



**BUSINESS
ADVOCATE**

VOLUME 14 **ISSUE 9**

*A publication of the
Business Council
of Alabama*

THE SEEDS OF SUCCESS

BCA IS THE VOICE FOR ALABAMA BUSINESS. LEARN MORE AT BCATODAY.ORG



Alabama's success in attracting business has been nothing short of remarkable, resulting in new jobs, increased payroll, and transformative capital investments in local communities. This prosperity, however, has ushered in a new challenge in continuing the state's leading economic status — a scarcity of high-quality sites for future economic development.

As one of the nation's leading states in recruiting new businesses and nurturing existing industries, Alabama has laid the groundwork for decades. States must continually evolve in the competitive economic development landscape to attract new projects and talent. If Alabama wants to solidify its reputation as a state where successful companies plant roots and thrive, we must position ourselves to excel,

leveraging our strengths and addressing our shortcomings.

From a highly skilled workforce to the state's business-friendly environment characterized by low taxes and minimal regulations, Alabama boasts several crucial components that set us apart from neighboring states. These rarities, coupled with state leaders who recognize the importance of staying ahead in the race for economic investment, enhance the appeal of our state. Furthermore, the recent enactment of a series of economic development incentive bills, known as The Game Plan, led by Governor Kay Ivey, reiterated that Alabama is the state to conduct business.

As victims of our own success, we created an industry-site real-estate crisis.

"To maintain Alabama's competitiveness, it is imperative that our industrial sites are fully prepared and

ready for immediate use. Investing in these sites is a fundamental requirement for the ongoing economic advancement of our state," states Helena Duncan, president and CEO of The Business Council of Alabama. "There is a strong desire among companies to establish their presence in Alabama. We are responsible for ensuring that suitable sites are available for them to establish and expand their businesses within our state."

To our benefit, The Site Evaluation and Economic Development Strategy (SEEDS) Act, or Play Two of The Game Plan, has the potential to redefine the state's economic landscape. Aimed to accelerate the development of industry-ready sites, the SEEDS Act can secure Alabama's position as a prime destination for businesses and industry by closing the gap with our neighboring states.

At the heart of the SEEDS Act lies the expansion of the State Industrial Development Authority's (SIDA) ability to grant funds to economic development organizations for site development and assessment, a pivotal element in stimulating the creation of sites

tailored to meet the requirements prospective businesses seek. This proactive approach to site development not only mitigates risk for incoming companies but also highlights the state's commitment to their success.

The old adage "location, location, location" is no less relevant in the world of economic development — having high-quality industrial sites is paramount in attracting businesses and fostering economic growth.

Competition for economic investment is fierce, and Alabama is not the first state to recognize the importance of investing in site development. Competitive states plan strategically, identify promising properties, and invest in their development to make them attractive.

Neighboring states and regions are aggressively pursuing opportunities and have allocated substantial resources to develop industrial sites. Kentucky is committing

discrepancy can result in companies interested in investing in our state taking their jobs and economic impact elsewhere.

Jimmy Rane, president and CEO of Great Southern Wood Preserving, understands that Alabama must take a competitive stance to continue to attract businesses, create jobs, and elevate the state's overall well-being.

Rane said that his company recently invested \$46 million in a new facility in Tyler, Texas. One of the main reasons that Tyler was chosen was because they had a shovel-ready site with utilities already available.

"We operate in 30 states, and I can tell you that Alabama is doing very well," Rane said.

Rane commended the Legislature and Governor Ivey for passing a program for investing in site development but said that to compete, "We are going to have to do more to catch up."

Possessing a top-tier site stands as the

to a more extensive tax base, which can be channeled into education, infrastructure, and other public services. Attracting businesses is not merely about generating employment; it's about enhancing the overall quality of life for the citizens of Alabama.

Alabama has embarked on a strategic journey that hinges on the success of the Site Evaluation and Economic Development Strategy Act. The SEEDS Act is not just a legislative piece; it signifies a strategic leap toward securing Alabama's economic future. Alabama has already showcased its potential, and with the right investments, the state can reclaim its status as a national leader in economic growth and prosperity. **BA**

"INVESTING IN THESE SITES IS A FUNDAMENTAL REQUIREMENT FOR THE ONGOING ECONOMIC ADVANCEMENT OF OUR STATE."

\$100 million to on-site development, while Tennessee is seeking \$45 million on top of the \$77 million spent on site development initiatives over the last six years. In its 2022-2024 budget, Virginia earmarked \$150 million, with a proposed additional allocation of \$350 million in 2023.

It is no secret that Alabama is trailing in having available property, much less line-item funding for site development. This

most effective method to position your community as a contender for investments and economic growth. The absence of a high-quality industrial site that aligns with the prospective business' criteria in terms of size, logistics, utilities, and workforce leads to the failure of a project.

Of course, the benefits of business investments extend far beyond job creation and growth. These investments contribute

The Business Advocate is published by the Business Council of Alabama, a non-partisan, statewide business association representing the interests and concerns of nearly 1 million working Alabamians through its member companies and its partnership with the Chamber of Commerce Association of Alabama. For more information on the Business Council of Alabama please contact us at (800) 665-9647 or visit us online at bcatoday.org.



THE

EVENING

FOR

PROGRESS

FEATURING

TREY GOWDY &

JOE CUNNINGHAM



LEARN MORE AT
BCATODAY.ORG