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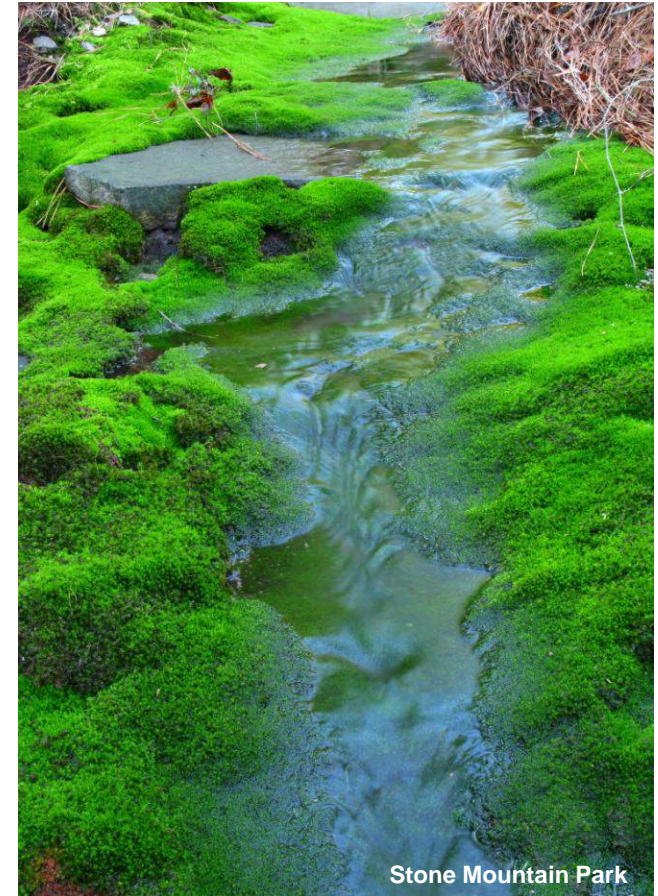
DeKalb County Market Assessment

Comprehensive Economic Development Strategy: Phase I

March 21, 2014

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Introduction

AngelouEconomics and our project partners, The Collaborative Firm and Market + Main, are proud to work in collaboration with DeKalb County to create an economic development strategic plan that will allow the county to diversify and grow its economy and become a competitive force in the attraction of new industries.

At the end of the project process, DeKalb County will have a new five-year strategic plan that identifies target industry clusters based on the unique characteristics of the area. The plan will emphasize economic development and redevelopment and recommend goals, strategies and tools the county can use to achieve its vision of a healthy, vibrant economy.

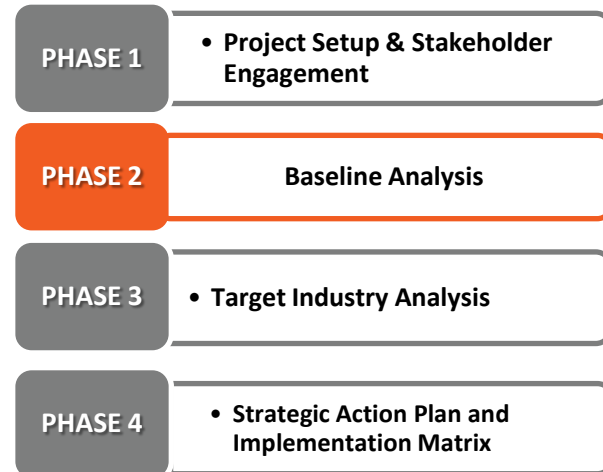
This Market Assessment report is the first deliverable in a four-phase project plan that will take the county through the determination of valuable assets and possible issues that could affect economic development. The county will determine industries to target for attraction and focus on a long-term plan that can bring various communities within the area together in collaboration for success.

In December 2013 and January 2014, AE conducted site visits to DeKalb County, interviewing more than 200 stakeholders during private conferences and discussion groups. In January, an online survey was launched to collect additional input from DeKalb County businesses and residents and help engage the community in the process of economic development planning.

The Market Assessment is the first deliverable in the Baseline Analysis phase. It provides a detailed look at the county's current Quality of Life, Workforce and Education, Business Climate, and

Infrastructure factors and an analysis of strengths and weaknesses. A second Baseline Analysis report will be delivered in March 2014 as a supplement providing in-depth analysis of issues including county-owned properties, MARTA transit plans and area public organizations.

The baseline analysis reports will be followed with a Phase 3 Target Industry Analysis in April 2014 and a Phase 4 Strategic Plan and Implementation Matrix in June 2014.



Executive Summary

DeKalb County is entering a new era of economic health signaled by the development of the first comprehensive economic development strategic plan, and the planned establishment of an IGA with the Development Authority to name it the official Economic Development arm for the county. Existing infrastructure, an integral transit system and a new direction toward business-friendly county policies are valuable assets that will aid the county in the attraction of new industries and the retention and growth of existing businesses.

In a burgeoning environment of openness and trust, DeKalb County is well-poised to regain the confidence of the business community and begin to build a reputation for a dynamic new business environment. We believe it is time for the county to change focus from negative issues to the marketing of its wide range of assets using a well-planned roadmap for success. Our strategy is to make DeKalb County the most business-friendly county in the Atlanta MSA, and to designate strong employment centers throughout the county that need to be protected as part of a cohesive long-term development plan.

In order to improve the economic environment, the county must overcome a number of issues impeding recovery. One of the most critical is a severe decrease in the unincorporated tax digest – an estimated 50% during the last six years – resulting primarily from the incorporation of wealthier communities in the north into cities, annexation of other successful areas by existing cities, housing foreclosures and decreasing property values. Infrastructure in the unincorporated areas of the county is older and in need of repair and replacement, but the drastic reduction in revenues leaves the government unable to reinvest in roads and other infrastructure.

The county also faces political issues relating to governance and financial oversight that reverberate into economic conditions. The recent indictment of the County CEO and the conviction of the former superintendent of the public school system have led to mistrust. The political upheaval, slashed county staffing and the lack of funding for employee raises has resulted in a demoralized county staff.

A solid strategic plan will assist DeKalb County in leveraging its assets in competition for economic development and in addressing some of the powerful issues faced by the county, its businesses and residents. The plan will support job growth and capital investment and pull all areas of the county together in a collaborative commitment for success.

The first step in the development of that strategic plan is a comprehensive understanding of current conditions of the DeKalb County market area. In order to compare local conditions to other pertinent market areas, three benchmark counties were chosen in collaboration with DeKalb County – Gwinnett and Cobb counties in Georgia, and Prince George's County in Maryland. Much data is additionally compared to data for Atlanta, the state of Georgia and the U.S.

This report details the findings of analysis into four market factors: Quality of Life, Workforce and Education, Business Climate and Infrastructure.



Executive Summary continued

The major findings of the market assessment report are as follows:

Quality of Life

Population growth has been slow in DeKalb County since 1990; the county has the lowest population growth of all benchmarks and the state of Georgia. A significant drop from 22% growth from 1990-2000 to 6.3% growth from 2000-2013 could indicate residents are leaving the county in search of opportunities not available there.

At \$ 48,671, median household income is lower in DeKalb than in any of the benchmark counties and Atlanta, but comparable to the median for the state of Georgia. While DeKalb County residents may earn less, their earnings will carry them farther due to the lower cost of living in the county. Cost of living, including housing and rental costs is comparable to that of neighboring Gwinnett and Cobb counties and lower than Prince George's County and Atlanta

Housing prices in DeKalb County are much lower than in other benchmark counties. Commute time in the area appears an advantage. Most residents travel less than 30 minutes to work.

Both property and violent crime in the county are dramatically higher than benchmarks, Atlanta, Georgia and the U.S. The DeKalb County poverty rate is the highest of all benchmark counties.

Workforce and Education

DeKalb workers are younger on average than workers in the U.S. as a whole, with a median age of 34. The county workforce displays a wide range of skill and educational background.

DeKalb County has a large base from which to draw workers for industries. The majority of workers in DeKalb County commute from

Atlanta and neighboring counties. Less than one-third of DeKalb County residents work in their home county. The large base of workers combined with low commute times produces an asset in the form of a mobile workforce.

Reports of relatively high wages paid in DeKalb County coupled with the county's low median household income reinforce the fact that the majority of DeKalb County residents work outside the county. DeKalb County was the only one among benchmark counties, Atlanta, Georgia and the U.S. with a decrease in employment growth (-2%) during the last 10 years.

Perception of the quality of education provided by DeKalb public schools is low, and graduation rates are tied with Gwinnett County for the lowest rate (87%) in benchmark counties. DeKalb County average SAT scores are low among benchmark counties, Georgia and the U.S. It appears that DeKalb County could benefit from initiating measures to ensure students are more college ready upon graduation from high school.

With more than a dozen highly recognized universities and colleges ranging from small private medical schools to prominent state universities to large online institutions, DeKalb County has an exceptional quality and number of higher education institutions, including Emory University. These constitute huge assets to the community as they offer their own workforce and business development programs and help shape the future pipeline for labor supply. The county also boasts strong research and development expenditures – more than \$530 million invested in 2010.



Executive Summary continued

Business Climate

The bad news is no secret to DeKalb County or local businesses; the county is reeling from the impact of city incorporations and the resulting loss of tax revenue. The county has lost 50% of its tax digest during the last six years, shifting the burden of taxes to an increasingly poor demographic. A focus on enhancing the county's business climate and well-planned economic strategies will help alleviate the impact of diminishing tax revenues over time.

The growth rate of business establishments in DeKalb County has not kept pace with adjacent Atlanta. The vast majority of businesses in the county are small companies with less than 10 employees. AT&T, Emory University, Kroger, and the CDC are among the county's largest employers.

There is good news in the business community. Georgia is viewed by international site selectors as a business-friendly area in terms of tax climate. Professional and Business Services and Education and Health Services supersectors are growing within the county. Emory University, the CDC and much of the Health and Education corridor is currently situated on unincorporated county land. That advantage could change if Atlanta were to successfully annex the area. Trade, Transportation and Utilities, currently a major sector, is in decline.

The county performs well in patent activity, fostered in large part by the CDC and Emory University. However, small businesses and entrepreneurs could benefit from more support.

Infrastructure

Much of DeKalb County originally developed as a bedroom community for Atlanta, and growth in household units in since 1990 has not kept pace with benchmark counties, Atlanta or Georgia. The county particularly lost ground in new housing from 1980-2000. Other neighboring counties, especially Gwinnett, have defined the growth of housing in the Atlanta MSA since 2000.

While the number of vacant houses grew to some degree in all benchmark counties since 2000, DeKalb had the highest increase at 76%. The county also had the highest percentage of rental units of all benchmark areas – 40%, an indicator of a less stable, more mobile population.

DeKalb County, serviced by Georgia Power, is competitive with regard to electricity and natural gas rates. Water and wastewater is the county's least competitive utility, especially wastewater with a rate of \$13.77 compared to \$5.41 in Cobb County.

“We need a new plan so good that everybody wants to be a part of it. Something understandable and implementable.”

-Community Stakeholder



DeKalb County SWOT

Strengths

- Proximity to downtown Atlanta
- Planned IGA with DeKalb Development Authority
- Highway/Air Transportation access
- MARTA
- Exceptional medical/healthcare corridor
- Strong international corridor
- Existing industrial corridor
- Existing logistics cluster
- Exceptional university/colleges
- High patent activity
- Proximity to ATL airport

Weaknesses

- Declining county revenue
- North/South polarization
- Significant political fracture
- High levels of violent and property crime
- Perception of public education system low
- Onerous county development processes
- Lack of governmental transparency
- Vast majority of county already developed
- Lack of adequate transportation in southern area
- Lack of private funding
- Inadequate support for entrepreneurs
- Few well-defined employment centers

Opportunities

- Businesses willing to support economic development
- Residents strongly tied to neighborhood development
- Vacant industrial space
- High potential for redevelopment
- Possible MARTA expansion
- Strong potential for logistics development
- High Potential for support services development
- Significant tourism potential
- Untapped potential in healthcare corridor
- High potential of senior living centers

Threats

- Successful areas incorporating into cities
- Stigma of political corruption
- High foreclosure rate
- Decreasing property values
- Racial division
- Limited business engagement
- Politics deeply embedded in county government
- Adjacent counties with modern industrial space



Methodology: Benchmark Comparison

In order to understand how DeKalb County stacks up competitively against regional competitors, it is important to examine the area's strengths and weaknesses compared to other cities and areas. This report not only collects and analyzes qualitative and quantitative data but also evaluates this information against three areas selected by DeKalb County. This competitive intelligence will determine how to engage and leverage local assets in order to direct and promote a sustainable economic development program.

Cobb County, GA; Gwinnett County, GA; and Prince George's County, MD were chosen as competitive benchmarks for this report. This study also benchmarks DeKalb County against the Atlanta MSA, the State of Georgia, and the United States in order to differentiate between what may be attributed to local trends versus broader metropolitan, state, or national trends.

	DeKalb County, GA	Gwinnett County, GA	Cobb County, GA	Prince George's County, MD	Atlanta MSA, GA	Georgia	United States
Population (2012)	707,877	844,731	707,013	879,045	5,449,355	9,939,515	314,419,291
Population Growth ('00-'12)	6.3%	43.5%	16.3%	9.70%	28.3%	21.4%	11.73%
Unemployment Rate, October 2013*	8.4	6.9	7.0	7.20%	7.7	8.0	7.3%
Labor Force Growth ('92-'12)	1.27%	19.01%	5.06%	6.88%	12.06%	9.43%	6.98%
Median Household Income (2012)	\$51,252	\$61,994	\$65,180	\$73,568	\$57,664	\$49,604	\$50,046
% Bachelor's Degree + (2012)	38.0%	35.0%	43.0%	29%	34.0%	28.0%	27.6%
% in 25-44 Age Group (2012)	31.0%	30.0%	29.0%	28%	29.0%	28.0%	25.9%



Methodology: Determinants of Economic Success

The Market Assessment Report examines many aspects of the DeKalb County community as it exists today with an eye toward future development. Much detail is provided on the area's assets and the prospects of additional growth and economic prosperity.

Major determinants of economic development success are evaluated in detail, such as quality of life, workforce & education, business climate, and infrastructure.

By organizing the data into these four determinants of success, trends can be more clearly observed and policies can be more easily conceptualized. The determinants provide context to the many aspects of DeKalb County's economy.

This report also identifies issues which, if successfully addressed, will help guide and direct strategic change in the efforts to elevate the local economy to new heights of economic success.

QUALITY OF LIFE: The factors affecting the daily lived experience of community members including cost of living, commute times, household incomes, crime rates, and others.

WORKFORCE & EDUCATION: The available workers and their skill levels and experience. Important factors include employment trends, worker mobility, educational assets, and research & development expenditures.

BUSINESS CLIMATE: The general environment for and factors affecting business establishment and growth including key economic drivers, tax climate, cost of government, and others.

INFRASTRUCTURE: The resources necessary to the functioning of a community and economy including housing capacity, utility infrastructure, commercial real estate product balance and availability, utility infrastructure, and transportation.



Methodology: Scorecard Assessments

Scorecards have been created to allow a visual representation of the health of the DeKalb County economy in each of the economic determinants.

The scorecards condense the many data points in each section down to the main factors that define each economic determinant. The factors are then analyzed, ranked, and plotted graphically for easy interpretation.

The output of each analysis is presented in the column labeled "Assessment Rationale." Each factor was ranked and plotted along a continuum from leading to weak, depending on the performance of that particular factor. Once all factors were analyzed and assigned ranks, a rank was given to the overall performance of the entire economic determinant.

Typical Scorecard Assessment

Assessment Rationale	Industry Requirements	Leading	Strong	Lacking	Weak
State and federal tax credits, along with utility buy-back programs for renewable energy production are helping to foster an amicable environment between green policy and implementation.	Public Policy Support for the Industry		●		
Region leads in solar and geothermal energy potential, giving County plenty of resources for extracting geothermal and solar energy.	Access to Available Natural Resources	●			
County has an affordable workforce, however, it currently lacks renewable energy specialists for the positions requiring deep expertise. Some of which could be recruited from the University field of experts.	Skilled Workforce Available			●	
The instability of the global economic climate has made banks and investors less willing to lend capital, making it much less readily available for expanding businesses, which is reflected in County.	Capital & Funding Sources			●	
County-based entrepreneurs lack a support system in locating and approaching potential investors as well as Venture and Angel investor firms. However, federal funding is available for green energy projects.	Access to Venture Capital			●	
County is located in proximity to University, which has strong R&D assets, particularly in engineering fields. However, there is a lack of locally-based R&D assets.	Research & Development Assets			●	
There is a lack of ready-to-use business space and smart grid infrastructure in County. However, several land options exist for a renewable energy-focused business park to be developed with EDA funding.	Structural Assets & Infrastructure			●	
County has moderate highway and rail infrastructure, but is not located directly on an Interstate highway. County's location away from major metro areas is also a challenge for renewable energy generation and distribution.	Proximity to Market			●	
County has relatively inexpensive land rental rates and also has low property taxes and relatively low electricity rates.	Cost Factors		●		

"We need a plan that takes into account what's right within each area of the county and what infrastructure can support in different areas."

-Community Stakeholder



Methodology: SWOT

AE defines the four aspects of “SWOT” in these terms:

Strengths: Issues or characteristics internal to DeKalb County that can be built upon to advance current and future economic growth opportunities in DeKalb County.

Weaknesses: Issues or characteristics internal to DeKalb County that, if not addressed effectively, could limit current or future growth opportunities.

Opportunities: Assets, events, or trends external to DeKalb County that provide the potential for economic growth and attraction of new industry.

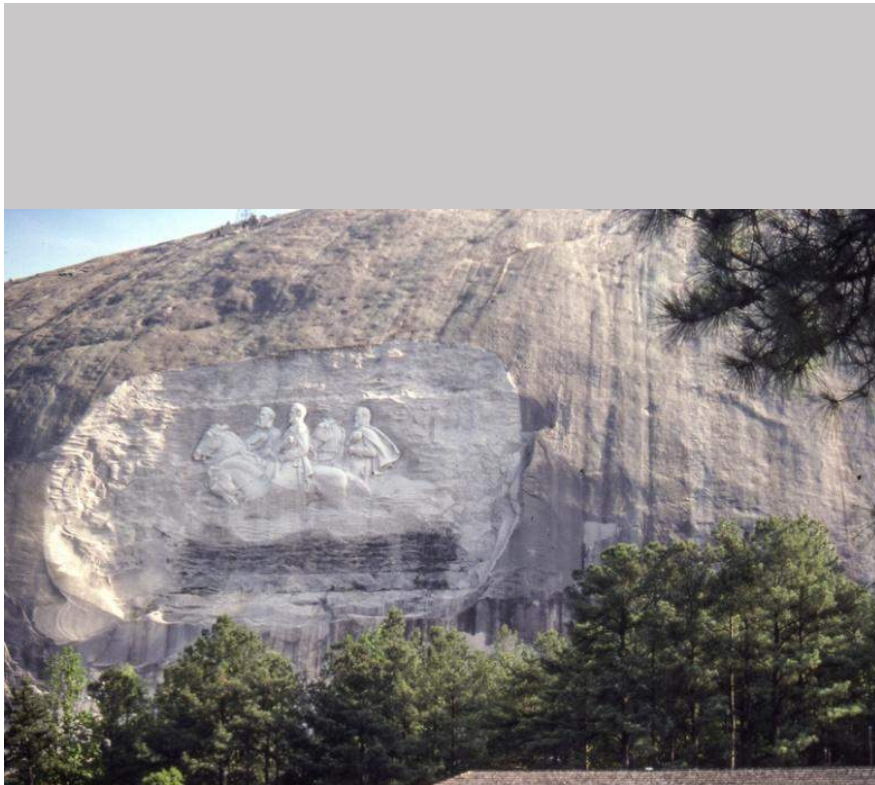
Threats: Obstacles, events or trends external to DeKalb County that, if not addressed effectively, could threaten the County’s economic potential and its ability to attract, expand, and start up new employers.

Each section of the report highlights the strengths, weaknesses, opportunities, and threats for DeKalb County as they relate to a particular economic determinant. The SWOT assessments were created through analysis of both quantitative and qualitative data.

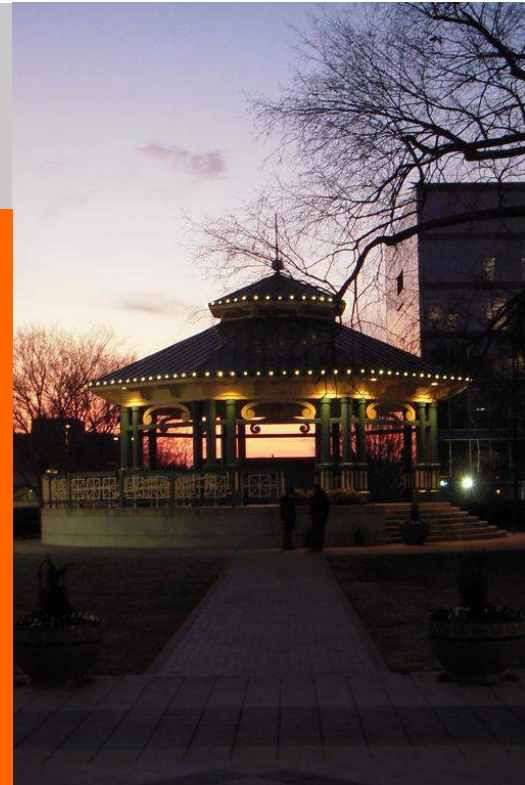
Qualitative information was obtained through stakeholder discussions, focus groups, survey information, and other existing quantitative databases. We do not intend for this analysis of issues to be all-inclusive. Rather, we focus on those areas that will have the most direct impact on specific components of future economic development efforts in DeKalb County.



QUALITY OF LIFE



"Stone Mountain" by Snap Man, taken from Flickr.com, used under CC BY / Cropped from Original



"DeKalb County Gazebo" by elmada taken from Flickr.com, used under CC BY / Cropped from Original



Quality of Life: Scorecard

RANKING OF DEKALB COUNTY'S QUALITY OF LIFE FACTORS					
Assessment Rationale	Quality of Life Variable	Leading	Strong	Lacking	Weak
<ul style="list-style-type: none"> DeKalb has had slow population growth since 1990 	Population Growth				
<ul style="list-style-type: none"> Low cost of living 	Cost of Living				
<ul style="list-style-type: none"> Low median incomes 	Household Incomes				
<ul style="list-style-type: none"> Average commute time for more than 50% of commuters is less than 30 minutes 	Commute Times				
<ul style="list-style-type: none"> Low housing costs Low rent prices 	Housing Characteristics				
<ul style="list-style-type: none"> High rates of poverty, property crime, and violent crime 	Crime & Poverty				
	Overall Quality of Life				



Quality of Life: SWOT

Strengths	Weaknesses
<ul style="list-style-type: none">• Proximity to downtown Atlanta• Diverse population• Low cost of living• Affordable housing• Good hospital/healthcare• Good natural resources/entertainment locations• New public safety initiative (police, fire)	<ul style="list-style-type: none">• Low median income• High poverty rates• Deteriorating roads and county infrastructure• Low household income averages
Opportunities	Threats
<ul style="list-style-type: none">• Low cost of living• Cultural diversity• Strong intra-neighborhood support• Room for upward mobility in wages for county residents• Decreasing foreclosure rates	<ul style="list-style-type: none">• Slow and declining population growth• High crime rates• Geographic and racial polarization

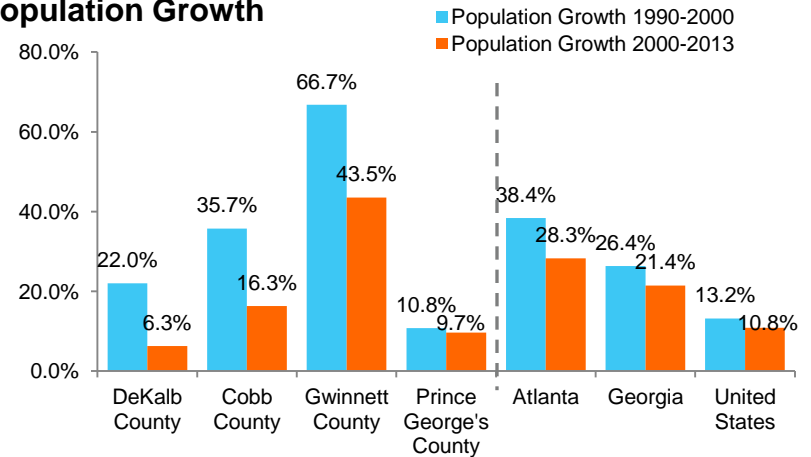


Quality of Life: Population

DeKalb County's population growth has slowed

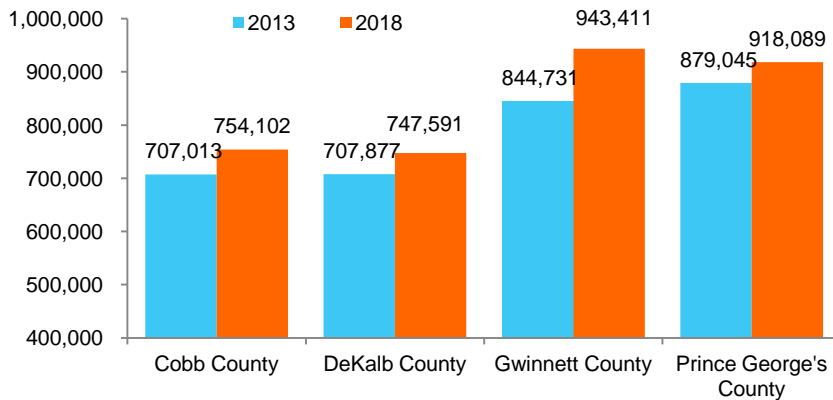
The county's population growth has been considerably slower than the benchmark communities since 2000. The slower growth trends in the past 13 years are consistent with broader population trends across Georgia and the U.S. While the decrease in population growth in DeKalb County may be due to larger state and national trends, such a dramatic drop indicates that residents may be leaving in search of opportunities not available in the county.

Population Growth



Source: Decision Data Resources

Population Estimates



Source: Decision Data Resources

...and is projected to continue to grow slowly

When compared to the benchmarks, DeKalb County falls in the middle of the ranking in terms of population. The county is 20% smaller than Prince George's County, 16% smaller than Gwinnett County, and comparable in size to Cobb County.

The trend of slow growth is projected to continue to 2018. DeKalb County is projected to grow by 5.6% in the coming five years, less than Prince George's County (4.4%), Cobb County (6.7%), and Gwinnett County (11.7%).



Quality of Life: Diversity

DeKalb County has a diverse population

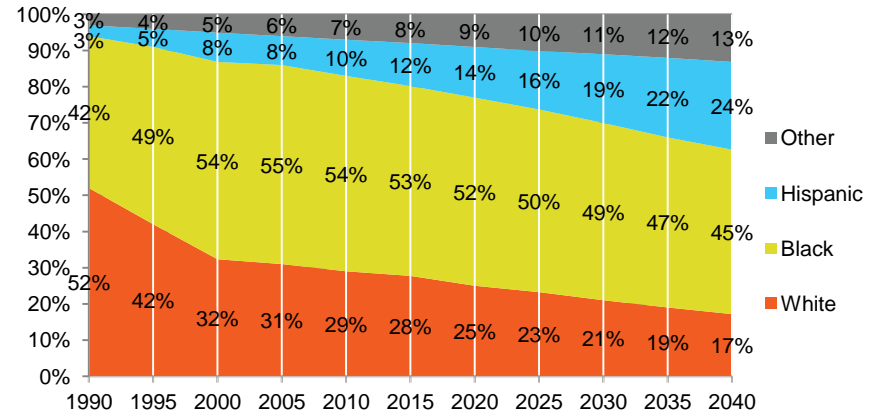
Minority communities make up more of the DeKalb County population than any other benchmark. The county has the largest share of black residents. Although, the Hispanic population is growing rapidly.

DeKalb County is a haven for refugees

DeKalb County's diversity has been increasing over time due to an influx of refugees. The metro Atlanta region is the 4th most likely destination for the federal government to resettle refugees. The majority of these refugees settle in DeKalb County. The refugees come from myriad nations, including: Afghanistan, Bosnia, Burma, Burundi, Iraq, Liberia, Somalia, Sudan, Russia, Vietnam, and many other nations.

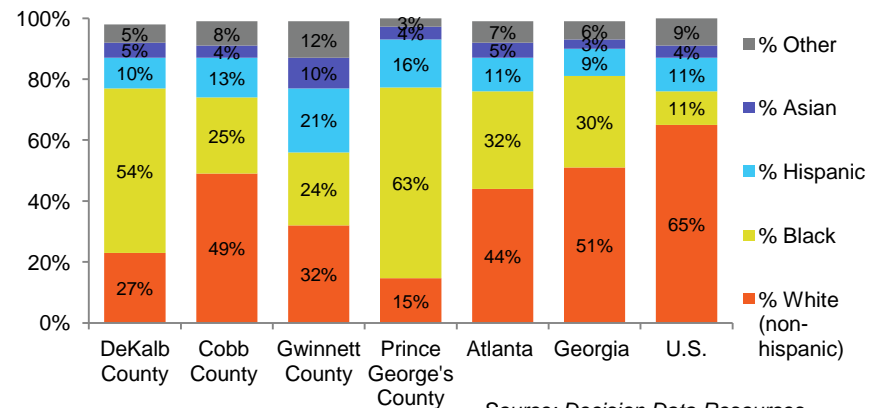
DeKalb County is also a haven for U.S. citizens that have been displaced due to natural disasters. Many of the people displaced from Hurricane Katrina now reside within DeKalb County.

Population Trends by Race



Source: Atlanta Regional Commission

Distribution of Race/Ethnicity, 2013

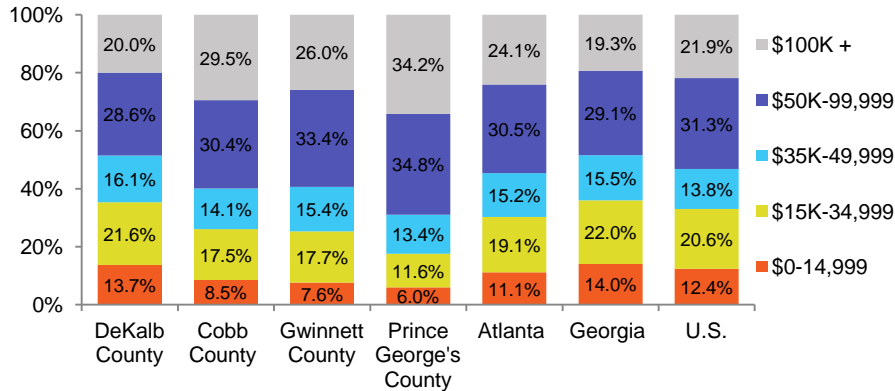


Source: Decision Data Resources



Quality of Life: Household Incomes

Household Income Distribution, 2013



Source: Decision Data Resources

DeKalb County incomes are relatively low

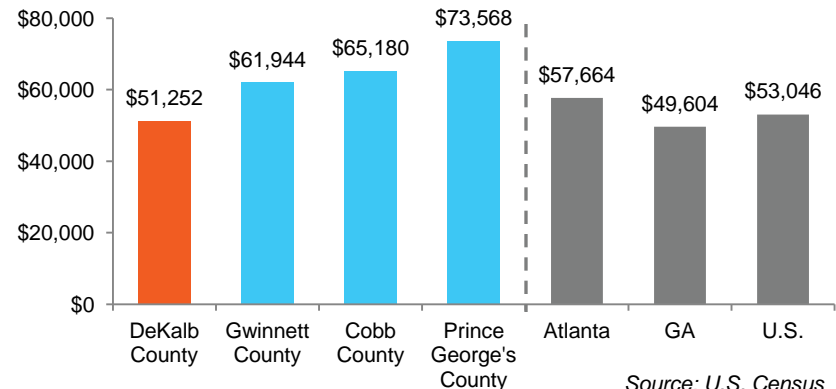
The distributions of incomes in the county is shifted towards lower incomes, the majority of which are under \$50,000. DeKalb has the smallest share of households earning over \$100,000. While household incomes in DeKalb are considerably lower than the benchmarks, the distribution is consistent with the distribution of incomes across the state as a whole.

As is shown later in the report, weekly wages reported by DeKalb businesses are strong in comparison to benchmark counties. This could indicate that workers receiving higher wages from county employers are traveling to the area to work, but live outside the county.

Median income is the lowest of the benchmarks

The median income for households in DeKalb County is \$48,671, lower than the median for the benchmarks, Atlanta, and U.S.

Median Household Income, 2012

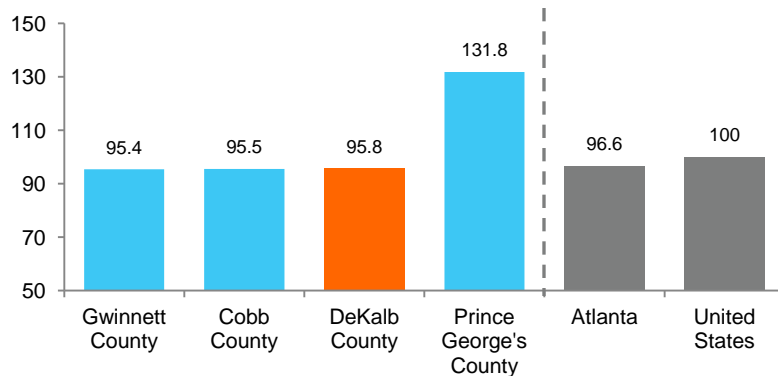


Source: U.S. Census



Quality of Life: Cost of Living

Cost of Living Index, 2012



Source: City-Data.com

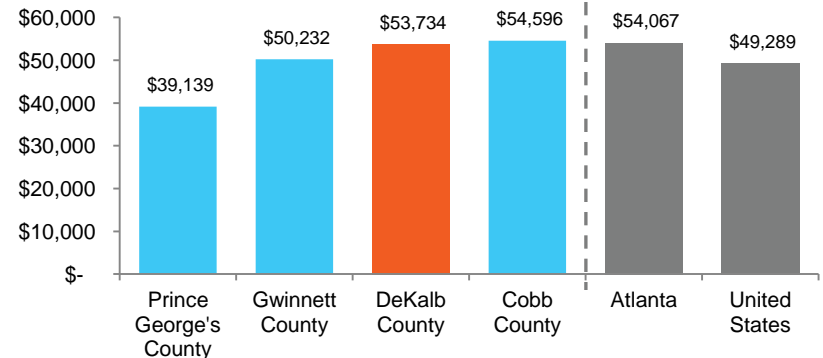
Incomes go farther in DeKalb County

DeKalb County residents may bring home less, but their earnings go farther due to the lower cost of living in the county. When adjusted by the cost of living, average income in the county is \$54,596, higher than both Prince George's County, Gwinnett County, Atlanta, and the U.S. Many residents choose to live in DeKalb County because it is cheaper than living in downtown Atlanta.

DeKalb County is an affordable place to live

The cost of living in DeKalb County ranks equal to the cost of living in Gwinnett and Cobb County and is much more affordable than Prince George's County. This is a significant strength for the county as an affordable cost of living will help attract and retain residents.

Average Income Adjusted by Cost of Living, 2012



Source: City-Data.com, Bureau of Labor Statistics



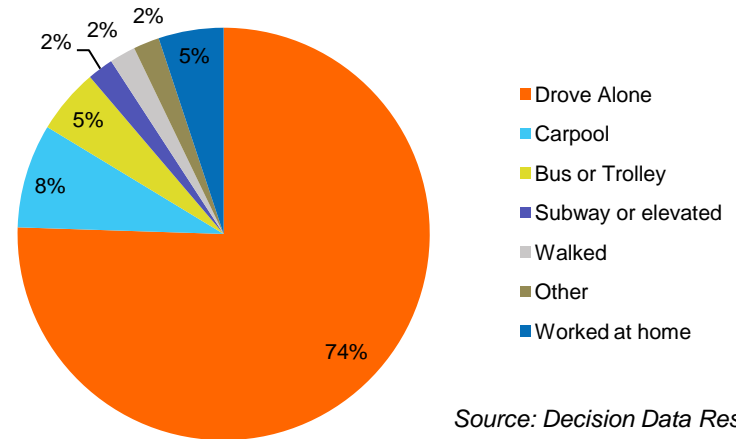
Quality of Life: Commute Times

Most residents drive to work...

In general, DeKalb County is best traveled by car. In 2013, only 16% of residents get to work using other modes of transportation. Only 2% of residents walked to work which shows that, while it is possible for some, DeKalb is not walk-able.

MARTA, the public transit system that serves Atlanta, has only limited access in DeKalb County. This is another reason why driving is currently the preferred mode of transportation. This is despite the fact that DeKalb County pays to maintain the public transit system.

Mode of Transportation, 2010



Source: Decision Data Resources

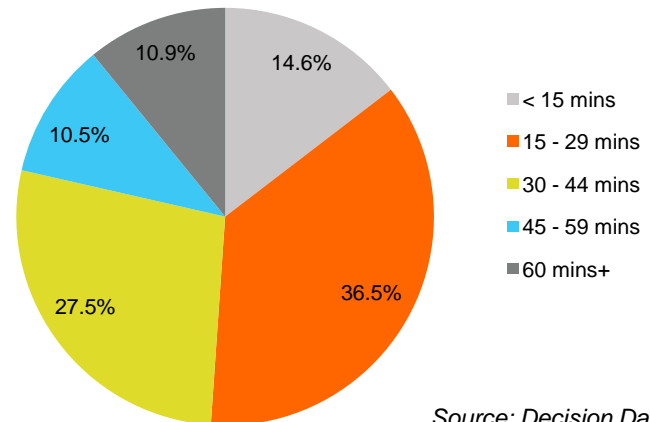
“More walkable live/work communities, more green space, and improving the accountability/transparency of county government and schools.”

-Community Stakeholder

...and get there in under 30 minutes

Over half of area residents get to work in under 30 minutes, but for some, commuting can take over an hour. Around one in five residents has 45 minute commute or longer which can be a detriment to quality of life.

Commute Times, 2013



Source: Decision Data Resources



Quality of Life: Housing Characteristics

DeKalb County has low housing costs

In 2013, the median price of a home in DeKalb County was only \$116,300, much lower than the benchmarks. An affordable housing market is a benefit to attracting new area residents.

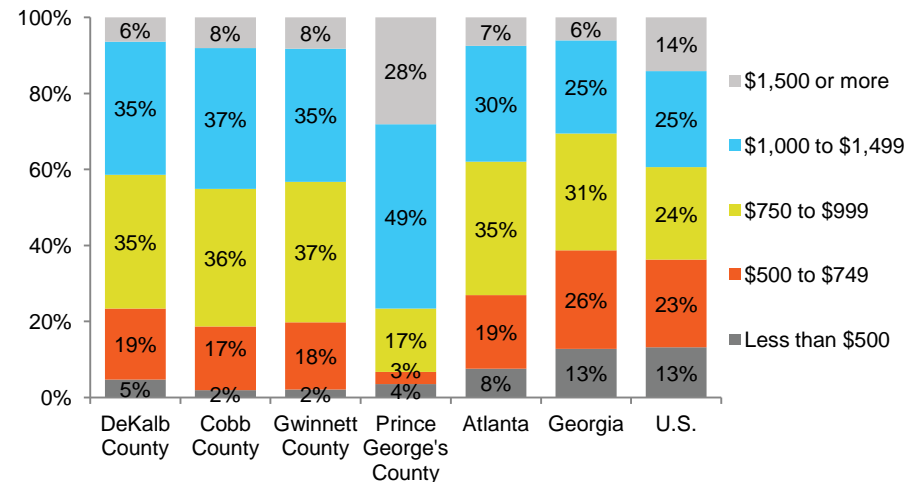
Unlike communities such as Prince George's County, with high incomes and low availability of inexpensive rental housing, DeKalb has extensive rental availability for under \$750 per month.

Despite the availability of affordable multi-family housing, a common complaint among real estate developers is a lack of diverse housing choices in DeKalb County.

Home Values, 2013			
	Median Price	Previous Year Growth	1-Year Forecast
DeKalb County	\$116,300	16.6%	8.2%
Cobb County	\$171,400	13.4%	7.0%
Gwinnett County	\$151,400	21.5%	9.6%
Prince George's County	\$207,500	12.80%	4.80%

Source: Zillow

Rent Distribution, 2012



Source: U.S. Census

“Improve housing opportunities for first time home buyers.”
-Community Stakeholder

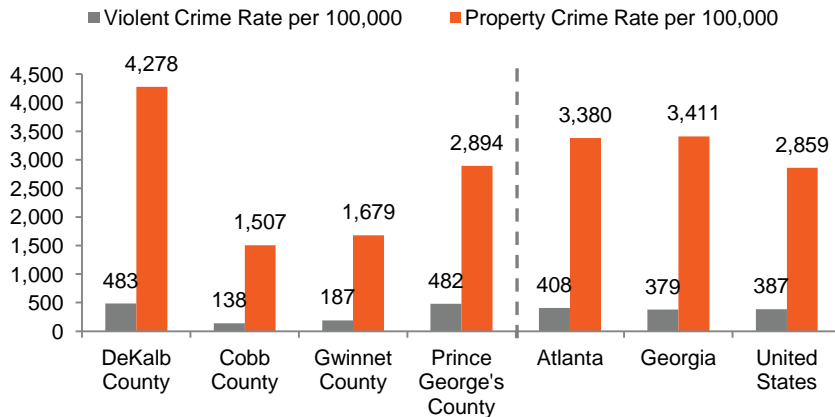


Quality of Life: Crime

Crime Rates are High

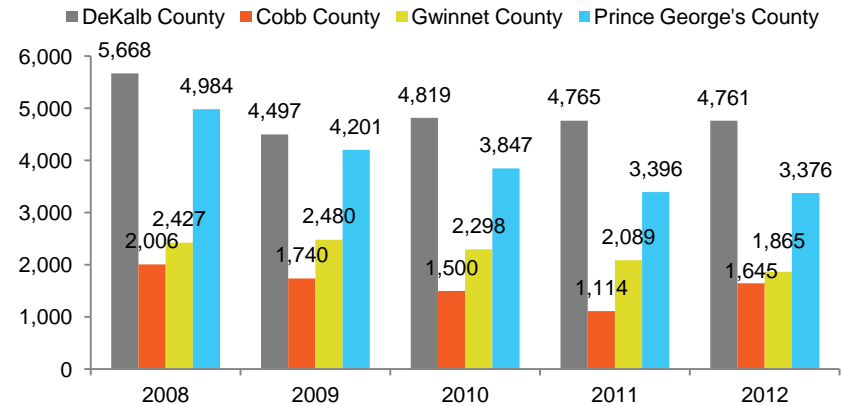
DeKalb County has a known crime problem which depresses its overall economic development prospects. The most recent crime statistics show that both violent and property crime in DeKalb exceeds Atlanta, Georgia, and the U.S. and that the rates in DeKalb are more than twice the rates in the regional benchmark counties. The county has shown improvement however in recent years with a 27% decline in incidents of violent crime since 2008.

Crime Rates, 2012



Source: FBI Crime stats

Total Crimes per 100,000 (2005-2012)



Source: FBI Crime stats

"It is not a perception, crime is a reality."

-Community Stakeholder

DeKalb County Resident Survey

	Importance	Satisfaction
Safety	4.8	3

1 to 5 scale: 1 - unimportant/unsatisfied, 5 - very important/satisfied

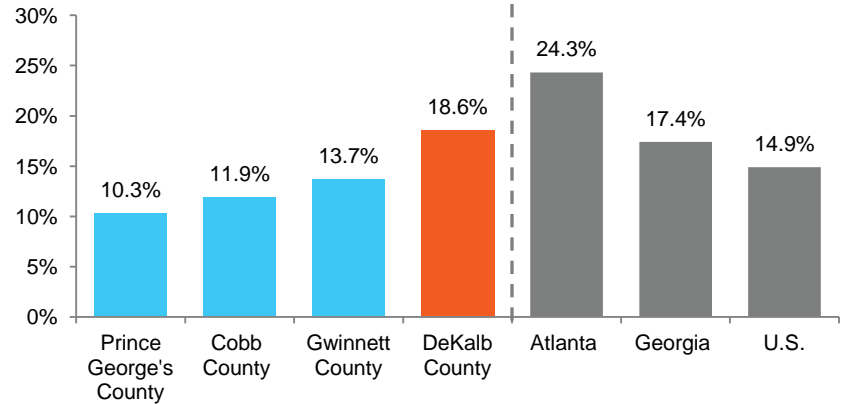


Quality of Life: Poverty

DeKalb County has high poverty rates...

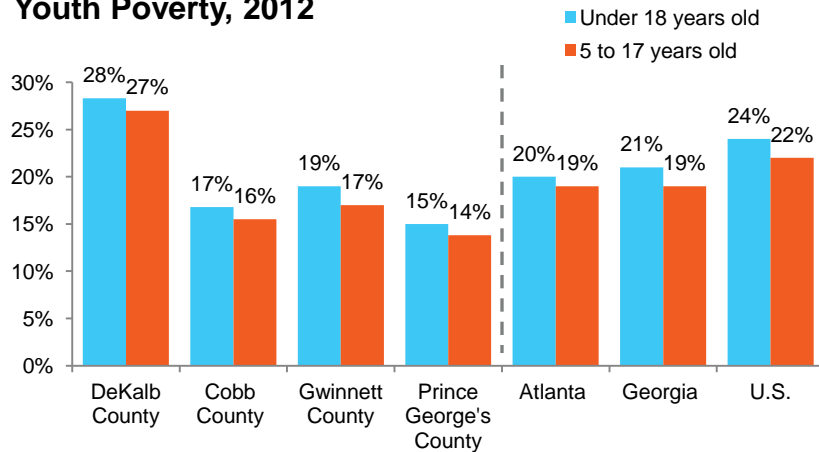
Poverty is a critical issue for DeKalb County. Crime and poverty, if left unaddressed, will create serious barriers to community development. With 18.6% of the county's population living in poverty, almost one in five residents of DeKalb is struggling to make ends meet. Low-income residents in DeKalb County live in concentrated areas of poverty that lack quality housing, education, and access to transportation. If residents are unable to access basic necessities, they will not be able to participate effectively in society and contribute to or take advantage of economic growth in the area.

Poverty Rates, 2012



Source: U.S. Census Bureau

Youth Poverty, 2012



Source: U.S. Census Bureau

... and even higher rates for youth poverty

In 2012, 28% of children 18 and under in DeKalb County were living in poverty. This rate exceeds the benchmarks, Atlanta, the state, and the U.S. Without access to basic necessities and financial security, children that grow up without basic opportunities have little means to improve their social standing. Poverty and unemployment experienced early in life, can have lasting effects on future success.



WORKFORCE & EDUCATION



“Emory University Library” by [shihwy1](#) taken from [Flickr.com](#), used under [CC BY](#)



Workforce & Education: Scorecard

RANKING OF DEKALB COUNTY'S LEARNING AND WORKING FACTORS					
Assessment Rationale	Workforce & Education Variable	Leading	Strong	Lacking	Weak
<ul style="list-style-type: none"> Low/negative employment growth 	Employment Trends				
<ul style="list-style-type: none"> High wages Low growth in wages 	Wages & Wage Growth				
<ul style="list-style-type: none"> Majority of DeKalb workers live outside the county Majority of residents work outside of DeKalb County 	Workforce Mobility				
<ul style="list-style-type: none"> DeKalb Workforce Development agency is a strong incentive for potential business relocations 	Workforce Training				
<ul style="list-style-type: none"> Fairly high educational attainment Slow growth in population with Bachelor's degrees or higher 	Educational Attainment				
<ul style="list-style-type: none"> Perception of low quality primary education 	Primary Education				
<ul style="list-style-type: none"> Strong higher educational institutions 	Higher Education				
<ul style="list-style-type: none"> Strong research and development expenditures 	Research & Development				
	Overall Learning and Working Environment				



Workforce & Education: SWOT

Strengths	Weaknesses
<ul style="list-style-type: none">• High educational attainment• Stable age demographics• High average weekly wage for employees in the county• DeKalb Workforce Development Agency, which customizes training programs for new area businesses	<ul style="list-style-type: none">• Lack of skilled workers• Inconsistent quality K-12 education• Lack of programs that help immigrants and refugees adjust to life in the county and the U.S.• Limited number of major employment centers
Opportunities	Threats
<ul style="list-style-type: none">• Employment spread across diverse industry sectors• Can attract employers requiring both “blue collar” and high skill workers• Leverage proximity to Atlanta• Develop high-end housing to attract out-of-county workers receiving higher wages	<ul style="list-style-type: none">• Declining employment rate• Low growth in educational attainment• Protracted low growth in national economy

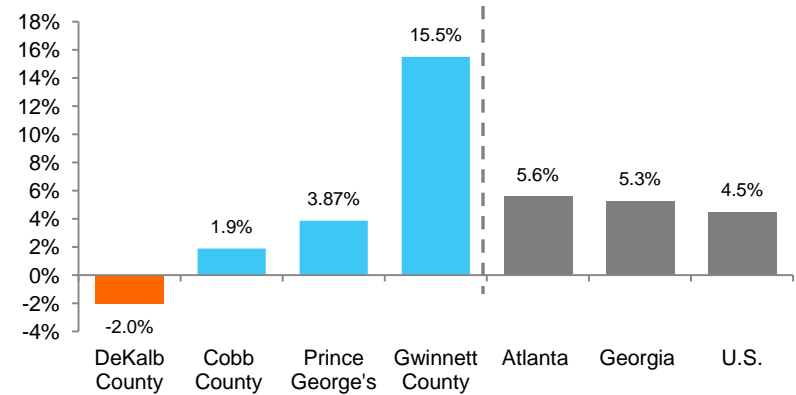


Workforce & Education: Employment Trends

Employment has been decreasing in DeKalb

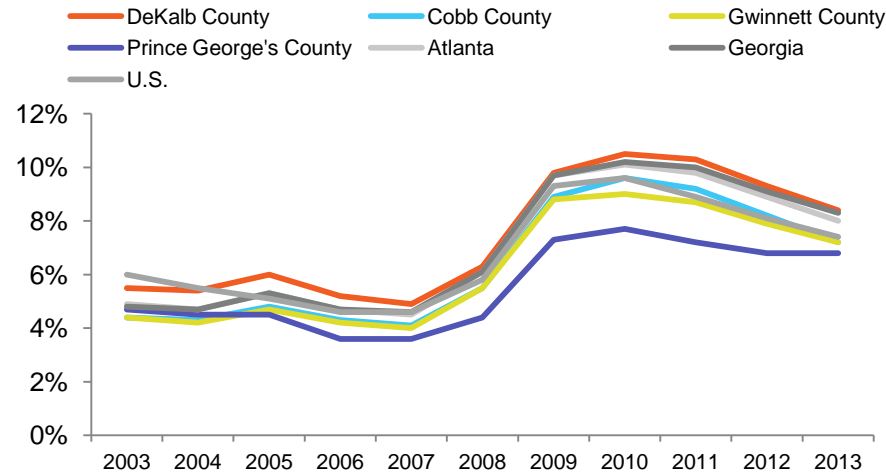
Between 2003 and 2013, the number of employed residents in DeKalb fell by 2%. This is likely due to a combination of factors including a decrease in population and the size of the labor force as well as fewer job opportunities. This negative growth is unique to DeKalb however, as the benchmarks, Atlanta, Georgia, and the U.S. have all seen positive growth.

Employment Growth Rate, 2003-2013



Source: Bureau of Labor Statistics

Unemployment, 2012



Source: Bureau of Labor Statistics

The unemployment rate has decreased

Although the number of employed people in DeKalb has been decreasing since 2003, the unemployment rate has made a recovery since 2010. Like much of the U.S., employment took a sharp decline between 2007 and 2010 due to the financial crisis, but unemployment has come down 2.1% since then. All of the benchmark cities follow the same macro-level trend with Prince George's County having the lowest overall unemployment.

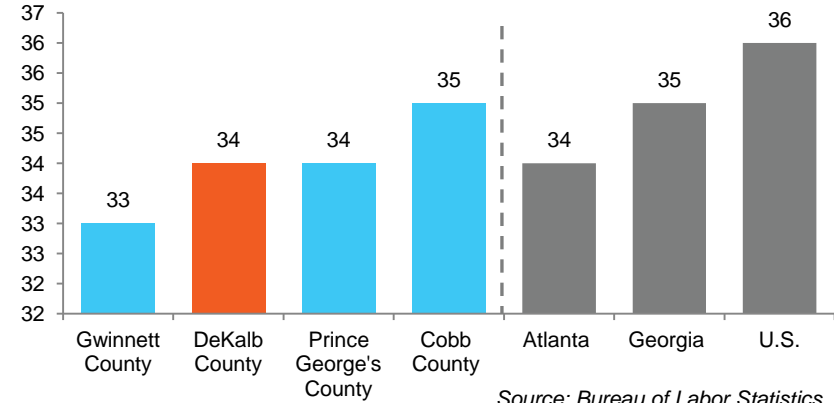


Workforce & Education: Young Professionals

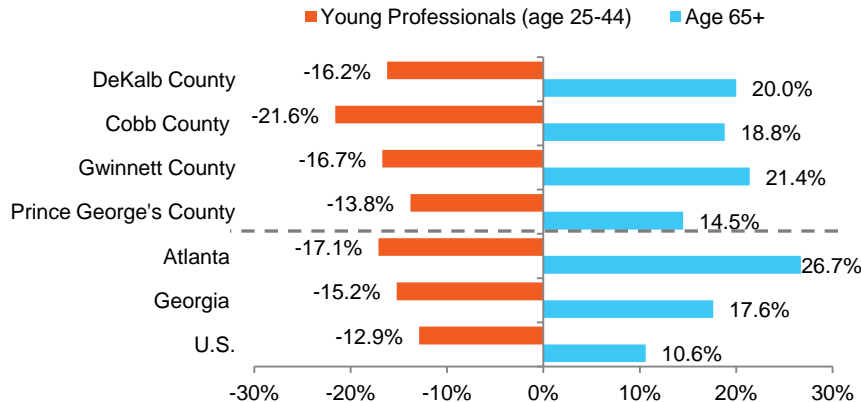
DeKalb has an average aged population

The median age of DeKalb residents is 34 which ranks the county in the middle of the benchmarks, and younger than the state and U.S. As national age demographics shift towards the elderly, it will be an asset to DeKalb to have a younger, working-age population.

Median Age, 2013



Aging of Population, 2000-2013



The young professional population is fairly stable

As the baby boomer generation ages and reaches retirement, the national share of population aged 65 and over has grown and the share of population aged 25 to 44, referred to here as young professionals, has decreased. This is a nation-wide trend that can be seen across the benchmarks. While DeKalb County has had the second highest growth in the share of seniors, the share of young professionals has decreased less than in Cobb and Gwinnett counties.

To address the growing needs of the aging population in DeKalb County, three senior center facilities are undergoing facility enhancements.



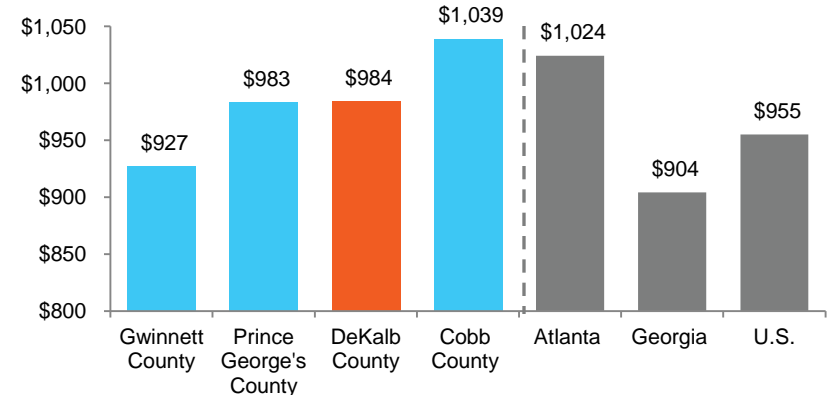
Workforce & Education: Wages & Wage Growth

DeKalb weekly wages are high...

The average weekly wage for all of DeKalb County is \$984 per week, higher than Prince George's County, Gwinnett County, Georgia, and the U.S.

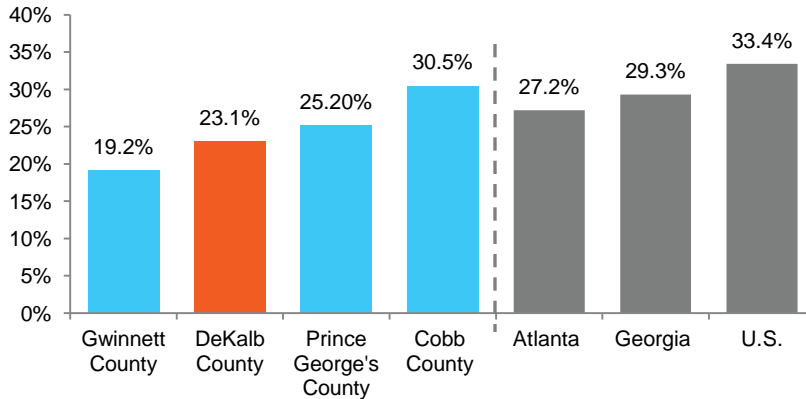
This seems contradictory to earlier information that household income and median income in DeKalb County are low. A possible explanation could be that higher-paid workers in the county are traveling back to their homes outside the county at the end of the workday.

Average Weekly Wage, 2013



Source: Bureau of Labor Statistics

Average Weekly Wage Growth, 2003-2013



Source: Bureau of Labor Statistics

...but growing slowly

Weekly wages in DeKalb have grown by 23.1%, which exceeds the growth in Gwinnett County. DeKalb County is outpaced by Atlanta by 4%, Georgia by over 6%, and the U.S. by over 10%. Low wage growth could pose a threat to the future standard of living in DeKalb County.

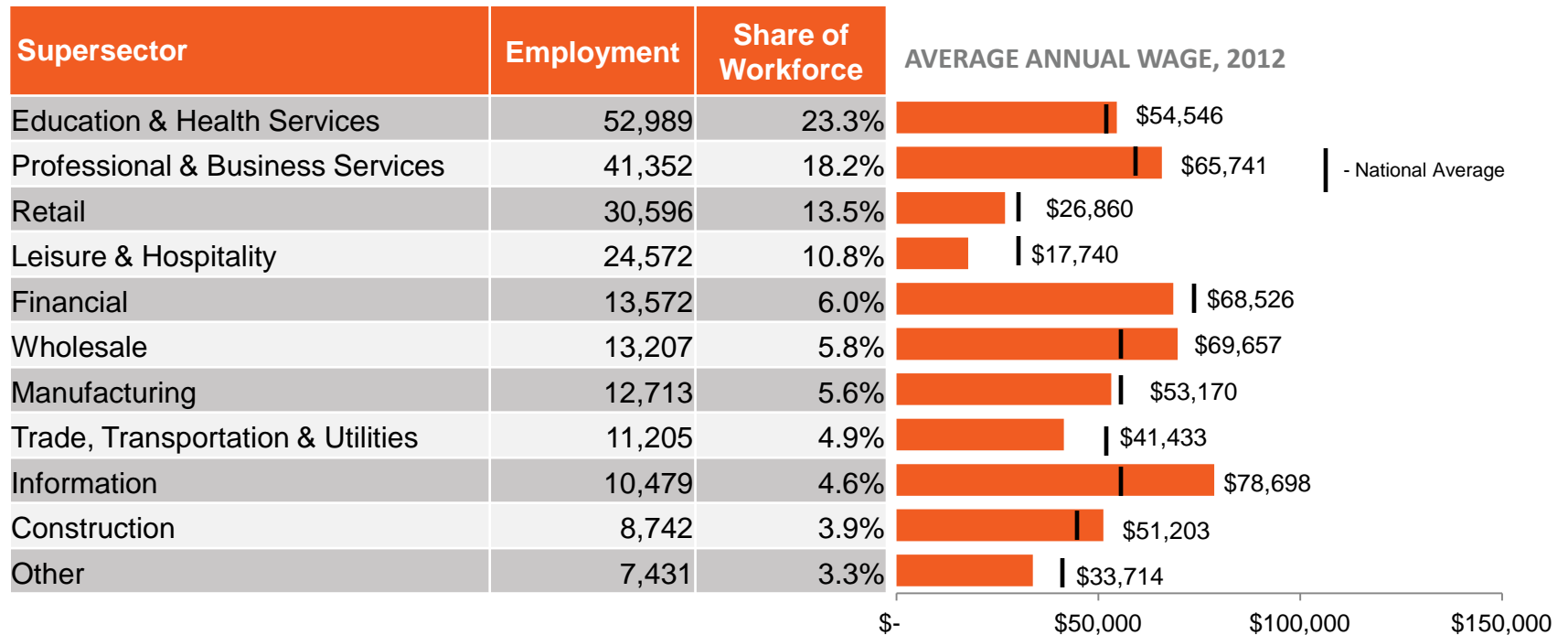


Workforce & Education: Jobs by Industry Sector

Residents are employed in diverse industry sectors

Over 60% of the DeKalb County labor force is employed in one of 4 main industry sectors: Education & Health Services, Professional & Business Services, Retail, and Leisure & Hospitality. These four sectors are diverse in their skills and education requirements.

Annual wages for Education & Health services as well as Professional & Business Services are fairly high while wages for Retail and Leisure & Hospitality are the lowest of the industry wage rankings.



Source: Bureau of Labor Statistics



Workforce & Education: Workforce Mobility

DeKalb is mobile

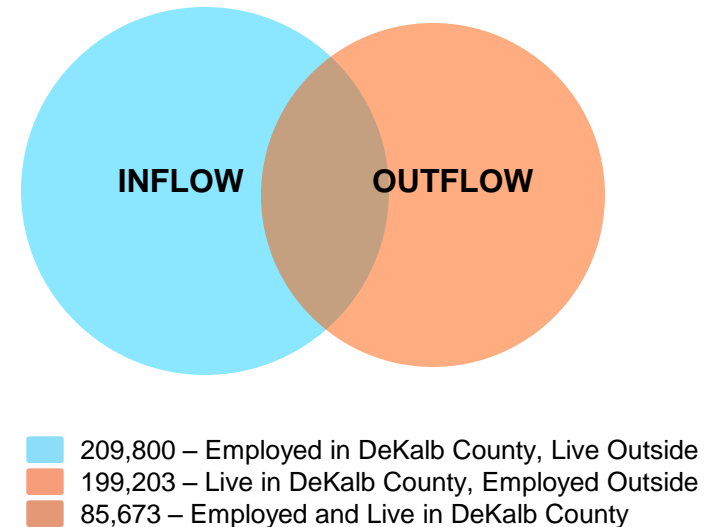
Less than one third of DeKalb workers live within the county. The majority of workers live in Atlanta and neighboring counties. Similarly, only 30% of DeKalb residents work in the county with the largest share of residents (37%) traveling to Fulton County for work.

DeKalb's labor force clearly has the ability to move fluidly between opportunities in the city and neighboring counties. Moving across the city's boundaries is no impediment to workers who are looking for employment in the city, just as it is for residents looking for lower taxes or better schools.

Where DeKalb Workers Live			Where DeKalb Residents Work		
Location	Count	Percent	Location	Count	Percent
DeKalb County, GA	85,673	29.0%	Fulton County, GA	106,626	37.4%
Gwinnett County, GA	47,867	16.2%	DeKalb County, GA	85,673	30.1%
Fulton County, GA	45,978	15.6%	Gwinnett County, GA	28,622	10.0%
Cobb County, GA	22,668	7.7%	Cobb County, GA	19,077	6.7%
Clayton County, GA	10,468	3.5%	Clayton County, GA	11,617	4.1%
All Other Locations	52,021	17.6%	All Other Locations	22,800	8.0%

Ratio of County Inflow to County Outflow	
County	Ratio
DeKalb County	1.05
Cobb County	1.10
Fulton County	2.87
Gwinnett County	0.92
Prince George's County	0.66

Inflow/Outflow Of DeKalb County Workers, 2011



Source: U.S. Census LEHD

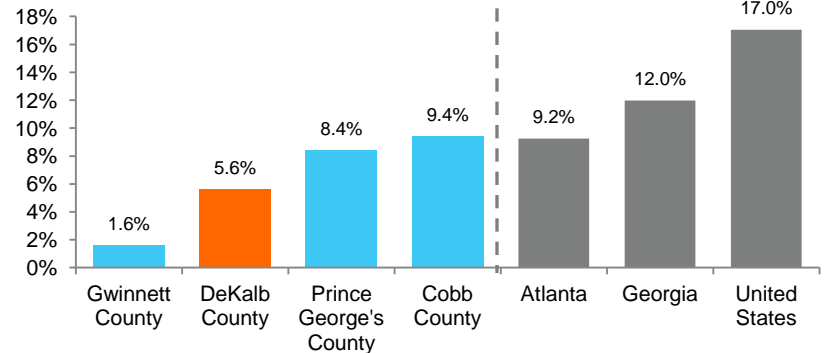


Workforce & Education: Educational Attainment

DeKalb County has seen slow growth in education attainment

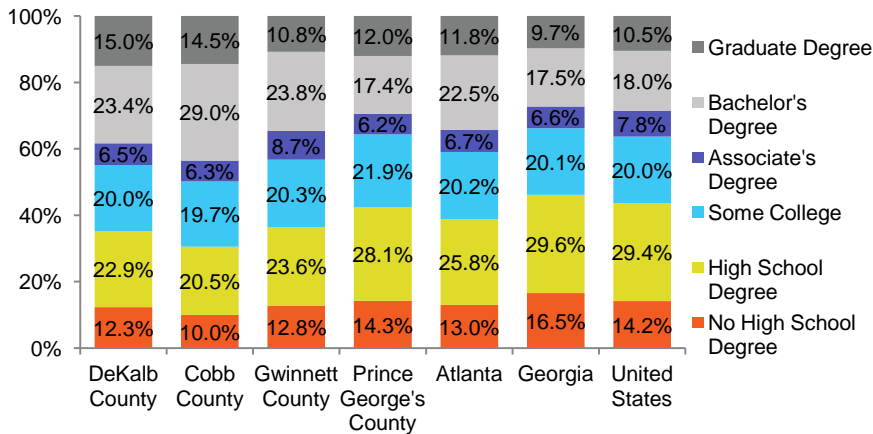
Over 38% of DeKalb residents have a Bachelor's degree or higher, which exceeds Gwinnett County, Prince George's County, Atlanta, Georgia, and the U.S. However, in the previous 13 years, the share of DeKalb residents with bachelor's degrees or higher has grown by only 5.6%. Given the high level of educational attainment in the county, this indicates that educated DeKalb residents are leaving the county for better opportunities elsewhere.

Growth of % Bachelor's Degree or Higher, 2000-2013



Source: Decision Data Resources

Educational Attainment, 2013



Source: Decision Data Resources

DeKalb County Resident Survey		
	Importance	Satisfaction
Quality of Public School Education	4.5	2.3
Quality of Public School Facilities	4.3	2.5

1 to 5 scale: 1 - unimportant/unsatisfied, 5 - very important/satisfied



Workforce & Education: Primary Education

DeKalb County Public Schools are underperforming

Graduation rates in DeKalb County have shown an overall improvement despite a recent downturn for 2012. DeKalb County's average SAT scores indicate that many graduating high school students suffer from an educational deficit.

While various factors can affect college entrance exam averages year to year, including the pool of students in each school district who took the test—it appears that DeKalb County could benefit from ensuring students are more college ready upon graduation from high school.

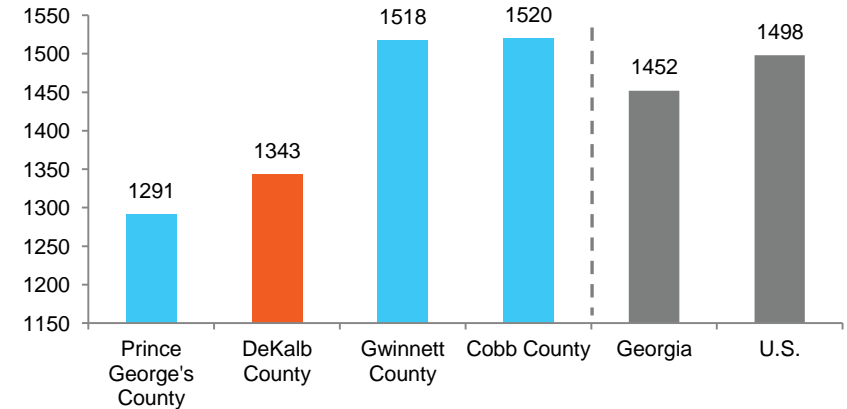
An educational deficit can affect the chances of getting into college, competing for financial aid, success in higher education, and the opportunities of finding a job with a sustainable future.

Despite the challenges, the school system has made recent progress which has resulted in the removal of its probationary status. Six of the nine school board members have been replaced, which has increased SACS' confidence in the DeKalb County school system.

“The threat of the loss of accreditation is no longer imminent.”

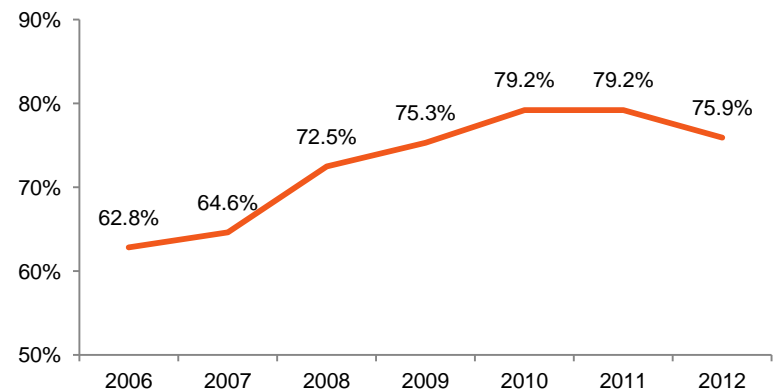
-Mark Elgart, CEO of SACS' parent company

SAT Scores, 2012



Sources: School District Websites

Historical Graduation Rates



Source: The College Board



Workforce & Education: Higher Education Resources

DeKalb County has numerous educational resources

There are more than a dozen institutions of higher education in DeKalb County, ranging from small private medical schools to prominent state universities to large online institutions. These local universities are a huge asset to the DeKalb community

because they not only offer their own workforce and business development programs, but they also shape the future pipeline of DeKalb County's labor supply.

REGIONAL HIGHER EDUCATION INSTITUTIONS, FALL 2013

Institution	Location	Type	Awards Offered	Total Enrollment	Annual Tuition
Ashwood College	Norcross, GA	Four-yr Private Online	Bachelor's, Masters, Associate's	50,000+	\$1,980
Georgia State University	Atlanta, GA	Four-yr Public	Bachelor's, Master's, Associate's	32,022	\$9,928
Kennesaw State	Kennesaw, GA	Four-yr Public	Bachelor of Applied Science, Associate's	24,600	\$6,808
Georgia Institute of Technology	Atlanta, GA	Four-yr Public	Bachelor's, MBA, Master's, Associate's	21,447	\$8,258
Emory University	DeKalb County, GA	Four-yr Private	MBA, Bachelor's, Associate's	14,513	\$59,908
Mercer University	Macon, GA	Four-yr Private	Bachelor's, Associate's	8,300	\$32,166
Clayton State University	Morrow, GA	Four-yr Public	Bachelor's, Associate's	7,145	\$6,078
Southern Polytechnic State University	Atlanta, GA	Four-yr Public	Bachelor's, Associate's	5,514	\$5,388
Piedmont Technical College	Clarkston, GA	Two-yr Public	Associate's	4,283	\$2,378
DeVry University	Decatur, GA	Four-yr Private	Bachelor's, Associate's	3,397	\$15,915
Brenau University	Gainesville, GA	Four-yr Private	Doctoral, Bachelor's, Associate's, Master's	2,800	\$14,850
Morehouse College	Atlanta, GA	Four-yr Private	Bachelor's	2,374	\$24,744
DeVry's Keller School of Management	Decatur, GA	Four-yr Private	Master's	1,404	\$18,384
Oglethorpe University	Brookhaven, GA	Four-yr Public	Bachelor's, Associate's	1,000	\$31,280
Agnes Scott College	Decatur, GA	Four-yr Private	Bachelor's	885	\$33,461
John Marshall School of Law	Atlanta, GA	Private Law School	Juris Doctor	477	\$45,737
Morehouse School of Medicine	Atlanta, GA	Private Medical School	Medical Doctor	357	\$73,768

Source: National Center for Education Statistics



Workforce & Education: Research & Development

DeKalb County has very strong Research & Development Activity

With over \$530 million invested in research & development in 2010, DeKalb County had the second highest total R&D expenditure out of all Georgia counties and ranks second for per capita R&D dollars. When compared against the top funded counties for research and development nationally, DeKalb ranks at a notable 31st.

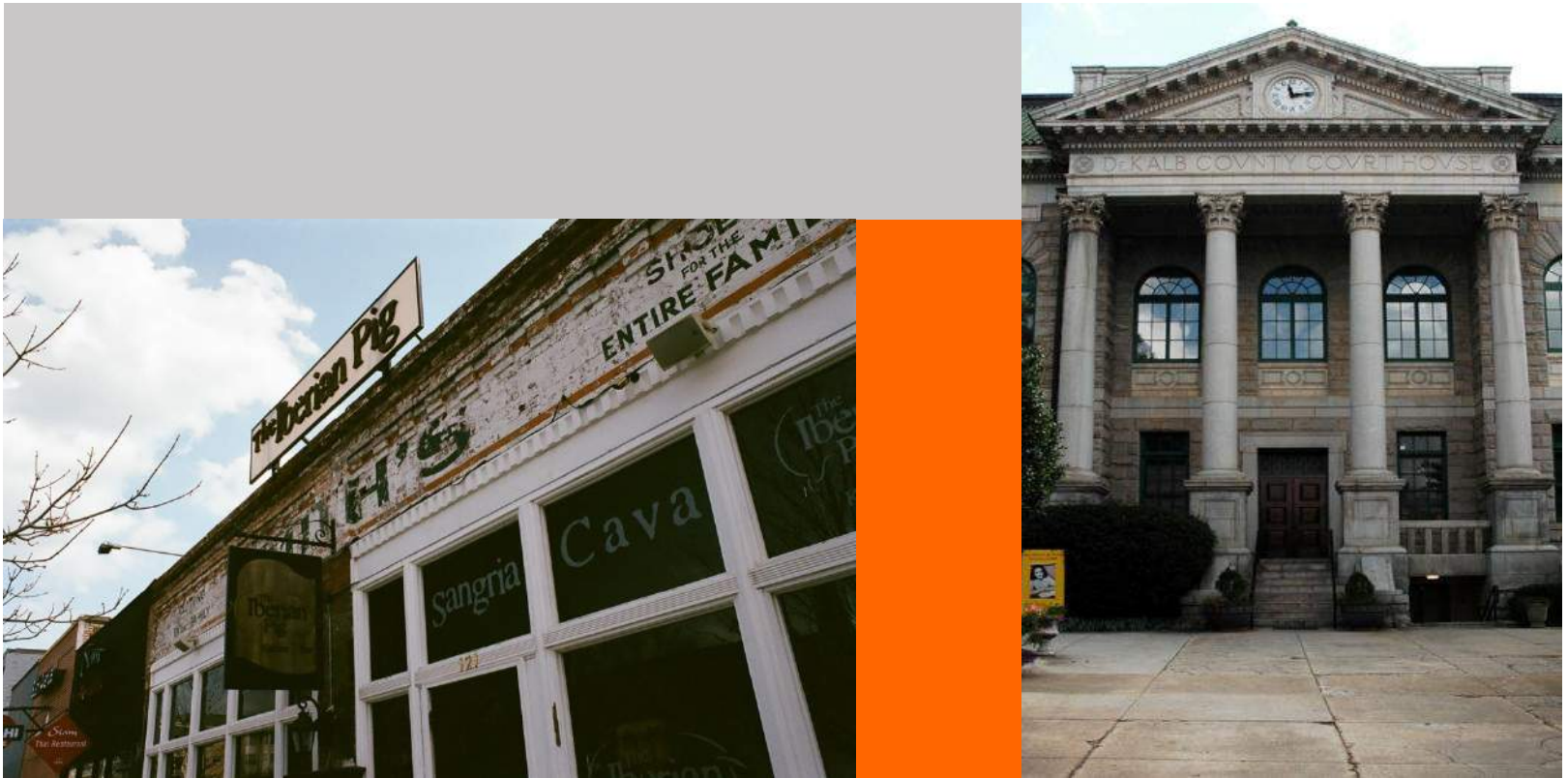
Emory University makes up the majority of research and development expenditures with more than \$500 million. Agnes Scott College has the second highest level of expenditures with almost \$2 million.

University R&D Expenditure, 2010				
	Georgia Ranking	U.S. Ranking	Total Expenditure	Expenditure Per Capita
Fulton County	1	24	\$ 746,786,000	\$ 811.21
DeKalb County	2	31	\$ 531,337,000	\$ 767.95
Clarke County	3	75	\$ 230,803,000	\$ 1977.51
Richmond County	4	132	\$ 72,015,000	\$ 359.09
Bibb County	5	174	\$27,298,000	\$ 0.51
Cobb County	12	313	\$ 2,289,000	\$ 3.33

Source: National Center for Education Statistics



BUSINESS CLIMATE



"Decatur, Georgia" by tpowers taken from Flickr.com, used under CC BY



Business Climate: Scorecard Summary

RANKING OF DEKALB COUNTY'S BUSINESS CLIMATE FACTORS					
Assessment Rationale	Business Climate Variable	Leading	Strong	Lacking	Weak
<ul style="list-style-type: none"> Georgia ranked 32nd overall; high personal taxes County is losing tax base to city incorporations 	Tax Climate				
<ul style="list-style-type: none"> Cost of government is high relative to benchmarks Tax burden is falling to an ever increasingly low-income demographic 	Cost of Government				
<ul style="list-style-type: none"> County is not capturing high regional growth trends Good mix of small, medium, and large businesses Several major employer sites in unincorporated DeKalb County 	Business Establishments				
<ul style="list-style-type: none"> Entrepreneurial resources in county are few Access to many innovative regional resources 	Entrepreneurial Support				
<ul style="list-style-type: none"> Crowdfunding enabling legislation Invest Georgia 	Venture Capital				
<ul style="list-style-type: none"> High levels of patent activity Ranked 1st among benchmarks for patents per capita 	Patent Activity				
<ul style="list-style-type: none"> Poor county leadership Lack of departmental unity 	Development Process/ Government Transparency				
	Overall Business Climate				



Business Climate: SWOT

Strengths	Weaknesses
<ul style="list-style-type: none">• Mix of small, medium, and large establishments• Logistics location advantages of SW DeKalb County• Close proximity to regional entrepreneurial resources• Level of patent activity and patents per capita• DeKalb Development Authority• Proximity to ATL Airport	<ul style="list-style-type: none">• High state personal tax rates• High cost of government• Tax base is increasingly lower-income• Few entrepreneurial resources• Slow, convoluted permitting process• Perception of historically corrupt county government• HOST exemption is shifting tax burden to businesses
Opportunities	Threats
<ul style="list-style-type: none">• Strong regional growth in business establishments• Business community willing to buy into economic development efforts if well planned• Invest Georgia• Crowd funding opportunities• Leverage commercialization opportunities in Life Sciences• Significantly grow Logistics & Distribution cluster• Attract medium size manufacturing• Currently overhauling permitting and licensing practices• County retains ownership of major employment sites	<ul style="list-style-type: none">• Further incorporation of DeKalb County cities• Business community voices low confidence levels in county government• Perception of county leadership that is unable to engage in reforms to improve image or county business climate



Business Climate: Tax Climate

Georgia's overall tax climate is unfavorable

According to the Tax Foundation's 2014 business climate rankings, Georgia is ranked 32nd best in overall tax climate. Individual income taxes in the state are at 6%, which ranks them in the lowest 20% of states. Property taxes are also ranked poorly, at 31st. However, sales taxes and corporate income taxes measure up well against other states, with a rank 8th and 12th respectively. The taxes that rank well are business related taxes. From the point of view of a site selector, Georgia is seen as business friendly in terms of tax climate.

Unincorporated DeKalb County has lost 50% of its tax digest in the past six years

DeKalb County's property taxes are higher than benchmark counties. The millage rate for unincorporated DeKalb is 21.21, but the board of education millage rate is 23.98.

The local addition to the sales tax is higher than its benchmarks, but not considerably. DeKalb County is faced with the problem of city incorporation. As cities become incorporated, the lower income families are being left behind. As a result, the county tax burden is shifting to an ever increasingly poor demographic.

"Create business-friendly environment. Don't tax companies into the next county or next state!"

-Community Stakeholder



State Business Climate Rankings, 2014

	GA	VA	MD
Overall Rank	32	26	41
Corporate Income Tax	8	6	15
Individual Income Tax	41	37	45
Sales Tax	12	6	8
Unemployment Insurance Tax	24	35	46
Property Tax	31	26	40

Source: Tax Foundation

COUNTY TAX RATES, 2013

Benchmark	Millage Rate (Assessment Value)	Sales Tax
DeKalb County	45.34 (40% of FMV)	3.0%
Cobb County	29.96 (40% of FMV)	2.0%
Gwinnett County	35.75 (40% of FMV)	2.0%
Prince George's County*	12.39 (100% of FMV)	6%

Sources: DeKalb County, Cobb County, Gwinnett County, Prince George's County

*Prince George's County also assesses an income tax above the state and federal rates. A rate of 3.2% is charged to residents and 1.25% is charged to nonresident employees in the county.

Business Climate: Cost of Government

"Cost of Government" Per Capita, 2013		
	General Revenue (Millions)	Cost of Government
DeKalb County	\$558.9	\$789.52
Cobb County	\$486.6	\$688.26
Gwinnett County	\$284.4	\$336.70
Prince George's County	\$2,691.3	\$3,054.40

Sources: DeKalb County, Cobb County, Gwinnett County, Prince George's County

"DeKalb County government as a whole hinders companies from operating businesses in the county and deters them from keeping their businesses in the county."

-Community Stakeholder

Per Capita "Cost of Government"

The "Cost of Government" per person is calculated by dividing the county government's general revenue by the county's population. It is a rough approximation of how much the county's services cost its residents. The metric does not include enterprise revenue, costs of overlapping governmental entities, or a multitude of other factors. Nor does it consider the services or quality of services provided. Thus, a city with low taxes, abysmal services, and decaying infrastructure is not a winner. High costs of government can repel businesses as surely as any other factor.

DeKalb County is on the higher end of government costs when compared to benchmark counties. This is not a surprise as DeKalb County has had to increase tax rates in recent years to compensate for the diminished revenues that have occurred due to city incorporations. However, increasing taxes on a lower-income population is not a sustainable long-term policy.

Gwinnett and Cobb County both have a 1% Special Purpose Local-Option Sales Tax (SPLOST) which can be applied, in full, to capital improvement projects. DeKalb County's version of this is the Homestead Option Sales Tax (HOST). With the HOST, at least 80% of revenues must fund property tax credits. The homestead exemption in unincorporated DeKalb County has recently been around 60%. This explains why DeKalb County has far fewer funds for infrastructure improvements.

By focusing on enhancing the county's business climate, the problems associated with diminishing tax revenues will improve automatically over time.



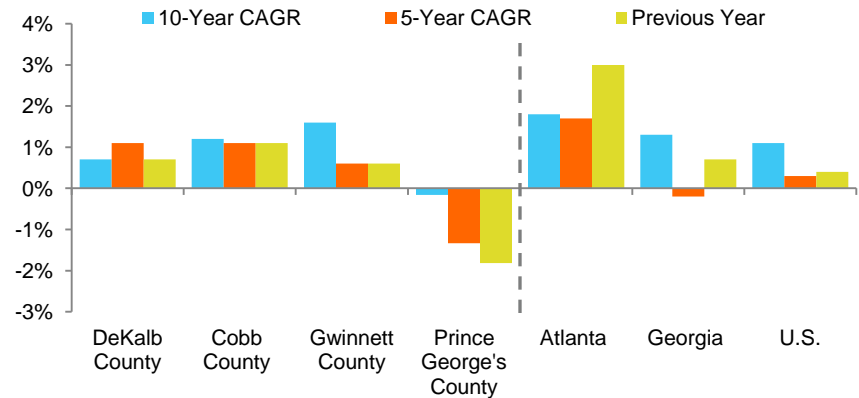
Business Climate: Business Establishments

DeKalb County's establishment growth lags

From the previous year, at 0.7%, business establishments in DeKalb County have grown faster than the U.S. average. They have even met the state's average growth rate. However, the Atlanta region's establishments grew by 3.0%. Comparing trends over the past 10 years, DeKalb County has not been able to capture the strong growth in establishments that has been taking place in their region.

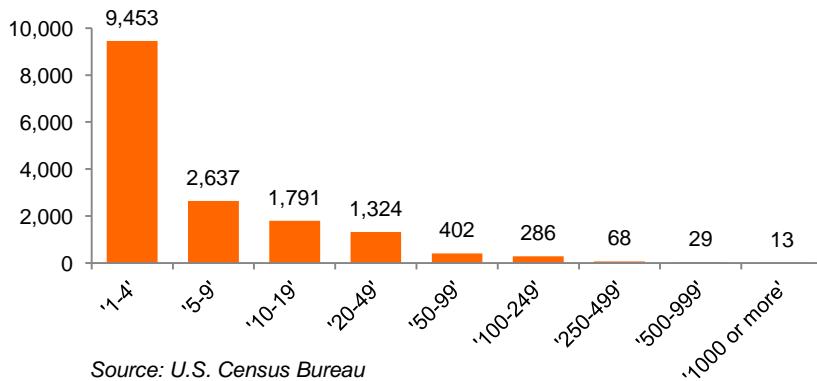
If DeKalb County works to improve its business climate, the county will become much more competitively viable. In time, DeKalb County will see business establishments grow to levels similar to the greater economic region, which performs well above state and national averages.

Business Establishments , 2002-2011 Compound Annual Growth Rate



Source: U.S. Census Bureau

Business Establishments by Employment, 2011



Source: U.S. Census Bureau

Good mix of small, medium, and large businesses

The vast majority of businesses in DeKalb County have between one and four employees. In fact, 76% of businesses in DeKalb County, as of 2011, have less than 10 employees.

Even though medium and large businesses make up a much smaller share of the businesses, they employ roughly the same amount of people.

AT&T, Emory University, Kroger, and the CDC are among the county's largest employers.



Business Climate: Businesses by Sector

Business establishment growth is a mixed bag

Growth in business establishments by sector reveals important trends, both good and bad. Strong sectors such as Education and health services and Professional and businesses services are growing healthily. However, the major sector of Trade, transportation, and utilities has negative growth over the past 10 years.

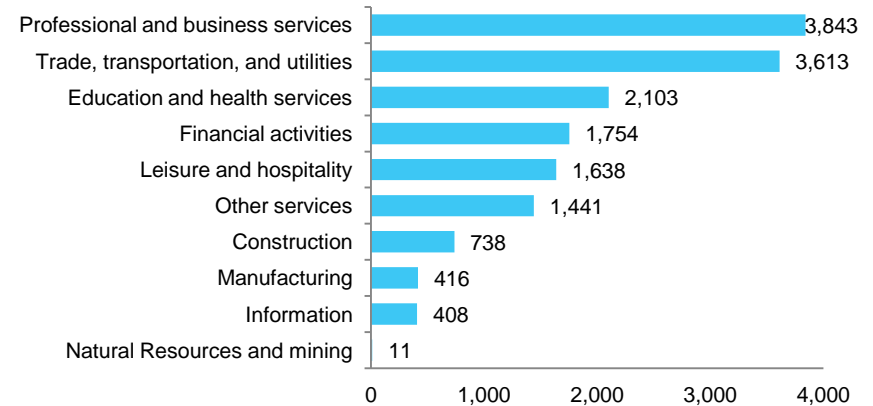
The county still retains control over much of the Trade, transportation, and utilities sector as it is located in unincorporated southwestern DeKalb County. Despite strong potential in this sector, growth is negative. The location advantages of the southwest corner of the county are so great, they overshadow the many negative infrastructure shortfalls. If measures are not taken to improve these shortfalls, the industry will continue to stagnate and future growth will be impeded.

Additionally, Emory University and the CDC are located in unincorporated DeKalb County and thus, much of the Education and health services sector remains in unincorporated DeKalb County. Emory University is considering resuming plans for expansion in Atlanta. The expansion of Emory University to Atlanta would be a missed opportunity for DeKalb County.

One of the few pharmacy schools in the area, Mercer owns 300 acres of developable property and may be implementing a new Health Sciences program in the near future.

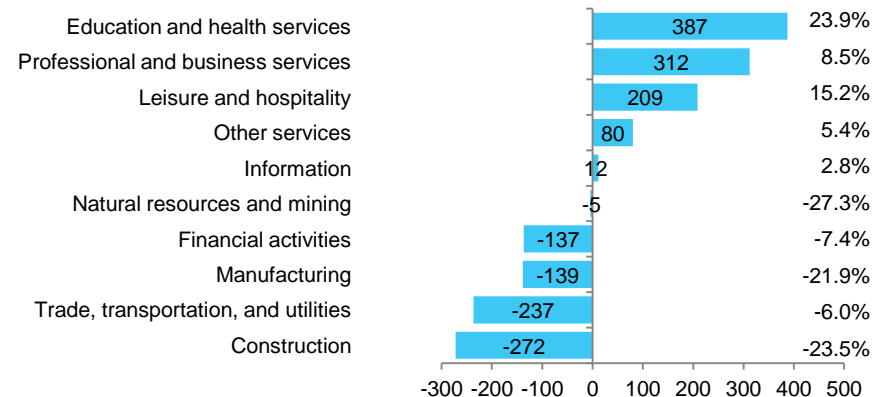
The CDC will continue to be a major asset for the county going forward. A planned expansion project will add between 350,000 and 450,000 square feet of space on the eastern portion of the Roybal Campus. The expansion could bolster employment with 1,485 new jobs in the county.

Business Establishments by Sector, 2012



Source: U.S. Census Bureau

New Establishments by Supersector New Establishment Growth, 2003 - 2013



Source: U.S. Census Bureau



Business Climate: Entrepreneurial Support

DeKalb County has a lack of business and entrepreneurial resources

There are numerous resources in the Atlanta region dedicated to the success of small businesses and entrepreneurs. However, DeKalb County has only a few of these types of resources, which includes Emtech Bio and the South DeKalb Business Association. The table below lists a few of the innovative regional resources available that DeKalb County could use as models.

REGIONAL BUSINESS RESOURCES		
Resource	Location	Description
Emtech Bio	Atlanta, GA	Government-funded incubator provides laboratory space and use of scientific equipment to start-up and early-stage bioscience companies.
South DeKalb Business Association	Atlanta, GA	Privately-funded incubator providing business development services and space (multiple types)
HACED Business Incubator	Atlanta, GA	The Hispanic American Center for Economic Development (HACED) is a privately-funded, bilingual, bi-cultural program and incubator for advancing the formation and growth of Hispanic businesses in Georgia.
CollabTech	Atlanta, GA	Government-funded center provides new biotech companies with access to equipment and scientific expertise.
The Innovation Factory	Duluth, GA	This private for-profit incubator has a different business model than the other incubators in the state of Georgia. When TIF locates a promising medical device technology idea, they acquire or license it from the individual or organization, then perform a thorough strategic review, including intellectual property and market research and submit a business plan to their venture capital consortium for funding.
Gwinnett Innovation Park	Norcross, GA	Privately-funded incubator providing business development support, infrastructure needs, networking.
Lanier Technical College	Gainesville, GA	Government funded manufacturing focused incubator.
The Edge Connection	Kennesaw, GA	Private/public-funded incubator for micro entrepreneurs providing small business training, financial literacy, entrepreneurially focused technology training, and essential entrepreneurial support services.



Business Climate: Venture Capital

DeKalb County has much potential within Atlanta MSA

DeKalb County ranks second in VC outcomes with 7 deals made and \$32 million raised. After DeKalb County, there is a significant drop off; Cobb County, which ranks third, closed on only three deals and raised \$6.6 million.

Georgia receives less than 2% of all venture capital funding in the U.S., however, there are signs of growth. The first three quarters of 2013 have already outpaced all funding in 2012 by 40%.

Invest Georgia, which has been approved but remains unfunded, could invest in additional commercial ventures with a fund of \$100 million.

Furthermore, Georgia is one of 3 states to have already passed laws allowing crowdfunding for small businesses. There are thousands of crowdfunded, Atlanta based projects listed on Kickstarter and Indiegogo. Funded projects average \$5,000 on Kickstarter and \$15,000 on Indiegogo.

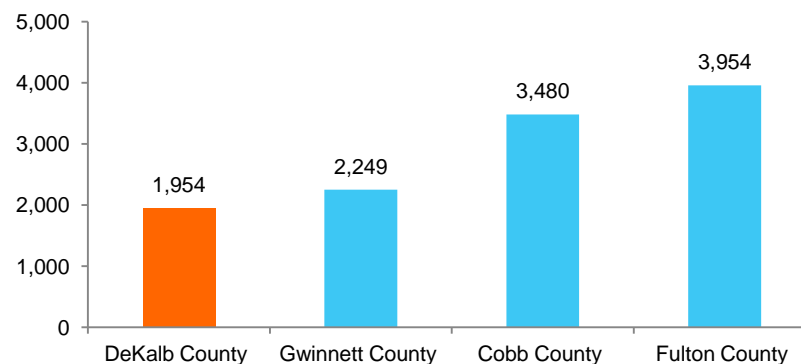
Bringing awareness of these projects could encourage residents to invest in projects for their own community and also encourage inventors and entrepreneurs to stay in De Kalb County.

Atlanta Venture Capital by County, 2010

	VC Companies	VC Investment	Number of Deals
DeKalb County	5	\$32.0M	7
Cobb County	16	\$6.6M	3
Gwinnett County	7	\$1.0M	4
Fulton County	59	\$427.7M	94

Source: Zoom Prospector

New Businesses, 2013



Source: ReferenceUSA



Business Climate: Patent Activity

DeKalb County outperforms in patent activity

DeKalb County has the second highest level of patent activity of all of the benchmarks. In 2011, DeKalb County had 307 patents issued.

DeKalb County ranks first among benchmarks for the number of patents per capita, at 4.40. The county outperforms regional and state averages.

The Technology Transfer Office at the CDC is a strong source for patent activity. As the CDC is a federal entity and thus, not in the business of profiting from new products or inventions, any new discoveries or innovations are licensed out to private sector partners for further development.

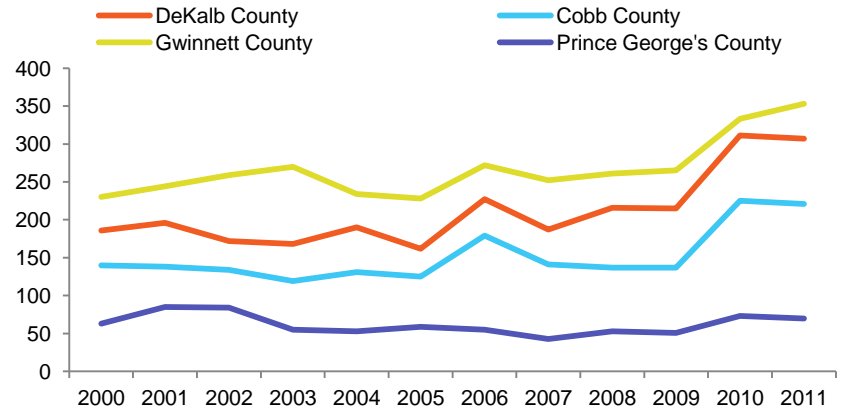
Research universities, such as Emory, are also great for patent generation. Federal funded universities provide professors and students with resources to turn ideas into research and research into products.

“There could be an SBA office here if there isn't one already. Maybe a business incubator. Perhaps even marketing from DeKalb Government that states we support small businesses and new businesses in DeKalb.”

-Community Stakeholder

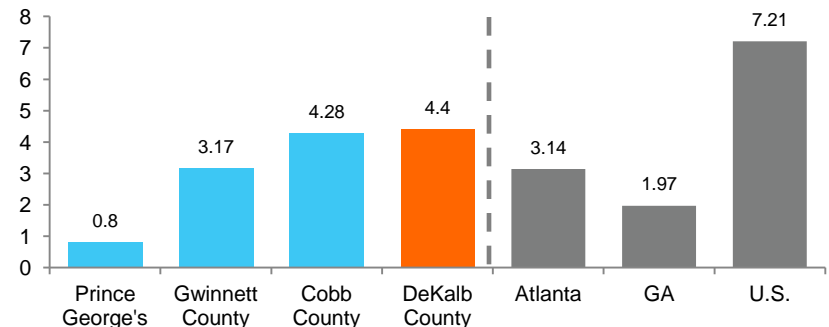


Total Patents



Source: U.S. Patent and Trademark Office

Patents per 10,000 Population, 2011



Source: U.S. Patent and Trademark Office

Business Climate: Business Leader Survey

DeKalb needs to engage the business community

DeKalb County could benefit greatly from further engaging community business leaders. Engagement in the business owner/manager stakeholder survey has been limited thus far, however the results are telling. The chart below details the top priorities and corresponding satisfaction of the surveyed DeKalb businesses leaders.

“Retain existing businesses and promote a climate for business expansion.”

-Community Stakeholder

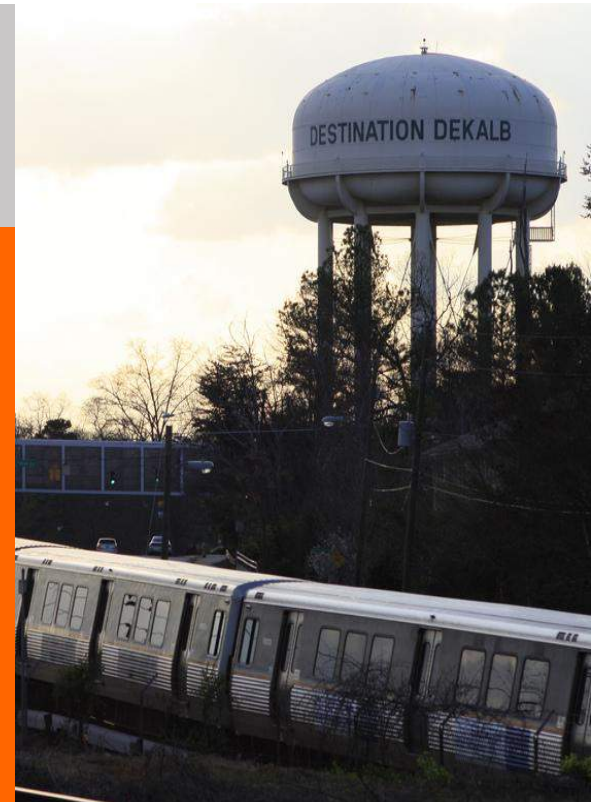
Important Factors for Business Success		
Factor	Importance (5=Very Important)	Rating (5=Excellent)
Utilities and infrastructure	4.78	2.67
Ability to attract and retain skilled employees	4.56	2.56
Tax climate	4.56	2.78
Access to customers	4.33	3.78
Development and permitting process	4.33	1.78
Operating costs	4.11	2.78



INFRASTRUCTURE



"Hickory Ridge Landfill Solar Farm, DeKalb County, Georgia" by [gefa.org](#) taken from [Flickr.com](#), used under [CC BY](#) / Cropped from Original



"Destination DeKalb" by [Mitchell Hughes](#) taken from [Flickr.com](#), used under [CC BY](#) / Cropped from Original



Infrastructure: Scorecard Summary

RANKING OF DEKALB COUNTY'S BUSINESS INFRASTRUCTURE FACTORS					
Assessment Rationale	Infrastructure Variable	Leading	Strong	Lacking	Weak
<ul style="list-style-type: none"> Older housing stock Low growth in households 	Housing Infrastructure - Age				●
<ul style="list-style-type: none"> High number of renters; less stable resident base High growth in vacancies and faster decline in home-ownerships 	Housing Infrastructure - Type				●
<ul style="list-style-type: none"> Competitive electricity and natural gas rates High water rates and very high wastewater rates 	Utilities		●		
<ul style="list-style-type: none"> Numerous projects planned including expansions and transit-oriented developments Severe lack of funding for new transit projects 	Public Transit (MARTA)		●		
<ul style="list-style-type: none"> Three existing TADs: Briarcliff, Avondale, and Kensington Lack of coordination between county and school board 	Tax Allocation Districts			●	
	Overall Infrastructure			●	

“Large metropolitan county. Close to downtown. Good access via highways and MARTA.”

-Community Stakeholder



Infrastructure: SWOT

Strengths	Weaknesses
<ul style="list-style-type: none">• MARTA initiatives (expansions, TODs, etc.)• Excellent highway/air transportation access• Proximity to Hartsfield-Jackson Atlanta Int'l Airport• Use of enterprise zones as economic development tool• High pipeline density; competitive for energy intensive businesses	<ul style="list-style-type: none">• Old housing stock• Weak growth in households• Less stable resident base• Rapid growth in vacancies• High decline in owner-occupied units• Expensive water and wastewater rates• Lack of public transportation in southern area• Aging industrial infrastructure
Opportunities	Threats
<ul style="list-style-type: none">• Competitive electricity rates• Competitive natural gas rates with widespread availability• Opportunity to designate employment centers• Leverage high end development of key hwy. intersections (on 285 & I20)• County is implementing a \$1.35 billion multi-year water and sewer capital improvement program	<ul style="list-style-type: none">• Lack of funding for new transportation projects• Adjacent counties with modern industrial space• Lack of coordination between county and school board concerning the three existing tax allocation districts



Infrastructure: Housing Infrastructure - Age

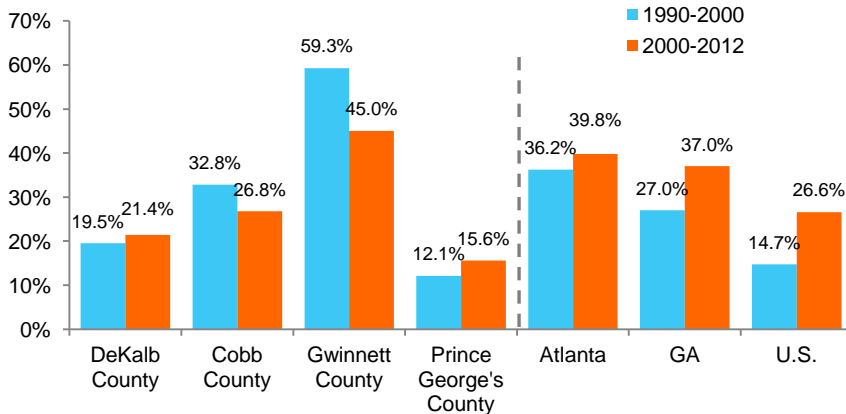
DeKalb County has an aging housing stock

DeKalb County was originally developed as a bedroom community for Atlanta. Most of the original houses and residential structures from that initial development still stand.

The newer developments in the county have occurred north of I-20 and those are the areas that have become incorporated. The development of employment centers throughout the county, on county-owned land, can help reverse current trends.

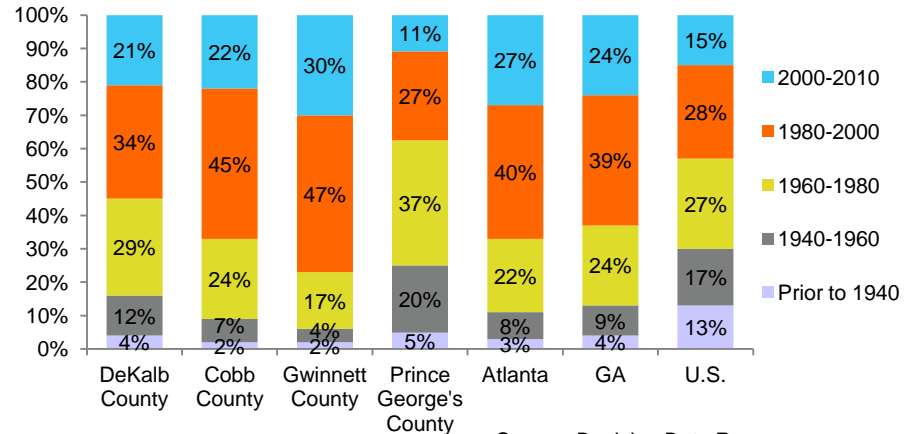
People like to live close to work. As demand for housing increases in various parts of the county, developers can build out county-owned properties with newer, more modern housing options.

Household Growth



Source: Decision Data Resources

Housing Distribution by Age



Source: Decision Data Resources

DeKalb County's housing growth comes up short

Growth in household units in DeKalb County has not come close to the standards set by regional and state averages. Atlanta's housing growth was above the state average and well above the national average. While the housing stock in DeKalb County grew by 21.4% from 2000 to 2012, it was the other counties in the Atlanta region, Gwinnett County in particular, that defined the growth of the MSA.

One mitigating factor for DeKalb County is the creation of Land Bank Authority that has recently banked 14 residential properties. Land banking provides a valuable tool for future economic development, not just for residential, but for commercial properties as well.



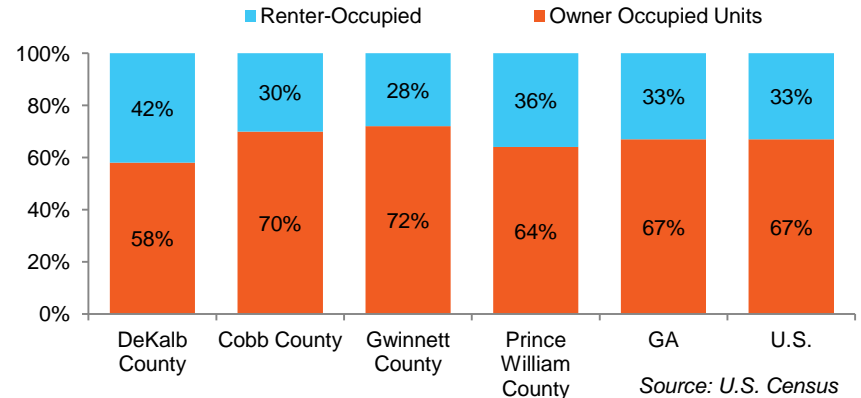
Infrastructure: Housing Infrastructure - Type

DeKalb County has a higher number of renters

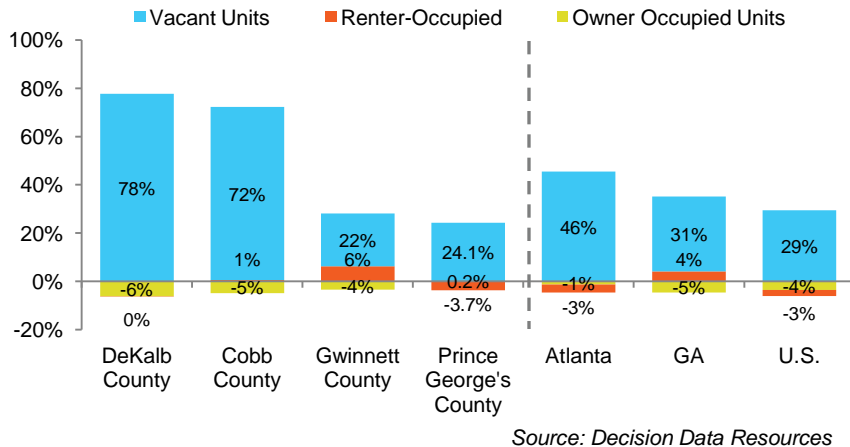
At 58%, DeKalb County has the lowest percentage of owner-occupied units. Owner-occupied units are an indication of the mobility and stability of the county's residents. DeKalb County's residents are relatively more mobile than that of the other benchmarks.

Vacancy rates are relatively high in DeKalb County. The homeowner vacancy rate is at 3.9% and the rental vacancy rate is at 12.1%. Georgia posted homeowner and rental vacancy rates at 3.5% and 10.8% respectively. The U.S. rates were 2.3% and 7.5% respectively.

Housing Units by Type, 2012



Change in Housing Units by Type, 2000-2012



Vacant housing units have increased significantly

The number of currently vacant housing units in DeKalb County may measure up well against regional, state, and national comparisons. However, those rates were likely much more competitive in the early 2000s.

Housing vacancies have grown to some degree in all benchmark regions. DeKalb County had the highest growth in this category, at 76% since 2000.

Growth in owner-occupied units was negative for all benchmark regions except Prince George's County. With a 7% decline in home ownerships, DeKalb County lost the most in this category regionally as well as nationally.



Infrastructure: Utilities

2012 Utility Rates					
	Electricity Rates (cents/kWh)			Water Rates (\$ per 1,000 gallons, ¾" meter)	
	Commercial	Residential	Industrial	Water	Wastewater
DeKalb County, GA	9.29	10.80	5.72	5.71	13.77
Cobb County, GA	10.33	10.31	7.05	7.00	5.41
Gwinnett County, GA	9.29	10.80	5.72	4.85	7.82
Prince George's County, MD	10.22	13.35	6.93	5.42	8

DeKalb County has competitive utility rates

DeKalb County is competitive in their electricity and their natural gas rates. DeKalb County* and Gwinnett County* are primarily served by Georgia Power (rates provided in table above and reflect company-wide averages). Cobb County* is served by several providers including Georgia Power and the Electric Membership Corporation (EMC). The rates listed above are for the EMC, which are lower for residential rates than Georgia Power.

Natural gas markets were deregulated in 1997 as a way to increase competition and facilitate lower prices for consumers. Natural gas prices are competitive in Georgia for residential and industrial, but commercial rates are higher than all other benchmarks.

Water and wastewater rates are DeKalb County's least competitive utility. DeKalb County has lower water rates than only one benchmark, Cobb County. Wastewater rates in DeKalb County are much higher than any other benchmark county.

Source: Energy Information Administration, Georgia Public Service Commission

2012 Natural Gas Rates				
	GA	AL	FL	MD
Commercial	\$16.23	\$12.55	\$10.41	\$10.00
Residential	\$9.74	\$16.20	\$18.31	\$12.17
Industrial	\$4.60	\$4.35	\$6.96	\$8.01

Source: Energy Information Administration

*DeKalb County is also served by Snapping Shoals EMC
 Gwinnett County is also served by Jackson EMC
 Cobb County is also served by Marietta Power and Water and the City of Acworth



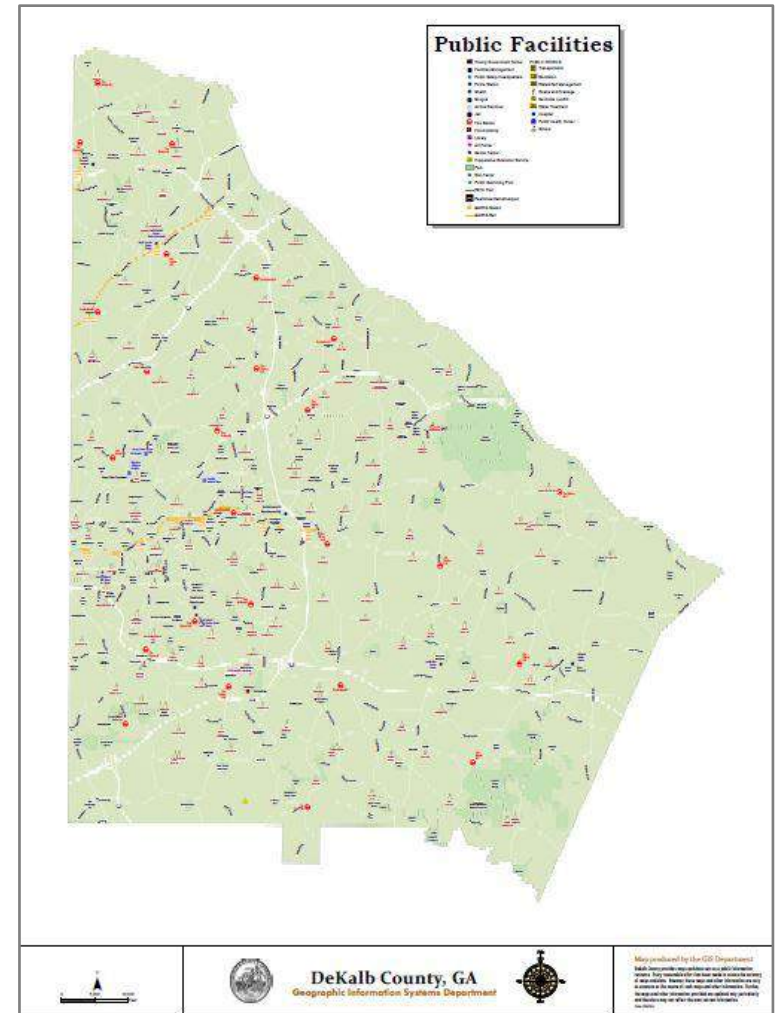
Infrastructure: County-Owned Properties

Publicly-owned properties are often not immediately thought of when considering economic development. Frequently there are strong possibilities to reconsider the role of public land as a contributor to the local economic base, a catalyst for development or redevelopment, or an enhanced amenity for existing communities. Leveraging and repositioning publicly-owned properties can greatly impact the residential and commercial markets, as well as generally improving an area or increasing surrounding property values. In the end, these improvements can pay crucial dividends and provide a real return on investment to the municipality that owns the land.

DEKALB COUNTY FACILITIES

DeKalb County owns a variety of types of facilities, covering a wide range of land uses, as listed below and shown in the figure to the left.

- | | |
|-----------------------|----------------------------|
| Airport | Public Health Center |
| Animal Services | Public Safety Headquarters |
| Art Center | Public Swimming Pool |
| Facilities Management | Recreation Center |
| Fire Station | Sanitation |
| Government Center | School |
| Jail | Senior Center |
| Landfill | Sheriff |
| Library | Trails |
| Morgue | Transportation |
| Park | Water Treatment |
| Police Station | Watershed Management |



Infrastructure: Public Properties

The following list includes key public facilities in DeKalb County. The vast majority of public facilities are parks and schools. There are also a notable number of fire stations and libraries found throughout the County.

- Parks – 130
- Schools – 125 (79 elementary, 20 middle, 26 high schools)
- Fire Stations – 26
- Libraries – 22
- Recreation Centers – 11
- Senior Centers – 6
- Police Precincts – 5
- Performance Arts Center – 1

INITIAL ECONOMIC DEVELOPMENT IMPRESSIONS

In terms of publicly-owned properties that have potential to be better leveraged or redeveloped, there are a few key properties that merit further evaluation.

Kensington Government Center

DeKalb County owns almost 120 acres near the Memorial Drive and I-285 interchange housing a variety of County offices, including county departments, jail, juvenile court, among others. These properties are also strategically located around the Kensington MARTA station. DeKalb County leases approximately 25 additional acres for other county department services. In addition, there are 30 acres owned by the State of Georgia and MARTA in this same area. The location of these properties is in an area that is in need of a catalyst – both in terms of redevelopment and job creation.

Given the sizable acreage DeKalb County controls in a location that is

feasible to make direct links to transit, strong potential exists at this site to consolidate DeKalb County services to become a catalyst for the redevelopment of the Memorial Drive corridor and area surrounding the Kensington MARTA station.

Peachtree DeKalb Airport

DeKalb County owns Peachtree DeKalb Airport, which is the second busiest airport in the State of Georgia. There are four runways, one helipad, over 100 hangars, and three airline services. With its location inside the perimeter, it has the potential to be better leveraged as either an amenity to professional and business services in the metro Atlanta area or perhaps as a central resource to other industry clusters to be recruited to DeKalb County in the future.

DeKalb County Parks

DeKalb County owns 130 parks, covering approximately 6,000 total acres of parkland and open space. In recent years, there has been a strong push in park and greenway acquisition. The County has managed a bond program for parkland acquisition, in addition to leveraging philanthropic funds, to deliver a doubling of DeKalb's greenspace over the last decade. With parklands, facilities, and trails covering or accessible to most parts of the County, it is important to consider how these properties can generate economic development through improvements, heavier programming, or increased amenities to spur or better support surrounding development.

Further evaluation of county-owned properties will be provided in more detail in a subsequent report. Additional county-owned properties with leverage potential for economic development purposes will likely be identified at that time.



Infrastructure: MARTA

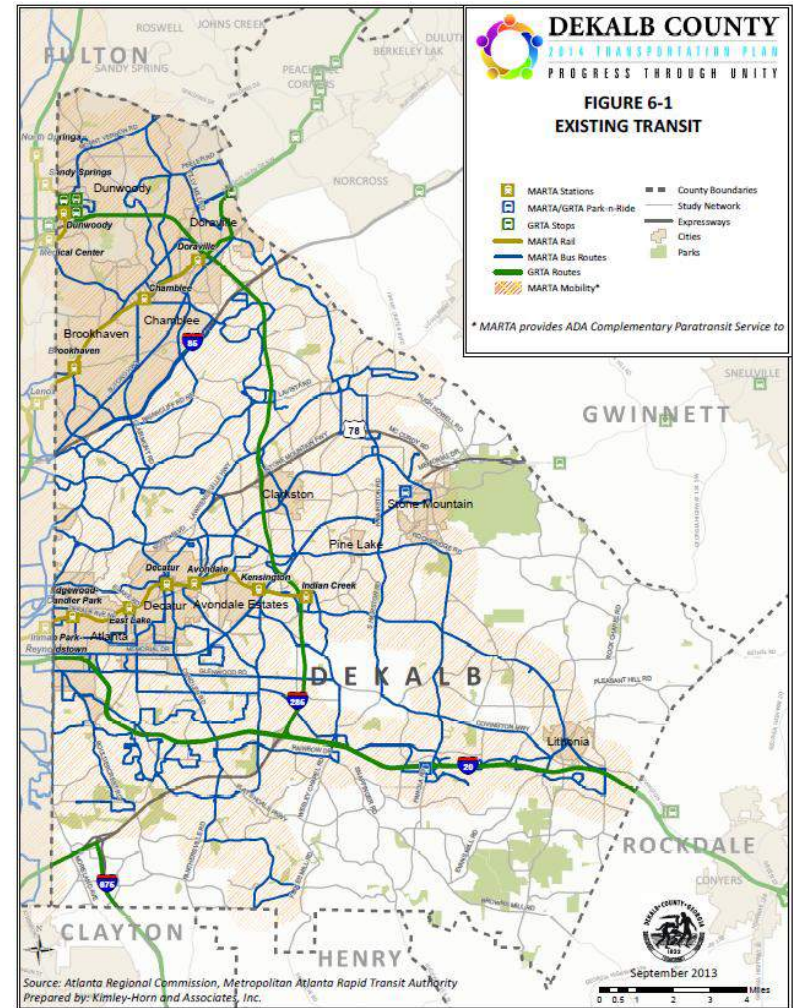
Transit Oriented Development

DeKalb residents, like many Americans today, are demanding different styles and formats of housing, entertainment, and employment. These desires can be met with well-connected and accessible live-work communities served by multiple transportation options.

In 2010, Metropolitan Atlanta Rapid Transit Authority (MARTA) adopted TOD guidelines to help guide joint development efforts around transit stations. The 5 year MARTA development plan has three over-arching strategic goals:

1. To generate greater transit ridership – a natural consequence of cluster mixed-use development around stations and along corridors
2. To promote a sustainable, affordable, and growing future for the people of Metro Atlanta
3. To generate a return on MARTA's transit investment – through enhanced passenger revenues, greater Federal Support, and development of MARTA property

Of the 10 stations identified in the plan, 5 are located in DeKalb County. Both Avondale and Brookhaven-Oglethorpe University stations are in the early stages of the RFP solicitation process for TOD development. The RFP for Edgewood-Candler Park station is slated to be released sometime in 2014. Kensington station was pushed up in the ranking based on DeKalb County's interest in redevelopment in the area.



Source: Five Year Transit Oriented Development Strategic Plan. MARTA, Oct. 2013



Infrastructure: MARTA

Transit Expansion in DeKalb County

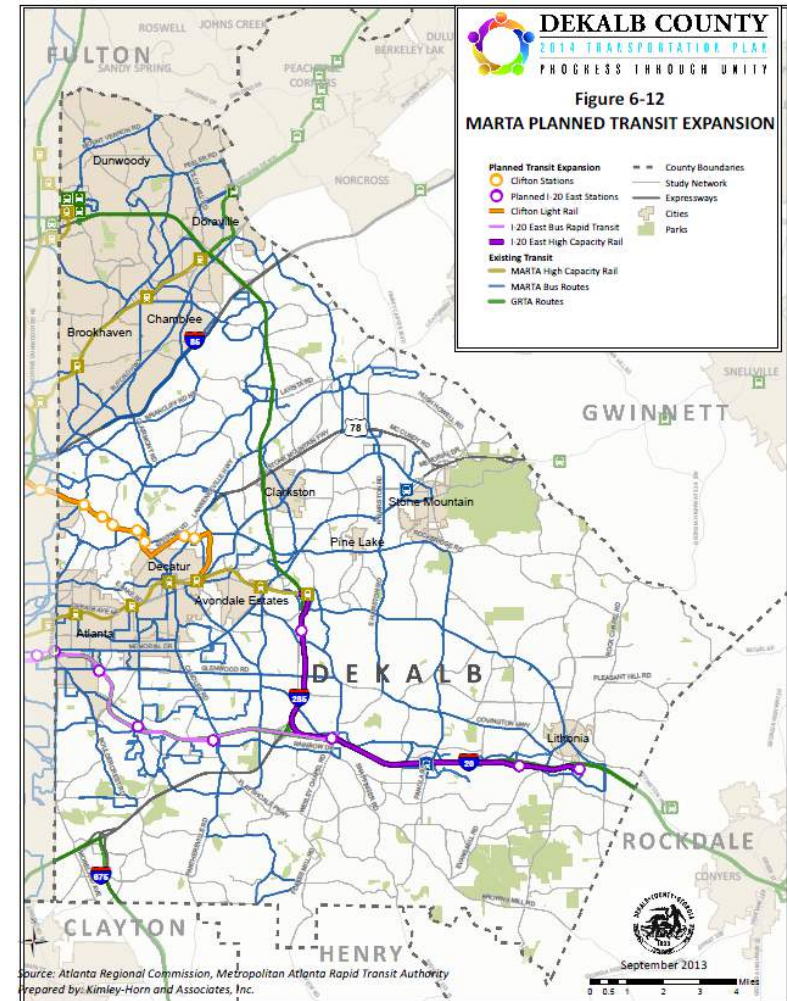
The Concept 3 transit plan, adopted by a regional transit planning committee in 2008, was developed as a long-range vision for transit service in the Atlanta region. Each planning subarea in DeKalb County has a transit expansion, from bus to heavy rail, envisioned in the Concept 3 plan. Two transit expansion projects are currently being advanced towards implementation:

I-20 East Corridor Transit Initiative

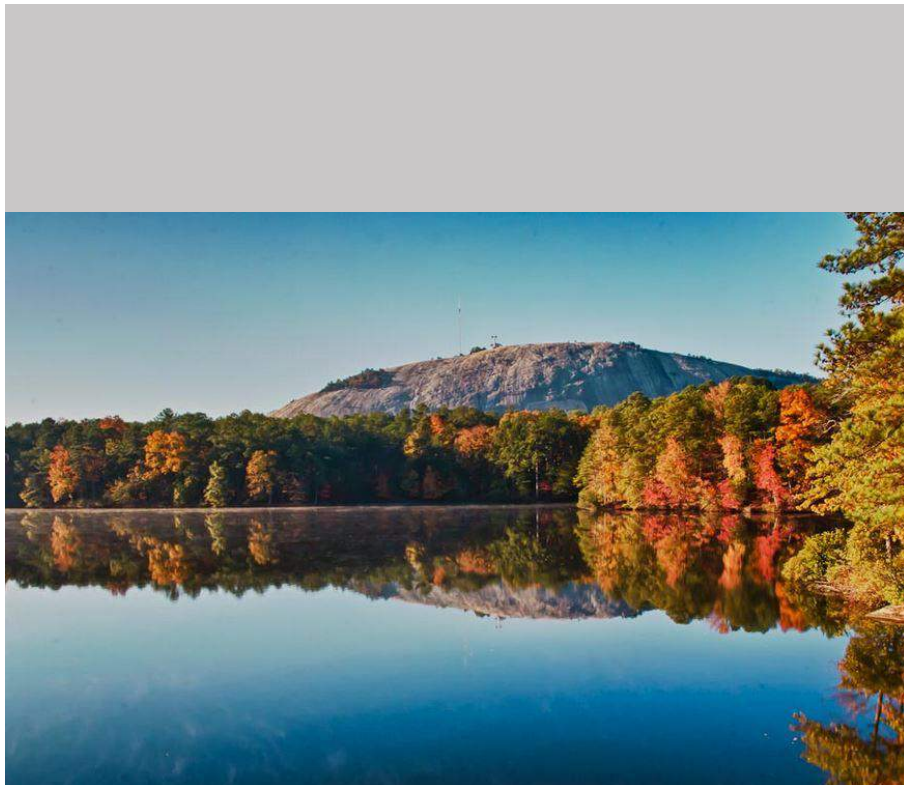
This initiative seeks to identify transit investments that would improve east-west mobility and access to jobs and housing within the corridor between downtown Atlanta to the Mall at Stonecrest in southeastern DeKalb. Currently the project is not fully funded.

Clifton Corridor Transit Initiative

This light Rail project seeks to provide high-capacity transit connections between the Lindbergh Center/Armour Yard area in north-central Atlanta to Clifton Road employment centers and the City of Decatur. The project would provide 8.8 miles of new light rail service with 10 stations and include in-street operations on the medians of many area roads as well as tunnels and aerial structures above existing traffic.



STAKEHOLDER SURVEYS



"Stone Mountain Park" by Joe Hoyle, taken from [Flickr.com](https://www.flickr.com/photos/joehoyle/), used under [CC BY](https://creativecommons.org/licenses/by/4.0/) / Cropped from Original



"On the Square in Decatur" by Scott Long, taken from [Flickr.com](https://www.flickr.com/photos/scottlong/), used under [CC BY](https://creativecommons.org/licenses/by/4.0/) / Cropped from Original



Resident Survey

More than 1,200 respondents have participated in the resident survey

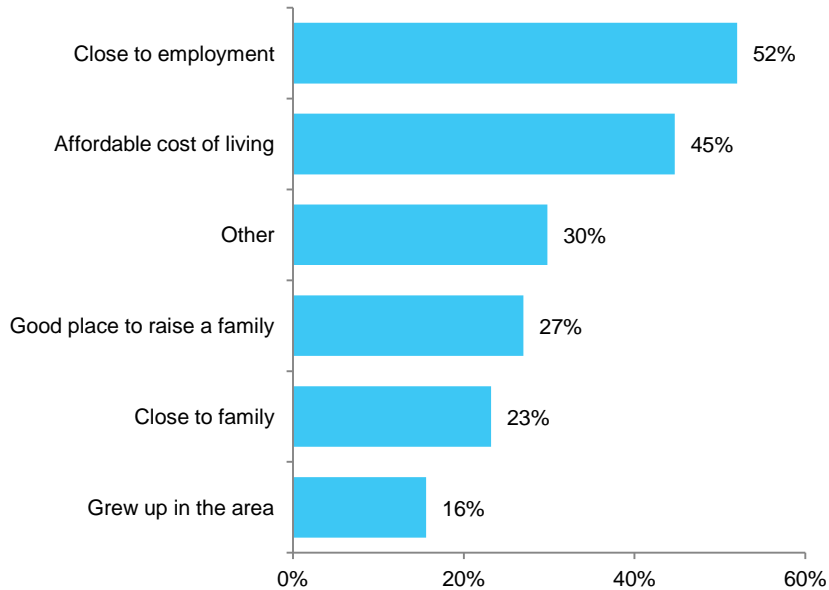
Tackling crime, luring world-class corporations, beautifying the county and improving schools repeatedly came up as ways to make DeKalb County more inviting and improve its overall competitiveness. Suggestions for attracting young professionals included better entertainment options, tax incentives, affordable housing, cultivating green space, expanding public transportation, making roads safer for biking and walking, the creation of more business incubators through universities and, correspondingly, more high-skill jobs. Respondents saw a need for better quality restaurants and entertainment options, with some even welcoming an increased presence of box stores like Costco and Target, whose absence encourages residents to move outside the county. A small but significant minority of respondents urged the creation of auto assembly and other types of manufacturing plants, and a few urged the government to incentivize the development of support businesses for Atlanta’s growing film industry. Education, tax reform, and safety also ranked as high as areas of concern. Within the next decade a good number of respondents envision a revamped Memorial Drive and a growing number of live/work/play communities. DeKalb County’s perceived assets included affordability; available industrial space; green areas; and proximity to Atlanta, Emory University, the CDC and major transportation arteries like I-285.

Survey Participants		
Location	Live	Work
Unincorporated DeKalb County	54.4%	18.1%
Atlanta	4.2%	36.7%
Avondale Estates	1.4%	0.7%
Brookhaven	6.5%	2.2%
Chamblee	2.7%	2.3%
Clarkston	0.5%	1.0%
Decatur	13.7%	13.3%
Doraville	1.2%	0.7%
Dunwoody	6.3%	5.7%
Lithonia	4.1%	1.1%
Pine Lake	0.1%	0.4%
Stone Mountain	7.1%	2.2%
Other	5.4%	21.0%



Resident Survey

Reason for Living in DeKalb County



Location and affordability are top attraction factors

52% of residents who participated in the survey listed DeKalb County's proximity to their place of work as a primary reason for living in DeKalb. The county's affordable cost of living was also recognized as a top attraction factor. Family and historical ties are often a leading factor when deciding where to live. The fact that other factors were more influential in DeKalb resident's decision to live in the county is a testament to the high quality of life in the area.

"A lot of large employers in the county attract employees. Most of these employees really like having a small town feel, like in Decatur, Tucker, etc. It is important to continue to cultivate the ability for people to live and work in the same community. Short commutes and public transportation are key to quality of life."

-Community Stakeholder



Resident Survey

Overall, DeKalb residents are satisfied with life in the area

While residents' satisfaction ratings rarely exceeded an issue's importance rating, this should not be viewed as a negative indication of net satisfaction. DeKalb ranks fairly well in overall quality of life, specifically receiving high ratings on easy access to larger cities, downtown destination appeal, local educational institutions, quality health care, and cost of living. In contrast, residents were generally unsatisfied with leadership of elected city and county officials, quality of public school education and facilities, transportation infrastructure, and safety.

“Improve public schools and safety, draw better business to our area.”

-Community Stakeholder

Most Important Factors

Factor	Importance	DeKalb Co. Rating
Safety	4.79	2.99
Quality of life	4.76	3.60
Cost of living	4.48	3.51
Quality of public school education	4.46	2.30
Overall economy	4.45	3.05

DeKalb Co. Top Rated Factors

Factor	DeKalb Co. Rating	Importance
Easy access to larger cities	4.15	3.99
Local colleges/universities	3.83	3.82
Quality healthcare	3.78	4.37
Quality of life	3.60	4.76
Cost of living	3.51	4.48



Business Survey

Over 100 businesses participated in the community stakeholder surveys

Business respondents offered a wide array of insights. A fair number noted that skills have not kept pace with the tech-heavy demands of the marketplace and expressed difficulty in filling high-skilled labor positions. To attract startups many respondents suggested streamlining business licensing and permitting, and an oft-repeated suggestion toward that end was to put the entire process online. Reducing taxes – namely property taxes – and connecting entrepreneurs with potential investors were named as other possible solutions. Crime, infrastructure and cleanliness were cited as impediments to business attraction and expansion. The government was urged to be more open and responsive to business needs. Corruption again and again came up as a hindrance and deterrent to doing business in DeKalb County.

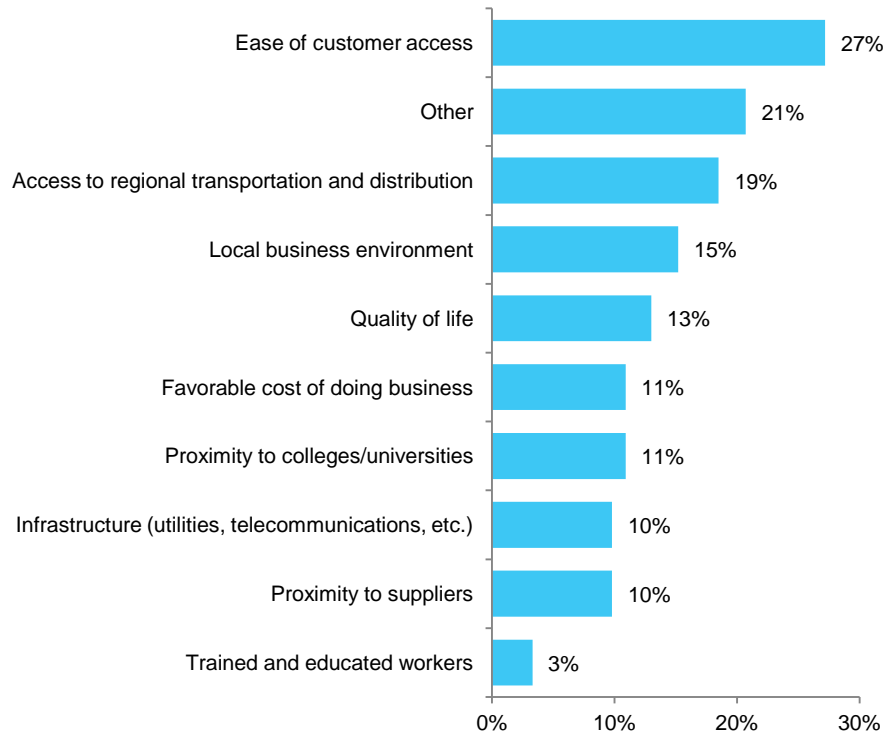
Business Expansion			
	Number of Employees	Product Line	Size of Operations
Will Increase	39%	47%	30%
Will Not Increase	54%	47%	36%
Decrease/Uncertain	7%	6%	33%

Business Profile	
Top Industries	
Services-Business and Professional	27%
Real Estate	16%
Construction	15%
Government Services	11%
Healthcare	8%
Age	
0-5 years	26%
6-14 years	30%
15-24 years	11%
25+ years	34%
Revenues	
Under \$500,000	42%
\$500,000 to \$1 million	14%
\$1 million to \$5 million	26%
\$5 million to \$10 million	8%
Over \$10 million	10%
Revenues are...	
Growing	47%
Stable	31%
Declining	12%



Business Survey

Reason for Locating in DeKalb County



Access to market is a top attraction factor for businesses

Local business leaders clearly recognize DeKalb's location and infrastructure advantages. Business leaders participating in the survey listed ease of access to customers as the top reason for locating a business in DeKalb County. Access to regional transportation and distribution and local business environment were also listed as top factors.

“Create a business friendly and hospitable environment, attract and retain a diverse demographics, develop neighborhoods.”

-Community Stakeholder



Business Survey

Businesses find value in DeKalb County

According to the surveyed businesses, the most important factors for business success in DeKalb County are: utilities and infrastructure, access to customers, tax climate, operating costs, and the ability to attract and retain skilled employees. Business leaders are most satisfied with the counties performance in: access to customers, presence of colleges/universities, quality of life, presence of suppliers, and creative and cultural arts scene.

The factors found to have the largest deficits in satisfaction were development and permitting process, tax climate, regulatory environment, and utilities and infrastructure. Because these factors were all listed as some of the most important, they represent important target improvement areas for development.

Most Important Factors

Factor	Importance	DeKalb Co. Rating
Utilities and infrastructure	4.51	2.96
Access to customers	4.48	3.6
Tax climate	4.45	2.72
Operating costs	4.30	3.06
Ability to attract and retain skilled employees	4.26	3.01

DeKalb Co. Top Rated Factors

Factor	DeKalb Co. Rating	Importance
Access to customers	3.6	4.48
Presence of colleges/universities	3.59	3.28
Quality of life	3.43	4.21
Presence of suppliers	3.34	3.36
Creative and cultural arts scene	3.31	3.06



NEXT STEPS



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"Decatur First Bank" by [michchap](#) taken from [Flickr.com](#), used under [CC BY](#) / Cropped from Original



Next Steps: Economic Opportunity as a Driver of Change

Developing DeKalb County's business climate with new employment centers and thriving industries will drive dramatic, measureable improvements in problems that have beset DeKalb County for decades: crime, public schools, and slow economic growth.

How will this happen? New employers bring salaries, training, children, involved parents, active new neighbors, reinvestment in neighborhoods, renovation of dilapidated housing, preservation of historic gems, more watchful eyes in neighborhoods, paths to job advancement. Crime recedes as surrounding areas attract reinvestment. Public education improves as new families venture into underperforming school areas and demand improvements. Residents who make more money spend more. New job opportunities create contagious opportunities.

Economic development reaches beyond any one program or employer. It is a force that pushes, boosts, enables, and incentivizes DeKalb County citizens to improve and excel. It attracts new residents and young families.

Now is the time for DeKalb County residents, businesses, districts and neighborhoods to pull together in a plan that provides a better county economy and quality of life for everyone. It is time to take full stock and advantage of the county's many strengths and parlay those strengths into a strategy that gets the word out – "DeKalb County is the most business-friendly county in Georgia."

We now move forward into the determination of target industries and the designation of future employment centers for all areas and districts in the county. Those strong employment centers will put a halt to any future perception that DeKalb County is merely a bedroom community for Atlanta.

"DeKalb County has a unique opportunity for the development of the life science industry."

-Community Stakeholder

"There is no real reason why DeKalb County cannot become the economic hub of Georgia."

- Advisory Committee Member



Next Steps: Suggested Target Industry Clusters

Cluster Concentration in DeKalb County, 2012

Industry	Industry LQ	Industry Employment
Higher Education & Research	3.79	15,074
Communication Services	2.03	3,330
Mass Media	1.64	4,448
Utilities	1.55	870
Biotechnology	1.39	1,950
Business Support Services	1.33	18,314
Wholesale	1.27	13,096
Professional Services	1.19	23,409
Health Services	1.18	33,427
Logistics & Distribution	1.18	6,822
Food Processing	1.03	1,891
Government	1.02	15,163
Retail	1.01	30,287
General Services	0.95	7,157
Financial Services	0.92	12,904
Software & Computer-Related Services	0.90	1,268
Eat/Drink	0.87	17,711
Civic Enterprises	0.82	2,483
Construction Manufacturers & Suppliers	0.80	9,728
Material Supplies	0.79	658

Source: Decision Data Resources

Possible Target Industry Clusters

Health & Life Sciences

Logistics & Distribution

Professional & Business Services

Tourism Services & Tour Packages

Construction & Industrial Supplies

Manufacturing (small to medium size)

“People need a sense that something is about to change – that something new is coming.”

- Advisory Committee Member



About AngelouEconomics



ANGELOUECONOMICS

AngelouEconomics partners with client communities and regions across the United States and abroad to candidly assess current economic development realities and identify opportunities.

Our goal is to leverage the unique strengths of each region to provide new, strategic direction for economic development

As a result, AngelouEconomics' clients are able to diversify their economies, expand job opportunities and investment, foster entrepreneurial growth, better prepare their workforce, and attract 'new economy' companies.

To learn more, visit www.angeloueconomics.com

PROJECT TEAM

Angelos Angelou
Principal Executive Officer

Dane Anderson
Project Manager

William Mellor
Associate Project Manager

Irene Ginakakis
Associate Project Manager

