

# The Jefferson EDGE: A PARTNERSHIP FOR ECONOMIC GROWTH



## Introduction

Jefferson Parish is the predominant economic engine within the New Orleans metropolitan area. Over the past four decades, it has shifted from a suburban bedroom community into a thriving, dynamic economy in its own right, with a larger share of regional employment and earnings than any other parish in the New Orleans metropolitan area. Present day Jefferson is characterized by a solid middle-class population, robust sales and property tax revenue, and a relatively low unemployment rate.

At the same time, there are a number of trends that pose challenges to the Parish's continued economic prosperity. These include a regional economy that is not growing substantially and relatively limited employment growth within Jefferson in recent years. Most significantly, there is growing evidence that the Parish is becoming less attractive to middle and upper income households who are choosing to live in other communities.

Thus, while the Parish has many positive economic attributes, the challenges that Jefferson faces require forceful, innovative economic development strategies. Over the years, JEDCO has provided this leadership, having preserved or created thousands of jobs and having generated an economic impact in the hundreds of millions. With continued support, JEDCO's economic stewardship will continue to grow, and JEDCO will continue to produce significant, quantifiable economic results.

## Jefferson Parish Today

By almost every measure, Jefferson Parish has remained stable in population, employment, and income over the past decade. Hurricane Katrina had a considerable impact on the Parish, damaging more than 34,000 homes, but recovery has been extremely rapid. By July of 2007, Jefferson had recovered over 97% of its population, and based on 2008 estimates, this figure has likely increased to 99%. In comparison, the metropolitan area has recovered approximately 87% of its pre-storm population.

### KEY RECOVERY STATISTICS

Currently, Jefferson Parish...

- Is at approximately 99% of its pre-Katrina population
- Collects 17% more in sales taxes than before Katrina
- Collects 12% more in property taxes than before Katrina

Sources:  
Population data - GCR & Associates, inc.  
Tax revenue data is from Jefferson Parish, 2008 compared to 2004

Another indicator of recovery is the current level of sales and ad valorem (property) tax revenues in the Parish, which continue to exceed pre-Katrina revenues. In 2004, the Parish collected \$350 million in sales tax revenue. After a major spike in retail activity in the first two years after Katrina, retail sales have leveled off, but 2008 collections still remained 17% higher than pre-storm figures. Another principal source of tax revenue is property taxes. Due to hurricane damage, there was a two year dip in assessments and property tax collections after Katrina. However, assessments and collections increased substantially in 2008 and now exceed pre-storm figures.

## Jefferson Parish Tax Revenue

	2004	2005	2006	2007	2008
<b>Ad Valorem</b>	\$141,151,000	\$146,209,000	\$141,243,000	\$127,901,000	\$158,408,000
<b>Sales</b>	\$350,146,000	\$359,055,000	\$488,405,000	\$433,387,000	\$410,988,000
<b>Occupational License</b>	\$5,741,000	\$6,158,000	\$6,624,000	\$6,506,000	\$8,407,000
<b>TOTAL</b>	<b>\$497,038,000</b>	<b>\$511,422,000</b>	<b>\$636,272,000</b>	<b>\$567,794,000</b>	<b>\$577,803,000</b>

## Economy in Context

In comparison to the slumping national economy, the Jefferson Parish economy has remained robust. The number of jobs is higher now than in 2004; wages continue to increase; and the unemployment rate for April 2009 (5.4%) is considerably lower than the national unemployment rate of 9.4%.

Within the region, Jefferson Parish is faring better than other metro parishes, as Jefferson maintains the largest share of metropolitan employment and earnings and strong employment concentrations in a number of industries. These include oil and gas, health care, real estate, and wholesale and retail trade.

### JEFFERSON, RELATIVE TO THE NATIONAL & REGIONAL ECONOMY

Currently, Jefferson Parish...

- Has an unemployment rate of 5.4%; nationally the unemployment rate is 9.4%
- Had 8,000 more jobs at the end of 2008 than in 2003
- Has retained its share of state-wide earnings; over the same period the metro area has seen its share decline by 11.4%

Sources:  
Unemployment Data - Bureau of Labor Statistics, April 2009 for Jefferson and May 2009 nationally.  
Tax Revenue Data - Jefferson Parish, 2008 compared to 2004

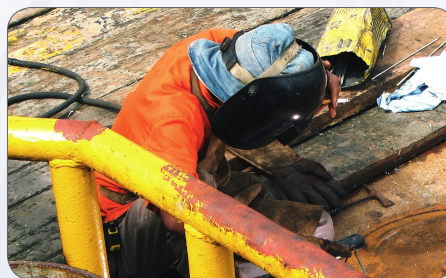


Photo By Henrique Vicente



## Earnings as Percentage of State Earnings

	2001	2002	2003	2004	2005	2006	2007
<b>Jefferson Parish</b>	11.5%	11.5%	11.6%	11.7%	11.3%	11.4%	11.3%
<b>New Orleans Region</b>	34.2%	34.3%	34.5%	34.5%	32.6%	30.2%	30.3%

Source: Quarterly Census of Employment and Wages

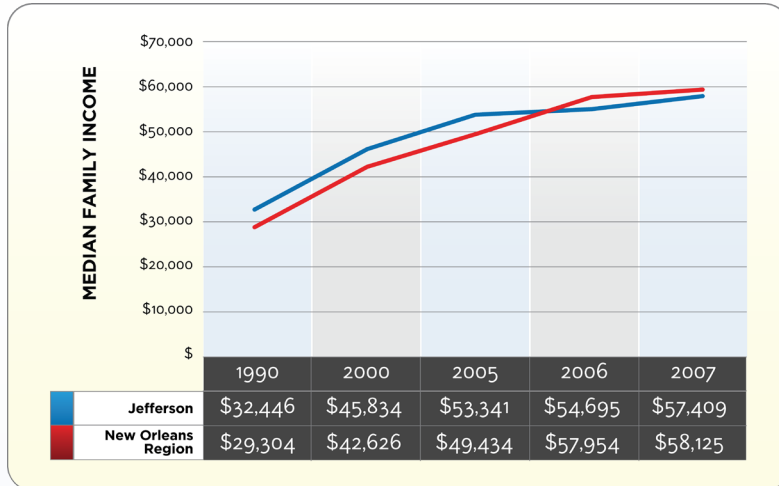
## Employment Growth, 2003-2008: Select Parishes in the New Orleans MSA

	2003	2004	% Change	2005	% Change	2006	% Change	2007	% Change	2008	% Change
<b>Jefferson</b>	212,410	215,062	1.2%	199,982	-7.0%	207,538	3.8%	214,033	3.1%	220,467	3.0%
<b>Orleans</b>	186,325	185,607	-0.4%	170,352	-8.2%	91,142	-46.5%	102,479	12.4%	105,559	3.0%
<b>St. Bernard</b>	28,918	29,109	0.7%	26,971	-7.3%	6,974	-74.1%	9,362	34.2%	9,643	3.0%
<b>St. Tammany</b>	96,228	100,086	4.0%	96,000	-4.1%	109,478	14.0%	113,009	3.2%	116,407	3.0%

Source: Louisiana Workforce Commission  
Notes: Reflects Preliminary 2008 Information; Not Seasonally Adjusted

## Income and Population Change

### Median Family Income: Jefferson and the New Orleans Region



While Jefferson Parish remains a predominantly middle-class community, recent data on income and migration trends suggest that the Parish may be less competitive in attracting new middle and upper income households. Household migration data from the IRS reveal that more households are moving out of the Parish than are moving in, and more significantly, that households moving out tend to have higher incomes than households moving in. This trend is supported by Census data on family income, which show that Jefferson has experienced less growth in family incomes than other metropolitan parishes have.

### KEY JEDCO INITIATIVES AND ACCOMPLISHMENTS

- 60,000 jobs created or retained since 2000
- Cumulative wage impact of \$2 billion since 2000
- Development of the Churchill Technology and Business Park
- Jefferson EDGE 2020 Quality of Life initiative
- Continued marketing, incentive, financing, and outreach efforts

### Jefferson EDGE 2020 QUALITY OF LIFE PLANS

- Flood Protection
- Crime Abatement
- Public Education
- Beautification
- Hospitals
- Insurance
- Fat City Redevelopment

### JEDCO's Role

The Jefferson Parish Economic Development Commission—JEDCO—is the economic development agency for Jefferson Parish. It administers a wide variety of incentive, financing, and marketing programs and also collaborates with existing and potential businesses to address their needs and facilitate job creation. JEDCO's mission—to drive wealth creation through entrepreneurship, quality jobs and investments—manifests itself in the more than **60,000 jobs** created or retained through JEDCO programs since 2000, totaling more than **\$2 billion in earnings**. JEDCO is also leading the development of the Churchill Technology and Business Park on the West Bank, which will provide first class office and flex space in an attractive, park-like setting. The Park promises to become a major center for entrepreneurship and job growth in the coming years

An exciting new initiative that JEDCO has undertaken over the past two years is The Jefferson EDGE 2020. In the aftermath of Hurricane Katrina, Parish leaders began to appreciate the critical role that quality of life plays in economic development and in retaining and attracting a middle class population. A consensus emerged that traditional economic development efforts must be complemented by a community-wide focus on improving quality of life. Spearheading this initiative, JEDCO has produced a number of "strategic implementation plans," ranging from crime abatement to beautification, which outline the specific policies and actions needed to elevate quality of life in the community. JEDCO has also dedicated staff time and resources to regularly monitor the implementation of the plans. Many of the action items outlined within the plans are already underway.

## Return on Investment

According to a 2001 projection of the economic impact of The Jefferson EDGE, a \$2.5 million investment was forecasted to create or retain approximately 1,100 jobs between 2001 and 2005. In reality, The Jefferson EDGE initiative far exceeded these expectations, creating or retaining roughly **26,000 jobs** during this period. The impact of The Jefferson EDGE can also be measured in terms of federal, state, and local grants that have been obtained as a result of EDGE funding. Since 2001, \$4,184,756 in EDGE investor funds have leveraged an additional \$9,285,000 in external grant funding to support marketing efforts and the development of the Churchill Technology and Business Park.

A more recent economic impact analysis<sup>[1]</sup>, conducted in 2009, has estimated the impact of a \$2.5 million EDGE investment over the next five years. According to the model, the economic impact of this investment is estimated to be \$135 million over the next five years. Based on an initial \$2.5 million investment this return would equal 54 times the initial investment. Using a more generous set of assumptions, The EDGE's estimated economic impact—and the projected return on investment—would be even greater.

### IMPACT OF THE JEFFERSON EDGE

- 26,000 jobs created/retained from 2001-2005
- Over the last 8 years, \$4.2 million in EDGE funding has leveraged an additional \$9.3 million in grant funding
- From 2010 to 2014, the EDGE partnership will yield an economic impact of \$135 million
- Every \$1 invested in The EDGE leverages an estimated \$54 in local economic impact

## What Our Future Holds: The Jefferson EDGE 2020

Currently, Jefferson Parish's economic fundamentals remain strong in spite of Hurricane Katrina and a crippling international recession. However, there are multiple indicators that suggest that Jefferson must remain vigilant in its economic development efforts in order to sustain long-term prosperity. Jefferson is situated within a relatively weak regional economy whose growth has been surpassed by other metropolitan areas in the state. Furthermore, limited land, aging infrastructure, and an older housing stock mean that Jefferson must work tirelessly to improve quality of life and retain its middle class population.

JEDCO's approach to addressing these issues and furthering prosperity has been to combine traditional economic development strategies with an aggressive quality of life initiative. This approach has yielded considerable, documented results in job creation/retention and overall economic impact. With support from EDGE investors and a renewed focus on making Jefferson a better place to work and live, JEDCO's efforts will continue to yield quality jobs, a stronger economy, and a more secure future for the Parish.

[1] Prepared by GCR & Associates, Inc.

## Economic Impact: The Jefferson EDGE Initiative

