

Welcome to Boomtown

by Marie Price

The Journal Record August 27, 2007

DURANT – Sleepy little rural town. Not much doing in the Main Street stores that are still open. People commute to another town – or state – for work. Young folks who leave town to go to school tend to stay gone.



Customers walk out of a newly developed strip mall in the heart of Durant's new growth area, which includes new chain restaurants, a Wal-Mart Supercenter, chain department stores and other businesses. (Photo by Jennifer Pitts)

It's a familiar stereotype, common to many rural communities. The southeastern Oklahoma town of Durant is not one of them.

Cruise into town along U.S. 70, which becomes Main Street, even on a weekday morning, and the bustling traffic looks familiar to a city dweller, as do the Wal-Mart Supercenter and Lowe's, the Chili's restaurant and national fast-food chains.

Farther in, more of the small-town atmosphere surfaces, as Durant residents with Main Street addresses can be seen tending to well-kept lawns and gardens in the community that banners itself the City of Magnolias. It could just as well say Welcome to Boomtown.

In just the last few years, the town has experienced tremendous growth – some \$400 million in business and industrial investment and 4,000 new jobs – as city, legislative, chamber of commerce, business and Choctaw Nation officials got together to put Durant on the economic map. Nine new industrial companies have moved to Durant over the past year or so. There are five new banks. New hotels. A new casino.

And everyone from City Hall to the state Capitol to the Choctaw Nation agrees that the secret – the one thing Durant had that a lot of other towns didn't – was teamwork.

The city's unemployment rate has plummeted from about 8 percent a decade ago to 3.5 percent, and it has 2,000 new residents. Growth in Durant is responsible for much of the good economic news in Bryan County, where employment grew by 17.6 percent from 2000-2005, compared with 3.5 percent for the state as a whole.

Site Selection Magazine tapped the Durant Industrial Authority as one of the top 10 economic development groups in the nation in 2002, and the town was highlighted in the book, *Boomtown, USA*, by John M. Schultz, which outlines how some smaller communities have achieved economic success.

About a decade ago, said Democratic state Sen. Jay Paul Gumm, "Durant just decided to start playing in the game."

That decision included taking the unusual step, for such a small town, of hiring a full-time economic development director, Tommy Kramer, who still holds that position after nine years.

Gumm said it also meant coming up with local incentives to pair with Quality Jobs and other state programs to lure new business to the area – and away from other Oklahoma and Texas towns.

“We’ve beaten Texas a lot of times,” Gumm said.

These days, although southern Oklahoma still loses some merchants to Sherman-Denison’s strong retail base, more and more Texans are coming across the border to work in Oklahoma.

The incentives, coupled with a progressive, pro-business city government and Chamber of Commerce intent on boosting the economy formed into “one of those perfect storms,” Gumm said.

Having the headquarters of Rural Enterprises of Oklahoma Inc. in the area has also been a plus. REI has a statewide focus in its economic and business-development efforts, but Gumm said it adds a lot to the community in the form of resources, financing and help putting deals together.

“All of the things fell into place at just the right time,” Gumm said.

The first big fish they went after was Big Lots, a company looking for a place for a new distribution center.

“Economic development is like anything else,” said Gumm. “Success breeds success. By landing that whale, it showed that we could compete at any level for any size facility.”

A new Cardinal Glass facility came shortly thereafter, followed by ancillary retail growth.

So much growth in relatively few years has meant some growing pains, including increased traffic along Main Street.

But a bond-funded bypass to the south of town is in the works and Gumm said knowledge of the pending bypass helped attract Big Lots to Durant. The bypass will provide four-lane highway access and help alleviate some of the traffic in Durant’s interior.

Durant’s downtown features a thriving mix of financial institutions, hometown shops and restaurants.

“There’s not much boarded up in our downtown right now,” said Gumm. “It really is a dynamic downtown.”

Gumm, a former executive director of the Durant Area Chamber of Commerce, said some young people grow up and leave town. He does not want his son, Jacob, who turns two in December, to feel forced to leave Durant in order to do well in life.

“I want to make sure that when he gets out of school, he only leaves if he wants to, he never feels like he has to,” Gumm said. “We’ve lost a lot of generations of Durant people.”

Now, with good-paying jobs close to home, he said, “Our citizens have a chance to bloom where they are planted.”

Kramer said it took about five years for Durant to get to the point that it could compete for both in-state and out-of-state projects.

“If a company wants to be in Durant, we will make it happen,” he said.

Kramer’s office bears witness to civic leaders’ efforts, featuring Big Lots and OG&E toy trucks, several awards, and maps and blown-up illustrations of new and pending projects circling a 12-seat conference table where plans are made and prospects are wooed.

On one recent morning Kramer handled inquiries from companies in four Texas cities and Omaha, Neb.

“This is a common occurrence,” he said.

Kramer ticks off data about several of the larger captures in Durant’s economic development net:

- The Big Lots distribution center south of town, with more than 300 employees and an investment of about \$70 million.
- Cardinal Glass, west of town, a \$120 million capital investment with about 290 workers.
- A NexxLinx call center recently relocated from a former grocery store, whose work force increased from 500 to 800 employees.
- A shopping center, most of which has sprung up since the Wal-Mart Supercenter opened in 2001.

- More than \$60 million in improvements at Southeastern Oklahoma State University.
- Major housing and apartment developments (“Just as fast as the paint dries, they move those families in,” Kramer says of one development.).
- Five new banks in as many years.
- Several new hotels.
- A new development at Lake Texoma with golf courses and condominiums that Kramer says will make the area a convention destination.

“Once you create a pool of good jobs, then retail will grow, housing needs will grow in the community, and the net result of that is low unemployment, and sales tax dollars will grow,” he said.

Durant’s sales tax collections have grown almost 44 percent over the past five years.

“That’s what funds the development growth of the city,” Kramer said.

Team Durant

Kramer said the key to the town’s success has been “Team Durant,” in which the city council, mayor, city manager, chamber of commerce, Durant Industrial Authority, Choctaw Nation, SEOSU, Kiamichi Technology Center and other entities work together on economic development ideas.

“We’re the number one county in Oklahoma in job creation, from 2000 to 2005,” he said.

Kramer said he has outlined Durant’s story to other communities, and often sees something missing.

“I see through the questions that are asked that the mechanism of teamwork is not in place,” he said.

It’s that cohesiveness that has helped land big projects, he added.

Kramer said he also works daily at service after the sale, “making sure that if there are any issues, that our businesses are supported from a local standpoint.”

In addition to federal and state incentives, Team Durant assesses a prospect’s infrastructure needs, whether it’s industrial access roads, water or rail spurs. He said Durant sees about 35 trains per day.

Kramer also uses grants and loans for some projects. Durant was honored this year for receiving more Community Development Block Grants than any other community.

Considering the economic boost all the new businesses have given Durant, he said, the surge in traffic congestion is not a bad problem to have, and city and state officials are addressing it.

“It’s sure pleasing that yes, we now have to take a number at Chili’s or Salita’s Mexican Restaurant,” Kramer said.

The town center is busy too.

“We keep it about 85-percent to 88-percent business-occupied with our Main Street program,” he said. “We now have the variety where we don’t have to leave the area to go shop.”

It’s also a plus that Durant is situated along the highway corridor about an hour north of Dallas.

“Texas is our big drawing card, there’s no question about it,” Kramer said.

It’s cheaper to do business in Oklahoma, he said, even though Texas has no personal income tax. Oklahoma has been steadily reducing its tax rate in recent years, and its property tax, land and utility costs give it a competitive edge with its neighbor to the south.

“I know that when Cardinal Glass analyzed Texas versus Oklahoma, the savings in property taxes was over a million dollars a year,” he said.

Durant City Manager Jim Dunegan is also a member of the Oklahoma Transportation Commission and a former state legislator.

In his office at city hall, Dunegan also stressed the team-effort concept, adding Durant’s residents to the mix.

That became evident, he said, when the citizens voted to tax themselves with a higher sales tax rate to fund the city’s economic development incentives program.

Dunegan said Oklahoma has one of the best state-level incentive programs in the country.

“It’s a struggle for the city of Durant for all the businesses to come in, because the growth hits before the revenue comes, and we’ve had to really work hard,” he said. “Any time you have growth, you have some pains.”

Retail sales statistics make clear that Durant merchants are drawing a lot of customers from outside the city; that’s one reason Durant is developing a long-range plan to address these growth-related needs, including transportation, utilities, water, and the like.

The city recently sold bonds to fund a new \$17 million water treatment plant, plus a second, \$7 million plant at Lake Durant.

“There’s not any one person responsible for this growth,” Dunegan said. “It’s a number of people. We’ve got a lot of people in Durant who – they’re there, they’re supportive. They bring good solid direction, ideas. We have a lot of input. With that, it’s hard to fail.”