



PARTNERS DRIVING PROGRESS

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April 13, 2009

Briefing for Senate Hearing 4/14/2009

Shreveport, LA.

Northeast Louisiana Economic Alliance is one of eight Regional Economic Development organizations working directly with the State of Louisiana to create jobs, retain jobs and serve our 53 communities and Parish Governments. We also work with local Economic Development Organizations to garner available resources to improve our communities, our workforce, our education attainment and to provide a strategic plan for the future development of the Region. We are presently undergoing a Regional Study to form a more complete economic strategy.

Because of the historic poverty and high unemployment, Louisiana has focused resources to this area to both preserve jobs and to target opportunities for the region. Louisiana's new "Fast Start" workforce program guarantees a trained workforce and is one of the reasons Gardner Denver Thomas located into the Monroe area.

One of the major incentives for businesses locating or expanding in Northern and Central Louisiana has been the Renewal Community. The designated census tracts in the state cover all or parts of 25 Parishes. The bad news is that we qualified in 2001 to be a recipient because of our pervasive poverty and high unemployment. The good news is that it is working. Although we cannot document the number of jobs created by the wage credit, frequent employer testimony indicates the numbers have been significant. For instance, a veterinary clinic in Winnsboro, LA hired 4 additional employees (with benefits) and expanded from a small animal practice to a small and large animal practice.

A company in Arcadia, Louisiana added 235 employees to their employment figures and expanded their building because of the wage credits and Commercial Revitalization Deduction Allowance. Union Tank now of Alexandria, LA opened a plant hiring 650 employees. Union Tank got significant CRDAs.

We can document through the Commercial Revitalization Deduction Allowances and the construction of new facilities in the last six years of over \$250,000,000 in the most poverty stricken area of the state. These facilities added over 3,000 new jobs as a result.

During the present economic time, we have had significant losses as well. International Paper closed a plant in Bastrop, La. They took more than one million in wage credits during the last 4 years—a factor that contributed to their staying longer in the Bastrop community. Yet those jobs are now gone. This

was a 550 job loss. The anticipated impact in lost jobs is estimated at 2500. The impact to the community will be a reduction of services of fire, police and city services as a result of lost tax revenues. But if Renewal Community legislation is extended, we have an opportunity to draw jobs to the area to replace the ones lost. Car dealerships in the area are at risk as well as many other businesses. Many businesses are being lost. This is coupled with the worst farming disaster our Region has suffered in farming memory—over \$1 Billion dollars.

Louisiana was faced recently with the threat of losing 1200 jobs at Pilgrim's Pride in Farmerville, Louisiana. The state of Louisiana was very aggressive in putting up \$50,000,000 in incentives to save these jobs. A company is willing to take over the chicken plant and Renewal Community benefits would be a "save" for those jobs in the coming few years. Otherwise, the economic impact would be a total loss of 5,000 jobs in Union and surrounding Parishes and the loss of many services the Parish now enjoys.

As we face tough economic times, the poorest city areas and rural areas, the poorest areas of the Nation will suffer greatly.

As our economic development effort continues, we have a great opportunity in our premier mega site, Franklin Farm. The state has invested over \$10,000,000 to bring this 1440 acre site located in the center of the Northern Renewal Community to be one of the top sites in the Nation. If we are to permanently cure poverty in Northeast Louisiana, this effort will be key as the state is marketing to large job creation of over 1,000 and hopefully up to 6,000 jobs in this one effort. But the competition for large projects is intense and global. Our state is committed to provide incentives to inspire choosing Louisiana. Renewal Community incentives would be singularly effective as an incentive not widely available and would set us apart in this quest.

We are committed to changing our area's poverty forever for the better. Because of this commitment, our state and our communities are drawing together to improve our communities and our economic development efforts. We are fortunate that our state had set aside reserves to take care of Union Parish and that the strong efforts it is making have been effective.

But like other states, we are facing deep deficits and the ability to continue aggressive efforts will be impacted. Louisiana will not likely be able to commit to the job opportunity/retention fund boldly, as in the past. As a state, we are facing loss of jobs and services.

We are grateful for the dedication and commitment of Senator Landrieu to the betterment and advancement of Louisiana. These stalwart efforts have made a difference. The citizens of our Region are indebted.