

Jefferson EDGE 2020

ECONOMIC DEVELOPMENT STRATEGY

Status Report 2: October 2010

Prepared by JEDCO and GCR & Associates, Inc.

JEDCO
Jefferson Parish Economic Development Commission



Economic Development

In response to concerns about quality of life in Jefferson Parish and its impact upon the community's economic competitiveness, JEDCO initiated the Jefferson Edge 2020 Quality of Life initiative. This initiative has produced eight "strategic implementation plans" which include a series of action items to address particular quality of life issues. Implementing the action items requires the total cooperation and keen interest of all involved, including JEDCO, the Jefferson Parish government, numerous other entities, and frequently State and Federal agencies. In 2008, JEDCO retained GCR & Associates, Inc. to prepare semiannual reports outlining the status of each of these action items and overall progress toward implementation.

The following table summarizes the progress made toward each of the economic development (ED) action items.

ED = Economic Development

Action ID #	Action Item	Progress as of August 2010		
		Action Item Complete	Substantial Progress	Little/No Progress
JEDCO Action Items				
ED3	Continue to aggressively market the first 40 acres of the Churchill Technology and Business Park			
ED4	Identify partners and potential funding sources for Phase II development of the remaining 50 acres at the Churchill Technology and Business Park.			
ED9	Work closely with EJGH, Ochsner Health System, and WJGH to facilitate the expansion of medical facilities throughout the Parish.	<i>This action item has been tabled indefinitely.</i>		
ED15	Aggressively market Jefferson Parish as a headquarters for energy companies			
ED16	Continue to aggressively reach out to businesses in Jefferson Parish to support business retention, expansion, and access to capital			
ED17	Ensure that the Louisiana Small Business Development Center maintains a presence at the Churchill Technology and Business Park			
ED18	Seek permanent financing and support for an on-going marketing effort for Jefferson Parish			
GNO Inc. Action Items				
ED5	Build upon existing efforts of GNO Inc. and commission a comprehensive study and action plan for the workforce development infrastructure in the New Orleans region			
ED10	Oppose changes in the federal tax code that would discourage off-shore oil and gas exploration			
ED11	Work to preserve funding in the federal defense budget for weapons systems that are produced in Jefferson Parish and in the New Orleans region			
ED13	Identify major national growth industries and the potential for locally based companies to capitalize on emerging economic opportunities			
ED14	Partner with the Port of New Orleans, GNO Inc., and the Baton Rouge Chamber of Commerce (BRAC) to expand opportunities for international shipping and trade			
Regional Planning Commission (RPC) Action Items				
ED6	Support the development of a high speed rail line from New Orleans to Baton Rouge, with a stop in Jefferson Parish			
ED7	Support the implementation of transportation projects of regional significance, such as a light rail line to the Airport; improvement to the Earhart Expressway, and the construction of I-49			
ED8	Collaborate with major railroads and the Regional Planning Commission to implement the New Orleans Rail Corridor Gateway Study			
Jefferson Parish Planning Dept. Action Items				
ED1	Modify land use regulations and invest in infrastructure to develop an "Elmwood West" commercial and industrial node			
Jefferson Parish Film Dept. Action Items				
ED12	Collaborate with Jefferson's state legislative delegation to renew the state motion picture, digital media, music production, live theater, and motion picture infrastructure tax credits.			
City of Kenner Action Items				
ED2	Collaborate with the Airport to create a master plan for the redevelopment of "buyout" properties			

Economic Development

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JEDCO Action Items							
ED3	Continue to aggressively market the first 40 acres of the Churchill Technology and Business Park	On-going	<p>JEDCO has continued the direct mail campaign that was discussed in the previous Economic Development status report from fall 2009. This has generated a number of leads for both Churchill Technology & Business Park and Jefferson Parish generally. Direct mail pieces were sent in March, May, and August of 2010. Additionally, JEDCO has advertised the tech park in Site Selection magazine, The Leader magazine, Southern Business and Development magazine, and Area Development magazine. These advertisements have produced over a dozen leads.</p> <p>Additionally, JEDCO staff members attended the Renewable Energy Summit, International Association of Science Parks conference, and the Corenet Conference, resulting in two new leads.</p> <p>Finally, JEDCO is exploring affordable ways to obtain and deposit fill on development parcels within the Park. This strategy would accomplish two goals. It would relieve tenants of some of the cost of developing a parcel, and it would also result in more development-ready parcels, thereby reducing the wait time between site selection and actual construction.</p>	Continue aggressive outreach efforts. Work to translate leads into a site commitment. Establish benchmarks for performance and success. Continue to explore the feasibility and cost of obtaining and depositing fill for development sites in the Park to make them development-ready.			
ED4	Identify partners and potential funding sources for Phase II development of the remaining 50 acres at the Churchill Technology and Business Park.	Identify funding and timetable by 2011	<p>The first step in securing funding for an expansion to the Churchill Tech Park is to obtain a more accurate estimate of the total infrastructure costs. JEDCO has worked with the Jefferson Parish Department of Public Works to devise estimates for design work, site preparation and construction of the 50 acres that comprise Phase II. The total estimated cost is \$7.23 million while the cost to construct a road within Phase I that has not yet been completed is \$2.91 million. This brings the total "build-out" development cost to over \$10 million.</p> <p>No funding sources have been identified as of yet. Neither local nor state government has the funding to devote to this project, and federal funding will not be forthcoming until the first phase of the park begins to lease up. As a result, JEDCO's principal focus in the near term is to expedite the development of the first 40 acres of the Park.</p>	Continue to focus on attracting tenants to the first 40 acre phase of the Park. As the Park begins to lease up, meet with local and state officials and the congressional delegation to outline a financing strategy for Phase II.			

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ED9	Work closely with EJGH, Ochsner Health System, and WJGH to facilitate the expansion of medical facilities throughout the Parish.	On-going	In the summer of 2009, Louisiana Economic Development (LED) formally submitted a multi-million dollar incentive package to Ochsner Health System to facilitate their expansion plans on the lake side of Jefferson Highway. However, concerns about the feasibility of the employment targets outlined within the proposed cooperative endeavor agreement (CEA) between the State and Ochsner have prevented the agreement from being signed. While there is an interest on the part of JEDCO, LED, and Ochsner to catalyze these expansion plans, the incentive package from LED may not be the best vehicle for their realization, and expansion may not be financially feasible at this time.	Due to funding gaps and overall challenges in financing major expansion plans, this project has been tabled indefinitely.	<i>This action item has been tabled indefinitely.</i>		
ED15	Aggressively market Jefferson Parish as a headquarters for energy companies	Complete internal marketing strategy in 2009, 2010; initiate targeted outreach efforts to energy companies in 2010, 2011	JEDCO staff attended the Renewable Energy Conference and the International Association of Science Parks conference to identify new companies/sectors in the green energy field that are considering projects in the United States. JEDCO has also compiled a database of renewable energy companies for future follow-up, and JEDCO is engaging two prospective companies in particular to entice them to move to the Parish. The recent announcement of the Blade Dynamics plant at the Michoud facility in New Orleans East will substantially elevate the region's profile as a potential hub for green jobs. Traditional oil and gas businesses continue to be a focus of JEDCO's recruitment efforts, in part due to the advantageous location of the Churchill Technology and Business Park.	Continue discussions with renewable energy companies and continue to hone green energy recruitment strategy. Continue discussions with oil and gas companies and attempt to secure a first energy industry tenant at the Churchill Technology and Business Park.			
ED16	Continue to aggressively reach out to businesses in Jefferson Parish to support business retention, expansion, and access to capital	On-going	In the realm of business recruitment, retention, and expansion, Jefferson continues to prove that it is a magnet for quality retailers. JEDCO was instrumental in working with the City of Kenner to create an incentive package to lure Target to the Esplanade Mall. Also, Dick's Sporting Goods recently announced their first retail location within the New Orleans area, as they will be moving into the site at Lakeside Mall of the shuttered Linens 'n Things store. In other business recruitment and retention efforts, JEDCO is in talks with other national retail outlets that are strongly considering Jefferson Parish as their first retail location within the New Orleans region. On the retention front, JEDCO has successfully undertaken efforts to retain Houma Industries and Lafitte Frozen Foods while helping to facilitate expansions of Omega Refining, Airgas, Cross Road Centers, and Atmos Energy	Continue to pursue aggressive business retention, expansion, and recruitment efforts.			

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ED17	Ensure that the Louisiana Small Business Development Center maintains a presence at the Churchill Technology and Business Park	Initiate outreach in 2009; secure a partnership in 2010	JEDCO and the Small Business Development Center have arrived at an informal "handshake agreement" whereby the Center will establish a prominent presence at the Churchill Technology and Business Park. However, a formal Cooperative Endeavor Agreement (CEA) between JEDCO and the Center has not been finalized, as JEDCO's primary focus is to complete the new JEDCO headquarters building. The building will be completed in December of 2010, at which point JEDCO will work to secure a CEA with the Small Business Development Center.	As the JEDCO headquarters is nearing completion, re-engage with the Small Business Development Center to finalize a CEA.			
ED18	Seek permanent financing and support for an on-going marketing effort for Jefferson Parish	Conduct outreach and secure multi-year funding commitments in 2009, 2010	<p>A key component of Jefferson's on-going marketing effort is the publication of Jefferson Life magazine. Jefferson Life is currently covering most of its production cost through advertising revenues alone. The magazine is also increasing publication frequency from quarterly to six times per year, which will in turn increase its appeal to advertisers. This increased frequency adds approximately \$110,000 of value per issue to the quality of life campaign.</p> <p>This marketing effort was also to be supplemented with \$400,000 in funding for 2010 from The Jefferson EDGE investors, the Jefferson Parish Sheriff's Office, and Jefferson Parish Public Schools. However, due to budget constraints, that funding was reduced to \$200,000. This cut in funding has been offset to a degree by the success of Jefferson Life magazine.</p>	Continue to monitor the success of Jefferson Life in covering its expenses and reaching Parish residents. Advocate for the full \$400,000 in annual funding from EDGE investors, JPSO, and the school system. Continue to explore grant and other external revenue sources to support marketing initiatives.			

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GNO Inc. Action Items							
ED5	Build upon existing efforts of GNO Inc. and commission a comprehensive study and action plan for the workforce development infrastructure in the New Orleans region	Initiate this phase of workforce development study before year end, 2010	<p>GNO, Inc. has undertaken a wide range of initiatives related to workforce development. Foremost among them is the LA GRAD Act which was signed into law by Governor Jindal in June of 2010. This legislation aims to bolster graduation rates and achievement in Louisiana's colleges, universities, and technical schools and provides these institutions with the flexibility to meet their resource needs. GNO, Inc. has also developed a pilot program with Southeastern University and Northshore Technical College to craft curricula that are based on the immediate workforce needs of employers in the region.</p> <p>GNO, Inc. is also undertaking a study on Employer Assisted Housing (EAH) to increase employee retention through housing assistance.</p> <p>As part of their efforts with the WorkNOLA.com initiative (a website for local job seekers), GNO Inc. will be providing workshops to match employers with job seekers and technical assistance to assist job seekers.</p> <p>Finally, GNO, Inc. has also been involved in a wide range of emergency workforce development initiatives in response to the Gulf oil spill.</p>	<p>Monitor the implementation of LA GRAD Act and pilot project at Southeastern University to examine their effectiveness, to determine if supplemental measures are needed, and to determine applicability of pilot program to other campuses.</p> <p>Review these measures in the context of the goals established in GNO Inc.'s July, 2009 workforce development study.</p>			
ED10	Oppose changes in the federal tax code that would discourage off-shore oil and gas exploration	Initiate outreach in 2009; continually monitor federal tax policy to preserve existing tax breaks for oil and gas exploration	<p>The primary focus of GNO, Inc. in recent months with respect to drilling and exploration activity has been to end the federal drilling moratorium and to mitigate its effects. Now that the moratorium has been lifted, GNO Inc. is focusing its efforts on a "de facto" moratorium on shallow water drilling due to rigid permitting procedures.</p> <p>At the same time, tax and liability increases on offshore drilling activity have passed the House of Representatives but have not yet been voted on by the Senate. GNO, Inc. is working closely with Senators Vitter and Landrieu to fight this legislation.</p> <p>GNO, Inc. is also working with the state government and Mineral Board to reduce royalty rates for offshore activity, but the oil spill delayed these efforts.</p>	<p>Continue to advocate for resumed drilling activity and expedited compliance with new safety and oversight measures. Continue to fight legislation to impose new federal fees and taxes on offshore drilling. Continue advocacy effort for reduced State royalties for deep gas production.</p>			

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ED11	Work to preserve funding in the federal defense budget for weapons systems that are produced in Jefferson Parish and in the New Orleans region	Initiate outreach in 2009; continually monitor federal spending and defense policy to preserve existing weapons programs in Jefferson and the New Orleans area	<p>The primary focus of regional efforts regarding weapons systems has been to preserve jobs at Avondale Shipyards whose planned closure was announced in the summer of 2010. GNO, Inc. has assembled a task force of regional, state, and business leaders to focus on keeping federal defense work at Avondale and implementing a facility re-use strategy. GNO, Inc. is also focusing on bolstering advanced manufacturing throughout the region to offset potential job losses.</p> <p>In the aftermath of the announced closure, there have been several potential bids to buy Avondale, most prominently a bid from Cleveland Ship, LLC. The Navy has also agreed to accelerate the construction of a number of vessels from 2017 to 2014 to attract potential operators at Avondale.</p> <p>Aside from the closure of Avondale, there do not seem to be any imminent threats to other defense contractors in the region. Textron Marine just received a \$50 million contract to build an additional 52 armored security vehicles for the U.S. Army.</p>	Continue to monitor the status of bids to acquire Avondale and work to secure a credible operator of the shipyard.			
ED13	Identify major national growth industries and the potential for locally based companies to capitalize on emerging economic opportunities	Analyze LED study and coordinate with GNO Inc. in 2010; initiate analysis of and outreach to relevant local and national businesses in 2010, 2011	Since the completion of Louisiana Economic Development's (LED's) study of potential "blue ocean" industries in Louisiana, JEDCO has been working with GNO, Inc. to identify those industries that have the most promise for the New Orleans region and Jefferson Parish in particular. The next phase in applying the conclusions of the study to Jefferson Parish will be to conduct outreach to specific companies within these identified "blue ocean" sectors.	Continue to partner with GNO, Inc. to identify "blue ocean" industries and specific companies that hold the most promise for Jefferson Parish. As they are identified, outline a specific outreach and marketing strategy.			
ED14	Partner with the Port of New Orleans, GNO Inc., and the Baton Rouge Chamber of Commerce (BRAC) to expand opportunities for international shipping and trade	Analyze international trade study upon completion in 2009; coordinate with and offer technical assistance to GNO, Inc. and other agencies in the implementation of the study's recommendations	<p>One of the major recommendations of the International Trade Study, adopted by GNO Inc. and BRAC, was to pursue a capital expansion plan at the Napoleon Avenue container terminal. That project is still in the process of seeking public and private funding, though the private funding portion will be aided by the passage of HB 125 in 2009. This legislation provides state tax credits for investment in Louisiana ports and a tax credit for cargo imported or exported through Louisiana ports.</p> <p>The implementation to HB 125, however, has been delayed due to some complexities in the administrative rulemaking process. These rulemaking process is nearing completion, which should pave the way for the implementation of the legislation.</p>	Monitor the rulemaking process related to HB125 and begin to market the tax advantages to secure additional trade and capital investment at the Port of New Orleans. Advocate for a public funding commitment to port infrastructure improvements. Continue to refine a trade marketing strategy for southeast Louisiana.			

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Regional Planning Commission (RPC) Action Items							
ED6	Support the development of a high speed rail line from New Orleans to Baton Rouge, with a stop in Jefferson Parish	Secure funding for study in 2010, 2011; Initiate study in 2011, 2012; initiate capital program in 2014	<p>There continues to be tremendous support within both the Baton Rouge and New Orleans region for this transportation initiative. Baton Rouge, New Orleans, and Jefferson Parish submitted a collaborative application for funding under the federal Sustainable Communities Planning grant program to continue planning and logistical work associated with this project.</p> <p>Additionally, the Baton Rouge-based Center for Planning Excellence (CPEX) has hosted a number of meetings of a regional collaborative to support the project. The purpose of the collaborative is to create grassroots momentum in both metropolitan areas for this project.</p> <p>Finally, State Representative Michael Jackson sponsored House Bill 1410 to create the governance framework for establishing high speed rail links between cities. This bill was signed by the governor and became Act No. 858.</p>	Monitor the status of the sustainable communities planning grant and the efforts of CPEX's "CONNECT Southeast Louisiana" initiative. Facilitate discussions with political leaders (DOTD, Governor's office, legislature) about potential funding sources and operational/ administrative logistics.			
ED7	Support the implementation of transportation projects of regional significance, such as a light rail line to the Airport; improvement to the Earhart Expressway, and the construction of I-49	Timelines vary by transportation project; aim to have studies underway for all key transportation projects by 2011	<p>The prospects of both a light rail line to the Airport and the extension of I-49 remain uncertain at this time. Due to both projects' cost and uncertainty about the future operator of a light rail line, there has not been significant momentum on either project.</p> <p>For the Earhart Expressway flyover project, a Record of Decision (ROD) has been completed to demonstrate compliance with the National Environmental Policy Act (NEPA). However, insufficient funding exists to move the project into the advanced design stage; and as a result of delays, the ROD has likely expired.</p>	Generate regional political momentum for I-49 extension and the light rail project to the airport. Secure additional funding for the Earhart Expressway flyover.			
ED8	Collaborate with major railroads and the Regional Planning Commission to implement the New Orleans Rail Corridor Gateway Study	Secure funding for environmental assessment in 2010; initiate assessment in 2010, 2011; initiate capital improvements in 2013, 2014	A consultant has been selected to complete an Environmental Impact Statement (EIS), but no Notice to Proceed has been issued. The start date of this study has been delayed due to a change in leadership at the Louisiana Department of Transportation and Development (DOTD), a shortage of funding, and a lack of political support.	Secure additional funding and sufficient political support in order to issue a notice to proceed on the Environment Impact Statement.			

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Jefferson Parish Planning Dept. Action Items							
ED1	Modify land use regulations and invest in infrastructure to develop an "Elmwood West" commercial and industrial node	Issue RFP or initiate study in 2010; initiate regulatory changes/improvements in 2011, 2012	An initial \$30,000 was appropriated to the University of Washington's College of Built Environments to conduct a study of the Elmwood West area. However, work on this project has been suspended due to insufficient funding.	Work to secure a second round of Parish funding to complete the Elmwood West study. The study should provide concrete recommendations of the regulatory changes and capital improvements that are needed to implement "Elmwood West."			
Jefferson Parish Film Dept. Action Items							
ED12	Collaborate with Jefferson's state legislative delegation to renew the state motion picture, digital media, music production, live theater, and motion picture infrastructure tax credits.	Pass legislation in 2009, 2010 at the latest	Action complete. For more information, refer to October, 2009 status update.	No further action required.			

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City of Kenner Action Items							
ED2	Collaborate with the Airport to create a master plan for the redevelopment of "buyout" properties	Complete and issue RFP in 2009. Complete redevelopment plan in 2010	A cooperative endeavor agreement (CEA) between the airport and the City of Kenner has not yet been finalized. The airport and the City had been in extensive discussions to formulate a CEA as a prerequisite to issuing a request for proposals (RFP) for a developer/developers of the buyout properties. However, two factors have slowed the process somewhat. The transition in leadership stemming from the airport's new executive director and the new mayoral administration in New Orleans has delayed the completion somewhat. Furthermore, the new administration has suspended contracted legal work at the airport in order to conduct a review of professional services contracts with attorneys. Despite these delays, the airport's new executive director has expressed a strong interest in completing the CEA and subsequent RFP. The administrative changeover has simply added some delays to the process. There is some question as to whether a CEA is even needed to initiate the master plan process, but the new executive director of the airport has expressed a commitment to the process.	Monitor progress in completing the CEA and/or securing any other agreements with City of Kenner and Airport.			

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