

# Executive Summary

In a mobile and global economy, adjacent cities and counties are not competing against one another for prosperity. Instead, entire metro areas compete collectively for growth, competing against other metropolitan areas in the state, the region, the nation, and the world.

Successful communities recognize that fortunes are shared across municipal and county boundaries. They work across those lines to pursue common goals and address problems. Municipal and county lines are still present and do have an impact, but communities that hold themselves hostage to those lines, communities that engage in counter-productive competition between local communities, put themselves at a disadvantage.

As is common in locales with industrial heritage, The Shoals developed in a fragmented fashion with the local population divided into separate municipalities. While this fragmentation complicates efforts to cooperatively invest, plan, and equitably and efficiently deliver services, The Shoals has shown impressive creativity and vision in finding alternative ways to come together at moments of challenge and opportunity.

The Shoals is again at a moment of unparalleled opportunity, but it is one that will require cross-community cooperation to capitalize on. The collaborative structures already in place should be valued and built upon, and new collaborative initiatives should be pursued.

### **Successful Responses to Fragmentation**

In the face of economic challenge, in the late 1980s, leaders in The Shoals formed The Shoals Economic Development Authority (SEDA), the state's first and only two-county economic development authority. It formed a united Chamber of Commerce.

In the mid-2000s at a moment of opportunity, that collaborative arrangement was made even more

powerful with the addition of the state's first and only two-county Economic Development Fund, supported by a half-cent sales tax in Colbert and Lauderdale counties.

Through collaboration, The Shoals partnered with Retirement Systems of Alabama to enable the development of The Shoals Marriot Resort in Lauderdale County and the Robert Trent Jones Golf Course in Colbert County. Through collaboration, The Shoals made possible the development of Barton Riverfront Industrial Park, expanded the Florence-Lauderdale Industrial Park, the Rogersville Business Park, Shoals Commerce Park, and The Shoals Research Airpark. SEDA has constructed spec buildings to attract new businesses, recruited new employers and helped existing companies expand. All those investments would have been much more difficult or impossible if individual cities and counties had been left to go it alone.

The residents of both Shoals counties have made collective investments in K-12 education, with both county and city school systems receiving levels of local per student funding that exceeds the state average.

And the school systems have produced results. Compared to the school systems in other Alabama metro areas, The Shoals systems, collectively, produced the highest level of college and career readiness among its high school students and scored the second highest rate of college-going students among Alabama metros.

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**Part of that success in college-going rates may be attributable to another cooperative venture: The Shoals Scholar Dollars program, which funds about 150 scholarships per year to Northwest-Shoals Community College for any graduate of the 17 high schools in Colbert and Lauderdale counties that meets basic requirements.**

## Opportunities

### ***A broader definition of economic development***

With SEDA and The Shoals Economic Development Fund in place, The Shoals is well positioned to compete with automotive suppliers for the \$1.6 billion Toyota-Mazda plant currently under construction in Huntsville.

However, beyond the historically important need for sites and incentives to recruit industry, economic development is increasingly contingent on the quality of the local workforce and the quality of life in the communities where companies are considering locating. As such, the purposes of the Shoals Economic Development Fund should be expanded in scope to include investments in workforce development and regional quality of life, with priorities set and decisions made through the local representative body.

### ***Workforce***

The Shoals high college- and career-ready rate and high college-going rate should be a tremendous advantage as companies emphasize workforce supply and quality as a key factor when deciding where to locate.

To capitalize on those achievements the region should bring K-12, higher education, and local employers together to address inequities among school systems; create tighter relationships between

schools, students and employers; and align educational offerings with local career opportunities.

Communities across Alabama are forging alliances between business and education. Alabama's realigned regional workforce council system is spreading state-wide best practice approaches to create these connections, but The Shoals needs its own local coalition, organized by the Chamber and/or SEDA, to support and carry out this work, rather than depending on the sprawling North Alabama Regional Council.

- 1 |** As early as 8<sup>th</sup> grade, students should be made aware of career opportunities and required education training, so they can begin to understand potential pathways through high school and post-secondary into careers.
- 2 |** Use local school systems as a laboratory for identifying educational successes and spread practices to address disparities in K-12 education.
- 3 |** Ensure that every child graduates with a plan and an opportunity to pursue it, including access to a sustainably funded Shoals Scholar Dollar program.
- 4 |** Tighten the alignment of the offerings at Northwest-Shoals Community College with the needs of local employers with an eye toward the advancing technology.
- 5 |** Improve 4-year college preparation and college-going rates, which are lower than other metros. Support the ambitions of the University of North Alabama to grow enrollment and target support for expansion in fields that fill regional needs.

### ***Quality of Life/Place***

The Shoals is enjoying a moment of unprecedented opportunity to draw visitors and new residents. There is the wave of interest in The Shoals historic and contemporary contributions to American music. The Shoals is suddenly an unexpected fashion hub. Local investors have revived downtowns in Florence,

Sheffield, and Tuscumbia. The communities support a well-stocked cultural calendar. And The Shoals' natural setting on the Tennessee River provides hard-to-match recreational opportunities.

### **Tourism**

Tourism boards on both sides of the river have done an admirable job of creating and telling The Shoals' story and raising its profile as a destination. However, since both organizations are funded through lodging taxes collected on their respective sides of the river, the two organizations find themselves in low-grade competition, duplicating efforts, and sometimes pitted against one another.

The revenue streams of the two boards should be merged, and a jointly representative board should reorganize operations to support a united effort to promote the area attractions on an equitable basis.

### **The River**

The Tennessee River has long been a central asset as a source of transportation, power, and recreation for The Shoals. Despite being tied to the river, the residential and town centers of the four cities of The Shoals lie some distance from the river. While recreational access has been developed in certain locales, there is relatively little pedestrian or bicycle connectivity from city centers to the river or along the river's corridors. Planned projects like the River Heritage Trail in Florence have languished. The Shoals should make interconnection to the river, neighboring communities, and along greenway corridors a priority. These projects should not be left up to municipalities. A private charitable or land trust organization is often a critical partner in planning, raising funds, and focusing public attention.

### **Governmental Cooperation**

Recognizing the fragmented nature of municipal government in The Shoals, there has periodically been discussion of merging municipalities. Municipal

merger is rare and difficult and typically comes after multiple incremental steps involving shared and cooperative services. Through the SEDA and The Shoals Economic Development Fund, The Shoals has in effect formed a tool for intergovernmental cooperation—an overlay government that can address regional priorities. But attention now needs to be paid to cooperation from the bottom up. Steps to encourage that cooperation can include:

**Formation of a Mayors' Council:** Provide for regular, agenda-driven meetings of the four cities' chief executives, aimed at addressing issues of joint concern and exploring collaborative projects. Such a group should have support from an entity like the Northwest Alabama Council of Governments to provide research and scheduling support. Such a council might consider the adoption of anti-poaching agreements to prevent self-defeating, interlocal competition for business location. Together, the mayors can identify areas of common concern and challenge and devise consistent informed solutions.

**Consideration of the City Manager Form of Government:** Considering the complexity of modern government operation, the national trend is to hire professional managers to run the day-to-day operations of cities. In the case of The Shoals, where local governments provide not only basic city services but also utility services, the city manager form would have added value. Mayors, subject to election every four years, face a steep learning curve when entering office. Managers are trained to concentrate on efficient operation and can provide continuity. The manager form is preferable in situations where governments work with adjacent cities to provide shared services.

**Shared Services and Consolidation of Operations:** Any county or municipality in Alabama may contract with one or more counties or municipalities to exercise any power or deliver

a service that state or local law authorizes each of the contracting entities to exercise individually. The joint contract may allow one or more entities to provide a service on behalf of the others, or the service can be provided jointly by the entities.

Wholesale merger of the municipalities in The Shoals would be unlikely in the near term, considering the complexities involved, but work should begin immediately on finding ways to cooperatively deliver services. This is particularly true in the case of Sheffield and Tuscumbia, which are situated side-by-side, have similar levels of municipal revenue and expenditure, and exist in the same county.

Tuscumbia and Sheffield should form three separate study groups to examine the potential benefits and obstacles to increased cooperation or consolidation: one for municipal utilities, one for municipal departments and operations, and one for schools.

Initial cooperative agreements between those two cities can establish a framework that can be expanded to include participation by Florence and Muscle Shoals.

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**The communities of The Shoals are inextricably linked in a metropolitan community. Metro areas are the engines of economic prosperity in the modern United States. Dynamic metro areas work collaboratively and systematically to build on their own distinctive strengths and address weaknesses to create more vibrant and livable communities.<sup>1</sup>**



<sup>1</sup> Katz, Bruce; Bradley, Jennifer. *The Metropolitan Revolution: How Cities and Metros Are Fixing Our Broken Politics and Fragile Economy*. (2013). Brookings Institution Press. Washington, D.C.

To advance together, The Shoals needs to continue to pool its resources to make smart large-scale investments no one community can make on its own. It needs to prioritize addressing inequities that municipal boundaries tend to produce, especially in educational opportunity. And it needs to invest energy into cooperative structures that can drive toward regional consensus and regional achievement of goals.