Georgia Business and Economic Conditions

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Regional Economic Profiles, 2001 ■ Part 1

AN ECONOMIC TRAVELOGUE OF GEORGIA

This special series discusses the prospects for economic development in each of Georgia's twelve service delivery regions--that together encompass all 159 counties--created by the State Legislature to foster regional collaboration and to bring state resources closer to the people. Funding for the original research was provided by a grant from the Georgia Department of Industry, Trade and Tourism.

Beata D. Kochut
Jeffrey M. Humphreys

Region 1: Northwest Georgia

Atlanta's and Chattanooga's expanding appetites for open space will power economic development in Region 1, and this force will be strongest in Bartow, Paulding, Pickens, Gordon, Gilmer, Catoosa, Dade, Walker, and Whitfield counties. These counties already attract residents who commute to jobs either in the urban centers or in second-tier metropolitan counties, as indicated by rates of population growth that are often much higher than employment growth. Bartow, Paulding, and Pickens counties are part of the Atlanta MSA, which explains their close ties to Atlanta. These three fast-growing counties are third-tier metropolitan counties, so called because each is two counties removed from the core of the Atlanta metropolitan area.

I-75 provides Gordon County with relatively easy access to Atlanta, and much of the stimulus to local area economic development undoubtedly depends on it. Similarly, the Appalachian Development highway, U.S. 515, brings Atlanta's growth to Gilmer County. Catoosa, Dade, and Walker counties are officially part of the Chattanooga MSA, to which their development is inextricably linked. Whitfield County, which straddles the I-75 corridor between Chattanooga and Atlanta, should benefit from the growth of both metropolitan areas. A proposed high-speed train linking Chattanooga and Atlanta could bring more growth to the region.

In all of these counties, residential development,

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mass retailing, commercialization, and industrial development will gradually displace agriculture, forestry, and independent retailing. High technology and service-oriented companies will flock to the counties closest to Atlanta. As Region 1 diversifies its economic base, which presently is heavily dependent on manufacturing, regional economic activity should become somewhat less affected by cyclical swings in the national and global economies. Those jurisdictions with solid infrastructure, good schools, excellent housing, and ample water and sewer capacity can expect to see the strongest growth.

Because Chattooga, Polk, Fannin, Floyd, Haralson, and Murray counties are relatively less accessible to Atlanta and/or Chattanooga, their economic development will depend less on the growth of nearby metropolitan areas and more on other factors. For example, tourism, recreational, second-home, and retiree-based development will power economic growth. Also, an automobile-manufacturing cluster is forming in Floyd County. A proposed commuter rail line between Atlanta and Bremen would bind the western portion of Region 1 more closely to Atlanta, improving the prospects for growth in Haralson County (as well as in Carroll County in Region 4).

If Census 2000 data lead to the designation of Dalton as an official metropolitan statistical area (that encompasses Whitfield and Murray counties), the region will reap benefits. Among other things, major companies will be more apt to move in, bringing jobs and money. Moreover, Region 1 will continue to benefit from the growth of tourism, the arrival of retirees, and second-home development because people are drawn to Northwest Georgia's scenic beauty of mountains and forests.

Rome's Forum Civic Center and the Northwest Georgia Trade and Convention Center in Dalton provide the meeting space needed to tap into the lucrative market for small meetings, retreats, and conventions. The region's growing inventory of hotel rooms will provide the capacity needed to host larger groups, too. Shoppers' havens such as the Tanger Factory Outlet Center in Dalton not only bring in local residents but also capture the interest of travelers on I-75. Improvements to the Dalton Airport and the proximity of Chattanooga's Lowell Field helps not only to attract corporate meetings, but also enhances the region's ability to retain existing industry and to attract new ones. In addition, Lake Allatoona provides both recreational value and an ample water supply to Bartow County. Rome's well-developed medical industry is an asset for the region. It meets local needs, makes Northwest Georgia more attractive to retirees, and may help to attract biotechnology companies.

MAJOR INDUSTRIES

Northwest Georgia is the center of the nation's carpet manufacturing industry, which has a substantial regional economic impact. The nation's largest carpet manufacturer, Berkshire Hathaway (Shaw Industries) is located in Dalton and the nation's second largest manufacturer, Mohawk Carpets, is in Calhoun. Also, Beaulieu of America's corporate headquarters is in Dalton. Thus the presence of these industry giants means that many firms that supply them with goods and services also have located in the area. Unfortunately, dependence on carpet manufacturing heightens the region's vulnerability to fluctuations in new construction activity.

Region 1, however, is developing a second industrial cluster in transportation equipment manufacturing. Neaton Auto Parts and Suzuki both plan to open new manufacturing plants at the Berry Corporate Center. Also, F & P Georgia Manufacturing, a Japanese auto parts manufacturer, will open a new plant in the Floyd County Industrial Park. Because Northwest Georgia is an ideal central location from which to supply assembly plants located in several southeastern states, the potential for additional development of the auto parts and component makers industry is high.

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Region 1: Northwest Georgia
Population Statistics by County
1990 and 2000

Area	Total Population 1990	Total Population 2000	Percent Change in Population 1990-2000
Georgia	6,478,149	8,186,453	26.4
Region 1	548,219	697,410	27.2
Bartow	55,915	76,019	36.0
Catoosa	42,464	53,282	25.5
Chattooga	22,242	25,470	14.5
Dade	13,147	15,154	15.3
Fannin	15,992	19,798	23.8
Floyd	81,251	90,565	11.5
Gilmer	13,368	23,456	75.5
Gordon	35,067	44,104	25.8
Haralson	21,966	25,690	17.0
Murray	26,147	36,506	39.6
Paulding	41,611	81,678	96.3
Pickens	14,432	22,983	59.3
Polk	33,815	38,127	12.8
Walker	58,340	61,053	4.7
Whitfield	72,462	83,525	15.3

Source: U.S. Census Bureau, Census 2000 Redistricting Data (P.L. 94-171) Summary File and 1990 Census. Internet Release Date: April 2, 2001.

The poultry industry is another economic mainstay, but as population and development pressures build, conflicts between this industry and other users of water could develop. Area residents also may become more intolerant of the byproducts of large-scale poultry production and processing. Technology will solve some of these problems, but as production costs rise, so does the risk that the industry will relocate to less developed and less environmentally stressed areas.

In contrast, apple growing is well suited to this region's burgeoning development; and Northwest Georgia has turned this simple agricultural product into a tourist attraction. Apple festivals and roadside fruit stands are seasonal highlights, while apple-themed displays and souvenirs add to the year-round charm of the area's small towns.

Thus far, Region 1 has managed to avoid the worst side-effects of rapid population growth, but deploying the infrastructure needed to keep pace with growth will be a challenge.Traffic congestion isn't much of a problem right now, but the many small, winding roads may cause trouble if growth comes as expected. Due to the terrain, re-engineering existing roads to higher capacity will be expensive. Counties also must focus on expanding sewer and water treatment systems if they wish to attract industrial and large-scale commercial development. Moreover, keeping pace with the burgeoning demand for new, high-quality schools will be a challenge.

Region 1: Northwest Georgia
Employment Statistics by County
1990, 2000, and 2005

	Total Employment			Percent Change	
Area	March 1990	March 2000	March 2005*	1990-2000	2000-2005
Georgia	2,814,344	3,754,710	4,409,762		
Region 1	199,552	254,807	290,809	27.7	14.1
Bartow	20,073	29,976	36,631	49.3	22.2
Catoosa	11,308	14,895	17,095	31.7	14.8
Chattooga	7,104	8,413	9,155	18.4	8.8
Dade	2,502	3,192	3,605	27.6	13.0
Fannin	3,418	4,976	6,004	45.6	20.7
Floyd	34,992	39,702	42,290	13.5	6.5
Gilmer	5,059	6,926	8,104	36.9	17.0
Gordon	16,909	21,936	24,985	29.7	13.9
Haralson	6,589	6,461	6,398	-1.9	-1.0
Murray	8,853	13,214	16,144	49.3	22.2
Paulding	5,434	12,132	18,128	123.3	49.4
Pickens	3,798	5,360	6,368	41.1	18.8
Polk	9,103	10,605	11,447	16.5	7.9
Walker	14,914	15,057	15,129	1.0	0.5
Whitfield	49,496	61,962	69,327	25.2	11.9

*Extension of trends.

Note: Counties and regions may not add exactly due to undistributed employment. Data are for covered employment, which includes employment subject to unemployment insurance law of Georgia, and are not comparable to other nonagricultural statistics.

Source: Selig Center for Economic Growth, Terry College of Business, The University of Georgia, based on data from Georgia Department of Labor Information Systems.

Region 1: Northwest Georgia
Total Buying Power Statistics
by County, 1990 and 2001

Area	Total Buying Power (thousands of dollars) 1990	Total Buying Power (thousands of dollars) 2001	Percent Change in Buying Power 1990-2001
Georgia	98,984,939	191,840,268	93.8
Region 1	6,937,247	13,066,850	88.4
Bartow	723,127	1,508,643	108.6
Catoosa	487,708	908,082	86.2
Chattooga	245,133	417,736	70.4
Dade	134,994	251,028	86.0
Fannin	168,218	323,929	92.6
Floyd	1,132,966	1,852,524	63.5
Gilmer	172,977	350,224	102.5
Gordon	448,411	855,770	90.8
Haralson	262,985	458,721	74.4
Murray	290,436	563,204	93.9
Paulding	512,770	1,299,216	153.4
Pickens	197,469	476,259	141.2
Polk	386,984	629,864	62.8
Walker	683,969	1,132,713	65.6
Whitfield	1,089,100	2,038,936	87.2

Source: Selig Center for Economic Growth, Terry College of Business, The University of Georgia.

Region 2: Northeast Georgia

Metropolitan Atlanta's surge towards the north dominates development trends in much of Northeast Georgia, and will sustain the region's rapid economic growth. Census 2000 shows that Northeast Georgia's population grew faster than that of any other region of the state. Residential development will be focused on major transportation corridors, but the arrival of retirees and substantial vacation-home development will spur population growth in many places that are far from major roads. Commercial and industrial growth will be concentrated along the high-capacity arteries—Georgia 400, I-985, and I-85. The region will benefit from manufacturers' focus on suburban or ex-urban sites that are relatively close to a major metropolitan area. Tourism will become even more important to the region, particularly to the northern border counties. Trends in agriculture will remain important, particularly those that affect the region's large poultry industry.

Preserving Northeast Georgia's fragile ecology and scenic beauty, keeping pace with burgeoning infrastructure needs, and expanding the quantity and scope of public services will be the keys to sustaining Region 2's economic growth. Congested roads and inadequate water delivery and treatment systems are emerging as problems. Also, even as the region's schools improve, school overcrowding looms as a potential problem. In general, the counties closest to Atlanta will be the first to confront these threats to growth.

A CLOSER LOOK AT THE COUNTIES

Census 2000 indicates that, measured in terms of population growth rate, Forsyth County was the second fastest growing county in the nation from 1990-2000. The completion of Georgia 400 provided Forsyth County (which is part of the Atlanta MSA) with the highway capacity needed to fully tap into the robust growth of the urban and suburban complex anchored by Atlanta. The public schools and affordable single-family homes are what bring many people to Forsyth County, but the county is developing as an independent employment center. The transition from commuter boomtown to a place where people both live and work will stimulate more upscale residential development. Businesses are attracted to by the abundance of relatively inexpensive open space that permits the development of campus-like office parks. Executives who live north of I-285 gradually are moving their offices closer to their homes, or to where they can commute against the heaviest flow of traffic. Also, the extremely rapid growth of residents' after-tax incomes is fueling consumer spending locally, which creates jobs in consumer-dependent businesses.

Traffic congestion is the most significant threat to the region's growth. Georgia 400 is one of the state's most congested highways, and the options regarding new road construction are limited by the inclusion of Forsyth County in the 13-county Atlanta non-attainment area. The widening of major highways 400, 141, and 20 would help to provide the road capacity needed to sustain economic growth, particularly if this were accompanied by an extension of MARTA rail into Forsyth County. Expansion of sewer capacity would be another plus, and may help to channel high-density growth into specific areas.

Similarly, Georgia 400 has helped to put Dawson, Lumpkin, and White counties onto the fast track now that commuters and telecommuters no longer consider these ex-urban counties as too remote. Improving schools, big homes on large lots, and low taxes have helped make Dawson County the nation's twenty-fifth fastest growing in population, according to Census 2000. Businesses also are beginning to move to these outlying counties, too. For example, the North Georgia Premium Outlets makes a large direct contribution to region's economic base, and showcases Dawson County to residents of the Atlanta MSA. Executive and upscale residential development is emerging as a viable market segment. In addition, Dawson County's hospitality industry is poised to receive a major boost from the development of Thunder Road USA, the Georgia Racing Hall of Fame, and the NASCAR Museum.

White, Union and other mountain counties also are benefiting from retiree and second-home development, thanks to the increasing variety of goods and services available locally plus better highway access to Atlanta. Also, the southern portion of the Appalachians offers a relatively mild climate, not to mention many state parks and natural attractions. Georgia's mountains are close to major population centers, as well as heavily traveled North-South tourist routes. Retirees who originally settled in Florida, and did not like what they found, often opt to relocate to the nearest mountains—in North Georgia. Tourists are attracted to the mountains, too. Helen and Dahlonega are well-established destinations for leisure travelers. The Brasstown Valley Resort in Towns County helps the region to attract small meetings, retreats, and medium-sized conventions. Airport improvements such as those at the Habersham County airport will make the region more accessible to corporate jets, further enhancing Region 2's appeal to business people.

GEORGIA'S TWELVE SERVICE DELIVERY REGIONS

Map by Beata D. Kochut

Hall and Banks counties will benefit from their favorable location in the path of the Atlanta region's northward growth. I-985 provides easy access to I-85, I-285, and downtown Atlanta. The Gainesville area is the region's largest independent job center, and this employment base should prevent Gainesville from being submerged by the tidal wave of growth—reinforced by the new Mall of Georgia a few miles south—that continues to flow out of Atlanta.

Poultry processing is still vitally important to Hall County, but automobile parts manufacturers, recreational activities centered on Lake Lanier, and regional medical facilities are helping drive the economy. Hall County's heavy investment in sewer capacity, particularly along I-985, will stimulate industrial and commercial economic growth.

I-85, which links Banks County to Atlanta, has already fostered the development of a massive complex of retail stores. The county's two interchanges along the interstate are prime locations for new industrial and commercial facilities, and as Census 2000 indicates, Banks County enjoyed solid population growth in the 1990s.

Region 2's diversification away from agriculture, particularly poultry processing, is encouraging. Poultry processing requires considerable quantities of clean water, and as population pressures build, conflicts between this industry and other water users could develop. Area residents also may become more intolerant of the byproducts of large-scale poultry processing. Technology will solve some of these problems, but as production costs and land values rise, so does the risk that the industry will relocate to less developed areas.

According to Census 2000, several of Region 2's easternmost counties are growing relatively slowly. Hart, Stephens, and Franklin counties are just beyond the reach of Atlanta, and the stimulus from Greenville in South Carolina is not strong enough to substantially boost their growth. Also, new technology, mechanization, and the consolidation of farms are reducing employment in farming. Dependence on labor-intensive manufacturing that is vulnerable to global competition is another restraint. A renewed emphasis on economic development and tourism will help, however. Thanks to I-85, Hart and Franklin counties are linked to booming markets in Georgia and the Carolinas and thus could become a prime location for regional distribution and manufacturing. Lake Hartwell is a potential resource for the region, too. Unusually deep—which allows it to accommodate larger boats—with an extensive shoreline, the lake is a major draw for retirees and seasonal residents who are snapping up the relatively affordable homesites.

Region 2: Northeast Georgia
Population Statistics by County
1990 and 2000

Area	Total Population 1990	Total Population 2000	Percent Change in Population 1990-2000
Georgia	6,478,149	8,186,453	26.4
Region 2	304,648	455,342	49.5
Banks	10,308	14,422	39.9
Dawson	9,429	15,999	69.7
Forsyth	44,083	98,407	123.2
Franklin	16,650	20,285	21.8
Habersham	27,622	35,902	30.0
Hall	95,434	139,277	45.9
Hart	19,712	22,997	16.7
Lumpkin	14,573	21,016	44.2
Rabun	11,648	15,050	29.2
Stephens	23,436	25,435	8.5
Towns	6,754	9,319	38.0
Union	11,993	17,289	44.2
White	13,006	19,944	53.3

Source: U.S. Census Bureau, Census 2000 Redistricting Data (P.L. 94-171) Summary File and 1990 Census. Internet Release Date: April 2, 2001.

Region 2: Northeast Georgia
Employment Statistics by County
1990, 2000, and 2005

Area	Total Employment March 1990	March 2000	March 2005*	Percent Change 1990-2000	2000-2005
Georgia	2,814,344	3,754,710	4,409,762		
Region 2	108,857	170,760	223,383	56.9	30.8
Banks	2,207	3,009	3,513	36.3	16.8
Dawson	1,109	4,075	7,811	267.4	91.7
Forsyth	11,309	33,697	58,167	198.0	72.6
Franklin	5,467	7,512	8,806	37.4	17.2
Habersham	12,218	14,186	15,286	16.1	7.8
Hall	42,724	65,123	80,402	52.4	23.5
Hart	7,448	7,971	8,246	7.0	3.5
Lumpkin	3,514	5,848	7,544	66.4	29.0
Rabun	4,110	5,845	6,970	42.2	19.3
Stephens	10,238	10,664	10,884	4.2	2.1
Towns	1,651	2,466	3,014	49.4	22.2
Union	3,099	4,819	6,009	55.5	24.7
White	3,763	5,545	6,731	47.4	21.4

*Extension of trends.

Note: Counties and regions may not add exactly due to undistributed employment. Data are for covered employment, which includes employment subject to unemployment insurance law of Georgia, and are not comparable to other nonagricultural statistics.

Source: Selig Center for Economic Growth, Terry College of Business, The University of Georgia, based on data from Georgia Department of Labor Information Systems.

Region 2: Northeast Georgia
Total Buying Power Statistics
by County, 1990 and 2001

Area	Total Buying Power (thousands of dollars) 1990	2001	Percent Change in Buying Power 1990-2001
Georgia	98,984,939	191,840,268	93.8
Region 2	4,210,882	10,648,523	152.9
Banks	122,442	260,989	113.2
Dawson	125,971	388,732	208.6
Forsyth	743,969	3,264,360	338.8
Franklin	218,453	431,081	97.3
Habersham	361,298	730,261	102.1
Hall	1,395,223	3,008,170	115.6
Hart	248,076	402,370	62.2
Lumpkin	175,695	391,859	123.0
Rabun	134,450	300,468	123.5
Stephens	289,885	518,835	79.0
Towns	79,257	183,989	132.1
Union	135,915	345,691	154.3
White	180,246	421,719	134.0

Source: Selig Center for Economic Growth, Terry College of Business, The University of Georgia.

Region 3: The Atlanta Metro Area

Region 3 consists of the Atlanta MSA's two core counties and its eight second-tier counties—an area whose watchwords are "bigger, faster, more." Already the nation's second fastest-growing large MSA, the Atlanta metro area ranks fourth nationally among all MSAs in the number of new residents and eleventh in population growth rate, according to Census 2000.

Many positives make the Atlanta area the economic heart of the Southeast. The vibrant region ranks high on the list of the nation's best locations for business, and the MSA leads the nation in domestic migration. The deep and ever-expanding pool of talented people, industrial diversity, the large high-tech cluster, extensive transportation infrastructure, major fiber optic trunk line hub, and the growth of several research universities foster economic prosperity.

In addition, Atlanta's diversified industrial structure makes the business environment less risky. Because Region 3's outlook does not depend upon the whims of a single market or on the decisions of a few major employers, a sharp boom or bust is unlikely. Economic strength comes from industries tilted towards consumer goods, services, and high technology, rather than military goods, commodities or heavy manufacturing. Atlanta is a leader in high-tech job growth, and is the high-tech capital of the Southeast. Moreover, the Atlanta-Athens area already is recognized as a center for biotechnology; and if current trends persist, biotechnology may do as much for the economy over the next two decades as information technology has over the last two. The Atlanta region's consumer market is enormous and migration patterns suggest that it will continue to mushroom. Due to strong in-migration, greater Atlanta's residential construction market is much larger and stronger than is typical for a similarly sized metropolitan area.

Region 3's recent growth also means that more high-quality products, services, and talent is available locally. The expanding range of supporting industries and the growing pool of skilled workers in a variety of technical and professional fields make Atlanta alluring to companies that depend on these resources.

Atlanta also is a major destination for the vitally important business traveler. Rife with conveniently-located convention centers and sports facilities, the metro area is a very efficient place to hold a national or international business meeting or convention. Unfortunately, this appeal could diminish as Orlando and other southern cities expand their airports and convention centers.

Due to the increasing popularity of trade shows and the growing size and number of exhibits, the Georgia World Congress Center is now too small to accommodate some of the larger shows. For example, the sporting goods Super Show, which is the nation's largest trade show, moved to Las Vegas in 2001. In response, state government is expanding the Georgia World Congress Center from 950,000 square feet to 1.4 million square feet, and hopes that this will keep other large shows here instead of in Las Vegas, Chicago, New Orleans, or Orlando. The additional space also will allow one large event to set up or tear down while another one is ongoing, significantly reducing the number of dead days between conventions.

A CLOSER LOOK

Transportation underpins the region's growth. Hartsfield Atlanta International Airport is the world's busiest, and its vast array of daily nonstop and direct flights to domestic and international destinations make Atlanta a good location for headquarters operations, foreign direct investment, trade shows, and conventions. Praised by travelers for virtually everything except parking, this international hub airport is helping to transform Atlanta into a global player.

The city's location at the confluence of rail lines and three interstates—only four other U.S. cities are served by three interstates—makes the area idea for distribution centers and manufacturing of component parts. Atlanta also is home to MARTA, the largest heavy rail passenger transit system in the Southeast. But due to inadequate funding, the lack of regional planning, and unprecedented growth, the capacity of local roads and the public transportation system has not kept pace with traffic growth, and air quality problems limit the options for expansion. Also, Atlanta's air quality problems are retarding the construction of additional roads that would have opened up new areas for development. These major problems will slow Region 3's expansion, and will be the most stubborn barriers to sustaining high-paced growth.

Other problems are evident, too. In some jurisdictions, water treatment and distribution systems are either antiquated or are operating beyond optimal capacity. The water rationing that accompanies summer droughts and the moratoria on sewer connections are the early warning signs of another potential barrier to further economic development.

The groundswell of anti-growth sentiment is a definite threat brought about by the stresses of ten straight boom years. Recent moratoria on residential rezoning applications and new impact fees are relatively mild examples of public sector controls that dent Atlanta's stellar reputation as a good place to do business. Moreover, due to widespread financial prosperity, the region simply may not be as hungry for growth as it was twenty years ago.

These problems suggest that Region 3 is approaching limits that gradually will force the economy to average rates of expansion in the future. These limits are not fixed, however, and the obvious solution is to spend more to add capacity; but finding the money, the will, and the leadership will be difficult. Counties that expand their transportation and water systems, embrace efficient land use and regional planning, and improve their schools should find it easy to sustain growth and those that add capacity before it is needed should flourish. Conversely, those that fail to make such investments will lose.

Although some convergence between Region 3's and the nation's growth rates probably is inevitable, the regional economy should outdo the national economy significantly. Overcoming the region's problems will heighten the expense of living and working here, but costs should remain favorable when compared with New York, Los Angeles, Chicago, Washington D.C., or San Francisco.

CENTERS OF GROWTH

Putting all of these factors together creates a region where capital, businesses, jobs, and people will continue to concentrate. Nonetheless, most of the population growth is clustered well outside of I-285. Although high growth employment areas are found both inside and outside of the perimeter, most are outside of it. The places with a good balance between population and employment growth are mainly northeast of I-285, where commercial and residential development are roughly matched. Examples of communities experienced balanced growth include Gwinnett County, North Fulton County, and portions of Cobb County. In the southeastern part of Region 3, Henry

Region 3: The Atlanta Metro Area
Population Statistics by County
1990 and 2000

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Georgia	6,478,149	8,186,453	26.4
Region 3	2,513,612	3,429,379	36.4
Cherokee	90,204	141,903	57.3
Clayton	181,436	236,517	30.4
Cobb	447,745	607,751	35.7
DeKalb	546,171	665,865	21.9
Douglas	71,120	92,174	29.6
Fayette	62,415	91,263	46.2
Fulton	648,779	816,006	25.8
Gwinnett	352,910	588,448	66.7
Henry	58,741	119,341	103.2
Rockdale	54,091	70,111	29.6

Source: U.S. Census Bureau, Census 2000 Redistricting Data (P.L. 94-171) Summary File and 1990 Census.
Internet Release Date: April 2, 2001.

County also is experiencing balanced growth.

Henry and Cherokee counties will lead the way, adding jobs and people at faster rates than the other counties in Region 3. Census 2000 indicates that Henry County was the fourth fastest growing county in the nation from 1990 through 2000, and continues to be Region 3's fastest growing county. Residential, commercial, and industrial development are flourishing, mainly because this county has seven interchanges on I-75 and is close to Hartsfield International Airport. It could become a major distribution center if traffic congestion does not stifle progress. Cherokee County, too, has the easily reachable open space that the region needs, with I-75 and I-575 connecting it to the Atlanta MSA's core. The county also has a valuable asset in Lake Allatoona.

An aggressive expansion of roads and other productive infrastructure underpinned Gwinnett County's successful transformation from bedroom county to major employment center. Gwinnett already attracts large numbers of commuters from surrounding counties, and its drawing power will grow stronger over the next decade. In addition to residential development, Gwinnett has seen a boom in retail development, office development, and high-tech industrial growth. I-85 and GA 316 are the two most important commercial/industrial development corridors, but there is substantial activity along GA 141 as well. Eventually, the county stands to benefit from a proposed commuter passenger train linking Atlanta to Athens.

Employment and population will grow very rapidly in Fayette, Cobb, Douglas, Rockdale, and Clayton counties, which are Atlanta's maturing or developing suburban centers. With significant local employment bases of their own, these counties no longer are simply bedroom counties for greater Atlanta.

Fayette County's rapid growth stems from several favorable factors, including its proximity to Hartsfield, a relatively good school system, well-educated ppopulation of prime working age, and Peachtree City. Over all, Fayette is considered one of the most liveable counties in the Atlanta MSA.

Cobb County is affluent, its citizens are well educated, the crime rate is low, the schools are relatively good, and residential and business development is substantial. All roads (especially I-75 and I-285) are extremely crowded, however, so MARTA rail connections to downtown Atlanta would be a major advantage. Should Dobbins Air Force Base become an alternative airport to

Region 3: The Atlanta Metro Area
Employment Statistics by County
1990, 2000, and 2005

	Total Employment			Percent Change	
Area	March 1990	March 2000	March 2005*	1990-2000	2000-2005
Georgia	2,814,344	3,754,710	4,409,762		
Region 3	1,352,993	1,923,613	2,329,581	42.2	21.1
Cherokee	16,084	33,190	47,678	106.4	43.7
Clayton	83,040	115,533	136,275	39.1	18.0
Cobb	183,202	302,108	387,952	64.9	28.4
DeKalb	274,477	313,292	334,712	14.1	6.8
Douglas	18,156	30,713	39,946	69.2	30.1
Fayette	19,882	32,666	41,871	64.3	28.2
Fulton	589,294	753,474	851,994	27.9	13.1
Gwinnett	135,929	278,881	399,459	105.2	43.2
Henry	13,259	31,066	47,552	134.3	53.1
Rockdale	19,670	32,690	42,142	66.2	28.9

*Extension of trends.

Note: Counties and regions may not add exactly due to undistributed employment. Data are for covered employment, which includes employment subject to unemployment insurance law of Georgia, and are not comparable to other nonagricultural statistics.

Source: Selig Center for Economic Growth, Terry College of Business, The University of Georgia, based on data from Georgia Department of Labor Information Systems.

Hartsfield, Cobb and surrounding counties will receive a big boost to commercial and industrial development.

Due to congestion, Atlanta's development is flooding west and south, a trend that benefits Douglas County. The onslaught of new residents and commercial development is spurred by relatively inexpensive land, good connections via I-20, and good water supply and treatment plants.

In terms of employment growth, Rockdale County should become a new "edge city." I-20 provides access into downtown Atlanta, and development is heavily concentrated along the interstate and GA 138. The Big Haynes Reservoir and a new water treatment plant also are boons to growth. These positives, coupled with the county's improving school system, indicates that Rockdale County can expect to grow even more. Clayton County, however, is a fast-growing area that is projected to add far more jobs than residents, thus becoming a place where people work rather than as a place where they live.

Fulton and DeKalb counties—the core of the Atlanta MSA—are relatively mature. The Census 2000 data show that population growth continues at a good pace in both counties, with growth rates that are only slightly below the statewide average. Much of the growth in Fulton County is occurring in suburban north Fulton, which actually lies well outside of I-285. Population growth in the incorporated (City of Atlanta) portions of these counties is considerably less impressive, but still positive.

URBAN VERSUS SUBURBAN LIVING

A major force behind population growth in the City of Atlanta is an influx of young professionals—predominantly well-educated males who earn higher-than-average incomes. A short commute is one factor bringing people back to the city, but living downtown also is a lifestyle choice. Indeed, many of these urbanites work outside of I-285.

Some families also are buying and renovating homes in selected in-town neighborhoods, but concerns about crime and the poor quality of many of the schools prevent most families from considering living inside the perimeter. Until the quality of the schools improve, there will not be a major reversal of the growth trends that favor suburban over urban living. Nonetheless, in-town residential property values are rising faster than those elsewhere in the area, which may be the best indicator of the city's gradual transformation from a classic nine-to-five commuter boomtown into a dynamic 24-hour hometown.

The reality is that, despite long commutes on congested roads, families with children overwhelmingly prefer the suburbs, where the price per bedroom is lower, the yards are big enough for children and pets, the public schools are better, and the streets thought to be safer. The demand for suburban living is reinforced by the develop-

Region 3: The Atlanta Metro Area
Total Buying Power Statistics
by County, 1990 and 2001

Area	Total Buying Power (thousands of dollars) 1990	2001	Percent Change in Buying Power 1990-2001
Georgia	98,984,939	191,840,268	93.8
Region 3	48,189,762	98,858,923	105.1
Cherokee	1,354,307	3,789,151	179.8
Clayton	2,532,106	4,152,020	64.0
Cobb	8,881,625	18,375,616	106.9
DeKalb	10,188,625	17,411,964	70.9
Douglas	990,142	2,067,660	108.8
Fayette	1,196,474	2,699,792	125.6
Fulton	14,815,269	29,319,174	97.9
Gwinnett	6,490,866	16,831,359	159.3
Henry	871,810	2,495,134	186.2
Rockdale	868,537	1,717,053	97.7

Source: Selig Center for Economic Growth, Terry College of Business, The University of Georgia.

ment of suburban office parks, retail centers, and industrial clusters, especially since employers have become amenable to telecommuting and flexible scheduling. Also, the increased popularity of golf and gardening prompt many households into suburban living.

Georgia's new suburban developments are different from those of the last twenty years, too. Sidewalks and paths connect clusters of houses and condos to open spaces and community facilities; and more neighborhoods advocate community-controlled commercial development within easy walking distance.

Nonetheless, the pull of suburbia does not diminish the positive outlook for Atlanta itself. A big factor is the hospitality industry, which represents a diverse and strong economic development force for downtown. Atlanta's downtown universities also are a positive influence—faculty and staff, students, visitors, and alumni spend literally millions of dollars in the central business district. Georgia State University's policy of embracing downtown is an example of one institution's active willingness to help Atlanta's central business district achieve various economic development goals.

For now, the city and state government is centered in downtown Atlanta, but government should not be seen as a major source of additional downtown development because ongoing decentralization will reduce Atlanta's current share of this activity. Although this shift is seen as an opportunity both to reduce urban congestion and to help rural areas' economies, it definitely means that less money will flow into city coffers. Effective efforts to reduce the size and functions of government also will reduce the economic stimulus provided by the government sector. Finally, as the political power of the suburbs rise, Fulton and DeKalb counties will face more competition for government facilities. ■

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