



TUSKEGEE, ALABAMA

OZ-INVESTED INDUSTRIAL DEVELOPMENT

Tuskegee, AL
Population: 19,532
County: Macon

- Project Details: 168,000 sq ft Class A Industrial development
 - Impact: 100+ new jobs, OZ investment in rural community
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Macon County is a rural county in Alabama's Black Belt region, formerly a center of cotton production, where population has been steadily declining for decades. Home to the historic Tuskegee University and site of the training of the Tuskegee Airmen in 1940, Macon County is a majority-minority county where 80% of residents identify as African American. Although neighboring Lee County has experienced decades of double-digit population growth, fueled by Auburn University and new advanced manufacturing facilities, Macon County has struggled to diversify its economy and attract industry. With a median household income of \$35,450 (ACS 5-yr) and a poverty rate of 23%, the county has difficulty producing incentive packages that can be competitive with communities like Auburn, Montgomery, and Columbus, GA.

For these reasons, Joe Turnham, Director of the Macon County Economic Development Authority (MCEDA) describes the new Regional East Alabama Logistics (REAL) Park as a game-changing project for Macon County. In June 2022, Farpoint Development and its partners broke ground on a 168,000 square foot building, the first building planned for Phase I of master plan to develop the 683-acre site for Class A industrial. Immediately accessible to I-85, REAL Park is strategically positioned between two major automotive manufacturing plants - the Hyundai Motor Manufacturing Alabama (in Montgomery, AL) and Kia Georgia (in West Point, GA). REAL Park is projected to bring hundreds of jobs and millions of dollars of private investment to Macon County over the next decade. Its proximity to Auburn University and Tuskegee University presents opportunities for applied teaching and research and collaborative training for high quality jobs.

Turnham says the project "almost died 1,000 times," but proved successful because of unprecedented cooperation between regional entities and a team of impact-oriented partners.



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This team includes local property owners Wayne and Jimmy Bassett, who own and operate a large turf farm at the site and were open to selling some of their property for industrial development, and Farpoint Development, an impact-oriented commercial real estate development firm (led by an Auburn graduate) with primary offices in Asheville, NC and Chicago, IL.

In 2020, Opportunity Alabama (OPAL) began working with MCEDA and the developer to help strategize the capital stack for the project including Opportunity Zone investment. At the time, OPAL was also in the process of forming a wholly-owned for profit benefit corporation subsidiary called OPAL Investments, BC that would raise the OPAL Fund, an \$18.5M impact-oriented qualified opportunity fund that ultimately invested in the project. In 2022, the OPAL Fund closed as the project's lead equity investor bringing OZ investment to the project. OPAL brought in Alabama-based Regions Bank to provide a construction loan, which formed another critical piece of the capital stack and helped the financial institution meet its Community Reinvestment Act obligations to invest in projects that will impact low-to-moderate income geographies or demographic groups.

REAL Park is a unique example of how OZ investment paired with local, state, and federal investment is delivering a transformative job creation project to a rural county that has been losing population and jobs for decades. MCEDA estimates that approximately 3,000 of Macon County's residents leave the county daily for work. MCEDA and its partners hope to see thousands of jobs created in one dense location, generating new employment opportunities and a significant tax base to support a range of local public services. Ultimately, Turnham says he hopes this site becomes one of the one of the best places to work in the region and is actively exploring the potential for a range of services for workers including onsite career technical training, child care, and transportation.