

## 2.7 Economic Development

### Economic Development Accomplishments, Assessment, and Needs

In the last ten years the city experienced significant growth and overall economic development, but also identified substantial challenges to confront that come with economic growth and also sees a slowing of growth. Unfortunately, because of the city's size and the timing of the plan update, economic development data for the city is relatively limited. The most current data



is largely from the 2000 census, and some data is only available at the county level. Therefore, much of the issue identification is based on observation and knowledge of current conditions and information developed from previous city-generated studies: I-85 Business District Plan and Suwanee Gateway Redevelopment Plan.

### Employment by Sector

Because most employees in metro Atlanta commute to work, the number of business licenses in Suwanee does not translate well into data regarding Suwanee residents' employment. Instead, it reveals the types of jobs within the city that are available to residents if they so choose. A review of current business licenses indicates growth in the number of local business over the last several years. In 2000, the city issued 635 business licenses; by 2007, the number of business licenses increased to 2,175, more than tripling the number of licensed businesses in the city. In the same time span, however, the city's population grew more modestly, just short of doubling.

While the number of businesses increased dramatically, the breakdown of businesses by sector remained nearly the same; with the only significant changes being a 4 percent decrease in manufacturing which was offset by a 5 increase in wholesale trade.

**TYPE OF BUSINESS BY SECTOR:**

Business Sector	2007		2000	
	Number	Percent	Number	Percent
Forestry	0	0%	0	0%
Mining	0	0%	0	0%
Hunting, Fishing and Trapping	0	0%	0	0%
Construction	300	14%	101	16%
Wholesale Trade	234	11%	37	6%
Services	811	37%	233	37%
Agricultural	42	2%	14	2%
Manufacturing	184	8%	7	12%
Retail Trade	442	20%	118	19%
FIRE (Finance, Insurance & Real Estate)	149	7%	42	7%
Transportation and Public Utilities	13	1%	13	2%
<b>Total Companies</b>	<b>2,175</b>		<b>635</b>	

Table 2.7-a

Source: Suwanee SIC Code Listing

**Labor Force Trends**

As of the last official national census in 2000, Suwanee continues to have a lower unemployment rate than Gwinnett County and the State of Georgia. In 2000, the unemployment rate for Suwanee was 1.1 percent; while for Gwinnett it was 3.3 percent, and for the state 3.5 percent.

**Source of Personal Income**

Because little data is available on personal income of Suwanee residents, county data is used as an approximation. Between 1990 and 2000 there were no significant changes in personal income by type for Gwinnett residents. In 1990, 86 percent of county residents supported themselves by wages or salary; in 2000, the number slightly declined to 85 percent. This one-percent change was offset by a 1 point increase in the percentage of workers whose earnings are achieved through retirement (1.6 percent to 2.5 percent).

## Commuting Patterns

According to the 2000 census, county and Suwanee residents' dominant commute mode was in a single-occupancy vehicle, mirroring most of metro Atlanta workers. Almost 85 percent of Suwanee residents drive alone to work, with another 7 percent carpooling to work with two or more people in the vehicle. About 2 percent of residents walk to work, and nearly 5 percent of residents work at home. The average commute time for a Suwanee resident is 31.3 minutes, which is comparable to the average county resident commute of 31.5 minutes. Almost 73 percent of Suwanee commuters who drive to work leave between 6:00 am and 8:30 am, meaning that Suwanee commuters are on the road during peak morning drive times. As the number of businesses that have opened in Suwanee increased substantially since 2000 – particularly relative to population, it is likely that the total number and percentage of commuters leaving Suwanee decreased somewhat. As new commuting information becomes available, it will be interesting to examine the impact on commuting times within the last decade.

## Jobs-Housing Balance

The jobs-housing balance ratio is a measure of whether or not a community is importing or exporting workers. A ratio above 1.5 indicates that a community has more jobs than dwelling units, and more than likely imports workers. In 2000, the Gwinnett County jobs-housing balance ratio was 1:4; consequently, the county can be assumed to be neither jobs-rich nor a pure bedroom community. Data is currently not available for Suwanee. The city should make efforts to examine this ratio locally; and if the results reflect the county's standing then explore economic development strategies to increase job opportunities in the city. A higher job-housing balance ratio could mean that more jobs are available locally for Suwanee residents, which could translate into reduced commute times and improved quality of life.

## Suwanee Gateway

In the 1960's Interstate 85 was completed up to the Suwanee exit, leading to a hospitality boom around the interchange in the 1970's. Because much of the area was developed during that decade, many of the buildings around the interchange are older than most other “modern” development in Suwanee. Recent development in the city has been subjected to more stringent architectural and design standards as well, widening the disparity with construction around much of the I-85 area.

Because of these and other factors, the city undertook an formal study and assessment of the interchange area in 2005 to identify a strategy for improvement. In September of the same year the city adopted the I-85 Business District Competitive Assessment and Development Strategy Report, which recommended policies and implementation measures for improving the district to transform it into Suwanee Gateway. The study found that the Suwanee Gateway area was facing significant emerging competitive pressures from newer development north and south of Exit 111. In addition, the area contains numerous obsolete and antiquated building types and forms (particularly older generation motels and other buildings) that are eyesores, prime locations for crime, and generally hindering the full potential of the area. The study found that for the business district area to remain vibrant long-term, specific efforts needed to be undertaken. A key recommendation of the report is to create a new identity for the I-85 Business District, to achieve the following strategic goals:

- Ensure that the sum is greater than its constituent projects - The idea of creating an overall theme and identity for the area is to “brand” the area with a distinct name and image that as the individual components of Suwanee Gateway change and evolve over time, the brand will continue in the minds of residents, business and visitors.
- Achieve an identity that will endure and create value - a strong identity built over time will create value for all in the area. For example, association with Midtown or Vinings is so valuable that projects located miles from the actual areas claim to be in these areas.
- Prioritize design consistency to link together a diverse area and mix of uses - the district is currently a very diverse mix of uses, separated by vacant and underutilized parcels and bisected by I-85. The Suwanee Gateway identity can provide a consistent theme between all of the currently unconnected uses in the district.

The report discussed a five-part implementation strategy – improving the transportation grid, creating catalyst projects, installing streetscapes to improve the pedestrian environment, exploring regulatory / incentive / funding policies, and undertaking a branding campaign - to transform the current I-85 district into Suwanee Gateway. Several aspects of these five strategies have been advanced in the last few years.

### **Implementation of the Suwanee Gateway Strategy**

*Branding campaign:* The city subsequently hired a public relations/marketing company to help brand Suwanee Gateway. In January of 2008, the city adopted and started implementation of the branding campaign.

*Catalyst project:* In 2006, the city identified a suitable potential catalyst project called the Terraces at Suwanee Gateway, a development of regional impact proposing approximately 1.1 million square feet of office and retail uses, and up to 700 residential units in a variety of housing options. The project is currently underway with development permits issued for almost 300,000 square feet of office and retail uses. A parkway that would connect Lawrenceville-Suwanee Road to Burnette Road (the future McGinnis Ferry Road extension) is also currently under construction

*Pedestrian streetscapes:* A streetscape project has been designed for Lawrenceville-Suwanee Road that includes sidewalks, benches, and street trees. Funding for the streetscape project has been allocated, but the project is currently on hold due to drought conditions.

*Total Elimination of Eyesores Program:* The TEE program, instituted in 2006, is a concerted code enforcement effort focused on encouraging property maintenance in the Suwanee Gateway area. The project also recommended demolition of several vacant buildings that were becoming nuisances. The TEE program is an ongoing effort that requires coordination between the Community Development Division, the Police Department, Public Works, and Codes Enforcement.

*Gateway TAD:* The most significant component of the effort to revitalize the Gateway area is obtaining a funding source for capital improvements or public-private partnerships. The city identified a Tax Allocation District (TAD) as the tool of choice to encourage Gateway redevelopment and created the Suwanee Gateway Tax Allocation District in 2007.

TADs are essentially funding mechanisms premised on future increases in property value (the increment) above the base assessment at day one of the district's establishment, supplying revenue to repay bonds issued to create the additional value<sup>3</sup>. TADs typically have a life of 25 years and are valid only for a strictly defined geographic area. Unlike tax abatement programs, property tax allocations to the city, county and school board are frozen at their assessed value at the date of the TAD creation, with taxes annually collected at that level guaranteeing some measure of continued municipal funding. The increment, which represents new value above the base assessment, is generated by new development or improvements to existing property. TAD bonds provide incentives to spur this development either by related public improvements,

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<sup>3</sup> For example, Site A has a taxable value of \$1,000,000 dollars while it is developed with a deteriorating hotel. Site A owners remove the deteriorating hotel and replace it with a 6 story office building that increases the taxable value of land to \$3,000,000. The tax increment for Site A is \$2,000,000 (the increase of \$3,000,000 over \$1,000,000). In a TAD the additional taxes generated by the land improvement must be spent in the district. This allows the City to pay for improvements to the area, such as road improvements, demolition of vacant or deteriorating buildings, acquisition of land, environmental remediation, etc. which facilitates redevelopment of Site A or other sites in the district.

equity in public-private partnerships, or financial participation.. Once the TAD expires, property tax assessments are restored to their full value.

The City subsequently created a TAD plan for the Suwanee Gateway, obtained authorization for the TAD via a voter referendum, and adopted the TAD plan. The TAD is estimated to produce between \$14,000,000 and \$35,000,000 revenue, depending upon participation of the school system and the county, to be directed towards projects in Gateway.

*Gwinnett Chamber – Partnership Gwinnett:* The Gwinnett County Chamber of Commerce serves as the primary economic development organization in Gwinnett County. The Chamber of Commerce along with partners in government, education, healthcare and business are implementing Gwinnett's Community and Economic Development Plan known as Partnership Gwinnett. The plan will serve to create over 65,000 new jobs and \$5.8 billion in new net wealth in Gwinnett over the next five years.

### **Economic Development Issues and Opportunities**

The City of Suwanee is no longer a traditional bedroom community. There are several areas with significant retail, industrial, office and service land uses that contribute to the economy and provide many employment opportunities. Still, there is a need for economic diversification and additional business attraction in the city, including the creation of highly-skilled jobs such as high-tech, biotech, and energy-tech businesses and industry, as well as growth in the healthcare and related services sectors. This is an important policy goal to better balance the city's jobs / housing ratio and give Suwanee residents a wider variety of job opportunities closer to home.

Given Suwanee's location along I-85, it is ideally situated to capture higher intensity development with little negative impact to its citizens. The I-85 corridor throughout Gwinnett County will continue to evolve from the dominant commercial-light industrial uses, to a more office and service orientation. The I-85 / Lawrenceville-Suwanee Road interchange is the heart of Suwanee Gateway; and this exceptional access is a prime factor in the feasibility of significant economic development in sectors such as those mentioned above. Further, land use trends predict that some current industrial uses will be redeveloped as office and service uses in the future. As an economic development priority area, the city should aggressively marketing "Suwanee Gateway" to developers and businesses and to pursue the growth program contained in the Competitive Assessment / Development Strategy Report, especially with regards to "branding" this emerging district.

The city should also encourage new retail uses that are more likely to be fully occupied over time; and seek locally owned, unique specialty shops and upscale retail, as well as recruit more diverse retail uses that include a wider range of goods and services and a mixture of national and local retailers. New retail development should be low-density one- to two-story buildings, with predominantly brick construction in commercial areas. It should also be located in planned centers with coordinated inter-parcel access and shared parking areas, and strong multi-modal linkages to residential areas. The maximum size of retail establishments in certain locations should be limited where access or visual character is an issue.

Quality economic development must be sustainable over the long term, and employment opportunities should be targeted toward the local residents of Suwanee as well as outside of the community.

The City of Suwanee has not historically undertaken conventional “suit-and-tie” economic development recruitment efforts. Larger regional players, such as the Gwinnett Chamber of Commerce with their Partnership Gwinnett Program adequately fill that role. Instead, the City has found that focusing on quality of life issues for its current residents is a highly effective economic development tool. A high quality of life is essential in attracting new businesses that depend on knowledge workers. As the city continues to grow, wide and diverse quality-of-life objectives and features like good government, safe and clean community, quality housing, low taxes, good schools, ample shopping, and sense of community are critical. To this end, the city has made efforts to focus on providing quality of life features and services such as, but not limited to, Town Center Park, Suwanee Creek Greenway, Sims Lake Park, local events, Community Oriented Policing, P.A.C.T. Programs, social connectivity, and other similar efforts.

In 2007, the City of Suwanee was named one of the Top Ten Small Places to Live in the entire United States by MONEY Magazine. This event was the result of quality of life initiatives and directly improves the city's overall economic development efforts. The key to Suwanee's prosperity is to capitalize on the prudent investments made in the past, and expand the range of possibilities in the future.