

# JEDCO JOURNAL

JEFFERSON PARISH ECONOMIC DEVELOPMENT COMMISSION • VOLUME III, 2004

## Please Vote Nov. 2: Parish Proposes Economic Development Financing With No New Taxes



*Parish President Aaron Broussard supports realigning some dedicated parish monies in order to provide more funding for services such as economic development.*

**J**efferson Parish officials are touting two propositions on the upcoming Nov. 2 ballot that call for realigning dedicated funds in an effort to avoid raising taxes while supplying much-needed cash for key parish services.

In its Aug. 14, 2004 edition, *The Times-Picayune* reported the pair of propositions would not create any new taxes. They would

transfer roughly \$7 million of tax revenue from four accounts that carry balances as hefty as \$15 million to four new dedicated funds that would pay for services now supported through the cash-strapped general fund.

Stagnant sales tax revenue and increased costs for state-mandated measures have placed a financial burden on the parish's general fund and resulted in the elimination of 79 employees parish-wide since the beginning of this year, explained **Parish President Aaron Broussard**.

Benefiting from the realignment of dedicated public monies would be the Jefferson Economic Future Fund, or J.E.F.F. This money would be used by JEDCO and the parish for economic and financial incentives to induce companies to relocate to or remain in the parish

*(Story continued on page 2)*

## JEDCO Receives International Economic Development Award

**T**he Jefferson Parish Economic Development Commission (JEDCO) recently received a prestigious international award recognizing the agency's successful business retention and expansion program and efforts. The award was presented on Sept. 21, 2004 by the International Economic Development Council (IEDC) at their annual meeting in St. Louis.

The IEDC is the largest membership organization serving economic developers and the economic development profession.

Accepting the award were **2004 JEDCO Board Chairman Ric Smith** and **JEDCO Interim Executive Director Dottie Stephenson**.

What makes this award particularly meaningful is the fact that JEDCO competed not just in the business retention and expansion arena, but against all types of economic development programs submitted for entry by agencies servicing populations of 200,000 or greater.

Previous communities cited for this overall program award have included Vancouver, San Antonio and San Diego.

JEDCO's Business Retention and Expansion Program was launched in 1998. Since that time, the agency has strategically targeted over 1000 companies, aiding more than 400 of them through incentives and problem-solving assistance.

In addition to the retention of hundreds of companies, the program has aided the expansion of nearly 200 area businesses. These expansions have, in turn, resulted in the retention of 25,837 employees, the creation of 4,218 new jobs, and nearly \$500 million in new capital improvements within the parish. Some of JEDCO's more publicized successes involved the retention and expansion of locally-owned food distributor **CONCO, Inc.** and the expansion of one the country's largest commercial collection and credit services companies, **Newton & Associates**.

"This award means a lot for JEDCO and Jefferson Parish as we've been recognized by national and international development organizations, and positively judged by economic development peers and consultants," said Smith.



*IEDC Chairman Rick Weddle (middle) presents an award recognizing our agency's business retention and expansion program and efforts to JEDCO Interim Director Dottie Stephenson and 2004 JEDCO Chairman Ric Smith.*

## *“The pair of propositions would not create any new taxes.”*

*(Story continued from page 1)*

First created in 2002, the J.E.F.F. has been financed through the parish's general fund for \$500,000 each year. “So far, we have identified no new revenue source to fund it for 2005 and beyond,” Broussard told the Jefferson Chamber of Commerce.

The Jefferson Chamber's Board of Directors recently voted to support the proposed changes.

Should the rededication of funds be approved, **Jefferson Parish Finance Director Nancy Cassagne** estimates that \$800,000 per year could be committed to this local economic development/business incentive fund.

Over the past two years, examples of how the J.E.F.F. has been used to recruit or retain companies include the following, according to JEDCO Interim Executive Director Dottie Stephenson:

- **Newton & Associates.** The parish retained this expanding commercial collections agency, which was considering a move to another state, but instead relocated to a new headquarters building in Metairie. To date, the company has grown from 105 to 165 jobs.
- **M & A Supply.** This manufacturer relocated its headquarters from Wallingford, Conn. to Jefferson Parish.
- **Nims Center Studios.** The Jefferson Parish-based motion picture studio facilities were expanded, and now offer digital technology capability as well.

Other areas that would benefit from this rededication plan include criminal justice, senior citizen services and culture and parks.

Broussard emphasized that the realigned funds will remain dedicated in the new areas; they will not be used for discretionary purposes.

The first of two reapportionment propositions will redirect 1/2 mill of the existing 4 mills now dedicated to juvenile detention to a separate criminal justice fund in need of the money. This proposition also covers rededicating a 1/2 mill from library funding to funds for culture and parks.

The second proposition endorses shifting a 1/2 mill from road lighting funds, with 1 mill dedicated to the criminal justice fund and 1/2 mill devoted to funding economic development initiatives. It would also rededicate 1 mill from the existing landfill millage and provide for 1/2 mill for senior services and 1/2 mill for culture and parks.

The parish president noted that the accounts with reduced dedicated millage would be able to maintain their current operating levels, although they might have to delay some long-term capital projects.

**Jacque Bauer, public information officer for Jefferson Parish,** noted that in 1998 a rededication in the sales tax structure generated funds for new roads throughout the parish that led to one of the largest infrastructure improvement programs in the parish's history.

## Web Site Connects Employers to Job Seekers



**J**efferson Parish has launched a new Web site to connect area employers with job seekers. Companies can post their job opportunities on this Web site at no cost. Information on training programs and other resources for businesses are also available on this Web site.

**For more information, visit:**  
[www.theworkforceconnection.com](http://www.theworkforceconnection.com).

## JEDCO Seeks Business Award Nominations

**J**EDCO is currently accepting nominations for the organization's eleventh annual **Charlet Business Recognition Award**. This annual award recognizes a business' outstanding contributions to the Jefferson Parish economy and community. Nominations must be received by October 25, 2004. Businesses may nominate themselves.

Nominations are open to companies headquartered in Jefferson Parish for at least three years with less than \$10 million in annual sales and employing fewer than 100 workers.

For more information, and to obtain a nomination form, please contact Margo Valera at 504-833-1881, ext. 350.

The Charlet Award was named in honor of Billy Charlet, who served as one of JEDCO's volunteer leaders when the 17-year-old agency was initially founded in 1987.

# JEDCO SCORECARD

## Mid-Year 2004 Report

Program	Jobs Created	New Jobs High Wage*	Jobs Retained	Jobs Retained High Wage*	Private Investment
Retention Efforts & Incentives	459	—	5547	—	\$35,224,436
Incubator Program	18	7	3	—	\$350
Business Loans	23	—	11	—	\$1,226,755
<b>TOTAL</b>	<b>500</b>	<b>7</b>	<b>5561</b>	<b>---</b>	<b>36,451,541</b>

## Parish Takes Action to Assist Shrimp Fishermen

A combination of low prices, record-high fuel costs and foreign competition has caused adverse market conditions and extreme financial hardships for local shrimp fishermen. Unless conditions improve, bankruptcies by shrimpers will most likely continue to escalate. Unfortunately, little can be done on a local level to improve market conditions.

In an effort to provide relief for these fishermen, **JEDCO, the Jefferson Workforce Connection and the Jefferson Parish Workforce Investment Board** are currently working with **Northrop Grumman Ship Systems Avondale Operations** to develop a special fast-track job training program for local shrimpers interested in pursuing a new career in the shipbuilding industry. Northrop Grumman will offer full-time, permanent employment and paid on-the-job training.

Candidates for this training do not need previous experience, nor do they need a high school diploma or GED to participate in this program.

Training will take place on-site at Northrop Grumman. After four months (640 hours), individuals will be ready to work in the yard as electrical layout fitter-welders. Trainees will be paid \$9.06 per hour, which will increase up to

\$11.53 per hour upon completing their training.

A full benefit package will also be offered to these workers, including health and life insurance, 401K and pension plans, long-term disability and paid vacation and sick leave.

Upon completion of the four-month training, these individuals will have the opportunity to further develop their job skills through the company's in-house training programs.

Any fishermen interested in participating in this training program should contact **Ray Montalbano** at the **Jefferson Workforce Connection, 504-364-3692**.

In addition to the training effort, **Jefferson Parish President Aaron Broussard** and **Jefferson Parish Council** members are asking local restaurants and distributors to do their part to help local fishermen by promoting

Louisiana seafood. Colorful window decals declaring "Louisiana Seafood Served Here" were produced and distributed by the parish, and residents will be urged to patronize restaurants that display these decals, explained Broussard.





# State's Quality Jobs Program Health Insurance Requirements Reduced

**A**ct 899 of the 2004 Regular Louisiana Legislative Session lowers the health care insurance requirements for smaller Vision 2020 cluster companies interested in participating in Louisiana's Quality Jobs Program. (See definitions of what constitutes such businesses below.) Qualified companies who employ 50 or less can now pay, at a minimum, 50 percent of the total premium for full-time employees who chose to participate in the company's health care insurance program and will not be required to pay for dependent coverage.

The Quality Jobs Program provides both payroll and sales/use tax rebates to encourage businesses to locate or expand in Louisiana.

*“Qualified companies who employ 50 or less can now pay, at a minimum, 50 percent of the total premium for full-time employees who chose to participate in the company's health care insurance program and will not be required to pay for dependent coverage.”*

To qualify, a company must be in a targeted industry. Employers must pay at least 1-3/4 times the minimum wage and offer and pay a required percentage of basic health insurance coverage. Within three years, new jobs must increase an employer's annual payroll by \$250,000 for companies with 50 or fewer full-time employees or \$500,000 in new annual payroll for those employing more than 50.

Vision 2020 cluster industries include: biotechnology and biomedical; manufacturing; micro-manufacturing; software, Internet and telecommunications; environmental technology; food technology; advanced materials; oil and gas field services; businesses with at least 75 percent of total annual sales to out-of-state customers; and certain other businesses with at least 50 percent of total annual sales to out-of-state customers or buyers.

Prior to Act 899, smaller employers were required to offer and pay at least 85 percent of the total health care premium for full-time employees who chose individual coverage and 50 percent of the premium for full-time employees with dependent coverage (family plan). This remains the requirement for those employing more than 50.

**For more information, visit:**

<http://www.led.state.la.us/businessresources/qualityjobprog.aspx>.

## Spending by International Visitors in Jefferson Parish

Full Year of 2003		January - July 2004	
Country	Dollars Spent	Country	Dollars Spent
Honduras	\$2,035,902.27	Honduras	\$1,094,302.25
Mexico	\$858,618.39	Mexico	\$378,264.04
Costa Rica	\$484,688.47	Guatemala	\$365,197.07
Guatemala	\$479,135.69	Costa Rica	\$264,441.68
Philippines	\$363,281.11	U.K.	\$217,847.85
El Salvador	\$343,874.37	Philippines	\$211,483.70
U.K.	\$260,515.27	El Salvador	\$189,216.16
China	\$216,510.83	Brazil	\$183,925.19
Brazil	\$207,551.23	Venezuela	\$142,583.79
Venezuela	\$190,868.04	Colombia	\$122,495.36
Colombia	\$169,987.15	Germany	\$112,833.53
Nicaragua	\$169,093.63	China	\$106,858.94
France	\$144,541.09	France	\$104,306.21
Belize	\$137,852.26	India	\$99,480.64
India	\$133,798.73	Turkey	\$88,633.81
Canada	\$122,339.87	Panama	\$84,800.54
Ecuador	\$120,908.85	Ecuador	\$83,949.16
Germany	\$117,132.39	Nicaragua	\$79,599.55
Turkey	\$115,951.83	Spain	\$76,851.39
Greece	\$100,240.14	Romania	\$73,147.27
Other Countries	\$1,875,173.04	Other Countries	\$1,470,647.00
<b>Full Year Total (2003)</b> <b>\$8,647,964.65</b>		<b>7 Month Total (2004)</b> <b>\$5,546,865.13</b>	
<b>Jefferson Top 5 Spending Categories</b>		<b>Jefferson Top 5 Spending Categories</b>	
Apparel	\$3,211,446	Apparel	\$1,642,956
Computer Equipment	\$1,417,525	Computer Equipment	\$853,002
Gift & Souvenirs	\$749,953	Gift & Souvenirs	\$374,231
Small Electronics	\$416,387	Art/Antiques	\$182,042
Photo Equipment	\$247,679	Small Electronics	\$159,892

**Source: Louisiana Tax Free Shopping**



# State Phases Out Sales & Use Tax on Manufacturing Machinery & Equipment

Act 1 of the 2004 Special Louisiana Legislative Session provides for the phase-out of state sales and use tax on the purchase or lease of machinery and equipment by manufacturers. The state phase-out began on July 1, 2004 with a five percent exclusion of the price of eligible manufacturing machinery and equipment upon which the state's four percent sales tax is computed, and increases annually with 100 percent exclusion by July 1, 2010.

▶ Act 1 of the 2004 Louisiana First Extraordinary Session provides exclusion from state sales and use tax for the purchase, lease or rental, and use of machinery and equipment used predominately and directly to manufacture tangible personal property or produce, process and store food, as well as on timber for sale.

▶ The exclusion will be phased-in between July 1, 2004 and June 30, 2010. The state's phase-in is as follows:

July 1, 2004	5 percent
July 1, 2005	19 percent
July 1, 2006	35 percent
July 1, 2007	54 percent
July 1, 2008	68 percent
July 1, 2009	82 percent
July 1, 2010	100 percent

▶ The exclusion is available only on qualified manufacturing machinery and equipment purchases, leases or rentals. Eligible businesses can claim the phased-in exclusion only on purchases, leases or rentals of qualified manufacturing equipment, but must pay the sales or use tax on all other purchases, leases and rentals which are used or consumed by the business.

▶ Qualified machinery and equipment is defined as tangible personal property or other property that is eligible for depreciation for federal tax purposes and is used as an integral part in the manufacturing process. Specific examples of qualified machinery and equipment are:

- Computers and software that are an integral part of the machinery and equipment used directly in the manufacturing process
- Machinery and equipment necessary to control pollution at a plant facility where pollution is produced by the manufacturing operation
- Machinery and equipment used to test or measure raw materials, the property undergoing manufacturing, or the finished product, when such test or measurement is a necessary part of the manufacturing process.

▶ To claim the exclusion, Form R-1070 must be filed with the Louisiana Department of Revenue. Upon approval, the department will issue an exclusion form that can be presented to vendors or lessors.

For more information, visit:

<http://www.rev.state.la.us/forms/misc/HotTopicMME.pdf>

## Spotlight On: Schott Information Service



Anne Schott, owner of Schott Information Service

**Company:** Schott Information Service

**Description:** Provider of medical information to the insurance industry for underwriting purposes. Also provides lab tests to individuals who elect to have screening done for their own information, or who prefer to use the company's mobile or

in-office service for physician-ordered lab tests.

**Owner:** Anne Schott

**Brings to the Table:** Extensive knowledge of insurance underwriting. "My past experience also gives me the ability to provide qualified technicians and administrative personnel for companies' and individuals' needs."

**Employees:** Three.

**Experience:** Over 25 years experience in providing needed medical information and lab specimen collections and handling for the insurance industry.

**Location:** JEDCO's Enterprise Center East.

"It provides support for my business, including startup guidance. The location is excellent. I also find it financially helpful not to have to incur up-front costs such as office equipment, since the Enterprise Center provides such things for its resident businesses."

**Clients:** Major nationwide insurance carriers and the general public.

**Date Business Started:** January 2000

**Reason for Starting Business:** "Corporate restructuring was the catalyst for me to consider using my knowledge and experience to open my own business. It was scary, exciting and challenging, but I am glad I did."

**Business/Personal Goal:** "Obtain reasonable personal financial security, while maintaining professional integrity. Also to enjoy my work and maintain pride in it."

**Reason for Opening a Business in**

**Jefferson Parish:** "Jefferson Parish has been my home for 35 years, so of course it made sense for me to open a business here. I'm a strong believer in supporting where you live."

**Contact Information:** Phone: 504-830-4885; e-mail: [aeschott@bellsouth.net](mailto:aeschott@bellsouth.net); Web site: [www.schottinformationservice.com](http://www.schottinformationservice.com).



# JEDCO 2004 Board of Commissioners

## Names

**Ric Smith**  
**Lynda Nugent Smith, Vice Chair**  
**Tina Dandry-Mayes, Treasurer**  
**Pat Rooney, Secretary**  
**Jerry Alexander**  
**David Andignac**  
**John Arbour**  
**Jimmy Baum**  
**Eddie A. Doucet**  
**Joe Ewell**  
**Charles Fontenelle**  
**Brian Heiden**  
**Mike Jacobs**  
**Mayor Tim Kerner**  
**Frank L. Levy**  
**Vinicio E. Madrigal, MD**  
**Bill Peperone**  
**Ray Seamon**  
**Rufino Saavedra**  
**Ernest Stalberte**

## Nominating Entity

Committee for a Better Jefferson  
New Orleans Metropolitan Association  
Women Business Council Gulf Coast  
Home Builders Association of New Orleans  
East Jefferson Business Association  
Councilman Chris Roberts, District 1  
Councilman-At-Large Tom Capella, Division B  
Elmwood Business Association  
Councilman Elton Lagasse, District 2  
Councilman Byron Lee, District 3  
Apartment Association of Greater New Orleans  
Harvey Canal Industrial Association  
Parish President Aaron Broussard  
J.P. Marine Fisheries Advisory Board  
Councilwoman Jennifer Sneed, District 5  
Council Chairman John Young, Councilman-At-Large, Division A  
Councilman Louis Congemi, District 4  
The Jefferson Chamber, Westbank  
Hispanic Chamber of Commerce of Louisiana  
Jefferson Area Business Alliance

Note: One board position is still pending

## JEDCO Staff

**Margo Valera**  
*Executive Assistant*

### Business Outreach

**Dottie B. Stephenson**  
*Deputy Director*

**Monica P. Baugh**  
*Economic Info/Incentives Coordinator*

**Jerry Bologna**  
*Economic Development Specialist*

**Monica Thomas**  
*Workforce Development Coordinator*

### Port/Public Affairs

**Pete Chocheles**  
*Director of Port & Public Affairs*

**June Johns**  
*Marketing & PR Manager*

### Operations

**Gaye A. Frederic**  
*Deputy Director*

**Coy St. Pierre**  
*Administrative Assistant*

### JEDCO Administration

**Cynthia Grows**  
*Controller*

**Debbie Ritter**  
*Office Manager*

**Del Ruiz**  
*Receptionist*

### Small Business Financing

**Alberto Queral**  
*Financing Manager*

**Corinne Pritchett**  
*Operations Manager*

**Carol Braud**  
*Loan Servicing Assistant*

**Small Business Incubators**

**Kim Perret**  
*Administrative Assistant*



JEFFERSON PARISH ECONOMIC  
DEVELOPMENT COMMISSION

3445 N. CAUSEWAY BLVD., STE. 300  
METAIRIE, LOUISIANA 70002

PHONE: 504-833-1881  
FAX: 504-833-7676  
WWW.JEDCO.ORG  
WWW.ITSHAPPENINGHERE.ORG

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U.S. POSTAGE  
PAID  
METAIRIE, LA  
PERMIT NO. 876

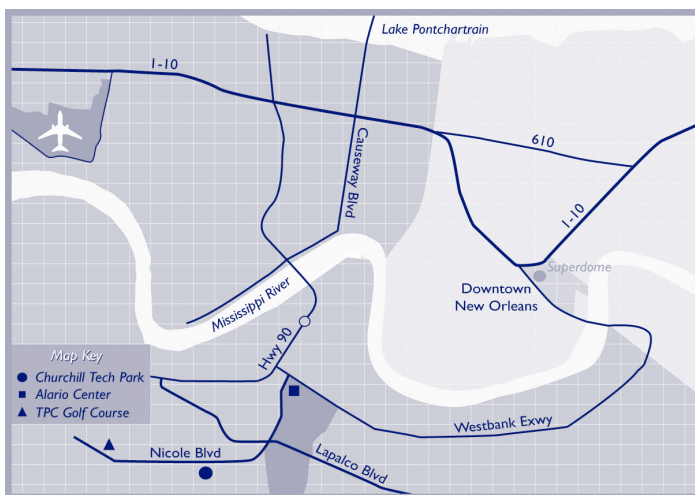
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# THE JEFFERSON EDGE

## 2004 MID-YEAR PROGRESS REPORT

### TECHNOLOGY/ BUSINESS PARK

- Cooperative Endeavor Agreement regarding 40-acre donation approved in July 2004 by Jefferson Parish Council, Technology Park Blue Ribbon Committee and JEDCO Board.
- Surveys of 40-acre and 460-acre tracts complete.
- Codes, covenants and restrictions in final phase of drafting.
- Closing projected to take place in October 2004.
- JEDCO notified that it is a finalist for a Title I Infrastructure Grant from the U.S. Dept. of Commerce/EDA for development of the park.



### IMAGE & MARKETING DEVELOPMENT

- Business-oriented print advertising promoting new technology and business park scheduled to run this fall. Advertisements will reference the following information:
  - ▶ Facility's new name and logo.
  - ▶ Proximity to Louis Armstrong International Airport and downtown New Orleans.
  - ▶ Incorporation of the Jefferson Parish School for Science and Technology.
  - ▶ Future upgrades to nearby Huey P. Long Bridge.
  - ▶ Prestigious neighbors: Tournament Players Club Golf Course & Alario Center.
  - ▶ Referrals to JEDCO and "It's Happening Here" Web sites.
- EDGE Image and Marketing Task Force proposed that an abbreviated attitude survey be conducted, serving as a preliminary test of public reception to proposed name for the technology and business park. Task force recommended surveying 200 owners/decision makers from various-size East and West bank businesses throughout the greater New Orleans region.

*The map above indicates the convenient location of the soon-to-be-developed technology and business park for which JEDCO is laying the groundwork. The new park will be located on the Westbank, 12 miles from Louis Armstrong International Airport and 20 minutes from downtown New Orleans. Planning is also in progress for this tech/business park to become the future site of The Jefferson Parish School for Science and Technology.*



# THE JEFFERSON EDGE

## 2004 MID-YEAR PROGRESS REPORT

### STRATEGIC PLANNING

Update of The Jefferson EDGE to begin in October 2004. GCR & Associates, partnering with The Center for Economic Development at UNO, has been selected to update the strategic plan, to be entitled **The Jefferson EDGE 2010**. GCR will also incorporate the physical elements and projects of The EDGE 2010 into Envision Jefferson 2020 as its economic development component.



*The Jefferson business community and parish leaders will be working together to update The Jefferson EDGE through the year 2010.*

### JEFFERSON EDGE BUDGET REPORT

#### CASH BASIS AS OF JUNE 30, 2004

	Actual	Budget
<b>JEFFERSON EDGE REVENUES</b>		
Private Funds	\$129,850	\$170,000
Parish Funds	\$80,000	\$40,000
State Funds	\$0	\$49,625
Investment Income	\$817	\$1,250
<b>Total Revenues</b>	<b>\$210,667</b>	<b>\$260,875</b>
<b>JEFFERSON EDGE EXPENDITURES</b>		
EDGE Update/E.D. Element	\$0	\$50,000
<b>Sub-Total</b>	<b>\$0</b>	<b>\$50,000</b>
Marketing/PR Activities:		
Local Marketing/PR Campaign	\$138,427	\$125,000
National Marketing/PR Campaign	\$25,000	\$25,000
Mrkt/PR Staff Consult. Support	\$10,768	\$12,500
<b>Sub-Total</b>	<b>\$174,195</b>	<b>\$162,500</b>
Technology Development:		
Tech Park Implementation	\$45,447	\$125,000
Tech Seed Capital Fund Dev.	\$0	\$25,000
Tech Incubator Feasibility Study	\$0	\$25,000
<b>Sub-Total</b>	<b>\$45,447</b>	<b>\$175,000</b>
<b>ADMINISTRATIVE</b>		
Misc. Project Fund	\$712	\$12,500
Fund-Raising Consultant	\$0	\$7,500
Legal Services	\$0	\$12,500
<b>Sub-Total</b>	<b>\$712</b>	<b>\$32,500</b>
<b>TOTAL EXPENDITURES</b>	<b>\$220,354</b>	<b>\$420,000</b>
<b>PROGRAM SURPLUS/DEFICIT</b>	<b>(\$9,687)</b>	<b>(\$159,125)</b>
<b>AUDITED FUND BALANCE @12/31/03</b>		<b>\$722,208</b>
<b>2ND QUARTER FUND BALANCE</b>		<b>\$563,083</b>