



Office *of the* Governor
JOHN BEL EDWARDS

CHALLENGES MET. PROGRESS DELIVERED.

Louisiana Economic Development, 2016–2023

Contents

- 01 Introduction 4
- 02 Progress Delivered 6
- 03 Challenges Met 14
- 04 Leaving Louisiana Better 16
- 05 Stories of our Success 20
- 06 By the Numbers 22



01

Introduction

Message from LED Secretary Don Pierson

Despite historic challenges presented by a global pandemic and back-to-back catastrophic hurricane seasons, we have grown and diversified Louisiana's economy under the leadership of Gov. John Bel Edwards, positioning the state for sustained long-term growth.

Legacy sectors that have traditionally fueled Louisiana's economy – energy, agribusiness and manufacturing – are expanding and transforming in response to the global shift toward sustainability. They are now complemented by increasingly robust technology, aerospace and aviation, life sciences and water management sectors.

Even as we intensified our efforts to attract major projects bringing hundreds of millions and in some cases billions of dollars of capital investment to our state, we strengthened our commitment to small businesses, the community-focused backbone of Louisiana's economy, adding several new nationally recognized programs – including special programs for women, minority and veteran business owners. After eight years, we leave Louisiana on a solid footing for a prosperous future.

Since 2016, the state has participated in more than 250 major economic development projects representing more than \$90 billion of new capital investment in Louisiana. Those projects account for more than 80,000 potential new jobs. Manufacturing jobs in our state – the "gold standard" indicator of economic health, due to their positive ripple effect on the overall economy – ended 2022 at their highest level in seven years. Prior to 2022, Louisiana had never had consecutive years of investment above \$20 billion; before the fourth quarter began in 2023, we had surpassed that mark for a third year in a row. Over that same period, fueled in part by steadily increasing private investment and job creation, the state enjoyed record low unemployment rates.

Gov. Edwards reformed the Industrial Tax Exemption Program (ITEP) into a jobs program that gives local officials a say over whether their property tax dollars are exempted. These reforms have resulted in more than \$700 million additional dollars going to local governments to fund roads, schools and law enforcement.

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Louisiana's "all of the above" energy strategy has leveraged the 2022 passage of the first Climate Action Plan in the South to drive new energy investment, while continuing to support companies meeting worldwide demand for oil and gas. Many of the state's advantages that have long made it an ideal fit for the oil and gas industry are now leading to investments in solar and wind power, carbon capture and sequestration, and alternative fuels. As a result, Louisiana is positioned as a global leader in the energy transition and a major international player in the booming LNG market.

Our commitment to growing Louisiana's economy includes strategic investments in workforce development. Our LED FastStart workforce training program has become a vital partner with higher education in maintaining the skilled worker pipeline for manufacturing, technology and aerospace careers. At NASA's Michoud Assembly Facility in New

Orleans, the Space Launch System rockets for the Artemis moon missions are being developed with the support of workers trained at a Nunez Community College aerospace training program developed in partnership with Boeing.

It is just one high-profile example of the level of collaboration, sophistication and long-term support that LED provides to partner companies and higher education institutions to the benefit of an economy that has found strength – and growth – in diversity.



Progress Delivered

FY 2016-2017

Industrial Tax Exemption Program (ITEP)

For the first time in program history, local governmental entities were given authority over possible tax exemptions for their jurisdictions. They also were granted 20% of anticipated tax revenue in the first year of a new five-year exemption contract, with renewal for an additional five years optional. The governor's executive orders issued on the Industrial Tax Exemption Program reformed the project's approval process by requiring local governmental entities' approval prior to a contract being entered into for the ITE program and requiring a jobs retention or jobs creation and payroll component of the ITE project.

In addition, miscellaneous capital investment projects were deemed ineligible, and abatement was reduced from 100% to a maximum of 80% for a maximum term of five years with a potential five-year renewal, with a community impact analysis required. As a result, an additional \$700 million in property taxes has been earmarked to date for local governments, to be spent on schools, law enforcement and road improvements.

Quality Jobs

Reforms were made to the incentive programs to promote higher paying jobs in the state, while reducing the program's fiscal impact to the state. QJ enhancements increased the minimum wage rates and payroll benefit levels to a minimum of \$18 an hour in order to receive a 4% payroll rebate, and a minimum of \$21.66 an hour in order to receive a 6% payroll rebate.

In addition, companies are required to offer health care that at a minimum meets federally mandated health care requirements (ACA compliant). Five net new jobs were required for companies with 50 or fewer employees, 15 net new jobs for companies with more than 50 employees. Each year, the Quality Jobs program produces an economic impact of \$78 million to \$105 million in new state tax revenue.

Motion Picture Production Program

Refining a popular but ballooning program, Gov. Edwards signed into law a comprehensive reform package to provide greater state fiscal predictability, sustainability of the industry and an improved program return on investment by capping annual tax credit redemptions. In 2022, participating motion picture production companies were responsible for \$488.4 million in certified Louisiana spending and \$189.5 million in certified Louisiana resident payroll.

State Trade Expansion Program (STEP)

Established by the Trade Facilitation and Trade Enforcement Act of 2015 (HR 644), Louisiana's STEP program is an inter-agency partnership to help small businesses enhance their export readiness and expand exports to new markets. The program offers a 90% reimbursement rate on eligible expenses, with a maximum benefit per company of \$7,500-\$10,000. Since its launch in 2016, Louisiana/LED has dispersed \$1.15 million to small businesses to enhance their export readiness.

FY 2017-2018

Louisiana Veteran Entrepreneurship Program

Established the Louisiana Veteran Entrepreneurship Program to support business opportunities for Louisiana veterans as they leave active duty by providing an intensive entrepreneurship boot camp at the outset and ongoing counseling from small business partners.

Open Investment Policy

Signed an Open Investment Policy welcoming foreign-owned company project and equity investments in Louisiana. The policy statement acknowledged the importance of international investment and sent a clear signal to international firms that Louisiana welcomes their job-creating investment.

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Under Gov. John Bel Edwards' leadership, this administration implemented a comprehensive plan to improve the effectiveness of many of its statutory business incentive programs.

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FY 2018-2019

Louisiana Veterans First Business Initiative Database

Built the Louisiana Veterans First Business Initiative searchable online database in partnership with the Louisiana Department of Veterans Affairs, allowing Louisiana-based veteran-owned businesses to become certified and receive recognition as a veteran-owned business. In 2023, the program reached a milestone with the certification of its 1,000th participating veteran-owned business.

FY 2019-2020

Resilient Louisiana Commission

Announced the creation of the Resilient Louisiana Commission, which Gov. Edwards directed to examine Louisiana's economy amid the COVID-19 pandemic and make recommendations for more resilient business-related activities and commerce in the coming months. The 18-member panel included a task force structure dedicated to strengthening specific sectors of Louisiana's economy. Task forces focused on for such critical sectors as energy and manufacturing; health care, including improved delivery of medical care, health equity and enhanced facilities; tourism, including hotels, gaming and related hospitality entities; rural development; education and workforce, with attention given to the training needs of displaced workers; and economic and community development, including strategies for making regions and communities more resilient in the face of future health care threats and other risks.

Louisiana Loan Portfolio Guaranty Program

Announced a new Louisiana Loan Portfolio Guaranty Program, to offer loans of up to \$100,000 to Louisiana small businesses of fewer than 100 employees that were impacted by the COVID-19 crisis. The program was a partnership of LED, which provided a loan guaranty fund; the Louisiana Bankers Association, whose membership provided the loans; and the Louisiana Public Facilities Authority, which administered the program.

E-Commerce Initiative for Louisiana's Small Businesses

Launched an e-commerce initiative to empower the online performance of Louisiana's small businesses. LAsmallBizOnline.gov – with support from Shopify, a leading global commerce company – was created to make Louisiana firms more competitive during and beyond the COVID-19 pandemic.

Announced Cyber Center Partnerships

Announced Cyber Center public/private/academic partnerships in Shreveport and Baton Rouge, expanding the education and employment opportunities for cyber professionals as well as the integration of technologies for Louisiana businesses.

LouisianaOpportunityZones.com

Launched an Opportunity Zones web portal, LouisianaOpportunityZones.com, to connect investors with Louisiana properties eligible for the federal Opportunity Zone program. The site helps spotlight 150 census tracts nominated by Gov. Edwards and certified by the secretary of the U.S. Treasury.

Coastal Technical Assistance Center

Established the Coastal Technical Assistance Center based at Nicholls State University to help Louisiana businesses compete for the billions of dollars that will be available for coastal management work. The center helps Louisiana firms qualify for work as contractors, subcontractors and suppliers in Louisiana's growing water management sector.

FY 2020-2021

Rural Development Program and Fund

Established the Rural Development Program and Fund, with "rural development and revitalization" expanded to include broadband connectivity and water quality and treatment. A regional program director was hired for each of the eight regional planning districts of the state.

Released the Resilient Louisiana Commission's Long-Term Recommendations

Released the Resilient Louisiana Commission's long-term recommendations based on input from over 300 citizens serving on the commission and its 15 task forces. The recommendations included ways to bring greater technology access, better health care delivery, paths for fiscal reform and infrastructure investment to bring more equitable prosperity to all Louisiana residents.

PAVE, the Pathway to Assist Veteran Entrepreneurs

Launched PAVE, the Pathway to Assist Veteran Entrepreneurs, to hone the entrepreneurial skills of veterans planning to start businesses in the state. The program is a partnership of LED, the Department of Veterans Affairs, the Louisiana National Guard and the Louisiana Small Business Development Center Network. It includes Entrepreneurship Boot Camps for Louisiana veterans, active-duty personnel and reservists wanting to start a business.

Entertainment Development Fund

Launched the state's new Entertainment Development Fund with a \$220,372 award to two organizations providing workforce training for entertainment industry jobs – the New Orleans Video Access Center and Local 478 of IATSE, the International Alliance of Theatrical Stage Employees.

SmartPort Initiative

Announced a new SmartPort Initiative, a \$3 million public/private partnership to enhance Louisiana's Mississippi River ports with next-generation maritime technology. The initiative is designed to streamline operations and improve safety through real-time data shared by port administrators, tenants, shippers, and warehouse, cargo and ground transportation providers.



FY 2021-2022

Increase in Support for Innovative Private Sector Research and Development Activities by Louisiana Businesses

Support for innovative private sector research and development activities by Louisiana businesses increased during Gov. Edwards' term, as LED began administering \$1.75 million in funding from the U.S. Small Business Administration through the Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs. The governor also signed legislation that established the Louisiana Innovation Retention Grant (IRG) program, which encourages research-focused start-ups to keep their businesses rooted in Louisiana by making supplementary state funding available to recipients of federal SBIR/STTR grants.

LA Competes Regional Economic Development Program

Enacted the LA Competes Regional Economic Development Program to provide the framework for state investments in site development for properties intended for industrial development. This program was funded with an initial \$8 million divided evenly among the eight economic development regions across the state.

FY 2022-2023

State Small Business Credit Initiative

Launched the State Small Business Credit Initiative, making up to \$113 million of federal support available to small business owners via private equity funds and financial institutions around the state. Louisiana Economic Development created a dedicated website to help entrepreneurs and providers take full advantage of the program, which is funded and regulated by the U.S. Treasury and administered by states in collaboration with private lenders and investors.

New Louisiana Entertainment Website

Launched a new Louisiana Entertainment website to market the industry and simplify the applications and incentives process. The site, which also provides interactive maps about locations, talent, film stages, recording studios and other essential production resources, was recognized in September as the nation's best new economic development digital platform by the International Economic Development Council.

Louisiana Business Hub

Launched Louisiana Business Hub, a new digital platform that connects entrepreneurs and small business owners with resources to help them start and grow their companies. The platform provides a searchable database of resource providers around the state, organized by the eight economic regions, and a statewide events calendar containing information about conferences, webinars and other events of interest to entrepreneurs.

Support for Small Businesses

Starting in 2016, at Gov. Edwards' direction, LED's Small Business Services team executed an ambitious campaign to enhance existing small business programs, relaunch dormant programs and establish new ones, particularly those in economically disadvantaged and underserved communities. It also increased support of statewide small business service providers and support allies, including Louisiana's Small Business Development Centers, the Women's Business Enterprise Center, the Southern Region Minority Supplier Development Council and many others.

Existing small business programs expanded since 2016

The Small and Emerging Business Development Program provides managerial and technical training and one-on-one assistance to help small businesses sustain and grow through a network of 17 small business support partners across the state. Since 2016, SEBD Intermediaries across the state have provided training and individual assistance to 3,948 businesses through the program on topics ranging from digital marketing to human resources financial management. More than 500 companies have benefitted from SEBD Roundtables launched in 2016.

The Hudson Initiative, a certification program designed to provide Louisiana small businesses with greater access to state procurement and public contract opportunities, and the Veteran Initiative, which does the same for veteran-owned Louisiana small businesses. The expansion of the Hudson and Veteran Initiatives combine the components of small business certifications, procurement goals, coordination amongst multiple state agencies as well as purchasing reps, and increased opportunities for Louisiana small and veteran owned businesses. State expenditures with Hudson and Veteran certified companies reached \$107 million in 2022, the highest dollar amount since inception of the programs.

The Strategic Research Program (System for Integrated Growth) provides qualified small businesses with the information they need to grow and succeed. Through accelerated technical assistance and customized research, the System for Integrated Growth program addresses issues that impact business growth, whether they are internal problems or outside the walls of the company.

CEO Roundtables, bringing together key decision makers from second-stage companies 10 times over the course of the year for peer-to-peer learning and support. In 2022, the 66 graduating companies, in aggregate, reported having added 292 full-time-equivalent employees over the yearlong program and also increasing revenues by about \$83 million. This equates to a return on investment of \$8.84 for every \$1 invested by the state. In 2023, another 53 companies will graduate from the CEO Roundtable program.

Inactive small business programs relaunched since 2016

The Bonding Assistance Program aids minority-owned, woman-owned, veteran-owned and other small businesses with increased opportunity in the construction industry by issuing bond guarantees for bid, payment and performance bonds so that small business are able to establish and increase their bonding capacity. Since re-establishment of the program in 2016, LED has provided bond guarantees supporting projects cumulatively representing over \$30 million in contracts.

The Louisiana Contractors Accreditation Institute, offering seminars and courses to small and emerging construction businesses that assist in building a solid foundation of knowledge within the construction industry. These seminars are designed to help minority-owned, woman-owned, veteran-owned and other small and emerging construction businesses to opportunities in Louisiana's growing construction industry. This program was re-established through partnerships with the Louisiana Community and Technical College System and the Louisiana State Licensing Board for Contractors and has produced more than 1,500 graduates since 2016.

The Mentor-Protégé Recognition Program, connects Louisiana-based small and emerging businesses to technical and developmental assistance provided by large mentor companies from various sectors.

New small business programs established since 2016

The Louisiana Veterans First Business Initiative, to promote businesses owned by veterans, active-duty or reserve military and Gold Star spouses. The Governor's Office and LED collaborated with the Louisiana Department of Veterans Affairs to create the program, which was part of Gov. Edwards' 2019 legislative package. It maintains a searchable database that connects participating companies with customers who want to show appreciation for military service by patronizing veteran-owned businesses. The program certified its 1,000th participating veteran-owned business in March 2023.

Pathway to Assist Veteran Entrepreneurs (PAVE), launched with LSBDC, LDVA and Louisiana National Guard to offer Louisiana veterans the opportunity to gain knowledge and skills that are necessary to effectively start or manage a business. The program consists of on-demand online training, a virtual entrepreneurship boot camp, and access to ongoing business programs and resources. Since the initial boot camp in 2021, 84 veterans have completed the PAVE program.

Louisiana Business Hub (LouisianaBizHub.com), a collaborative initiative between Louisiana Economic Development (LED) and local entrepreneur support organizations coordinated in eight regions across the state. By utilizing the resource navigator and calendar, entrepreneurs can easily find applicable resources all across the state. The platform also fosters a more collaborative entrepreneurial ecosystem for resource providers.

The Louisiana Alliance for Economic Inclusion (previously the Diversity Committee on Small Business), launched in response to Gov. Edwards' and Secretary Pierson's request to increase diversity and inclusion efforts to grow and expand Louisiana small businesses. LED provides support to the Louisiana Alliance for Economic Inclusion, which is made of the Asian Chamber of Commerce, Hispanic Chamber of Commerce of Louisiana, Louisiana Chamber of Commerce Foundation, National Association of Women Business Owners, Southern Region Minority Supplier Development Council, Strategic Action Council, Urban League of Louisiana, Vietnamese Initiatives in Economic Training and the Women's Business and Enterprise Council. Together, they work to create greater opportunity for disadvantaged businesses, minority and woman-owned businesses, veteran-owned businesses and the other small businesses of Louisiana.

LED Growth Network, focusing on support for second-stage growth companies through the existing programs of Strategic Research and CEO Roundtables as well as an additional suite of resources designed to continue accelerating business growth. The network currently consists of 645 companies that employ more than 21,700 workers and generate over \$4 billion in annual sales.

American Academy of Entrepreneurs, a unique mentoring program delivered in partnership with the Edward Lowe Foundation that pairs seasoned second-stage entrepreneurs with business owners who have entered second-stage more recently. Since inception, 44 Louisiana companies have been inducted into the academy.

Diversity in Entrepreneurship Initiative and **Rural Entrepreneurship Initiative**, delivered virtually in partnership with the Edward Lowe Foundation. These programs are designed to provide accelerated business growth for second-stage minority and woman-owned companies as well as those located in rural areas.

Recognition

LED's across-the-board professionalism, commitment and technical expertise resulted in the department's recognition as an Accredited Economic Development Organization in 2018. LED joined 69 economic development groups worldwide to achieve this recognition from the International Economic Development Council. Its accreditation was renewed in 2021 after a yearlong documentation process, reaffirming its status as the only state agency in the U.S. to earn the honor.

LED Secretary Don Pierson was appointed to consecutive terms on the U.S. Department of Commerce's Investment Advisory Council by President Trump and President Biden. Secretary Pierson also received the Innovation Leadership Award from the federal government's Small Business Innovation Research program in 2022, and the Eugene J. Schreiber Award from the World Trade Center in 2018 for leadership in promoting international trade policy for the benefit of the State of Louisiana.

Challenges Met

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Despite the COVID-19 pandemic and an unprecedented spate of natural disasters that demanded his on-the-ground leadership in his home state, Gov. Edwards served as an active ambassador for Louisiana to the international business community. The governor led multiple international trade missions that laid the groundwork for significant investments in Louisiana across an array of economic sectors.

From Cuba to Japan and South Korea and from Israel to the Netherlands, France and the U.K., Louisiana Economic Development Secretary Don Pierson and members of LED's Office of International Commerce joined the governor in promoting Louisiana's unique business strengths and opportunities to international companies seeking to enter or expand in the U.S. market. The economic development missions led to or reinforced investments such as the Port of New Orleans' new container terminal project, clean energy investments by Drax and Shell, chemical manufacturing by Lotte Chemical and a cybersecurity partnership with Israel-based Check Point Software Technologies.

Trade missions were among the many opportunities in recent years for the governor and LED to tout Louisiana's position as a supply chain solution in the shifting global economy.

The COVID-19 pandemic was the most dramatic precipitating factor in the worldwide business disruption. Workforce shortages, manufacturing slowdowns and transportation bottlenecks became all-too-common issues on a global scale during the pandemic and in its aftermath – and Louisiana stood ready with proven solutions. The state's unique logistics assets are second-to-none, from pipelines to deep-water ports to rail connections, airports and Interstate highways, and that advantage has been heightened by the pending development of a \$1.8 billion container terminal on the Lower Mississippi River announced in 2022. At the same time, LED offers a winning hand of effective business incentives to qualifying industries and businesses across Louisiana's increasingly diverse economy, from manufacturers to life sciences research firms to digital media and software developers.

A key advantage amid the widespread need for qualified workers across all sectors has been LED FastStart, long the leading state workforce training program in the U.S. As innovative and result-driven as ever, LED FastStart rose to the occasion during the pandemic, finding the right skilled workers and providing customized training to meet Louisiana companies' needs amid unexpectedly turbulent market challenges.

Until March 2020, LED FastStart maintained Louisiana Job Connection, a custom-built website designed to match Louisiana employers with qualified job seekers. Over time, client demand necessitated a more significant approach to recruitment support. This resulted in a recruitment section being added to LED FastStart and replacing Louisiana Job Connection with a more modern recruitment platform that was easier and more efficient to work with. LED FastStart Recruiting (LEDFastStart.com) was launched in February 2021, featuring an ahead-of-its-time AI-driven recruitment platform available exclusively to companies with LED FastStart projects. In the first two years after its launch, LED FastStart Recruiting posted more than 14,300 jobs and connected with more than 232,000 active and passive job seekers, generating about 24,000 applications.

Virtual job fairs were on LED FastStart's radar pre-COVID, but quarantine life expedited the exploration and pilot of a virtual job fair program for clients. The first virtual job fair was held in October 2020 and featured six companies and 53 job seekers. Since then, more than 30 virtual career events have been held and continue monthly. More than 2,800 job seekers have participated. During virtual job fairs, job seekers browse virtual booths that feature open jobs and informational videos about participating companies. They can share their resume and chat one-on-one with employer representatives through text or video.

Post-COVID, the demand for virtual recruiting events remains strong. Meanwhile, in-person events continue to be a staple of LED FastStart recruitment services and have been on the rise in 2023. Since June 2020, FastStart has hosted or supported 19 in-person hiring events for clients with active projects, connecting them with more than 1,200 potential candidates.

Customized training has always been a powerful differentiator of LED FastStart's workforce development offerings.

Over the past eight years, new delivery methods have been added to the FastStart tool chest:

Augmented and Virtual Reality

While often requested, augmented reality/virtual reality (AR/VR) training was unavailable to LED FastStart due to the high cost of the equipment, the specialized knowledge needed to produce, and the unwillingness of project clients to purchase their own equipment to continue to utilize the training. Recent years have seen the price of the equipment reduced to practical levels and the software to produce these modules has become much more user friendly. LED FastStart became one of the first states in the country to successfully employ VR training in 2022 in conjunction with an ExxonMobil expansion project. It has since begun developing AR training modules for other manufacturing project clients. Feedback on the modules has been highly positive. The International Economic Development Council recognized the state's use of AR in customized workforce training with a Silver Medal for Digital Media innovation at its 2023 awards in Dallas.

Webinars/Remote Training

The COVID pandemic created an immediate need for remote training. This was a delivery method already available to our client companies, but was seldom utilized by them. The quarantine and social distancing requirements of the pandemic quickly brought this delivery method to the forefront. LED FastStart rapidly set up a permanent "remote classroom" from which to broadcast remote training. At the height of the pandemic, LED FastStart provided remotely delivered training multiple times per week. Following the pandemic, many client companies continue to include remote training as a convenient option.

Learning Management System

The pandemic also raised the need for remote-delivered, self-paced training. LED FastStart obtained a proprietary Learning Management Systems (LMS) software which allowed us to provide Computer Based Training (CBT) to client companies. Again, following the pandemic, many of our client companies are choosing this option for convenience and flexibility.

2016 Floods

- Collaborated with the U.S. Small Business Administration and the Louisiana Small Business Development Center network to identify locations for business recovery centers that housed technical assistance service providers, SBA loan analysts and SBDC counselors. We opened Business Recovery Centers throughout the state, and supported the efforts of the Louisiana Business Emergency Operations Center (LaBEOC).
- Provided heavy industry and small business damage assessments by parish to the Governor's Office and GOHSEP for use in developing justification for disaster declaration requests.
- Connected with 456 companies (from five of Louisiana's eight regions) who reported on impacts to their business operations.

Hurricanes of 2020 and 2021

- Collaborated with the U.S. Small Business Administration and the Louisiana Small Business Development Center Network to inform the business community on available resources. COVID-19 restrictions made our task challenging; most traditional face-to-face service delivery shifted to online activity.
- Reached out to economic driver companies to gauge their need for assistance after each of the major hurricane impacts in Louisiana, as follows:

Hurricane Laura – 719 companies in five of the state's eight economic regions surveyed.

Hurricane Delta – 1,142 companies throughout the state surveyed.

Hurricane Zeta – 340 companies in 13 impacted parishes surveyed.

Hurricane Ida – 661 companies in four impacted regions surveyed.

COVID-19 Pandemic

- Stood up a statewide business assistance helpline for small businesses and individuals. The service was staffed by LED personnel to provide up-to-date information on a broad range of topics via phone, email and web chat. Team members fielded inquiries on a variety of topics, including the CARES Act, the Paycheck Protection Program, the Economic Injury Disaster Loan program, unemployment issues, business closing and reopening protocols, and essential vs. non-essential workers. LED responded to more than 1,800 phone calls and close to 400 emails until the service was discontinued at the end of 2021.
- Conducted multiple rounds of outreach to economic driver companies around the state to gauge impact on business operations and facilitate needs for assistance or other resources. A total of 503 companies responded to the first survey in mid-March 2020, and 316 responded to a follow-up survey at the end of May 2020.
- **COVID-19 Recovery Program:** In November of 2020, Louisiana/LED received an award of \$2.4 million to spur business recovery throughout Louisiana in response to the COVID-19 public health emergency. Through the CARES Act funding, LED worked with local and regional partners in a recovery-focused effort to retain and create additional Louisiana jobs. In addition, the funding provided training and re-training of Louisiana workforce for high demand occupations, and ignited business attraction projects through industry diversification strategies and through improving local, regional, and state competitiveness. LED has worked with 25 small business service providers in this endeavor and distributed more than \$1.4 million.

The COVID pandemic impacted the film industry globally. Beginning in March 2020, production ceased everywhere for at least six to nine months. During the pandemic pause, LED's Office of Entertainment Industry Development remained in contact with those productions that were already underway in Louisiana to monitor and provide any assistance we could at that time. In time, the industry came together with leading medical professionals to establish a set of procedures that would ensure a safe return to work.

It was in August of 2020 that the first major film project, a scripted TV series, successfully returned to production in Louisiana. The safety protocols that the industry adopted were exemplary; when our entertainment team shared them with officials from the Louisiana Department of Health and Hospitals, they indicated they might use some of the provisions when working with other industries.

With people everywhere staying home more, both during and after formal lockdowns and quarantines, the demand for new content rose exponentially for basic television programming and streaming services alike. Since Louisiana already had in place a strong, reliable incentive program, a deep, skilled crew base and state-of-the-art infrastructure, our state was poised to handle the increase in production. This led to record-breaking years for film production in Louisiana in 2021 and 2022.

Leaving Louisiana Better Than We Found It

Port Expansion

In December 2022, Gov. Edwards announced a historic public/private partnership among the state, the Port of New Orleans and two international maritime industry leaders to develop a \$1.8 billion container facility on the Mississippi River. The Louisiana International Terminal in St. Bernard Parish will be built to accommodate ocean-going vessels of all sizes, bolstering Louisiana's import and export capacity for years to come. Port NOLA estimates the project will create more than 17,000 new jobs statewide by 2050. The governor and port officials met in Paris in August 2022 with officials of Switzerland-based Terminal Investment Ltd. (TIL), one of the world's leading container terminal developers, to advance discussions of the landmark project. TIL and New Jersey-based Ports America, one of North America's largest marine terminal operators, have committed \$800 million toward the project. After the Legislature cut \$4 million for preliminary design work in late-session political maneuvering in June 2023, the governor secured funding from other sources to undo those cuts and keep the project on track. Gov. Edwards said the public/private port terminal partnership "has the potential to become one of the most impactful economic development projects in our state's history."

Workforce Development Hub

As 2023 drew to a close, work was set to begin on the LED FastStart Innovation Center, which will convert the former Capitol Park Welcome Center into an innovative workforce development hub for the state. The \$5 million project will equip the 12,000-square-foot facility with augmented reality and virtual reality stations, production suites and other features for the creation of customized training assets for Louisiana companies. LED FastStart has been ranked the No. 1 state customized training program in the U.S. for 13 of the last 14 years, setting the standard for excellence in workforce development with the most advanced digital tools and sophisticated training regimens.

State Small Business Credit Initiative

The American Rescue Plan Act of 2021 reauthorized and expanded the State Small Business Credit Initiative (SSBCI), which provides federal resources to state programs that support private sector loans and investments to creditworthy small businesses that are unable to access the capital they need to expand and create jobs. This program puts up to \$113 million of federal funding into capital programs for small businesses and entrepreneurs most in need of support in our state especially in traditionally underserved communities as they emerge from the pandemic. Gov. Edwards designated LED to administer the program. LED is working with participating equity funds and financial institutions to disburse SSBCI funds via Louisiana's five small business support programs:

Venture Capital (LVCP) and Seed Capital (LSCP)

which provide equity support for small businesses by investing as a limited partner to create and grow start-up businesses.

Micro Lending (MLP), which establishes a revolving loan fund with qualifying lenders to assist very small businesses with start-up or expansion financing needs.

Collateral Support (CSP) and Small Business Loan Guaranty (SBLGP)

programs, which establish pledged collateral accounts where a shortfall may exist, or provide a state guarantee to reduce risk for business development or expansion financing.





Investing in our National Defense

Louisiana under Gov. Edwards undertook extensive efforts to strengthen the foundation of America's military installations in Louisiana, which contribute \$9.6 billion in annual economic impact, supporting 77,000 direct and indirect jobs. Among the most impactful:

- **Fort Johnson – DCIP Grant:** LED secured a \$7.5 million Defense Community Infrastructure Program (DCIP) grant to develop technology-enhanced learning centers at five Vernon Parish schools that serve thousands of families supported by the Army's Fort Johnson (which was known as Fort Polk until a formal name-changing ceremony in 2023). In partnership with the Vernon Parish School Board, the grant addresses military family quality of life, boosts the educational environment at Fort Johnson and enhances resiliency and military value. This initiative demonstrates exceptional cooperation at the state and local level in support of education solutions that value and contribute to identity, participation and confidence throughout the community.
- **Barksdale Air Force Base (MILCON Funding):** The council and LED continued advocacy for the recapitalization of the Weapons Storage Facility and support in securing necessary funding through military construction projects (\$40 million in FY22, \$125 million in FY23 and \$112 million in FY24). The project remains a critical priority for BAFB, which will result in additional personnel and military construction projects.

Clean Hydrogen Cluster

Louisiana is on its way to creating an offshore wind-powered hydrogen energy industry cluster after Gov. Edwards and LED provided critical support to secure a \$50 million federal grant. The U.S. Economic Development Administration's Build Back Better Challenge awarded the transformative investment in 2022 to the Louisiana project known as H2theFuture. Aligned with Louisiana's Climate Action Plan, H2theFuture will create a new clean energy business model in Louisiana based on:

- Workforce training to upskill displaced oil and gas workers, rural residents and minorities.
- Business development to attract new and existing local and regional energy companies into the hydrogen value chain.
- Higher education-based "testbeds" to conduct research of low-carbon hydrogen technologies.
- Public-private partnerships to encourage green hydrogen investments at commercial scale.
- An organizational and governance planning hub for green hydrogen, based at the University of New Orleans.

Developed by Greater New Orleans, Inc., and a broad coalition of business, government and higher education stakeholders – and supplemented by \$24.5 million in matching funds from the state – the initiative launched with a total investment of \$74.5 million.



Stories of Our Success

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Numbers can tell a story about LED's commitment to growing Louisiana's economy – capital investment, business launches, industrial expansions, new jobs created, existing jobs retained. But another insightful measure of LED's value to the state is the success of companies that partner with LED to develop innovative practices, grow their businesses while diversifying the Louisiana economy, and become vital contributors to the wellbeing of their communities. Two such examples of this economic symbiosis are Obatala Sciences, in the life sciences sector in New Orleans, and Westfield Fluid Controls, an advanced manufacturing company in Lafayette.

Named for the West African god that sculpts the human form, Obatala Sciences makes tissue engineering models from the building blocks of life: cells. Obatala uses proprietary organ-on-a-chip technologies to aid studies of diabetes, obesity, cancer and orthopedic disorders. Harvard University selected Obatala to commercialize fat-on-a-chip models, spreading technology for researchers' use in drug discovery and research.

Dr. Trivia Frazier, president and CEO of Obatala Sciences, cofounded the company with Dr. Xiyang Wu and Dr. Jeffery Gimble, Frazier's postdoctoral adviser, after the National Science Foundation awarded the team a grant to commercialize their "fat-on-a-chip" technology in 2017.

The team set up shop in the New Orleans BiInnovation Center (NOBIC) and began its groundbreaking work on tissue engineering, stem cell research and preclinical therapeutic evaluations. Now housed on the University of New Orleans campus, Obatala is advancing research in the fields of obesity, diabetes and regenerative medicine as its technology provides a method of obtaining adult-size fat tissue cells for in vitro studies.

Obatala is the first life sciences firm in New Orleans that is run by a Black woman, and it made history as the first minority female-owned firm to raise over \$1 million in institutional funds to grow a biotechnology enterprise in Louisiana. The importance of partnerships like those from Harvard and funding from around the country aren't lost on Frazier.

"It's significant because it demonstrates that tissue engineering is being considered as a growing biotechnology field here in Louisiana," she said. "We also have a number of local partners supporting us, including Louisiana Economic Development and the New Orleans Business Alliance, that are promoting a more diversified economy."

As a New Orleans native who has become an accomplished researcher and entrepreneur, Frazier is a role model for Louisiana's next generation of STEM researchers and professionals.

"The success of Obatala is very important to me," she said. "But Obatala's success goes hand-in-hand with the success of the biotech ecosystem here in New Orleans and Louisiana."

In Lafayette, Westfield Fluid Controls opened its new 30,000-square-foot headquarters and manufacturing facility in May 2023. With a \$5.1 million investment, the California-based manufacturer is creating 67 new direct jobs to produce precision components for aerospace and defense applications.

As LED Deputy Secretary Brad Lambert noted at the company's grand opening event, "Today's opening is part of a much larger and very exciting economics story that continues to unfold in our great state. It's a story about job creation and new capital investment, but it's also a story about diversification, and we've talked about how important it is to diversify Louisiana's economy."

It's significant for Lafayette and the Acadiana Region, where sectors including health care and tech have increased in recent years as jobs in oil and gas have waned. For Westfield Fluid Controls, the opportunity to grow Lafayette's advanced manufacturing base was realized with a strong assist from LED FastStart, the nation's top-rated state workforce development program for the past 13 years.

"In evaluating where we wanted to land as a company, the key is making sure we had skill sets to accomplish the very precise manufacturing that we do," Westfield CEO Robert Schacht said. "So the most important thing that I was looking for with LED FastStart was closing the skills gap to ensure that the local base could support the manufacturing requirements that we had."

"The LED FastStart team came to my facility in Los Angeles, videotaped the work that we were doing, saw the work instructions, broke down the individual operations and really fully understood what it is we were trying to do, so that we could translate that into a training program here that would be effective. The second value was getting the company internally to examine its processes. Knowing that it was going to have to be transferred to another location to initiate an effective startup, it forced us to reevaluate what we're doing, why we're doing it, how we can make the training more effective. And so that collaboration had a benefit, both in the existing company and all future operations."

FastStart excels at customizing its services for individual clients. Westfield saw the value of that approach right away.

"We have a legacy business that started in a job shop mentality that's transferring to scalable production," Schacht said. And so, part of this transition to Louisiana was to produce a new culture based on some of the positives that we have, eliminate the negatives and introduce new concepts that could become scalable and advantageous to everybody. FastStart was great at integrating both of those pieces to make sure that was accomplished.

"There is no consult that I've ever worked with as effective, as professional, as responsive as LED FastStart."



BY THE NUMBERS

06

Since taking office in 2016, Gov. Edwards has announced

250+
ECONOMIC
DEVELOPMENT
PROJECTS

\$100B+
NEW CAPITAL
INVESTMENT
IN LOUISIANA.

Capital investments from major national and international corporations have risen annually since 2017:

- 2017:** \$4.6 billion
- 2018:** \$6.7 billion
- 2019:** \$8.5 billion
- 2020:** 12.7 billion
- 2021:** \$20.5 billion
- 2022:** \$20.7 billion
- 2023** (Jan-Aug. 15): \$20.9 billion

Economic development projects announced in Louisiana since 2016 will result in the creation of more than **80,000 direct and indirect new jobs**.

LED more than doubled the inventory of Certified Sites statewide since 2016, expanding from 60 to 137. The LED Certified Sites program qualifies industrial sites based on zoning restrictions, title work, environmental studies, soil analysis and surveys. These sites are 180-day development ready and have substantial due diligence studies performed to receive certification.

LED has added 24 Louisiana Development Ready Communities since 2016, bringing the total to 56. Prior to 2017, only municipalities participated; since then, seven parishes have been certified in the program. The Louisiana Development Ready Communities program helps participants become more competitive for new investment and jobs by guiding selected communities through the process of creating and implementing a strategic economic development plan.

Certified Louisiana spending by participants in the Motion Picture Production Tax Credit program:

- 2016:** \$893.0 million
- 2017:** \$108.1 million
- 2018:** \$446.8 million
- 2019:** \$538.5 million
- 2020:** \$429.6 million
- 2021:** \$290.7 million
- 2022:** \$488.4 million

Certified Louisiana Resident Payroll by participants in the Motion Picture Production Tax Credit program:

- 2016:** \$223.5 million
- 2017:** \$108.1 million
- 2018:** \$148.4 million
- 2019:** \$167.5 million
- 2020:** \$157.7 million
- 2021:** \$103.5 million
- 2022:** \$189.5 million

LED FastStart operations (2016-2023)

- New jobs:** 37,715
- Classes:** 3,787
- Trainees:** 11,524
- Training hours:** 133,975
- Current active projects:** 82
- Active projects that engaged since 2016:** 76
- Closed projects 2016-present:** 133

LED FastStart funding partnerships with higher education institutions

- Total planned funding:** \$64 million
- Total actual spending to date:** \$53 million

LED FastStart maintains a partnership with NASA, Boeing and Nunez Community College for an Aerospace Manufacturing Technology Program, providing a pipeline of talent for space program manufacturing jobs at the Michoud Assembly Facility in New Orleans. The program has created:

- 85 graduates with certificate of technical studies**
- 74 graduates with technical diplomas**
- 55 graduates with an Associate of Applied Science degree**

Social Media Followers:

- LED LinkedIn:** 21,881
- Louisiana Entertainment Twitter:** 17,200
- LED Twitter:** 7,647
- Louisiana Entertainment Facebook:** 13,252
- LED Facebook:** 7,977
- TOTAL:** 67,957



Office of the Governor
JOHN BEL EDWARDS
2016–2024