

Economic boost from I-65 sought

By Jill Nolin • jnolin@gannett.com • January 8, 2009
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Montgomery city, county and state officials say they are tired of watching potential tax revenue ride up and down Interstate 65 with nary a stop in Montgomery.

Instead, they want to create shopping opportunities in west Montgomery that would pull traffic off the interstate.

"I-65 is the city's most heavily traveled corridor. It's the city's only north to south corridor -- and it's the least developed," said attorney Robert "Bobo" Gilpin, who is helping elected officials draft legislation for the upcoming session.

But to develop it would mean embracing a once scorned offer for investors -- tax abatements and rebates. The tax breaks can come in various forms, and they are becoming the reality of economic development in today's economy, Gilpin said.

It is, as Gilpin noted, how Prattville snagged the Bass Pro Shop.

And a tax incentive package also may be the only way to lure developers into the west Montgomery area.

"If we can pull this off, then you all will have done a tremendous service for this area," Montgomery Area Chamber of Commerce President Randy George said to the elected officials who attended a briefing Wednesday.

City and county officials met with their local legislative delegation Wednesday morning to discuss economic development within the I-65 corridor. But the local officials also need the help of Alabama legislators -- the city and county can't work together to offer attractive incentives unless the state Legislature passes legislation.

A draft of the bill, which would create an entity called the Montgomery I-65 Corridor Development Authority, has been presented to the local delegation, which now will review the language and then make suggested changes later.

State Sens. Thad McClammy and Larry Dixon and Reps. David Grimes, Jay Love, John Knight and Greg Wren attended the Wednesday briefing held at the chamber's office downtown. Some of the legislators expressed concerns about not having any influence over the process after getting the legislation passed.

The city and county are able to individually offer tax incentives now, but this authority would pave the way for more generous and clearly defined joint-incentive packages for developers who agree to invest in the I-65 corridor area.

A policy matrix has been drafted but likely will be tweaked. For a destination retailer -- for example, one that would be a capital investment of \$100 million -- the matrix suggests offering up to a 75 percent local sales tax abatement, as well as significant breaks on property taxes. No money that currently is allocated to education would be touched.

The official target area has not been defined, but a map presented Wednesday shows a broad district that goes far beyond the area immediately surrounding I-65.

The map shows a district that stretches out to Air Base Boulevard and Mobile Highway on the west and then over to Norman Bridge Road and Narrow Lane Road on the east. It goes as far north as North Court Street in downtown and then as far south as East South Boulevard.

"There is a marketplace there that we haven't gone after," George said.

A separate district drawn on the map includes the area around Montgomery Mall. But officials also are discussing the possibility of offering incentives to major developers who invest outside the target area. The authority would be able to pick and choose the qualifying projects.