

# Cullman Alabama



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## Guide to Economic Development

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## General Information

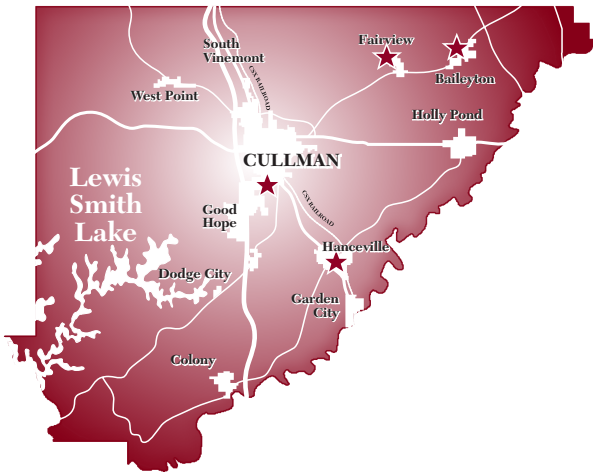


Cullman was settled in 1873 by an immigrant from Frankweiler, Germany, Col. John G. Cullmann. Col. Cullmann's dedication and pride in the community are reflected today in the excellent schools, state-of-the-art medical facilities, and industries that make up present day Cullman County. We are ideally located in north central Alabama at the center of two-thirds of the population of the state and within 600 miles of half of the population of the United States.

Cullman has grown from a community totally dependent upon farming to one that blends agriculture and industry to rank among the most diverse in Alabama. In the past 10 years the area has been a leader in Alabama for new and expanding industry.

A 15-foot bronze statue of Col. Cullmann, sculpted by Branko Medenica and funded by the citizens of Cullman and Frankweiler, stands at the heart of the community. Col. Cullmann's presence serves as a welcome to those around the world who share his dream of a better place to live and work.

	City of Cullman	Cullman County
Government	Mayor/Council	Commission
Police Department	53 FT personnel	55 FT personnel
Patrol Cars	15	25
Fire Department	31 FT personnel	600 volunteers
Fire Insur. Rating	4	4 to 9
Zoning Regulations	Yes	No
Planning Commission	Yes	No



## Investment Record

Ten year history of Cullman County's new and expanded manufacturing/distribution operations

Year	Capital Invested		Total	Announced Jobs		Total	Plants	
	New	Expanding		New	Expanding		New	Expanding
1993	\$6,300,000	\$26,736,993	\$33,036,993	137	596	733	4	40
1992	\$1,435,000	\$27,177,000	\$28,612,000	141	738	879	7	50
1991	3,500,000	32,858,460	35,908,460	96	632	728	4	33
1990	1,225,000	35,923,200	37,148,200	27	339	366	3	54
1989	34,300,000	23,496,500	57,796,500	297	320	617	3	38
1988	5,000,000	29,678,500	34,678,500	314	333	647	4	27
1987	120,000	24,153,807	24,273,807	107	218	325	4	23
1986	600,000	12,584,051	13,184,051	15	434	449	2	17
1985	1,000,000	3,378,310	4,378,310	20	47	67	1	11
1984	1,264,000	18,220,000	19,484,000	80	82	162	2	11
1983	11,000,000	6,190,000	17,190,000	275	74	349	3	11
<b>TOTALS</b>	<b>\$65,744,000</b>	<b>\$240,396,821</b>	<b>\$305,690,821</b>	<b>1,509</b>	<b>3,813</b>	<b>5,322</b>	<b>37</b>	<b>315</b>

## Major Industries in Cullman County

**Wal - Mart Distribution — 1,502 employees**  
*Distribution & warehousing (1983)*

**Oneita Mills (2 plants) — 1000 employees**  
*Apparel (men's & infants) manufacturing (1970)*

**Americold — 701 employees**  
*Refrigeration compressor manufacturing (1964)*

**Cullman Products — 477 employees**  
*Decorative metal trim manufacturing (1953)*

**Nicholson File (Cooper Tools) — 485 employees**  
*File & rasp manufacturing (1975)*

**Golden Rod Broilers — 450 employees**  
*Poultry processing (1957)*

**McGriff Treading Company — 280 employees**  
*Tire retreading (1989)*

**Lee Company (Jeans) — 250 employees**  
*Distribution & warehousing (1985)*

**G - Tee's — 250 employees**  
*Apparel (sportswear) manufacturing (1987)*

**Wrangler — 230 employees**  
*Apparel (dungaree) manufacturing (1966)*

**Speedring — 202 employees**  
*Aerospace component development & manufacturing (1968).*

**Greif Brothers — 200 employees**  
*Industrial machining (1877)*

**Webb Wheel Products — 200 employees**  
*Automotive wheels & brake drum manufacturing (1981)*

**Alabama Feed Products — 145 employees**  
*Poultry by-product processing (1950)*

**Gold Kist, Inc. — 138 employees**  
*Poultry hatchery (1933)*

**Cullman Industries — 129 employees**  
*Apparel (lingerie) manufacturing (1969)*

**Louisiana Pacific — 125 employees**  
*Wafer board manufacturing (1990)*

**Hired Hand — 154 employees**  
*Poultry & livestock equipment manufacturing (1978)*

**Inland Southern — 107 employees**  
*Metal building manufacturing (1993)*

**Daubert Coated Products — 104 employees**  
*Coated paper manufacturing (1965)*

**Rusken Packaging — 102 employees**  
*Corrugated box manufacturing (1979)*

**Pressac — 92 employees**  
*Printed circuit board manufacturing (1990)*

## Business Climate

### ■ Industrial Expansions

Over 270 expansions have occurred in Cullman County during the past 10 years with a capital investment exceeding \$200 million.

### ■ New Industry

33 companies have invested more than \$55 million in new facilities in Cullman County during the past decade.

### ■ Industry Recruitment

Alabama ranks first in the Southeast for total number of new jobs created during the past three years and is third in total capital expended.

### ■ Retail Growth

Cullman County has one of the highest annual average retail growth rates in Alabama for the past five years.

## Cullman County Municipalities

Municipality	Population	Indust. Park*
Cullman	13,367	Yes
Hanceville	2,246	Yes
Good Hope	1,700	No
Garden City	578	No
South Vinemont	543	No
Fairview	383	Yes
Baileyton	352	Yes
Colony	298	No
West Point	257	No
Holly Pond	246	No
Dodge City	126	No

\*See map at left for locations

## Transportation

### Highways

Interstate 65  
U.S. Highways 31, 278 and 231  
Alabama Highways 69, 91 and 157

### Rail Service

Main line of CSX Rail System

### Air Service

45 miles south to Birmingham Airport  
45 miles north to Huntsville International Airport  
10 miles north to the local airport, Folsom Field, with 5,200 feet of paved & lighted runway

### Truck Terminals

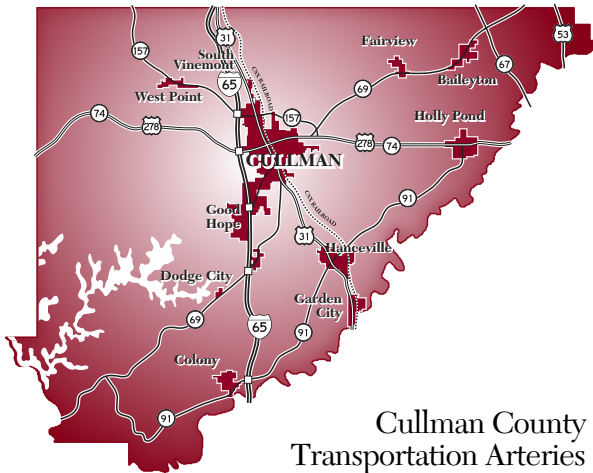
Bowman  
Yellow Freight  
R.E. Garrison  
Mason-Dixon  
Roadway Express  
Over 50 truck lines serve the area

### Waterways

35 miles north to the Tennessee River, with a channel depth of 10 feet, (largest navigable terminal on the river)

### Parcel Service

United Parcel  
Federal Express  
Airborne Express



Cullman County  
Transportation Arteries

### Option #1: Industrial Revenue Bonds

The Authority enters into a financing agreement with the company in which the company agrees to pay the principal and interest on the bonds. The company receives a tax credit against its corporate income taxes for the amounts paid as principal and interest on the bonds. The company would also be permitted to collect a Job Development Fee from new employees and use those funds to pay the principal and interest. The Job Development Fee may equal, but not exceed, the amount which would otherwise be withheld for state income taxes. The employee would receive a tax credit against his or her personal income taxes for the amount of the Job Development Fee withheld. The entire cost of the project could be financed under this option.

### Option #2: Tax Increment Bonds

The company would agree to make annual payments to the Authority in an amount equal to the total of the amount owed as corporate income tax and the Job Development Fees collected from employees. The amounts would be paid into a special "tax increment fund" held by a trustee and the amounts on deposit in that fund would be used to pay the bonds. The company would receive a tax credit against its corporate income taxes for the amount paid into the fund related to taxes. Employees would receive the same tax credit as under Option #1 for the Job Development Fee withheld from their compensation. The size of the bond issue would depend upon the amounts to be paid into the tax increment fund, the reliability of those payments, and the availability of any forms of credit support from parties other than the Authority or the State.

## Taxes

### Real Property Tax

Tax Type:	Rate/\$1000	Assessment Ratio	Effective Rate- In City	Out City
City:	\$15.50	20%	\$3.10	N/A
County:	\$13.50	20%	\$2.70	\$2.70
School:	\$ 3.00	20%	\$ .60	\$1.20
State:	\$ 6.50	20%	\$1.30	\$ .70
Effective rate/\$1,000 Actual value:			\$7.70	\$4.60

### Computation Property Tax Mileage

County	7.0
Roads & Bridges	2.5
County Schools	7.0
City of Cullman	15.5 (10.5 Schools, 5.0 City)
	32.0 total city & county mills
	6.5 state mills
	38.5 total mills

### Assessment Rate

3.85 mills per \$100 assessed value

### Sales Tax

County/City	\$.04
State	.04
<b>Total</b>	<b>.08</b>

### ■ Site Preparation Grants

Site Preparation grants are made to units of local government to pay a portion of the cost of site improvements for a new industry or assist an existing industry in expansion. The Cullman Community & Economic Development Agency will provide the technical assistance required to file for a site preparation grant which will provide funding for land and labor surveys, grading, drainage and providing access to specific sites. Grants cover actual cost, not to exceed \$150,000.

### ■ Industrial Revenue Bonds

Industrial revenue bonds (IRBs) are financing instruments issued by the designated local industrial development boards (IDBs). Often, financial institutions and other intermediaries participate by providing letters of credit backing the bonds. The company seeking the bond must be considered credit-worthy by the financial institution.

IRBs provide financing for land, building and equipment for new and expanding manufacturing plants. The political subdivision issuing the IRB retains ownership of the bond financed facility and leases it back to the company at a rate sufficient to pay the principal and interest on the bonds as they mature.

Tax exempt IRBs are issued at rates lower than conventional sources because the interest paid on the bonds is exempt from both federal and state income tax.

### ■ Ad Valorem Tax Exemptions

(Code of Alabama, 1975, Sections 40-9-40 through 40-9-47). Alabama law provides that ad valorem tax exemptions of up to 10 years may be granted to new and/or expanding industries financed through conventional sources. This exemption may apply to all property except land and does not include education taxes. For an expanding industry to qualify, it must invest a minimum of \$2 million in the expansion.

### ■ Alabama Business Incentive Legislation

The State Industrial Development Authority is permitted to finance new and expanding projects in Alabama through a Legislative Act passed in 1993. Companies engaged in manufacturing, warehousing, distribution, and certain types of research and computer related services are eligible to finance land, buildings and equipment.

Principal emphasis is placed on the creditworthiness of the project sponsors, the number, type and quality of jobs produced; and the economic viability of the proposed project. The average hourly wage for full-time hourly employees must be at least \$8.00 per hour, or the average total compensation (including benefits) for full-time employees at the project must be at least equivalent to \$10.00 per hour.

The Authority is authorized to issue bonds and to loan the proceeds to qualifying companies. Bonds are payable solely from private payments and can be structured in either of two ways: (*next page*)

Covering 743 square miles, Cullman County is in the center of North Alabama. Cullman is 45 miles north from Birmingham and 45 miles south from Huntsville on Interstate 65.

Six distribution centers have located in Cullman County because of the excellent location and transportation network.

### ■ Proximity:

- 90 miles to Tuscaloosa, Alabama
- 129 miles to Chattanooga, Tennessee
- 149 miles to Montgomery, Alabama
- 150 miles to Nashville, Tennessee
- 156 miles to Atlanta, Georgia
- 239 miles to Memphis, Tennessee
- 295 miles to Mobile, Alabama
- 316 miles to Louisville, Kentucky
- 376 miles to Charlotte, North Carolina
- 406 miles to New Orleans, Louisiana
- 425 miles to St. Louis, Missouri
- 587 miles to Tampa, Florida
- 596 miles to Chicago, Illinois



Southeastern United States

## Climate

Mean Temperature: 58° annual, 34° January, 77° July

Average Rainfall: 54.0 inches

Average Snowfall: 00.0 inches

Altitude above Sea Level: 802 feet

Prevailing Winds: 6 m.p.h.

## Population

Location:	1990	1993 (est.)	1998 (proj.)
Cullman County:	67,613	69,758	70,770
City of Cullman:	13,367	14,642	15,959
Trade Area:	150,000	150,450	151,500

## Community Facilities

Hospitals: 1 public, 1 private - 269 beds

Out Patient Surgicenters: 1

Clinics: 2

Doctors: 60

Dentists: 30

Hotels/Motels: 10 with a total of 650 rooms

Protestant Churches: 250

Catholic Churches: 3

Libraries: 2 with a total of 95,000 volumes

Day Care Centers: 10

Golf Courses: 2

Parks: 14

Auditoriums: 2

Swimming Pools: 4

Indoor Theaters: 3

Museums: 1

Skating Rinks: 1

Bowling Alleys: 1

Country Clubs: 2

Tennis Courts: 17

Ball Fields: 41

Shopping Centers: 5

## Utilities & Services

### ■ Electricity - City of Cullman

Supplier: Tennessee Valley Authority

Distributor: Cullman Power Board

### ■ Electricity - Cullman County

Supplier: Tennessee Valley Authority

Distributor: Cullman Electric Cooperative

### ■ Water

Supplier: City of Cullman Water Department

Source: Surface

Max. Daily Consumption: 15,500,000 GPD

Average Consumption: 11,500,000 GPD

Storage Capacity: 24,000,000 Gal.

Capacity of Treatment Plant: 16,000,000 GPD

Max. Capacity of Treatment Plant: 24,000,000 GPD

### ■ Sanitation - City of Cullman\*

Storm Sewer: Yes

Sanitary Sewer: Yes

Coverage: 95%

Treatment Plant: Yes

Type: Trickling Filter Plant

Max. Capacity: 4,750,000 GPD

Average Daily Flow: 2,250,000 GPD

Average Load: 71%

### ■ Natural Gas

Supplier: Southern Natural

Distributor: Cullman - Jefferson Gas Company

### ■ Other Fuels & Suppliers

Fuel Oil, Coal, LP Gas

### ■ Communication Services

Telephone: South Central Bell, 5ESS Digital Switching

Telegraph: Western Union

Mail: U.S. Post Office Class one

\*Sewer systems also located in Good Hope, Garden City, Hanceville, and Holly Pond.

## Cullman Industrial Parks

### ■ Cullman Industrial Parks 1 & 2

- TOTAL AREA:** Park #1: 282 acres; 37 available  
Park #2: 120 acres; 90 available
- LOCATION:** City of Cullman, Alabama
- FRONTS ON:** Alabama Highway 69
- ZONING:** Industrial (Class 4 fire insurance rating)
- PROXIMITY:** Interstate 65 ..... 1.0 mile  
U.S. 31 ..... 1.0 mile  
U.S. 278 ..... 3.0 miles  
AL 157 ..... 5.0 miles  
So. by-pass ..... 1.0 mile
- UTILITIES:** Gas ..... 6 inch line  
Water ..... 12 inch line  
Sewer ..... 10 inch line  
Electricity ..... 3-phase service  
*Supplied by TVA*  
*Park #1 dist. by Cullman Power Board*  
*Park #2 dist. by Cullman Electric Co-op*
- OWNER:** City of Cullman  
Industrial Development Board

(Also see the aerial view of Cullman Industrial Parks located on the back cover.)



## Education

School	Qty.	Grade
City Public Elementary	2	K-5
City Public Junior High	1	6-8
City Public High	1	9-12
Private Elementary (Catholic)	1	K-8
Private Elementary (Lutheran)	1	K-5
Private High (Catholic)	1	9-12
County Public Elementary	15	K-5
County Public Junior High	7	6-8
County Public High	9	9-12

Colleges & Universities	Location
Samford University	Birmingham
Birmingham Southern	Birmingham
University of Alabama in Birmingham	Birmingham
University of Alabama in Huntsville	Huntsville
Wallace State College	Cullman Co.

- Sacred Heart School SAT scores are the highest in the state.
- St. Bernard and Cullman City Schools SAT scores exceed the national average.
- Wallace State is the fastest growing two year College in Alabama with an enrollment of 6000.

## Agriculture

Cullman County is the highest agricultural producing county in the state of Alabama.

Cullman County ranks #1 in Alabama for:

- Broilers
- Hens
- Eggs
- Beef Cattle

Cullman County ranks #2 in Alabama for:

- All Cattle
- Milk Cattle
- Potatoes

## Labor Force

### ■ Labor Availability

- Labor Pool: Cullman County's workforce is drawn from 150,000 people within a 30 mile radius.
- County Labor Force: 34,426 1993 average
- County Unemployment Rate: 6.8% 1993 average
- Commuting: 24.7% of the Cullman County workforce commutes out of the county daily for employment.
- Manufacturing Employment: Approximately 9,300 people are employed in manufacturing and distribution

*Alabama is a right to work State.*

### ■ Labor Statistics

- Average Age of Labor Force: 38.1 years
- Average Work Week: 43 hours
- Absentee Rate: Less than 5%
- Turnover Rate: Less than 2%
- No. of Industries with Unions: 5 out of 115
- Number of Union Workers: Less than 2.7% of the workforce

### ■ Labor Division

Category	Quantity	% of labor force
Manufacturing/Distribution	9,236	34.65%
Service	5,631	21.12%
Government	1,815	6.81%
Construction	847	3.18%
Finance	1,024	3.84%
Transportation	771	2.89%
Wholesale/Retail Trade	7,150	26.82%
Agriculture	184	0.69%
<b>Total</b>	<b>26,658</b>	<b>100.0%</b>

## Job Training

**The Alabama Industrial Development Training (AIDT)** program has designed and delivered training for more than 75,000 employees at over 450 companies in the past 18 years. Pre-employment training is available at no cost to the industry. AIDTraining has \$5 million in conventional and high-tech training hardware, a fleet of 36 mobile training units, and sophisticated program design techniques to help train employees who will make a positive impact on product quality, quantity, and cost. Companies using the AIDTraining total delivery system for start-ups and expansions, after one year's operation, realized turnover rates of less than 5% and absenteeism rates of less than 2%.

**The North Alabama Skills Center** offers the OJT (on-the-job) program which pays 50% of the salary of one fourth of the employees being trained. The program is funded through the Jobs Training Partnership Act and employees qualify for up to six months of training.

**Wallace State College** is a comprehensive community college that is a major provider of trained skilled technicians for business, industry and health care facilities throughout north Alabama. The college maintains close ties with community planners, Chambers of Commerce, government agencies and the business and industrial community.

Wallace State is accredited by the Commission on Colleges of the Southern Association of Colleges (the accrediting body in the 11 southern states for post secondary degree granting institutions). The college, accredited since 1971, has an enrollment of 6,000, and is the fastest growing two year college in Alabama. WSC is an open admission community college that works with local industries to develop programs and classes to meet company training needs. Training programs are offered either free of charge or for a nominal fee.

**Tech Prep** is a concept in vocational education that combines technical training with academic subjects to prepare students to enter the job market or make the transition to a two-year community college or four year school. This program, first implemented in Alabama by Cullman County, combines technical instruction and higher academics to prepare students for the advanced courses at the post secondary level. The Tech Prep program requires students to take regular level courses in english, math and science in addition to their technical courses. Students must perform satisfactorily at grade level in all the above areas.