

²⁹ Racine, Wisconsin was able to attract a developer to build the Mitchell Wagon Factory Lofts, a 100-unit, \$15 million complex that includes gallery spaces, a woodworking shop, a photography darkroom and a ceramics kiln. Rents range from \$575 to \$1,210 per month, and tenants cannot earn more than 60 percent of the area's median income to qualify for the affordable housing units. There is now a waiting list for the units.

³⁰ The City's Department of Art, Culture, and Tourism provides listings of available studio or live/work space for artists. <http://www.providenceri.com/ArtCultureTourism/studios.html>

Objective 3: Spur Quality Growth Throughout the City

As the center of the regional economy, and the community with the most name-recognition, it is important that the City of Montgomery maintain a vibrant economy with interesting neighborhoods, and ample quality housing, retail/commercial, and office development. While Downtown Montgomery should be considered a priority neighborhood revitalization effort, the entirety of the City of Montgomery needs to be maintained as a vibrant center of activity for the region. This objective focuses on achieving that by addressing aesthetic, infrastructure, and land use planning considerations that can help foster vibrant, attractive areas for residents, visitors, business owners and their employees.

The City of Montgomery has not updated its comprehensive land use plan since 1981. While neighborhood and corridor-based initiatives have been pursued, the City would benefit from having an updated, clear land use plan for the entire City, to help strengthen connections between neighborhoods and key corridors, and publicly establish land use goals for the community's future development.

The City has proactively created frameworks for supporting innovative, mixed-used development by establishing a mixed-use zoning designation and allowing for Planned Unit Development (PUD) zoning. The City has adopted a Smart Code as an overlay district to encourage more mixed-use developments throughout the city.³¹ Encouraging the application of "smart growth" principals is an important practice for Montgomery's future, because the mixed-use, pedestrian-oriented destination-status environments they create are considered by many to be more vibrant, attractive communities to live, work, and visit. Thus, implementing "smart growth" principals can help achieve the goals of the tourism development, knowledge worker recruitment, business recruitment, and even the business retention initiatives of this strategy.

A key focus of the City of Montgomery's infill and redevelopment efforts should be preservation of historic buildings. One of the City's most defining characteristics and source of existing brand recognition is its place in history from the Civil War to the Civil Rights Era. Thus, it is vital that the City preserve its historic buildings that are representative of those and other eras, so that it might continue to offer a physical environment reflective of its existing brand. This will require infill development consistent with the character of existing buildings, and adaptive reuse of historic buildings, all while maintaining the historic integrity of individual buildings and entire neighborhoods. Historic buildings provide a distinct, authentic character for a neighborhood, which helps achieve the destination-status necessary to lure residents, businesses, and visitors to an area.

³¹ Montgomery's Smart Code was based on the template established by Duany Plater-Zyberk & Company, a firm that has a nationally recognized reputation for implementing best-practice mixed-used developments. Their most well-known work is the town of Seaside, Florida. <http://www.dpz.com>.

The City of Montgomery is currently updating its historic preservation guidelines in order to reflect today's understanding of appropriate preservation techniques, and to qualify for Certified Local Government (CLG) status with the National Park Service. CLG status gives a local government access to a wider range of grants to preserve and rehabilitate historic properties. Montgomery is modeling its guidelines based on the Norfolk, Virginia Pattern Book, which represents best practices in historic preservation work.

The organization that currently exists in Montgomery to fill the role of neighborhood development work is BONDS (Building Our Neighborhoods for Development and Success), a non-profit organization that administers grants, provides networking opportunities, and offers technical support to neighborhood associations and other community organizations in the Montgomery area. Grants are provided to qualifying applicants for signage improvements, gateway projects, landscaping work, and similar initiatives to improve the aesthetic appeal of Montgomery's neighborhoods. BONDS is primarily funded by the city and county, but also the private sector. BONDS also partners with the Montgomery Clean City Commission (the local affiliate of Keep America Beautiful) in community clean-up days and other initiatives of the Commission.

ACTION STEPS

Planning, Zoning, Corridor and Neighborhood Development, and Historic Preservation

- ✓ Advocate for the City continuing its pursuit of updated historic preservation guidelines and Certified Local Government status for the City of Montgomery.
- ✓ Utilize the Alabama Trust for Historic Preservation as a resource and partner for all relevant initiatives.
- ✓ Obtain professional services to update the entire comprehensive land use plan and zoning ordinance for the City of Montgomery.
 - Incorporate best practices of mixed use development into the plan and ordinance; i.e., include designations for areas best situated for infill development and use of the Smart Code overlay district.
 - In the comprehensive plan, establish clear designations and guidelines for historic properties and neighborhoods with a large number of historic buildings.
- ✓ Consider establishing a Rehabilitation Sub Code, modeled after the best practice established by the State of New Jersey,³² and a Guide to Historic

³² New Jersey's Rehabilitation Sub Code. <http://www.state.nj.us/dca/codes/rehab>;
National Trust for Historic Preservation. *Rebuilding Community: A Best Practices Toolkit for historic Preservation and Redevelopment*. 2002.
http://www.nationaltrust.org/issues/housing/Rebuilding_Community.pdf.

Housing Rehabilitation, modeled after the best practice established by Pioneer Valley, Massachusetts.³³

- ✓ Aggressively advertise the use of the Smart Code overlay district to potential developers.
 - Host a smart-growth forum for community leaders and developers featuring a diverse pool of nationally recognized speakers.
 - Emphasize historic preservation and adaptive reuse of historic buildings in the forum’s agenda.
- ✓ Consider providing more aggressive incentives for use of the Smart Code overlay district than those currently listed in the code.³⁴
- ✓ Continue focusing on development of key corridors in the City of Montgomery.
 - As discussed in Goal II, Objective 3, develop a framework to determine the criteria and format in which local incentives should be provided to attract development or redevelopment of key corridors in Montgomery.
- ✓ Facilitate collaborative work between the City of Montgomery, Montgomery Metropolitan Planning Organization, Central Alabama Regional Planning and Development Commission, Alabama Department of Transportation and other relevant government entities on transportation decisions that can impact land use patterns in the city and the region.
- ✓ Advocate for sustainable land-use planning and zoning principles in other areas of the region by encouraging other chamber of commerce staff and city and county elected officials to adhere to smart growth standards of development.

Addressing Abandoned, Vacant, and Dilapidated Buildings and the Aesthetic Environment

- ✓ Continue to publicize the Montgomery Home Rehabilitation Program to neighborhood-based organizations, and increase available resources for the program.
- ✓ Establish a land trust non-profit organization to be responsible for acquiring, rehabilitating, and making properties in distressed areas of the City available for affordable homeownership opportunities.
 - Model the land trust after the best practice Community Land Trust (CLT) concept of the Institute for Community Economics.³⁵
 - As permissible and necessary, empower the land trust with the power of eminent domain.

³³ Pioneer Valley Planning Commission. <http://www.pvpc.org>;
 National Trust for Historic Preservation. *Rebuilding Community: A Best Practices Toolkit for historic Preservation and Redevelopment*. 2002.

http://www.nationaltrust.org/issues/housing/Rebuilding_Community.pdf.

³⁴ Currently, the Smart Code outlines the following incentives: a.) applications in full compliance will be processed administratively; b.) application processing will be expedited; and c.) traffic impact report shall be waived.

³⁵ Community Land Trusts. Institute for Community Economics. <http://www.iceclt.org/clt>.

- As part of the land trust’s work, establish a lease-to-purchase initiative to allow current residents to remain and eventually purchase their homes. This can be modeled after the best practice initiative of the Bloomfield-Garfield Corporation in Pittsburgh, Pennsylvania.³⁶
- ✓ Be a proponent and partner for expanding activities and program areas to achieve even stronger beautification efforts in the City.
 - Model new public awareness, education, recycling, litter prevention, beautification, and graffiti prevention initiatives off of those of award winning Keep America Beautiful affiliates, for example, Keep Columbus (Ohio) Beautiful.³⁷
 - Use the Montgomery Clean City Commission as a potential resource.
- ✓ Help raise the profile of the activities and work of neighborhood strengthening organizations.
 - Help advertise neighborhood development grant opportunities, networking activities, leadership development programs, and other services to neighborhood associations and other community organizations in the Montgomery area.
 - Encourage City and County elected officials to attend BONDS networking events and to engage in neighborhood development activities.
- ✓ Work with the Montgomery Housing Authority to assist in improvements in public housing and quality of life for residents.

³⁶ Bloomfield-Garfield Corporation of Pittsburgh, Pennsylvania. <http://www.bloomfield-garfield.org>; National Trust for Historic Preservation. *Rebuilding Community: A Best Practices Toolkit for historic Preservation and Redevelopment*. 2002.

http://www.nationaltrust.org/issues/housing/Rebuilding_Community.pdf.

³⁷ 2005 Keep America Beautiful National Awards: <http://www.kab.org/aboutus2.asp?id=774>. Keep Columbus Beautiful: <http://refuse.ci.columbus.oh.us/kcb>.

Objective 4: Enhance Cultural, Recreational, and Entertainment Options

Arts and cultural activities are important aspects of a community’s quality of life. As discussed in the *Competitive Assessment*, the Montgomery region has many cultural, recreational, and entertainment options. However, the region needs to do a better job of promoting these amenities to its citizens and providing recreational options for the “Creative Class” and young professionals. Richard Florida, author of *The Rise of the Creative Class*, writes that creative people “value active outdoor recreation very highly. They are drawn to places and communities where many outdoor activities are prevalent – both because they enjoy these activities, and because their presence is seen as a signal that the place is amenable to the broader creative lifestyle.”³⁸ The members of the “Creative Class” are the knowledge workers, future entrepreneurs, and business leaders of a community. By providing the cultural, recreational, and entertainment options that this group seeks, Montgomery can improve its ability to attract and retain young professionals and knowledge workers.

Montgomery is making strides in strengthening its citizens’ quality of life. The renaissance of the downtown area with the amphitheatre, stadium, Civil Rights Museum, and Rosa Parks Museum especially enhances Montgomery’s appeal. The hotel and conference center currently under construction will also help draw people downtown. Such newly proposed amenities as the Children’s Museum and the rails to trails program will also contribute to the region’s quality of life. In addition, Objectives 1 and 2 of Goal III address strengthening the tourism economy and continuing the revitalization of downtown – those strategies will also help enhance cultural, recreational, and entertainment options in Montgomery. The actions steps recommended here serve to increase Montgomery’s amenities for all segments of the region’s population.

ACTION STEPS

- ✓ Create an internal campaign promoting Montgomery and its attractions to the region’s residents.
- ✓ Better utilize the Alabama River as a recreational amenity.
 - Support the Montgomery Rowing Club and the establishment of other similar “river-centric” organizations and programs.
 - Encourage recreation-oriented businesses, which rent or sell recreational equipment like bikes, canoes, and roller blades, to open along the Alabama River.
- ✓ Consider creating an interconnected bicycle and running trail/greenbelt system throughout Montgomery and connecting these systems together with a greenway system along the Alabama River.

³⁸ Florida, Richard. *The Rise of the Creative Class*. New York, NY: Basic Books, 2002, p. 173.

- ✓ Increase county and city recreational programs and ensure that such programs are accessible and affordable for all citizens of Montgomery.
- ✓ Encourage a “Y’s Up” or some other similar facility to open that targets young professionals who want to exercise but do not have time to do so in neighborhoods like Old Cloverdale, the Garden District, Idlewood, and other neighborhoods popular with young professionals.³⁹
- ✓ Expand and improve the *Montgomery Advertiser’s* website’s listing of current events and area attractions to be more attractive and user friendly.
 - Support the continual improvement of the *Montgomery Advertiser’s* weekly *GO! Entertainment Guide*.
- ✓ Continue to make investments in infrastructure such as public transit, bike trails, pedestrian-friendly arteries, and parks, that make Montgomery a more physically pleasant place to live, work, and visit.
 - Support the development of sidewalks to create a more pedestrian-friendly city.
 - Advocate quality, sustainable growth as a way to increase Montgomery’s appeal.
- ✓ Encourage public and private support of the arts in Montgomery.
 - Promote the importance of the arts.

³⁹ A “Y’s Up” is a new type of YMCA facility that caters to adults who want to exercise but do not have much time to do so. Currently, there is a “Y’s Up” under construction at Hillwood Festival Center on Zelda Road. It will not offer children’s programs like soccer and baseball but it will offer a daycare center so parents do not have to worry about child care when they work out.

Objective 5: Make Montgomery a Safer Place

Safety and the perception of safety are important factors in the attractiveness of an area. While overall crime rates have slightly decreased in the Montgomery MSA, the comparably high crime rates and perceptions of crime in the city of Montgomery may hinder the city's ability to attract new residents and businesses. In the *Community Input Summary*, only 31 percent of the respondents rated personal safety as excellent or good and only 29 percent of the respondents rated property safety as excellent or good. In order to attract and retain residents, Montgomery must effectively decrease crime in the region.

One of the most effective ways to combat crime is through community-based initiatives and programs. Currently, the Weed & Seed program, developed by the City of Montgomery under the U.S. Department of Justice's Community Capacity Development Office has two initiatives in the West Fairview and West Side communities.⁴⁰ In addition to crime control, local officers also participate in community policing activities including bike patrols, crime watch programs, community meeting involvement, and the Youth Crime Watch program. Two safe havens have also been established at the Boys and Girls Club at Beulah Baptist Church and at the Kershaw YMCA. The Montgomery Area CrimeStoppers is another effective crime prevention tool that uses the public, the media, and the police to fight area crime. CrimeStoppers provides an anonymous tip-line and offers rewards for information leading to an arrest and indictment of a criminal. CrimeStoppers also broadcasts the pictures of wanted criminals Monday evenings on WSFA 12 News. The following action steps include additional steps Montgomery can make to improve safety throughout the region.

ACTION STEPS

- ✓ Implement youth development programs to deter juvenile crime.
 - Expand recreational opportunities to deter young people from crime.
 - Consider using the SafeFutures program of the Office of Juvenile Justice and Delinquency Prevention (OJJDP) as a blueprint for an after school program targeted at reducing crime among at-risk and delinquent youth.
 - Establish an After School Alliance to develop quality standards for after school programs, strengthen capacity and quality of providers, and pool resources.⁴¹

⁴⁰ The West Side community was recently established so no comprehensive data is available on that program's initiatives or results. No formal reviews have been completed on the West Fairview program; however, the community had two homicides in both 2001 and 2002. However, in 2003 (the most recent year for which data is available) no homicides in the community were reported.

⁴¹ Shah, Bela P. "Cities Boost Statewide Afterschool Network Efforts". *Nation's Cities Weekly*, February 13, 2006.

- Expand mentoring and similar programs to enhance at-risk youths' self esteem.
 - Support programs and organizations like Big Brother/Big Sisters and the Boys and Girls Club.
 - Use Baltimore's Safe & Sound campaign as a model for setting up effective family support and after school programs.⁴²
 - Involve churches and religious organizations in the creation and the implementation of such programs.
- Consider establishing curfews to deter crime and violence among adolescents.⁴³
- Engage higher education institutions (including the Air University) in community outreach programs that focus on youth development.
- ✓ Strengthen neighborhood crime prevention programs.
 - Expand Montgomery's Weed and Seed program.
 - Use neighborhood councils (Goal IV, Objective 2) to decrease Montgomery's crime rates and to work on the perception of safety in the downtown area and in other parts of the city.
 - Inform neighborhood organizations on the various methods that can be used to deter and report crime.
 - Use The Chicago Alliance for Neighborhood Safety's (CANS) Leadership Institute for Community Policing as a model for neighborhood crime watch participant training.
 - Use the Showcase Savannah's or the Baltimore neighborhood of Sandtown's programs as a model for community led policing organizations.
- ✓ Keep Montgomery's citizens up-to-date about public safety.
 - Make the city's crime data easily available to the public.
 - Publicize improvements in Montgomery's crime rates and new crime-fighting or public safety initiatives to the entire region.
- ✓ Engage the *Montgomery Advertiser* editors in discussions about image problems associated with publishing crime reports so prominently in the newspaper.
 - Reach a common understanding about the purpose of providing crime information and the need to change the image of the community.
 - Identify alternative locations or methods for reporting crime in the newspaper.
 - Identify solutions for the need to report crime fairly, dealing with both geographic (regional and neighborhood) and racial overtones.

⁴² Peirce, Neal. "Kids and Us: Groundbreaking Experiment". *Nation's Cities Weekly*, Volume 29, Number 1, January 2, 2006.

⁴³ Good, Latricia. "Youth Curfews Continue to Show Promise". *Nation's Cities Weekly*, Volume 20, Number III, January 23, 2006.

- ✓ Use best practice programs to address recidivism.
 - Enhance support services to help prisoners transition back into community life and be productive members of society.
 - Investigate Georgia's *Operation TOPSTEP*, and the recidivism programs of Illinois' Safer Foundation and of New York's Center for Employment Opportunities as examples of partnerships between the business and community service sectors that help recent parolees find employment and have a successful transition back into society.
- ✓ Use neighborhood councils and programs addressing neighborhood beautification and repair to encourage neighborhood pride and involvement.
 - Organize events such as fundraisers, street fairs, rallies, and other special activities that bring residents together, build community spirit, and promote friendships that bond neighbors as they work toward common goals.
 - Clean up and repair neighborhood blight makers such as litter and poor and broken lighting using the methods in Goal III, Objective 3.
 - Paint murals, trim shrubberies and trees, and add plants and other greenery along roads and other community arteries.
 - Establish a neighborhood greening program and create neighborhood parks and community gardens.
 - Use Philadelphia Green's "Green City Strategy" as a model for Montgomery neighborhoods' urban and neighborhood greening programs and community gardens.
 - Condemn residences and abandoned buildings when rehabilitation is not practical, by enforcing building or health codes and nuisance abatement ordinances, or by using the power of eminent domain.
 - Use the land trust discussed in Goal III, Objective 3 to acquire and redevelop the properties.

Objective 6: Address Priority Social Concerns

The *Economic and Demographic Profile* and the *Competitive Assessment* identified a few important social concerns that affect the Montgomery region. The region's health care capacity is lower than the national average, in terms of physicians per capita and hospital beds per capita. The region is also facing high poverty rates and high rates of birth to teenage mothers, particularly in Montgomery and Lowndes Counties. These socioeconomic issues are related and can have a long term effect on economic prosperity in the Montgomery region. This objective seeks to address the priority social concerns that, because of their severity, can become *business* issues for the Montgomery community.

The education and workforce development strategies in Goal I and the economic development strategies in Goals II and III will all help to develop skills and create jobs to improve economic prosperity. In addition, there are numerous community and faith-based programs in the Montgomery region that are attempting to deal with teen pregnancy, poverty, and affordable and accessible health care; however, only a community-wide effort can really effectively address Montgomery's most pressing social concerns. The following action steps help to address some of these key issues.

ACTION STEPS

- ✓ Create and implement a teenage pregnancy prevention strategy.
 - Provide counseling and increase resources for pregnancy prevention and counseling for at-risk youth and their families.
 - Use the Georgia Campaign for Adolescent Pregnancy Prevention (G-CAPP) as a model for Montgomery's teenage pregnancy prevention programs.
 - Establish mentoring and other similar programs for young girls as a way to provide support to at-risk teens.
 - Continue to support the Montgomery Area Campaign to Prevent Teenage Pregnancy.⁴⁴
 - Engage churches and other community organizations in addressing teen pregnancy issues.
- ✓ Help teenage parents finish their education and find stable jobs.
 - Expand and continue to support programs like the Montgomery County Public Schools' Parents As Teachers program.
- ✓ Seek accessible, affordable, and quality health care services, including treatment for alcohol, drug, and mental health problems.
 - Recruit doctors to open health clinics in at-risk neighborhoods.

⁴⁴ <http://stopteenpregnancy.org/>

- Use the Alfred Saliba Family Health Clinic in Dothan Alabama as a model for a community health care center that provides free medical care to families and individuals without medical insurance.⁴⁵
- ✓ Offer community programs that educate local citizens about budget and financial issues.
 - Hold budget and financial planning classes and workshops on lending, budgeting, and financial goal setting.
 - Provide homeownership programs on buying and maintaining a home.
- ✓ Work to strengthen support services for Montgomery's families.
 - Work with area churches and other organizations to provide parenting classes for area residents.
 - Use the Detroit Community Justice Center's Parent Empowerment program or Connecticut's Parent Leadership Training Institute as models for parental education and involvement.
 - Inform parents about available health and human service programs.
 - Use North Carolina's Family Ties program as a model for informing parents about available services.

⁴⁵ <http://www.familyservicesofdothan.com/servo4.htm>

GOAL IV: EMBRACE DIVERSITY AND ENHANCE LEADERSHIP CAPACITY

The ability of a community to work together and communicate effectively determines whether it can achieve its goals and address its problems. Even the best ideas will fall flat if the leadership, partnerships, and community-wide buy-in are not there to support them. This goal includes three objectives that work to improve communication, leadership, and cooperation so that Montgomery has the capacity to become a community that is proactive about guiding change rather than one that is reactive to change. It includes the need to reach beyond tolerance to embrace diversity and be able to work together across racial lines.

Objective 1 addresses the need to build a culture of trust and communication across racial boundaries. Efforts should include establishing a regional Human Relations Commission and creating a Diversity Leadership Academy, both of which can be used to address racial issues and shift the attitude towards diversity as a community and organizational asset.

Objective 2 focuses on broadening the base of leadership and civic capacity by reaching out to women, minorities, and young professionals. Recommendations call for strengthening Montgomery's leadership development program, a formal neighborhood council system, and a young professionals group.

Objective 3 deals with regionalism and greater cooperation and communication across jurisdictional boundaries. The Montgomery region can foster greater inter-governmental cooperation by holding an annual River Region retreat for elected officials and working on specific multi-jurisdictional issues.

The attainment of all three objectives of this goal is vital to achieving a stronger, more proactive Montgomery region that is able to fully leverage its resources and successfully implement its most progressive initiatives. To fulfill the needs outlined in the *Economic Development Strategy* and achieve Montgomery's potential for positive change, visionary public and private leaders must guide a coordinated implementation effort.

Objective 1: Foster a Culture of Trust and Open Communication

Many respondents of the *Community Input* online survey mentioned racial relations as a continuing problem in the Montgomery area. It is a problem that has been compounded by socioeconomic differences, the quality of the public education system, social and housing segregation, and the history of racial conflict in the South. While racial relations may have improved among certain groups of people or

organizations, the sentiments of the survey participants and a recent newspaper survey indicate that race is still an issue for Montgomery.⁴⁶

Racial problems negatively affect internal and external perceptions of Montgomery and can become a barrier to attracting businesses, residents, and visitors to the area. Race and diversity issues are difficult to deal with and often are not publicly discussed. However, a culture of intolerance, perceived or real, will hold the Montgomery area back over time.

There does not appear to be an organization in the Montgomery area whose primary focus is on improving race relations and promoting diversity within the community. The Southern Poverty Law Center is located in Montgomery, but it does its legal work on discrimination and hate across the U.S. The Center's Teaching Tolerance program has awarded grants to some local organizations and schools for projects to educate students on race relations and tolerance. More can be done in the Montgomery region to formalize efforts in improving racial relations, among both adult and youth.

The following action steps provide a few approaches to improving trust and communication across racial boundaries. These recommendations help to establish a framework for dealing with problems related to race, as well as talking about and celebrating diversity, while at the same time identifying and strengthening common bonds. Developing trust and improving communication patterns usually require a long-term commitment to positive change and a shift in attitudes.

ACTION STEPS

- ✓ Establish a Human Relations Commission.⁴⁷
 - The purpose of the Commission is to work on improving race relations and communications, as has been done in many other communities across the U.S.
 - Start with local efforts on establishing the Commission, then over time, expand participation to the rest of the Montgomery region.
 - Hold public forums on dealing with race-tainted issues, such as law enforcement and fair housing.
 - If necessary, hold training sessions to change the way police and real estate agents handle law enforcement and fair housing.
 - Develop a program to work with and train leaders and staff at youth development, social service, and other community organizations on

⁴⁶ While 60 percent of 400 Montgomery County residents polled said race relations have improved in Montgomery, race ranked fourth in respondents' list of greatest concerns, behind issues such as education and law enforcement that can be affected by race relations. Source: McGrew, Jannell. "Poll: Relations improve, views still divided." *Montgomery Advertiser*. December 1, 2005.

<http://www.accessmontgomery.com/apps/pbcs.dll/article?AID=/20051201/NEWS/512010342/1001>

⁴⁷ Envision 2020 also recommended the establishment of human relations commissions, at city and county levels.

- incorporating approaches to improve trust and communication among different races.
- Celebrate and publicize examples of positive race relations and communication.
 - ✓ Establish a Diversity Leadership Academy to help business and community leaders develop a broader view of diversity and how to use it as an asset in their organizations.
 - Use Furman University's Riley Institute of Government program in Greenville, South Carolina as a model for an annual training program. The program was developed with the help of the American Institute for Managing Diversity.
 - Eventually expand this program to the youth level as well.
 - ✓ Incorporate the Teaching Tolerance program into all public and private school curricula.
 - Develop partnerships across schools with different socioeconomic and racial make-ups to help students engage in meaningful interactions with each other.
 - Implement Teaching Tolerance's Mix It Up campaign to help students bridge racial boundaries by eating lunch with different groups of students, engaging in dialogues, and other classroom activities.
 - ✓ Encourage large community churches to take a leadership role in improving race relations and increasing interaction across races and religious affiliations.
 - They can establish programs to bring together congregations from two churches to appreciate differences as well as recognize common interests.
 - Working jointly on community outreach programs, holding discussions and educational forums, and planning social events are some of the ways that churches can bring people of different backgrounds together.

Objective 2: Develop Leadership Skills and Enhance Civic Capacity

Leadership development and civic engagement are important for all communities. They help to broaden the base of citizens involved with and more importantly, taking ownership of, community issues. Developing the capacity to tackle the Montgomery area's challenges requires building a pipeline of leaders that is more inclusive of women, minorities, and young professionals.

There are two leadership programs in the Montgomery area. Leadership Alabama is a statewide organization that attracts participants from throughout Alabama for six two-day retreats over a nine-month period. Participants learn about state-level issues that include education, diversity, economic development, and government. Leadership Montgomery is a local program that has operated for over 20 years. It had started as part of the Montgomery Area Chamber and was later spun out on its own. The program has struggled in some years and relies on volunteers rather than paid staff to run it. The issues that Leadership Montgomery deals with are more oriented towards diversity or race relations rather than traditional leadership development.

The Envision 2020 strategy's goal on citizen involvement and government leadership recommended that city and county governments foster development of neighborhood associations. This *Economic Development Strategy* also recommends the formation of neighborhood councils, but more formalized than typical neighborhood associations, and sponsored and recognized by the City of Montgomery. Such councils serve to address local issues, as well as give ordinary citizens a voice and greater role in influencing local government. Many cities across the U.S. have formalized neighborhood councils, including Birmingham, Alabama; Portland, Oregon; and Dayton, Ohio. While each city varies in the specific details of how these neighborhood groups are run, they share the common concepts of neighborhood councils with elected officers and funds allocated to these neighborhoods for improvements. Neighborhood councils can be effective for dealing with issues of crime, land-use and development, historic preservation, strategic planning, and neighborhood revitalization.

The Central Alabama Community Foundation's BONDS (Building Our Neighborhoods for Development and Success) program serves as a resource for empowering neighborhood and community associations by providing grants, technical assistance, training, and networking opportunities. While there are a number of neighborhood associations throughout the Montgomery area, there is no formalized system for giving these organizations a voice at the city level.

The following action steps are meant to broaden the base of civic engagement and community leadership at multiple levels and with a wide range of community constituents.

ACTION STEPS

- ✓ Strengthen Montgomery’s leadership program.
 - Redesign the program to cover a broad spectrum of community issues.
 - Invite business leaders who are new to Montgomery and “up-and-comers” to apply.
 - Over time, consider expanding to include programs with the reach of that of FOCUS St. Louis, which also has a youth leadership program, an “express” community overview program, as well as a series of impact programs focused on specific topics.
 - Raise the level of engagement of program participants by including sessions on key community challenges, what is being done about them, and how participants can get involved.
 - Have a strong alumni program that continues to engage past participants. For example, publicize notable community involvement by alumni and consider an annual community project for the alumni to work together on.
- ✓ Work to attract more women and minorities into the Montgomery Area Chamber of Commerce and other community leadership and service organizations.
- ✓ Recognize “up and coming” leaders through luncheons, newspaper or magazine features, and other public events.
 - Make an effort in particular to highlight women, minorities, and young professionals.
- ✓ Form a region-wide young professionals networking group.
 - The purpose of this group is to connect young professionals, develop their leadership and professional capacity, and engage them in activities that will strengthen their commitment to the Montgomery community.
 - Offer a balance of activities that include social and networking events, personal and professional development (i.e. financial management or communication skills), and community involvement.
 - Attract a diverse group of members, based on race, county of residence, and occupations or industries.
 - Use this organization as a welcome portal for young professionals who have recently relocated or are considering relocating to the Montgomery area. (See www.synerg.org for the SynerG young professionals initiative of Action Greensboro.)
 - Establish relationships and linkages to other business and community groups to develop cross-organizational networks. Consider hosting joint learning and networking events.
- ✓ Develop a formalized system for neighborhood councils throughout the city, with particular emphasis on distressed or at-risk neighborhoods.
 - Include local residents in the process of creating the council framework, including determining neighborhood boundaries,

- election process, funding, accountability, and a process for working with city staff and elected officials. Use existing neighborhood associations as a foundation for transitioning to formal neighborhood councils.
- Allocate funds for training, and organize forums to allow sharing of ideas and discussion of common problems across neighborhood councils.
 - Use the Central Alabama Community Foundation's BONDS program as a resource, including their training programs, networking meetings, and grant programs.
 - Publicize the importance of the neighborhood councils and their successes.
 - Make extra efforts to identify potential leaders in distressed or at-risk neighborhoods, and provide support of city staff to help these neighborhood councils make progress.
- ✓ Strengthen relationships between the business community and elected officials.
- This would include the county commission, city council, state legislative delegation, metropolitan planning organization (MPO), and school board.
 - Work to improve the business community's awareness of what the elected officials are doing and bring economic development to the forefront of elected officials' agendas.
 - Improve the accountability of elected officials for their actions.

Objective 3: Achieve Greater Inter-Governmental Cooperation

Regionalism is an often-discussed topic, but far less frequently is it actually put into practice. Regionalism is about reaching across arbitrary governmental boundaries to combine resources for better outcomes. A key point to remember in economic development is that businesses rarely notice jurisdictional boundaries when it comes to increasing their market share or hiring qualified employees. Communities should focus on working together to increase the size of the economic development pie rather than fighting each other for the same size pie. As Dr. Jerry Paytas, Director of the Center for Economic Development at Carnegie Mellon University, argues:

How well a region organizes and utilizes its assets and resources is the key to its ability to compete and respond to change. Long term competitiveness requires flexibility, and fragmented regions are less likely to mobilize the consensus for change. Fragmented regions divide the regional constituency, offering opponents of change more opportunities, forums, and even institutional support to resist change.

There are many economic development and community issues that are more effectively addressed at a regional level than by a single county or municipality. Issues such as air quality, land-use and growth patterns, transportation planning, and workforce quality, all cross jurisdictional boundaries.

As a state, Alabama has not been a strong advocate for regional cooperation. However, there is some limited recognition in the Montgomery area that regional efforts can work better than isolated ones. Envision 2020 is a regional planning and community visioning initiative that included five counties in the River Region of Alabama (Autauga, Elmore, Lowndes, Macon, and Montgomery). The River Region United Way also covers the multi-county area around Montgomery.

The extent to which the Montgomery area's leaders can communicate across jurisdictional boundaries will affect the region's ability to address economic and community development issues. Responses from the *Community Input* process showed that there is a lack of communication between the leaders of the City of Montgomery and Montgomery County, making communication across counties in the region even less likely to occur. Lack of cooperation between the City of Montgomery and Montgomery County hinders the effectiveness and the efficiency of local governments, and also hinders the community's abilities to work towards community and economic development. City and County elected officials also need to improve their communication with the state legislative delegation to form partnerships, establish common goals, and secure resources to help move Montgomery forward.

Regionalism and inter-governmental cooperation require a shift in organizational culture and problem solving approaches. The following recommendations are

starting points for establishing a process and a culture of shared information and decision-making.

ACTION STEPS

- ✓ Identify specific issues where inter-governmental cooperation can achieve more effective results, and work on these issues together.
 - Examples include identifying an alternative location for the Montgomery County jail facility and developing a regional greenway system (as discussed in Goal III, Objective 4).
 - Air quality, land-use and growth patterns, transportation planning, and workforce development are all issues that should be dealt with on a regional basis.
- ✓ Hold an annual River Region retreat for elected officials.
 - Promote discussion of common interests and common challenges.
 - Include speakers from other cities that have experienced success with regional cooperation to promote the need for regional efforts and the potential for positive results.
 - Create an action plan with concrete steps that elected officials agree to take to promote greater communication and cooperation.
- ✓ Conduct regular elected official briefings among Montgomery's elected officials, as well as gatherings among regional elected leaders.
- ✓ Launch an intercity visit program for community leaders to visit and learn from other places.
- ✓ Publicize and celebrate examples of collaboration, public/private partnerships, and regionalism.
 - Identify achievements that were made possible by multiple groups or jurisdictions working together.

BENCHMARKS AND PERFORMANCE MEASURES

Benchmarks and performance measures will allow the Montgomery region to monitor and assess the progress in reaching the goals set forth in this *Strategy*. As mentioned in the Methodology section, performance measures are the indicators to monitor, and benchmarks are the indicator levels to strive for. They are presented together here for ease of reading.

These benchmarks and measures are those recommended for tracking implementation progress. They should be modified as necessary. A number of the benchmarks focus on Montgomery County; others focus on the entire Montgomery region. Regional benchmarks are important, because Montgomery's economy and labor market are regional. At the same time, there are some weak spots in Montgomery's core county; these weak spots in Montgomery County must be addressed specifically in order to add strength to the entire region.

Note: Bolded benchmarks and measures represent the most important indicators to monitor. Montgomery "region" refers to the four-county metropolitan statistical area. Appendix B provides more detail on data sources.

Goal 1: Benchmarks and Performance Measures

- ✓ Reach enrollment growth in the Montgomery County School System of 3 percent by 2011.
 - Equivalent to an increase of 975 students from 2004.
 - Montgomery County's enrollment loss was 1.8 percent (587 students) from 2001 to 2004.
- ✓ **Increase the percentage of adults in the region with at least a high school degree (or equivalent) to the national average by 2011.**
 - National average was 84 percent in 2004.
 - Montgomery region's average was 82.5 percent in 2004 (estimated 173,286 out of 210,127 adults age 25 and over).
 - If the Montgomery region's adult population remained the same and the national average for high school degree attainment remained the same, the increase would be equivalent to 3,220 adults either moving to the region at least a high school degree or achieving that educational attainment.
- ✓ **Increase the percentage of African-American adults in the region with at least a high school degree (or equivalent) to 75 percent by 2011.**
 - Montgomery region's average was 71.5 percent in 2004 (estimated 54,425 out of 76,105 African-American adults age 25 and over).

- National average was 79 percent in 2004.
 - If the Montgomery region's African-American adult population remained the same, the increase would be equivalent to 2,650 African-American adults either moving to the region with at least a high school degree or achieving that educational attainment.
- ✓ **Improve Montgomery County's K-12 test scores on the Alabama Reading Test and the Alabama Mathematics Test to the state average by 2011, in terms of percentage of students meeting or exceeding standards.**
 - In 2004-2005, Montgomery County's percentages of students meeting or exceeding standards for the reading test were: 75% (4th grade), 77% (6th grade), and 55% (8th grade); and for the math test: 64% (4th grade), 60% (6th grade), and 42% (8th grade).
 - In 2004-2005, Alabama's percentages of students meeting or exceeding standards for the reading test were: 83% (4th grade), 81% (6th grade), 69% (8th grade); and for the math test: 74% (4th grade), 66% (6th grade), and 63% (8th grade).
 - Disaggregated test scores (by gender, race, special education, and free/reduced price lunch) should also be tracked to compare the sub-group test scores to that at the state level.
- ✓ **Increase the region's labor force participation rate (LFPR) to 75 percent by 2011.**
 - The region's LFPR was 71 percent in 2004 (167,029 in labor force compared to 236,080 working age population – age 18-69).
 - The U.S. average was 76 percent in 2004.
 - If the Montgomery region's working age population remained the same, the increase would be equivalent to 10,030 additional residents entering the labor force.
- ✓ Implement a program to increase availability of affordable pre-K programs.
 - ✓ Develop training and higher education degree programs to meet the needs of the target business sectors.
 - ✓ Increase ridership on the Montgomery Area Transit System, or make steps towards other improvements in transit availability.
 - ✓ Increase the number of employer-sponsored or subsidized child care facilities.

Goal 2: Benchmarks and Performance Measures

- ✓ **Achieve net job growth of 5 percent in the Montgomery region by 2011.**
 - Equivalent to 8,000 net new jobs since 2005.

- The region's net job growth was 2.5 percent between 1st quarter 2003 and 1st quarter 2005.
- Job growth within target business sectors should also be tracked.
- ✓ Increase the number of business calls to existing businesses by 10 percent each year.
- ✓ Generate 10 leads for business recruitment from the business retention and expansion program each year.
- ✓ Increase the number of new business starts in the region by 2 percent each year.
- ✓ Increase the region's self-employment rates (non-farm proprietorships) to the national average by 2011.
 - The U.S. average for non-farm proprietorships was 16.5 percent of total employment in 2003.
 - The Montgomery region's average was 13.7 percent in 2003 (28,877 out of 210,134 total employment).
 - If the Montgomery region's total employment remained the same and the U.S. average self-employment rate remained the same, the increase would be equivalent to 5,800 additional self-employed individuals.
- ✓ Increase hospital beds per capita and physicians per capita to the national average by 2011.
 - The national average for hospital beds per 100,000 residents was 432 in 2002, compared to 359 in the Montgomery region.
 - The national average for physicians per 100,000 residents was 261 in 2002, compared to 195 in the Montgomery region.
 - If the Montgomery region's population remained the same and the national average for physicians per capita and hospital beds per capita remained the same, the increase in health care capacity would be equivalent to 260 hospital beds and 235 physicians.
 - The total number of jobs in the health care sector should also be tracked as another indicator of health care capacity.

Goal 3: Benchmarks and Performance Measures

- ✓ **Reach population growth in Montgomery County of 4 percent by 2011.**
 - Equivalent to an increase of 8,900 residents from 2004.
 - Montgomery County's population loss was 0.4 percent from 2000 to 2004 (951 residents).
- ✓ **Increase real per capita income by at least 1.0 percent per year.**

- Equivalent to an increase of about \$290 per year.
- The Montgomery region's per capita income was \$28,881 in 2003.
- ✓ **Reduce poverty rates to below 15 percent by 2011.**
 - The Montgomery region's poverty rate was 16.1 percent in 2003 (23.3 percent in Lowndes County and 18.0 percent in Montgomery County).
 - The U.S. average was 12.5 percent in 2003.
 - If the Montgomery region's (and counties') population remained the same and the definitions for poverty level remained the same, the decrease in the number of residents living under the poverty level would be 3,605 in the whole region, 6,350 in Montgomery County, and 1,100 in Lowndes County. However, poverty rates often change due to an in-migration of non-poverty residents.
- ✓ **Reduce poverty rates of African-Americans to the national average by 2011.**
 - The Montgomery region's poverty rate for African-Americans was 34.2 percent in 2004.
 - The U.S. poverty rate for African-Americans was 25.6 percent in 2004.
 - If the Montgomery region's African-American population remained the same and the national poverty rate for African-Americans remained the same, the decrease in the number of African-American residents living under the poverty level would be 10,850 in the Montgomery region. However, poverty rates often change due to an in-migration of non-poverty residents.
- ✓ **Reduce teenage birth rates in Montgomery County to the state average by 2011.**
 - Alabama's teenage birth rate was 75.0 per 1,000 women age 15 to 19 in 2004.
 - Montgomery County's teenage birth rate was 89.7 per 1,000 women age 15 to 19 in 2004.
 - If Montgomery County's female age 15 to 19 population remained the same and the state birth rate average remained the same, the decrease in teenage birth rates would be equivalent to 72 females age 15 to 19 not having children.
- ✓ **Achieve perception of public safety in downtown Montgomery and other key areas or corridors by 2011.**
- ✓ **Increase lodgings tax collections in the City of Montgomery by 50 percent (\$2.55 million) by 2011.**

- The City's lodging tax revenues increased from \$2.7 million in 2001 to \$5.1 million in 2005 (88.5 percent increase).
- ✓ Increase the number of visitors to the Montgomery region by 25 percent by 2011.
 - The region experienced a 13 percent increase in visitors between 2000 and 2004.
- ✓ Increase the number of tourism-related jobs by 35 percent by 2011.
 - The region experienced a 36 percent increase in tourism-related jobs between 2000 and 2004.
- ✓ Increase the number of housing units in downtown Montgomery by 25 percent each year.
- ✓ Increase the amount of occupied retail/commercial space in downtown Montgomery by 15 percent each year.
- ✓ Increase total appraised value of real property in Montgomery County by 10 percent each year.

Goal 4: Benchmarks and Performance Measures

- ✓ Achieve a reduction in the percentage of Montgomery's residents who believe that embracing racial diversity is a significant community issue by 2011.
 - Race ranked 4th in respondents' list of greatest community concerns, in a survey of 400 Montgomery County residents by the *Montgomery Advertiser* in December 2005.
- ✓ Identify and develop a growing list of diverse (young, minorities, and women), "up and coming" community leaders.
- ✓ **Increasing enrollment in leadership program.**
- ✓ Improve the amount and nature of communication among elected officials (including City, County, state legislative delegation, and school board).

APPENDIX A: REVIEW OF PREVIOUS FINDINGS

In the previous phases of this project, *Market Street* conducted extensive quantitative and qualitative research of the Montgomery region in order to assess its demographic character and economic strengths, its business climate competitiveness, community leaders' and site selection consultants' perceptions of the region, and priority business sectors to target for growth.⁴⁸ The findings of this research served as the foundation for establishing the goals, objectives, and action steps that make up this *Economic Development Strategy*.

Market Street's research was presented in four separate deliverables: *Economic and Demographic Profile*, *Competitive Assessment*, *Community Input Summary*, and *Target Business Analysis*. The key findings of each are briefly summarized below.

ECONOMIC AND DEMOGRAPHIC PROFILE

The *Economic and Demographic Profile* presented an objective, research-based analysis of the economic and demographic trends in the Montgomery metro area. *Market Street* found that the region has experienced the following positive trends:

- Growth in real per capita income, with Montgomery County having the highest per capita income in the metro area.
- Ability to retain young people, as exhibited by higher than average population growth in the metro's 20-to-24 age group.
- Solid educational attainment levels, particularly in Montgomery County.
- Stable and diverse economic base and significant employment in retail, health care, manufacturing, and government sectors.
- Steady job and business growth in the last two years, adding nearly 4,000 jobs and over 400 businesses.
- Potential opportunities for growth in some sectors that have low employment concentrations, including wholesale trade, professional and technical services, and tourism-related sectors.
- Large, high-impact employers, including Maxwell-Gunter Air Force Base, Baptist Health Systems, and Hyundai Motors.

However, *Market Street* also found a number of areas that indicate that the Montgomery metro area is not doing as well as it might initially appear, particularly in Montgomery County:

- Uneven population growth, with population losses in Montgomery and Lowndes Counties.

⁴⁸ In this strategic planning process, the Montgomery region is defined as the four-county MSA of Autauga, Elmore, Lowndes, and Montgomery Counties.

- Uneven racial distribution, with Lowndes and Montgomery Counties being majority African-American.
- Loss of families from Montgomery County, as the population of children age 19 and under has decreased.
- High poverty rates in Montgomery and Lowndes Counties, particularly among African-Americans.
- Concentrated wealth within Montgomery County among a smaller group of residents.
- Lower educational attainment rates for African-Americans.
- High teenage birth rates in Montgomery and Lowndes Counties.
- Decreasing labor force participation rates.
- Somewhat lower self-employment rates than the state and the U.S.

Overall, the Montgomery metro area's economy is doing well. The Montgomery region is an economic leader among Alabama communities and in many areas in the South. Recent new jobs and new businesses have demonstrated that the local economy is growing at a stable rate. The economic diversity of the region has helped prevent the job losses that many other communities across the U.S. have experienced even since the last recession.

Montgomery County and the region face some difficult and significant socioeconomic issues that are compounded by the effects of intra-regional migration. Stemming population loss and improving the educational and economic prospects of its African-American residents are important to stabilizing the social and economic fabric of the community. The long-term economic growth and standard of living of both the County and the region will likely suffer if these issues are not dealt with.

COMPETITIVE ASSESSMENT

The Montgomery area is a competitive location for businesses, residents, and visitors, with a number of important strengths and assets. However, there are important areas of concern that must be addressed, primarily the skill-levels of the workforce and the quality of the public school system. To conduct the assessment, *Market Street* analyzed the data of the Montgomery region and three comparison metro areas: Chattanooga, Tennessee, Columbus, Georgia, and Jackson, Mississippi.

Education and workforce development was found to be the area of greatest concern for the future of the Montgomery MSA. The following are the primary findings of the education and workforce development analysis:

- The region lacks sufficient early education options. The state of Alabama, as a whole, is behind in establishing a widespread, state-funded pre-k program.
- The public schools of the Montgomery MSA consistently fall behind not just the national and state levels, but occasionally behind the three comparison communities as well.

- Montgomery's four-year colleges and universities are important assets, but there needs to be more support for education at the two-year degree level.
- The state's workforce development structure is confusing and repetitive; consequently, residents of the MSA are unable to fully access all of the state's workforce resources.
- There are a number of job-specific training programs geared towards businesses.

Market Street looked at transportation infrastructure, technology and innovation measures, and access to capital to assess the status of the Montgomery region's infrastructure and technology. The following are key findings of that analysis:

- The Montgomery MSA's infrastructure is competitive with the comparison communities.
- The region has excellent highway and interstate access to other metro areas.
- Public transit options are limited, which is particularly problematic for residents without access to an automobile
- The Montgomery Regional Airport's limited destinations may be a problem for certain types of businesses. However, local leaders have taken a proactive approach towards increasing the airport's competitiveness.
- The Montgomery region lags in patent activity, a measure of innovation. The number of patents issued in the Montgomery MSA has trailed all of the comparison communities in recent years.
- Businesses in the Montgomery MSA have access to capital, both bank loans and U.S. Small Business Administration loans. In 2005, the Montgomery MSA's bank deposits per capita was comparable to Alabama's deposits per capita, but lower than the nation.

Market Street analyzed a number of business costs and looked at local support for small businesses and entrepreneurs, and had the following conclusions:

- The Montgomery MSA is competitive with the comparison communities on many business costs.
- As a region, Montgomery has plenty of available buildings and land.
- Energy costs and the broad package of tax rates in the Montgomery region and in Alabama are competitive with the comparison communities.
- The MSA's average annual wage was lower than the U.S. average.
- Alabama also offers many business development incentives, as well as several statewide financing assistance programs.
- There is a small but solid network of support for small businesses and entrepreneurs in the Montgomery area.
- The Chamber's own Montgomery Area Center for Entrepreneurial Development is the center for area business support.
- The Montgomery MSA's scored well on the Small Business Administration's Regional Entrepreneurship Index.

- The region needs to continue focusing on providing opportunities that foster greater entrepreneurial activity.

Quality of life is a subjective term that has different meanings to different people. *Market Street* analyzed factors that are likely to be important to most people and businesses:

- Montgomery has a good quality of life that is competitive with the comparison communities.
- The cost of living and the cost of housing are lower than the national averages.
- Montgomery region residents have relatively low health care costs but access to physicians and hospitals is below the rates of all the comparison communities and the United States.
- Also, there are a moderate number of recreational and cultural opportunities for the area's residents. In order to continue retaining young people (the 20- to 24-age cohort), the MSA needs to continue to develop its recreational and cultural options.
- The Montgomery MSA must be careful concerning the number of pollutants released into its rivers, as the Alabama River is the center of the new riverfront development in Montgomery's downtown.
- The MSA's crime rates have been consistently higher than both the state's and the nation's rates; however, the metro area's crime rates have decreased since 2000.

People and businesses are attracted to the Montgomery area because it offers a low cost of living and competitive business costs. However, the MSA needs to improve education and workforce development efforts at all levels, continue to develop more cultural and recreational opportunities, and work on ways to improve its innovation and entrepreneurial capacity to compete not just with U.S. cities, but globally as well.

COMMUNITY INPUT SUMMARY

Input collected through the 293 online survey respondents and 10 site selection consultant interviews identified several common themes. Perceptions reflected in the process were not always consistent with reality in the Montgomery region, as determined by the *Economic and Demographic Profile* and *Competitive Assessment* findings. However, perceptions are important to measure because they can illuminate the levels of communication and understanding within and outside of the region.

Responses revealed that the Montgomery region's perceived greatest assets are its location, quality of life, and diverse economy, which need to be supported and fully leveraged to maximize their value to the region. The consensus of stakeholder

opinions also identified several challenges that the region will need to address to strengthen its real and perceived competitiveness:

- Many people are concerned about the condition of the region's public K-12 schools. This is an issue of significant importance, particularly because site selection consultants ranked the quality of the workforce as the number one consideration in their client's location decision making process.
- Community members seem to be very satisfied with the four-year universities in the area. However, the lack of a two-year community college is viewed as a challenge for ensuring the workforce is prepared for in-demand occupations in the region.
- Tolerance for racial diversity is a challenge that many feel community leaders have not adequately addressed. The site selection consultants noted that Montgomery has a pervasive image as a community in need of better race relations.
- While many jobs are available in Montgomery, there is the perception that these jobs are concentrated in government services and the automotive industry. The region needs to diversify its economy to take advantage of opportunities in the "New Economy," and bring perceptions in line with reality.
- Greater inter-governmental cooperation needs to be established within the Montgomery metro area in order to address quality of life issues that affect all residents, in particular the lack of a regional transit system and poor land use planning.
- While the region has had business attraction success, it would benefit from stronger support of existing businesses, small businesses, and entrepreneurs, with increased resources and coordinated support structures.

Many of these issues have serious implications for Montgomery's competitiveness and should be thoughtfully and strategically addressed by community leaders.

Minority Business Survey

In an effort to achieve more balanced input, the *Community Input* survey was targeted to the Montgomery region's minority business community for a two-week period. Although it yielded a low response rate from the minority business community (20 respondents), the responses still provide valuable insight into the perceptions of African-American business leaders. Overall, respondents were equally optimistic about the Montgomery region compared to respondents from the initial survey. Respondents gave higher marks to the area's economy and business

environment; Montgomery's quality of life; and cooperation among urban, suburban, and rural areas, than the original survey respondents.

Some of the key issues identified by the *Minority Business Survey* include:

- In contrast to the respondents of the original survey, respondents from the minority business community rated the area's railway system and public transit system as the worst rated survey items, compared to the original survey results where the K-12 public school system was the worst rated survey item.
- However, as the original survey illustrated, the minority business community is also worried about the quality of the region's K-12 public schools.
- Respondents from the minority business community felt more pessimistic about opportunities to earn a livable wage, to work close to where one lives, and to find a job in a non-manufacturing field than respondents to the initial survey.
- Minority business leaders feel less confident in the Chamber's economic development programs and expressed the need for improving the assistance provided to minority and women-owned business.
- Thirty-eight percent of respondents felt that embracing racial diversity was the greatest challenge for the community, compared to just two percent of respondents from the initial survey. Many believe that the area's leaders need to work further on improving racial relations within the region.

The *Minority Business Survey* revealed the different perceptions among residents and business owners on key issues relating to community and economic development, regional competitiveness, and quality of life. African-American respondents expressed the need for leadership within the Montgomery region to embrace racial diversity, expand public transit options, and improve assistance to minority and women-owned businesses. These issues are likely to hinder the development of the Montgomery area if they are not addressed by both the white and the minority leaders of the region.

TARGET BUSINESS ANALYSIS

Market Street identified the following target business sectors as the most promising economic opportunities for the Montgomery region: **1) health care; 2) logistics; 3) automotive and transportation equipment manufacturing; and 4) finance and insurance.** These targets were selected primarily based on existing assets of the Montgomery region, and national and regional economic trends, to ensure they reflect existing competitive advantages and areas of strong growth potential for the

regional economy. Additionally, the *Target Business Analysis* analyzed information technology in Montgomery, as a long term opportunity area, and tourism and downtown development, as additional important economic opportunities to pursue.

Targets

The following are brief descriptions of each target business sector, with an emphasis on highlighting the region's primary assets, challenges, and opportunities related to the target. A common theme for the targets is the importance of maintaining an adequate supply of workers trained for the specific needs of employers. The targeting effort will need to be inclusive of entrepreneurship, recruitment, and retention.

The health care sector is projected to have strong growth as seniors become increasingly dependent on residential care facilities and the aging of the Baby Boom generation naturally increases demand for medical services and products. Recently, health care employment in the Montgomery region has grown at a faster rate than the U.S. Two of the region's largest employers are health care firms: Baptist Health Systems (4,300 employees) and Jackson Hospital and Clinic (1,300 employees).

The MSA can increase capacity by supporting the expansion of hospitals and specialty centers, identifying medical sectors with physician shortages, and recruiting physicians and practices that specialize in those medical disciplines. Montgomery's leaders will need to ensure area health-care training programs have enough faculty and resources to meet demand, and partner with area universities, technical colleges, hospitals, and medical clinics to address health care occupation shortages.

Due to U.S. manufacturers' reliance on the effectiveness of the nation's logistics services network, **the logistics sector** is expected to remain strong. In the Montgomery region, large and small manufacturers rely on some level of logistics services to maintain the profitability of their operations. Montgomery's existing logistics firms (over 9,000 total employees) have become an integral part of the regional economy, and they can serve as the foundation for future opportunities.

Growing logistics will consist of strengthening vertical and horizontal connections between the region's existing firms. Establishing a forum for identifying opportunities as well as addressing workforce and other needs of regional employers in the sector, will be an important component of a successful targeting effort. Montgomery's leaders will need to work with state and federal government personnel to ensure the region's interstates and highways are maintained at a competitive level.

The opening of the Hyundai Motor Manufacturing facility in 2005 has already created 2,500 jobs at the facility and more than 5,700 additional jobs in **automotive and transportation equipment manufacturing** and related warehousing operations in the Montgomery region. These jobs, however, should not be taken for granted, as manufacturers – from assembly plants to automotive parts facilities – are constantly seeking ways to cut costs.

The automotive targeting efforts will have to focus on maintaining an adequate supply of workers trained for in-demand occupations in manufacturing and related warehousing activities; strengthening existing business retention efforts, new business and entrepreneurial support structures, and recruitment programs (focused on fortifying buyer-supply linkages); and seeking additional related economic opportunities (for example, in aerospace parts manufacturing).

Several of the Montgomery region's largest employers are office-based employers in **finance and insurance**, most notably, ALFA Insurance Companies (2,500 employees), Regions Financial Corporation (2,000), and Colonial BancGroup (900). There are also many smaller employers that make an important contribution to the vibrancy of the finance and insurance industry in the MSA, with a total of more than 7,500 employees.

Notable growth in the sector will require bolstering the size of the region's "knowledge" workforce, an effort that must entail focusing on the quality of life characteristics for which this socioeconomic group has consistently demonstrated a preference. Improving elementary, secondary, and postsecondary education performance and opportunities will be equally important, to both train the existing workforce for jobs in the industry, and compete for knowledge workers that value strong public education systems for their children.

Additional Economic Opportunity Areas

While not targets, the two areas that follow are key areas of consideration for the development of a holistic economic development strategy for the Montgomery region.

Montgomery's strengths in **information technology** (IT) are primarily due to the Maxwell-Gunter Air Force Base's Operations Sustainment and Systems Group (OSSG) and Defense Information Systems Agency, which do not easily translate into private sector economic opportunities. The region lacks the innovation and entrepreneurial capacity required to be a player in cutting edge technology. However, in the long term, Montgomery could develop a competitive advantage in testing, software and hardware installation and deployment, and systems operation and maintenance.

To begin to develop capacity in IT, Montgomery's leaders will need to sustain a stronger private sector presence in the field. Key initiatives to achieve this include increasing entrepreneurship development efforts targeted at current and former OSSG employees and other existing IT professionals; initially focusing recruitment efforts on IT departments of the parent corporations of firms already located in Montgomery; and developing private sector opportunities in technology-based education and training programs.

Montgomery's leaders have already demonstrated recognition of the importance of bolstering the **region's tourism economy**, with the Convention and Visitors Bureau's strategic plan. The Montgomery region has the long-standing competitive advantages of being a State Capital, having a prominent place in the history of the Civil War and the Civil Rights Movement, and creating additional assets to further diversify its attractions. Maintaining a commitment to the existing tourism marketing effort, creating strong support networks for existing and prospective employers, and focusing on high-quality product development will be important components of successful tourism industry growth.

Also important to establishing a proven reputation of Montgomery as an attractive place to be – from a brief visit to a permanent residence – is the **development of Montgomery's downtown riverfront**. Tourists, business visitors, and others are increasingly drawn to vibrant, pedestrian-oriented neighborhoods with a distinctive authenticity, and Montgomery's riverfront downtown represents the most promising opportunity to create that in the region. Realizing the full potential of Downtown Montgomery can result in tremendous payoffs, including more tourist and conventioner visits, and more knowledge worker and business relocations to the region.

Conclusion

The target business sectors outlined in the *Target Business Analysis* offer the means by which Montgomery's economic development leaders can effectively strengthen and diversify the regional economy. To be effective, a target strategy must be inclusive of the three primary approaches to generating job growth: 1) existing business retention and expansion, 2) small business development, and 3) recruitment.

Target sectors should be part of a holistic approach to economic development that addresses the infrastructure, amenities, and support structures people and businesses desire in the communities in which they live, work, and visit. Montgomery's approach should focus on addressing the issues and leveraging the opportunities identified in the *Economic and Demographic Profile*, *Competitive Assessment*, and *Community Input Summary*, in addition to the target business sector effort. Specific strategies to achieve this holistic approach and the targeting efforts are outlined in this *Economic Development Strategy*.

APPENDIX B: DATA SOURCES AND MONITORING

To assist with monitoring of benchmarks and performance measures, information about data sources and other relevant data collection aspects are provided here.

Goal 1: Benchmarks and Performance Measures

- ✓ Reach enrollment growth in the Montgomery County School System of 3 percent by 2011.
 - Data source: National Center for Education Statistics – Common Core of Data, “Public Elementary/Secondary School Universe Survey” <http://nces.ed.gov/ccd/>.
 - Smallest geographic scope: school.
 - Time lag: 2 years.
 - Frequency: annual.
 - Alternative data source: Alabama Department of Education <http://www.alsde.edu/html/home.asp>.

- ✓ Increase the percentage of adults (age 25 and over) in the region with at least a high school degree to the national average by 2011.
 - Data source: U.S. Census Bureau American Community Survey <http://factfinder.census.gov>.
 - Smallest geographic scope: MSA (county-level not available for Montgomery).
 - Time lag: 1 year.
 - Frequency: annual.

- ✓ Increase the percentage of African-American adults (age 25 and over) in the region with at least a high school degree to 75 percent by 2011.
 - Data source: U.S. Census Bureau American Community Survey <http://factfinder.census.gov>.
 - Smallest geographic scope: MSA (county-level not available for Montgomery).
 - Time lag: 1 year.
 - Frequency: annual.

- ✓ Improve Montgomery County’s K-12 test scores on the Alabama Reading Test and the Alabama Mathematics Test to the state average by 2011, in terms of percentage of students meeting or exceeding standards.
 - Data source: Alabama Department of Education <http://www.alsde.edu/html/home.asp>.
 - Smallest geographic scope: school.
 - Time lag: 1 year.
 - Frequency: annual.

- Alternative data source: Montgomery County Public Schools.
- ✓ Increase the region's labor force participation rate (LFPR) to 75 percent by 2011.
 - Data source (for working age population 18-69 years old): U.S. Census Bureau Population Estimates
<http://www.census.gov/popest/estimates.php>.
 - Smallest geographic scope: county.
 - Time lag: 1-2 years.
 - Frequency: annual.
 - Data source (for labor force size): U.S. Bureau of Labor Statistics (BLS) Local Area Unemployment Statistics (LAUS) data set
<http://www.bls.gov/lau/>.
 - Smallest geographic scope: county, some large cities.
 - Time lag: 2-3 months.
 - Frequency: monthly.
- ✓ Implement a program to increase availability of affordable pre-K programs.
 - Data source: Survey local programs to determine enrollment and capacity.
- ✓ Develop training and higher education degree programs to meet the needs of the target business sectors.
 - Data source: Survey higher education institutions and training providers to determine number and types of degree programs related to the target business sectors.
- ✓ Increase ridership on the Montgomery Area Transit System, or make steps towards other improvements in transit availability.
 - Data source: Montgomery Area Transit System, Montgomery Metropolitan Planning Organization, or other entity working on improving public transportation options.
- ✓ Increase the number of employer-sponsored or subsidized child care facilities.
 - Data source: Survey major local employers to determine availability of sponsored or subsidized child care programs and facilities.

Goal 2: Benchmarks and Performance Measures

- ✓ Achieve job growth of 5 percent in the Montgomery region by 2011.
 - Data source: U.S. Bureau of Labor Statistics (BLS) Quarterly Census of Employment and Wages (QCEW) data set
<http://www.bls.gov/cew/>, or BLS Current Employment Statistics

(CES) data set <http://www.bls.gov/sae>. QCEW is more accurate, but has a greater time lag.

- Smallest geographic scope: QCEW: county; CES: MSA.
 - Time lag: QCEW: 6-9 months; CES: 2-3 months.
 - Update frequency: QCEW: quarterly; CES: monthly.

- ✓ Increase the number of business calls to existing businesses by 10 percent each year.
 - Data source: Montgomery Area Chamber business retention and expansion program.

- ✓ Generate 10 leads for business recruitment from the business retention and expansion program each year.
 - Data source: Montgomery Area Chamber business retention and expansion program.

- ✓ Increase the number of new business starts in the region by 2 percent each year.
 - Data source: U.S. Census Bureau County Business Patterns data set <http://www.census.gov/epcd/cbp/view/cbpview.html>.
 - Smallest geographic scope: county.
 - Time lag: 2 years.
 - Update frequency: annual.
 - Alternative data sources: Montgomery Area Small Business Incubator or Secretary of State incorporation data. Also, purchased databases (BizMiner, Cognetics, etc.), but these can get expensive and are not always comprehensive.

- ✓ Increase the region's self-employment rates (non-farm proprietorships) to the national average by 2011.
 - Data source: U.S. Bureau of Economic Analysis (BEA) "Total full-time and part-time employment by industry" data set <http://www.bea.gov/bea/regional/reis/>. Divide non-farm proprietors employment by total employment.
 - Smallest geographic scope: county.
 - Time lag: 2 years.
 - Update frequency: annual.

- ✓ Increase hospital beds per capita and physicians per capita to the national average by 2011.
 - Data source (for number of hospital beds): Survey of local hospitals.
 - Alternative data source (for number of hospital beds): American Hospital Association's Hospital Statistics data set https://www.associationstores.org/OA_HTML/ibeCCtpSctDspRte.jsp?section=10574. (Costs \$235 for data set.)

- Data source (for number of physicians): American Medical Association’s “Physician Characteristics and Distribution in the U.S.” publication <https://catalog.ama-assn.org/Catalog/product/categories.jsp?parentCategoryName=Physician+Statistics&parentCategory=cat230007>. (Costs \$185 for data set.)

Goal 3: Benchmarks and Performance Measures

- ✓ Reach population growth in Montgomery County of 4 percent by 2011.
 - Data source: U.S. Census Bureau Population Estimates <http://www.census.gov/popest/estimates.php>.
 - Smallest geographic scope: county.
 - Time lag: 1-2 years.
 - Frequency: annual.
- ✓ Increase real per capita income by at least 1.0 percent per year.
 - Data source: U.S. Bureau of Economic Analysis (BEA) Local Area Personal Income data set <http://www.bea.gov/bea/regional/reis/>. Calculate real per capita income using the Consumer Price Index (<ftp://ftp.bls.gov/pub/special.requests/cpi/cpi.txt>) to adjust for inflation.
 - Smallest geographic scope: county.
 - Time lag: 2 years.
 - Update frequency: annual.
- ✓ Reduce poverty rates to below 15 percent by 2011.
 - Data source: U.S. Census Bureau American Community Survey <http://factfinder.census.gov>.
 - Smallest geographic scope: MSA (county-level not available for Montgomery).
 - Time lag: 1 year.
 - Frequency: annual.
- ✓ Reduce poverty rates of African-Americans to the national average by 2011.
 - Data source: U.S. Census Bureau American Community Survey <http://factfinder.census.gov>.
 - Smallest geographic scope: MSA (county-level not available for Montgomery).
 - Time lag: 1 year.
 - Frequency: annual.
- ✓ Reduce teenage birth rates in Montgomery County to the state average by 2011.
 - Data source: Alabama Department of Public Health’s Center for Health Statistics

<http://ph.state.al.us/Chs/HealthStatistics/Pregnancy/PregBirth-Teen.htm>.

- Smallest geographic scope: county
 - Time lag: 1-2 years.
 - Frequency: annual.
- ✓ Achieve perception of public safety in downtown Montgomery and other key areas or corridors by 2011.
 - Data source: Survey of residents, visitors, employees, and regional residents.
 - ✓ Increase lodgings tax collections in the City of Montgomery by 50 percent (\$2.55 million) by 2011.
 - Data source: City of Montgomery.
 - Frequency: annual.
 - ✓ Increase the number of visitors to the Montgomery region by 25 percent by 2011.
 - Data source: Alabama Bureau of Tourism and Travel.
 - Frequency: annual.
 - ✓ Increase the number of tourism-related jobs by 35 percent by 2011.
 - Data source: Alabama Bureau of Tourism and Travel.
 - Frequency: annual.
 - ✓ Increase the number of housing units in downtown Montgomery by 25 percent each year.
 - Data source: City of Montgomery (Planning Department), Riverfront Foundation, or other entity tracking downtown housing.
 - Frequency: annual.
 - ✓ Increase the amount of occupied retail/commercial space in downtown Montgomery by 15 percent each year.
 - Data source: City of Montgomery (Planning Department), Riverfront Foundation, or other entity tracking downtown retail space.
 - Frequency: annual.
 - ✓ Increase total appraised value of real property in Montgomery County by 10 percent each year.
 - Data source: Montgomery County Revenue Commission.
 - Frequency: annual.

Goal 4: Benchmarks and Performance Measures

- ✓ Achieve a reduction in the percentage of Montgomery’s residents who believe that embracing racial diversity is a significant community issue by 2011.
 - Data source: *Montgomery Advertiser* survey of residents.
- ✓ Identify and develop a growing list of diverse (young, minorities, and women), “up and coming” community leaders.
 - Data source: leadership awards of various business/community groups, *Montgomery Advertiser* and other publications’ articles.
- ✓ Increasing enrollment in leadership program.
 - Data source: Leadership Montgomery or other leadership program.
- ✓ Improve the amount and nature of communication among elected officials (including City, County, state legislative delegation, and school board).
 - Data source: *Montgomery Advertiser* articles, emergence of cooperative initiatives, or number of multi-jurisdictional meetings.