

A high-angle, vertical photograph of an offshore oil rig deck. The image is dominated by a large, white, cylindrical structure, likely a riser or wellhead, extending from the top to the bottom of the frame. To the right, a yellow metal structure, possibly a crane or hoist, is visible. A person in a blue shirt and red life vest is seen working on the deck. The background is a vast expanse of deep blue ocean with white-capped waves. The overall scene is industrial and maritime.

Comprehensive Economic Development Strategy 2012

SCPDC
South Central Planning &
Development Commission

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Organization and Management

Legal Structure of the Organization

The South Central Planning and Development Commission (SCPDC) is one of eight (8) sub-state regional planning and economic development districts within the State of Louisiana. The district was created in 1972 by resolution passed by each member parish and municipality. At that time the Commission was also established as the Economic Development District (EDD) for the region. This enables assistance to the Commission and its member governments from the Economic Development Administration (EDA) of the U.S. Department of Commerce. In 1977, the State of Louisiana formalized the eight sub-state planning districts with the passage of Act 472. SCPDC was designated under the act as Planning District 3.

Additionally, SCPDC is incorporated as a non-profit organization as provided in Louisiana Revised Statutes 12:201 et. seq., as amended. Activities must be consistent with accomplishing the purpose of a regional planning or economic development district and for charitable, educational and scientific research purposes. The Commission operates under Articles of Incorporation, Commission By-Laws, Administrative and Personnel Policies.

Brief Description of the Planning Process

The U. S. Economic Development Administration (EDA) mandates development of and provides guidance for developing a Comprehensive Economic Development Strategy (CEDS). The EDA has designed the CEDS as a vehicle for bringing together the public and private sectors to create an economic roadmap for fostering diversity to strengthen regional economies. The CEDS analysis lends itself to establishing goals and objectives for the regional economy and identifying investment priorities and possible funding sources to aid implementation. The regional CEDS is thus the product of a continuous process of strategic economic development planning and action involving both public and private participation.

In the South Central District, the CEDS process is coordinated at the regional level and usually implemented locally at the parish or municipal level. Most member parishes maintain independent economic development committees, which formulate concepts, goals and objectives specific to their communities. The South Central Planning and Development District has a regional Strategy or CEDS Committee composed of public and private representatives from member governments and communities. Yearly updates to the regional CEDS include progress in advancing goals and objectives at both the regional and local levels, as well as any noteworthy changes in the region's economy.

Each year SCPDC conducts an annual review of the CEDS with a committee of private sector and community representatives and economic development professionals in the region. The purpose of the review is to monitor progress toward goals and objectives and to update the Action Plan to respond to current conditions. In 2008, the CEDS Strategy Committee began meeting jointly with the South Central Regional Brownfields

Coalition, with the intention of encouraging redevelopment and reuse of vacant, abandoned and underutilized properties. In 2010, the combined CEDS-Brownfields committee began meeting with the Loan Advisory Committee and Loan Administration Board, which make lending decisions for SCPDC's various revolving loan funds. Combining these previously separate groups ensures a broad range of private-sector participation in a CEDS planning process that incorporates diverse interests in community-level economic development goals as part of the larger regional Action Plan. The annual review process allows those who participate to revisit regional goals and objectives and to recognize accomplishments over the past year. The process also affords regional participants an opportunity to identify constraints to and potentials for development within each parish and in the region as a whole. Collective private and public sector knowledge is applied to the updating of the regional implementation strategy. The strategy that results is approved by the Regional CEDS Committee, which is the SCPDC Board of Commissioners. The approved CEDS is then submitted to EDA.

Participants in the 2008 regional CEDS review process recommended periodic meetings to provide regular updates to the regional strategy. This has been accomplished by incorporating quarterly CEDS strategy meetings into regular Loan Advisory and Administration meetings. This has helped to broaden the base of participants in the process to ensure that the regional CEDS is a living document that reflects local experience, knowledge and aspirations and offers the flexibility necessary to meet ongoing regional needs.

Local Contact for the SCPDC CEDS:

For more information on the CEDS process or specific economic development programs contact:

Mr. Kevin Belanger, Chief Executive Officer
South Central Planning and Development Commission
P.O. Box 1870, Gray, LA 70359
985-851-2900
www.scpdc.org

Areas Included in the Economic Development Plan

The area included in the CEDS process is co-terminus with the geographic jurisdiction of the South Central Planning and Development Commission. This includes the parishes of Assumption, Lafourche, St. Charles, St. James, St. John the Baptist, and Terrebonne. Also included in the economic development planning process are the six (6) municipal members of SCPDC: Golden Meadow, Gramercy, Lockport, Lutcher, Napoleonville, and Thibodaux. The City of Houma was consolidated with Terrebonne Parish in 1983 to form a single government called the Terrebonne Parish Consolidated Government.

Terrebonne and Lafourche Parishes make up the Houma Metropolitan Statistical Area (MSA). St. Charles and St. John the Baptist Parishes are part of the New Orleans MSA. The South Central District is roughly bounded by Lake Pontchartrain on the east, the Gulf of Mexico on the south, and the Atchafalaya River to the west. The total area exceeds 4,400 square miles. Thibodaux,

located approximately 60 miles southwest of New Orleans, is the district's geographic center. The distance from Thibodaux to Baton Rouge is 68 miles and the distance to Lafayette is 103 miles.

Report Organization

The Comprehensive Economic Development Strategy is a mechanism for coordinating the efforts of those concerned with regional economic development and improving the overall quality of life within the region. The CEDS comprises four main elements:

- An Analysis of the regional economy and the external trends and forces that impact it.
- A Vision encompassed in the statement of the region's goals.
- The Action Plan developed to implement the goals.
- An Evaluation to determine the effectiveness of the Action Plan and to identify any adjustments, improvements or changes that should be made in the strategy.

Board Members and Planning Committee

In December 1991, the SCPDC's Board of Commissioners approved amendments to the Commission's by-laws that enabled the expansion of the Board from 18 to 24 seats in order to add private sector representation. Under the 24 seat system, 6 seats are filled by the Parish Presidents, 6 seats are filled by the Mayors of the municipalities, and 6 seats are filled by minority representatives selected by the parishes. The additional 6 seats are filled by private sector representatives selected by the parishes. The individual parishes oversee economic development issues either through administration, assigned staff and/or economic development committees. The Appendix contains a list of the SCPDC Board of Commissioners, as well as a list of participants in the annual CEDS update and review process.

The CEDS as Strategic Regional Infrastructure and Marketing Plan

This update to the regional CEDS continues with the broader scope initiated with the 2008 regional CEDS. The scope was expanded in response to suggestions from a number of regional development organizations that the district would benefit from a plan that both identifies critical infrastructure needs and can be used as a marketing tool to outside business and industry to help strengthen and diversify the regional economy. It is understood that while each parish and the Bayou and River parishes may have slightly different needs, those needs are closely interrelated. The CEDS as marketing tool can help define and build on common ground to foster development of the region as a whole.

Emergency Planning

In the wake of Hurricanes Gustav and Ike, the 2008 update to the CEDS also included preliminary elements that could be incorporated into pre-planning for emergency response to future disasters. This update to the CEDS continues the practice of including discussion of pre-planning for emergency response.

Economic History and Economic Development Situation

Economic History

The six parishes of the SCPDC district are part of one of the world's most productive industrial corridors, with the United States' largest concentration of capacity in oil and natural gas extraction and refining and chemical manufacturing. The regional economy continues its historic reliance on the abundant natural resources, as well as on natural and built waterways and other infrastructure, and local knowledge and skills.

Settlement of the area began in the early 18th century, with subsistence farming, fishing, hunting and trapping. The SCPDC district's long history of commercial fishing began in the mid-18th century. Family traditions in shrimping have been a way of life in many local communities and among diverse ethnic groups. Agriculture expanded in the 19th century, with large-scale cultivation and processing of sugar cane. The U.S. Department of Agriculture's Sugarcane Research Unit in Houma (Terrebonne Parish) played a pivotal role in developing new, higher-yield, disease- and pest-resistant varieties of cane, while Thibodaux (Lafourche Parish) was an important early center in developing mechanized sugar cane harvesting equipment.

The early 20th century brought commercial oil production to Louisiana, with the first commercially significant land-based well sunk near Jennings, to the west of the SCPDC district, in 1901. In 1947, the first offshore well in the Gulf of Mexico was sunk south of Morgan City, just west of the district. The SCPDC district has continued to be a pioneer in ongoing development and practical application of offshore oil exploration and production techniques used worldwide.

Current Economic Situation Key Economic Sectors

Commercial Fisheries

SCPDC's coastal parishes are part of the Gulf of Mexico fishery, which yields more shrimp, other shellfish and finfish annually than the south and mid-Atlantic, Chesapeake and New England areas combined. In 2010, Dulac in Terrebonne Parish ranked fifth among Gulf ports in landings and fourth in dollar value, with 32 million pounds landed at an estimated dockside value of \$45.1 million. Golden Meadow-Leeville in Lafourche Parish ranked ninth in both landings and dollar value, with 14 million pounds landed at an estimated dockside value of \$21.9 million. At both ports, the vast majority of landings were shrimp. The two district ports respectively ranked fourth and fifth in Louisiana by landings and second and fourth by dollar value.

Overall, in 2010 the Gulf produced 177.2 million pounds of shrimp, with an estimated dockside value of \$340 million. This accounted for about 82% of total U.S. shrimp production. Texas ranked first in shrimp production in 2010, with 77 million pounds landed. Louisiana lagged slightly, with 74.1 million pounds landed that year. This reflected challenges due to a combination of ongoing price pressures from imported pond-grown shrimp, repetitive hurricanes over the past decade and the 2010 oil spill. SCPDC's coastal parishes were near "ground zero" for the spill, so closure of areas of the Gulf to fishing directly affected local fishermen. With much of the cleanup staged out of Lafourche Parish's Port Fourchon, many local fishermen stopped fishing for the year to participate in BP's Vessels of Opportunity Program to assist with cleanup. Others signed up, but we not called to participate. Falling prices due to concerns over seafood safety affected those who continued fishing. As the challenges mounted, the numbers tell the story. Data from the Louisiana Department of Wildlife and Fisheries (LDWF) indicate gradual reduction in fisheries' participation in the SCPDC parishes. It should be noted that these figures are based on data from the LDWF Trip Ticket System. They do not include data for fishermen who bypass the docks and sell directly on the roadside, at community markets or other venues.

COMMERCIAL FISHING LICENSES 2000

| | Assumption | Lafourche | St. Charles | St. James | St. John | Terrebonne |
|-------------------------------|------------|-----------|-------------|-----------|----------|------------|
| Resident Commercial Fisherman | 474 | 1,788 | 437 | 146 | 204 | 2,479 |
| Resident Vessel | 159 | 1,642 | 397 | 85 | 197 | 2,393 |
| All Licenses | 2,555 | 10,618 | 2,690 | 908 | 1,182 | 13,144 |

COMMERCIAL FISHING LICENSES 2005

| | Assumption | Lafourche | St. Charles | St. James | St. John | Terrebonne |
|-------------------------------|------------|-----------|-------------|-----------|----------|------------|
| Resident Commercial Fisherman | 476 | 1,306 | 326 | 129 | 144 | 1,965 |
| Resident Vessel | 94 | 1,171 | 300 | 66 | 153 | 1,905 |
| All Licenses | 1,857 | 6,669 | 1,672 | 572 | 747 | 9,795 |

COMMERCIAL FISHING LICENSES 2010

| | Assumption | Lafourche | St. Charles | St. James | St. John | Terrebonne |
|-------------------------------|------------|-----------|-------------|-----------|----------|------------|
| Resident Commercial Fisherman | 514 | 979 | 267 | 122 | 110 | 1,828 |
| Resident Vessel | 95 | 889 | 268 | 51 | 125 | 1,862 |
| All Licenses | 2,050 | 5,452 | 1,608 | 586 | 724 | 9,909 |

Lower participation has translated into the previously noted reduction in catch, as well as reduced income for fishers. In February 2011, the Louisiana Seafood Promotion and Marketing Board reported a 50% drop in 2009, prior to the oil spill, in in-state landings of some major fisheries species categories. Slight variations will be noted in some statistics below. This is probably a function of the ways different agencies collect and analyze data. Programs like LDWF's Certified Commercial Fisherman registration for individuals who make at least 50% of their income from the fishery and the Louisiana Wild Seafood Certification Program under development by the Seafood Promotion Board both focus on stabilizing and "professionalizing" the fisheries.

Oysters

| Year | Landings | Value | Trips by Landing Type |
|-------------|------------|--------------|-----------------------|
| 2006 | 11,504,058 | \$36,220,561 | 32,181 |
| 2007 | 12,873,304 | \$40,194,131 | 36,542 |
| 2008 | 13,026,472 | \$39,526,404 | 32,859 |
| 2009 | 14,938,426 | \$50,735,019 | 43,604 |
| Average | 13,085,565 | \$41,669,029 | 36,297 |
| 2010 | 6,286,838 | \$22,965,275 | 24,795 |
| % Reduction | 52% | 45% | 32% |

A NOAA Gulf of Mexico Fact Sheet issued just after the oil spill began (April 2010) used 2008 catch figures to indicate potential impacts. The Gulf region led the nation in production of oysters, with some 67% of the national total. According to the NOAA figures, Louisiana accounted for 12,778,311 pounds, with a dockside value of \$38.8 million.

An EPA Gulf of Mexico Fact Sheet showed total Gulf oyster production in 2010 of 15.7 million pounds of meats with a value of \$54.5 million. This represented 59% of the national total. The drop in Louisiana landings in the previous chart reflected a series of unfortunate factors specific to the oyster sector. After the oil spill, oysters from many areas were declared unsafe due to possible contamination by oil and dispersants. Oyster production was also affected by changes in salinity and drowning of reefs when the state utilized freshwater diversions as part of its strategy to keep oil from the spill from washing ashore. The state used the diversions again in 2011 when high water levels in the Mississippi River threatened to flood broad areas of the state.

Shrimp

| Year | Landings | Value | Trips by Landing Type |
|-------------|-------------|---------------|-----------------------|
| 2006 | 137,925,274 | \$147,904,160 | 55,980 |
| 2007 | 113,832,929 | \$144,577,717 | 54,960 |
| 2008 | 95,378,590 | \$140,928,606 | 42,272 |
| 2009 | 111,178,603 | \$118,468,887 | 51,009 |
| Average | 114,578,849 | \$137,969,842 | 51.05% |
| 2010 | 53,184,170 | \$85,548,488 | 31,211 |
| % Reduction | 54% | 38% | 39% |

NOAA's 2010 post-oil spill Fact Sheet projected extensive potential impact on shrimp, with mortality of adults, as well as at the postlarval stage. In 2008, the Gulf region led the nation in landings of shrimp, with 188.3 million pounds or 73% of the national total. NOAA figures show Louisiana leading all other states, with 89 million pounds with a dockside value of \$130.6 million.

LSU Ag Center 2010 Agricultural Summary data for the SCPDC Parishes:

| Shrimp | Landings | Value |
|-------------|-------------------|--------------|
| Lafourche | 15,472,512 pounds | \$17,631,659 |
| Terrebonne | 24,458,918 pounds | \$23,600,410 |
| St. Charles | 34,996 pounds | \$66,811 |
| St. John | 20,023 pounds | \$32,387 |
| Assumption | 12,614 pounds | \$30,834 |

Estimates Based on NOAA Shrimp Fishery Market News Data for 2011: www.st.nmfs.noaa.gov

| Month | Landings in Pounds | Average Price per Pound by Month | Approximate Value |
|-----------|--------------------|----------------------------------|-------------------|
| January | 1,395,200 | \$2.79 | \$3,892,608 |
| March | 353,700 | \$3.11 | \$1,100,007 |
| May | 1,063,300 | \$2.67 | \$28,382,901 |
| June | 12,431,700 | \$2.51 | \$31,203,567 |
| July | 4,067,000 | \$2.73 | \$11,102,910 |
| September | 3,493,100 | \$2.22 | \$7,754,682 |
| Total | 32,371,000 | | \$83,436,675 |

NOAA Fishery Market News Data for January 2012:

| Shrimp Landings in Pounds | Average Price Per Pound | Approximate Value |
|---------------------------|-------------------------|-------------------|
| 2,541,000 | \$2.54 | \$6,454,140 |

The figures for January 2012 were higher than for any previous January landings since 2008. Such shifts make it difficult to interpret the data to determine long-term reduction in landings.

| January | Shrimp Landings |
|---------|-----------------|
| 2011 | 1,395,100 |
| 2010 | 1,170,000 |
| 2009 | 1,818,000 |
| 2008 | 2,389,000 |
| 2007 | 1,711,500 |

Crab

| Year | Landings | Value | Trips by Landing Type |
|-------------|------------|--------------|-----------------------|
| 2006 | 53,470,094 | \$32,419,001 | 95,809 |
| 2007 | 54,978,174 | \$35,595,995 | 108,222 |
| 2008 | 44,332,029 | \$34,368,591 | 91,683 |
| 2009 | 52,950,796 | \$37,210,291 | 108,550 |
| Average | 49,182,773 | \$34,898,470 | 101,066 |
| 2010 | 24,792,589 | \$25,615,803 | 63,362 |
| % Reduction | 50% | 27% | 37% |

Data from the post-spill NOAA Fact Sheet show that in 2008 Louisiana landed approximately 26% of total blue crabs for the nation or 41.6 million pounds, with a dockside value of \$32 million.

LSU Ag Center 2010 Agricultural Summary data for the SCPDC Parishes

| Crabs | Landings | Value |
|-------------|-----------|-------------|
| Lafourche | 8,122,971 | \$5,566,672 |
| Terrebonne | 7,877,311 | \$4,798,858 |
| St. Charles | 3,590,735 | \$2,147,978 |
| Assumption | 281,249 | \$129,093 |
| St. John | 88,122 | \$107,359 |
| St. James | 43,232 | \$44,270 |

Saltwater Finfish

| Year | Landings | Value | Trips by Landing Type |
|-------------|------------|--------------|-----------------------|
| 2006 | 12,925,060 | \$19,497,931 | 8,162 |
| 2007 | 12,670,798 | \$18,934,863 | 8,543 |
| 2008 | 10,129,691 | \$14,233,889 | 8,063 |
| 2009 | 10,823,110 | \$16,387,889 | 9,820 |
| Average | 6,352,812 | \$17,263,640 | 8,647 |
| 2010 | 6,352,812 | \$8,048,855 | 5,619 |
| % Reduction | 45% | 53% | 35% |

LSU Ag Center 2010 Agricultural Summary data for the SCPDC Parishes are as follows:

| Commercial Finfish: | Landings | Value |
|---------------------|------------------|-------------|
| Lafourche | 1,550,699 pounds | \$3,225,764 |
| Terrebonne | 2,948,993 | \$7,601,029 |

Offshore Energy

The SCPDC district's offshore energy industry is a part of the broader Gulf of Mexico offshore energy industry. The U.S. Energy Information Administration estimates that the Gulf holds approximately 19% of U.S. crude oil reserves and 15% of total U.S. oil and gas reserves. By 2020, HIS Herold has projected that deepwater Gulf discoveries can be expected to add 900 million barrels per day in oil production and nearly 6 billion cubic feet per day of gas production.

Oil Production: Statewide

In 2010-2011, Louisiana ranked fifth among major oil producing states. Annual production in millions of barrels was 74.1 million in 2010, 69 million in 2009 and 72.1 million in 2008. Texas was ranked first, with 427.7 million barrels in 2010. The second, third and fourth ranked states were Alaska, California and North Dakota.

Oil Production in District Parishes: Taxable Barrels reported by Parish, Fiscal Year Ending June 30, 2011

| Parish | Oil Barrels | Rank Among Louisiana Parishes |
|----------------------|--------------|-------------------------------|
| Lafourche | 6,600,093.42 | 2 |
| Terrebonne | 6,323,234.06 | 3 |
| St. Charles | 511,818.46 | 22 |
| Assumption | 267,868.37 | 32 |
| St. James | 58,774.92 | 43 |
| St. John the Baptist | 31,343.82 | 46 |

Natural Gas Production in District Parishes:

Production of natural gas from the Haynesville Shale area has shifted the market and the rankings of producing parishes in the northern part of the state. DeSoto Parish, with 118,814,788 MCFs produced in FY 2011, ranked first in the state. In the SCPDC district, Terrebonne Parish, which in the past typically ranked first or second, fell to fifth place, behind Red River Parish (second), Bienville Parish (third), and Bossier (fourth). Lafourche, previously just behind Terrebonne, dropped to thirteenth in the rankings.

Natural Gas Production in District Parishes: Taxable Barrels reported by Parish, Fiscal Year Ending June 30, 2011

| Parish | Gas MCFs | Rank among Louisiana Parishes |
|----------------------|------------|-------------------------------|
| Terrebonne | 64,632,320 | 5 |
| Lafourche | 30,900,106 | 13 |
| Assumption | 2,963,015 | 32 |
| St. Charles | 2,377,972 | 33 |
| St. James | 630,288 | 42 |
| St. John the Baptist | 1,814 | 57 |

A Grant Thornton report (Summer 2010) described the international energy market. State-controlled national oil companies (NOCs) in the Middle East and elsewhere control 77% of the world's oil reserves. This leaves major oil and gas companies such as those that operate in the Gulf with direct access to only 23% of worldwide reserves. Because NOCs use oil revenues to fund their countries' social policies and help leaders maintain power, their actions are sometimes completely opposite to those of regular market participants. The major energy companies serve an important market function in counterbalancing NOC and OPEC actions by boosting production during times of high prices and restricting production when prices are low.

Effects of the 2010 Spill

Two years after the largest spill in U.S. history, an article in the on-line *Offshore* magazine found reason for both optimism and caution in regards to Gulf of Mexico exploration and production activity. There were 45 rigs stationed in the Gulf in the third week of January 2012, as compared to 27 during the same week of 2011. Schlumberger's CEO expected a new rig to enter the region each month of this year and for a return to pre-Macondo levels for deepwater drilling rigs by the latter part of 2012. The Department of the Interior held its first auction of offshore leases in the 18 months since the Macondo spill. On a less rosy note, Royal Dutch Shell reported losing about \$1 billion a year from drilling delays in the Gulf since the oil spill. Despite the losses, Shell does expect to return to planned operations on the Gulf Coast by 2014.

Shifts in the regulatory, risk management and insurance environments have had what the industry considers a chilling effect on activity in the Gulf. Viewed in context, this is not surprising. Major oil spills have historically influenced the development of ocean energy policy and changes in the regulatory regime. The *Torrey Canyon* spill off California (1967) prompted development, in 1969, of the International Convention on Civil Liability for Oil Pollution Damage. The *Exxon Valdez* spill in Alaska (1989) led to enactment of the U.S. Oil Pollution Act of 1990. Impacts from the Macondo oil spill, the largest in U.S. history, are already prompting major changes in the regulatory environment. The former Minerals Management Service has undergone two reorganizations. The Bureau of Ocean Energy Management, Regulation and Enforcement (BOEMRE) was established in May 2010, while the oil spill was still gushing. At the start of the next federal fiscal year (October 1, 2010), BOEMRE was split into two independent entities. The Bureau of Ocean Energy Management (BOEM) has responsibility to oversee exploration and production, while the Bureau of Safety and Environmental Enforcement (BSEE) enforces rules and regulations. A separate Office of Natural Resources Revenue, housed in the Department of the Interior's Office of Policy, Management and Budgets, is responsible for revenue collection and disbursement. The primary purpose of the reorganization was to separate the agency's previous, wide ranging functions in order to "avoid any conflict of interest between revenue collection and safety oversight...."

Repricing Risk

A Grant Thornton report issued shortly after the spill began (Summer 2010) noted that the offshore energy industry faced "a repricing of risk" that would affect the cost of drilling and operating in the deepwater Gulf of Mexico. The five-month moratorium that shut down issuance of deepwater drilling permits had a heavy impact on offshore supply and service companies. A January 2012 GNO, Inc. report presented data from a survey of 102 companies. Those responding represented health and safety services, transportation, and oil and gas production. Nearly 60% of responding companies (29.4% each) were in the marine services

and ship owner/operator sectors. Among key findings:

- 41% of responding businesses were not making a profit;
- 76% had lost cash reserves;
- 50% had laid off employees;
- 39% had retained workers but reduced salaries and hours;
- 65% had not hired or had only replaced lost workers;
- 46% had moved all or some of their operations away from the Gulf of Mexico;
- 82% of business owners had used some personal savings;
- 13% of business owners had used all of their personal savings.

Delays in Plan and Permit Approvals

Following the official end of the moratorium in October 2010, offshore operators have experienced significant delays in obtaining approval of deepwater drilling plans and permits. The industry has described this as an unofficial "permitatorium." A July 2011 report from HIS Global Insight and HIS CERA found a 90% increase in median days for approval of deepwater drilling plans, from the historical norm of 36 days to 131 days. The GNO, Inc. report found that in 2011, on average, plan approvals took 109 days, an 80% increase from the five-year historical average of 60.6 days. The percentage of plans approved dropped to 34% from the five-year historical average of 73.4%

The pace of permit approvals also slowed. In the three months from November 2011 to January 2012, the monthly average was two permits approved per month. This represented a 66% decrease from the monthly average of 5.8 deepwater permits in the year before the spill and a 71% decrease from the three-year historical average of 7 deepwater permits a month. Shallow water activity was never under either an official or unofficial moratorium, but also experienced a slower pace in permit approvals. The three-month (November to January) monthly average of 2.3 shallow water permits approved was 68% of the monthly average of 7.1 permits a month for the year before the spill and 84% of the three-year historical average of 14.7 permit approvals a month.

The short timeframe coupled with the sense of urgency to create a steep and multi-faceted learning curve for regulators. An attorney interviewed for the online *Offshore* magazine noted that "...there are a lot of new requirements that require a lot of judgment calls, so there's a natural tendency for the agency to move slowly and prudently to make sure all of the new requirements are properly met." He added that "the agency is not going to receive a lot of new funding, so you have the same number of staffers you had under MMS...with a much greater body of regulatory requirements to administer...."

Long-Term Impacts

The HIS Global Insight report described an "activity gap" resulting from delays in approval of offshore drilling plans and permits. This is especially significant because the energy industry operates with extended timeframes. It often takes a decade or

longer from the time a discovery is made until an offshore field actually becomes productive. Current delays in approval of plans and permits thus have significant impacts many years into the future. The first chart below shows lost opportunity costs due to the activity gap. The second chart shows lost state-level employment and tax revenue opportunities as a result of the activity gap.

Potential U.S. Economic Opportunities Associated with the Activity Gap

| Category | Unit | Projected | |
|--|--------------|--------------|--------------|
| | 2011 | 2012 | 2013 |
| Production (Thousand barrels per day) | 198 | 438 | 186 |
| Capital Investment (US Dollars) | \$9,504,000 | \$6,143,000 | \$3,635,000 |
| GDP Impacts (US Dollars) | \$23,826,000 | \$44,243,000 | \$27,658,000 |
| Total Taxes (Millions of US Dollars) | \$5,544,000 | \$11,864,000 | \$7,658,000 |
| Total Employment (Workers) | 108,486 | 229,131 | 198,593 |

Louisiana Potential Employment and Tax Revenue Opportunities Associated with the Activity Gap

| Rank | Employment Opportunities | | |
|------|--------------------------|--------|--------|
| | 2011 | 2012 | 2013 |
| 2 | 37,323 | 68,319 | 52,218 |

State Tax

| 2011 | 2012 | 2013 |
|-----------|-------------|-----------|
| \$677,010 | \$1,317,887 | \$784,704 |

Job Market Impacts: Short-Term

Short-term job losses directly attributable to the drilling moratorium and slowdown in plan and permit approvals are difficult to quantify. Official unemployment data leaves out workers who have not been laid off, but are working fewer hours. Unemployment data also leaves out self-employed contractors like “truck welders,” who supply their own equipment and make up the bulk of the workforce at many local fabrication and shipyards. When the yards have less work, individuals in this group are called to work less often. Self-employed workers also don’t qualify for unemployment insurance.

The table below shows “mining” employment in Houma-Thibodaux MSA, with its energy based economy. From May 2010, just after the spill, to the following March, the area’s mining sector lost 639 jobs. The decrease from the first quarter of 2009 to first quarter 2011 was 1,441 jobs.

Mining Employment – Houma-Thibodaux MSA

| Q1 2009 | Q1 2010 | Q2 2010 | Q3 2010 | Q4 2010 | Q1 2011 |
|------------|---------|---------|---------|---------|---------|
| 6,567 | 6,064 | 5,851 | 5,865 | 5,625 | 5,126 |
| Difference | -503 | -213 | +14 | -240 | -499 |

For the state as a whole, employment in mining and support activities had seen a general decline.

Mining and Support Employment—Louisiana Statewide

| Quarter | Oil & Gas Extraction | Difference | Mining Support Activities | Difference |
|---------|----------------------|------------|---------------------------|------------|
| 2009 Q1 | 8,866 | | 40,676 | |
| 2009 Q2 | | | 38,233 | -2,443 |
| 2009 Q3 | | | 36,676 | -1,502 |
| 2009 Q4 | | | 36,731 | +55 |
| 2010 Q1 | | | 37,718 | +987 |
| 2010 Q2 | 8,628 | -238 | 39,756 | -2,038 |
| 2010 Q3 | | | 40,107 | -351 |
| 2010 Q4 | 8,504 | -124 | 39,840 | -267 |
| 2011 Q1 | 8,629 | +115 | 39,437 | -403 |

Looking to the Future: Safety and Environmental Management Systems

A new requirement instituted after the oil spill, is that all offshore operators must have Safety and Environmental Management Systems (SEMS) programs in place. These are very detailed safety and environmental protocols requiring preparation of a series of manuals and contingency plans on all aspects of operations, including

1. Facilities and engineering, design and equipment;
2. Hazard analysis;
3. Job safety analysis;
4. Management of change procedures;
5. Operating procedures under both normal operations and otherwise;
6. Training.

November 15, 2011 was the hard deadline for completing mandatory SEMS programs. This gave operators only a year to prepare their SEMS program documents. The timeframe was tight for major global operators like Shell, ConocoPhillips and Exxon-Mobil, which already comply with internal company standards and also operate under numerous international regulatory regimes worldwide. A downside is that the regulations make no provision for evaluating companies’ existing SEMS-type programs to determine whether they substantially comply with the new SEMS rules. This meant that the majors had to make additional investments of capital and labor to convert existing documentation into the required formats.

The tight timeframe was a major burden for smaller, independent operators who play a significant role in offshore production in the Gulf. In 2009, there were 284 independent operators who accounted for about 73% of Gulf of Mexico production. Smaller operators, especially those with 100% of their operations in the Gulf, often have little, if any, experience with international regulatory regimes and are less likely to have internal compliance regimes already in place. A year is a very short time in which to start from scratch to assemble the amount of new documentation the regulations required. The capital and staff investments the independents invested in developing SEMS programs were proportionally greater than the investments made by the majors. Since they had less experience developing such guidelines, the independents also faced greater risk that regulators reviewing their SEMS programs might find inadequacies.

Rising Costs

The Grant Thornton report summarized expected financial impacts of the new regulatory regime. Closer federal oversight of inspections and stricter requirements for obtaining permits can be expected to raise drilling costs. Greater involvement by inspectors on the rigs means not just additional costs, but also possible delays in drilling, which would increase rig fees. More stringent permit requirements and sharper scrutiny of drilling plans are also likely to raise engineering costs. Increased redundancy in equipment requirements could add to costs. Rather than a single blowout preventer on a well, exploration and production companies may be required to have two. The current cost of a single unit is \$40 million, or 10% of the total cost of drilling an offshore well. Costs could further increase if testing of fail-safe devices on each unit is required. The additional costs will again fall most heavily on the smaller independent oil and gas companies.

Insurance: Access and Cost

Access to insurance and the cost of obtaining it are crucial to the operation of the offshore energy industry. Offshore operators are held strictly liable. Lease holders must demonstrate ahead of time that they possess a minimum amount of financial capacity, known as “oil spill financial responsibility” (OSFR). The 1969 international convention on liability made it compulsory to insure mobile offshore drilling units (MODUs) as a type of vessel.

A July 2010 report by the Congressional Research Service reviewed risk, recovery and insurance implications of the oil spill. Marine offshore insurance is a specialty niche market that emerged in the early 1960s to offer pollution liability coverage for third-party property claims and cleanup and containment risks, oil well blowouts, and re-drilling. This sector has continued to shrink as a percentage of the overall property and casualty insurance market, dropping from 3% of all property and casualty policies written in 1989 to 0.7% in 2009. Rather than a single policy, coverage is generally obtained through a suite of different insurance instruments. The main types of insurance generally include: (1) offshore physical loss or loss to platforms, pipelines, production and accommodation facilities; (2) operators’ extra expense; (3) excess liability; (4) business interruption; (5) workers’ compensation; (6) specific pollution endorsements, since many offshore policies now contain pollution exclusions

Market capacity in the marine offshore insurance sector is also finite, in the range of \$1.25 billion to \$1.5 billion. Post-oil spill, talk of raising the OPA liability limit from the current \$75 million cap raised market concerns that could create a scarcity, with insurance coverage available only at high prices. That talk has abated, but in the current environment, offshore operators may have to assume or retain higher levels of self-insurance. Major operators have the size, financial resources and strength necessary to self-insure. Smaller operators are again at a disadvantage. Their only workable choice may be to join together to pool financial resources and establish wholly-owned captive insurance companies with sufficient financial capacity to exclusively underwrite the group’s risks. Recent discussions have considered other possible methods for spreading risk associated with oil spills by developing instruments that could be securitized, such as “reinsurance sidecars,” catastrophe bonds or energy financial futures and options.

Potential for Industry Consolidation

Additional cost pressures on the independents could lead to more consolidation of the Gulf offshore energy industry, with the majors acquiring most existing independents. The Grant Thornton report summarized likely market ramifications if the number of independents dwindles. Large integrated companies with large acreage holdings tend to focus on making new oil and gas discoveries and exploiting previously undeveloped fields. Small independent companies, in contrast, focus on maximizing oil and gas production from each acre. Many smaller companies have proven themselves especially adept at getting the most out of older, more mature fields and finding reserves considered low priority and even “not worth bothering with” by larger companies. Given these factors, consolidation of Gulf oil and gas properties into fewer hands could leave remaining reserves in mature fields behind and could actually have the potential to result in an overall decline in Gulf production.

Petrochemicals

Industry Overview

Louisiana has a long history in refining of oil and natural gas produced in-state and offshore, as well as of oil imports. The state has also had a significant presence in production of basic chemicals using these resources as feed stocks. Louisiana currently ranks second among the 50 states in refining capacity and supplies markets within the state, as well as in Texas, Mississippi, Illinois and on the eastern seaboard. The SCPDC district continues to play a key role in the state’s petrochemical industry. As of June 2011, the region’s five oil refineries had a combined production capacity of 1,192,500 barrels per day. Marathon’s refinery in Garyville (St. John the Baptist Parish), with a daily capacity of 464,000 barrels, is the third largest in the United States. Motiva operates two refineries in the district at Convent (St. James Parish) and Norco (St. Charles Parish), which respectively produce 235,000 barrels and 233,000 barrels per day. The Valero refinery in Norco (St. Charles) produces 205,000 barrels per day, while the Royal Dutch/Shell refinery in St. Rose (St. Charles) produces 55,000 barrels per day. Refinery products from a barrel of oil include gasoline (45.8%); jet fuel (10.7%); liquefied gas (3.6%); kerosene (0.3%); distil-

late (20.9%); residual fuel oil (6.8 %); feedstocks (2.9%); special naphthas (0.4%); lubricants (1.2%); waxes (0.1%); coke (3.9%); asphalt (3.2%); still gas (4.8%).

The district's chemical industry has concentrated primarily in basic chemicals, made from petroleum and natural gas transported via pipeline from the coast, and used in other products and packaging, as well as in commodities like fertilizers. Major product lines tend to be heavily dependent on sectors like housing and automobiles that have been affected by the current recession. Price pressures from global competition have narrowed profit margins and prompted chemical manufacturers to rationalize operations, consolidate product lines and move or close factories. As a result, the state's chemical industry has shed more than 5,000 jobs over the past decade. The Louisiana Chemical Association projects a continuing decrease in employment in basic chemicals of around 13% from 2008 to 2018.

Market Trends

The *Annual Energy Outlook 2012 Early Release Overview* projected market trends. These include higher energy production and slower growth in energy use. Transportation demand is expected to grow at an annual rate of only 0.25% from 2010 through 2035, while electricity demand will grow by 0.8% per year over the same time period. Over the next ten years, continued development of tight oil and ongoing development of offshore resources in the Gulf of Mexico is expected to raise production to 6.7 million barrels per day in 2020. This is a level not seen since 1994. Even with a projected decline after 2020, U.S. crude oil production is expected to remain above 6.1 million barrels per day through 2035. This would reverse a decline in domestic crude oil production that began in 1986.

Natural gas production will also increase due to technological advances like fracking which allow production from shale deposits. Projections that natural gas production would exceed consumption have proven true. The current glut in supply has strained storage capacity and caused prices to drop. These factors are expected to increase the natural gas share of electric power generation in the United States to 24% in 2010 and to 27% in 2035. The United States also has the potential to become a net exporter of natural gas by 2021.

Potentials in Renewable Energy:

The renewables share of electric power generation could rise from 10% in 2010 to 16% in 2035. At the same time, the projected share for coal-powered power plants continues to decline, falling from 49% (the 2007 level) to 39% over the next 25 years. Energy-related carbon dioxide emissions will grow by about 3% from 2010 to 2035, but are expected to be more than 7% below their 2005 level in 2020 and to drop further over the projected period.

Chemical Industry Outlook

A 2012 Camelot Management Consultants' outlook report charted the chemical industry's value chain.

Upstream—Feedstocks Basic Chemicals

| Industrial Gases | Inorganic Chemicals | Petrochemicals | Organic Chemicals (bio sources) |
|------------------|---------------------|------------------------------------|---------------------------------|
| Oxygen | Chlorine-Alakli | Olefins ethylene, propylene | Bio Fuels |
| Nitrogen | Soda Ash | Butadiene | Bio Polymers |
| Hydrogen | | Aromatics benzene, toluene, xylene | |
| | | Derivatives | |

Downstream Intermediates

| Pigments & Adhesives | Care Chemicals | Functional & Industrial Chemicals |
|----------------------|----------------|-----------------------------------|
| Coatings | Cosmetics | Oil & Mining |
| Colorants | Detergents | Additives |
| Dispersions | Adsorbents | Catalysts |
| Glues | | Construction Chemicals |
| | | Paper Chemicals |

| Agro Chemicals | Fine Chemicals | Plastics |
|----------------|----------------|----------------------|
| Fertilizer | Fertilizer | Performance Polymers |
| Crop Science | Crop Science | Fibers |
| Feed Additives | Feed Additives | Resins |
| Seeds | Seeds | Polyurethane |
| | | |

Value Added Services/Distribution:

The Camelot report also outlined key market trends and pressure points, especially those related to availability of supplies and raw materials. Increased emphasis on supply chain risks reflects experience with shortages after such major events as the Japanese tsunami. It also reflects the importance of certain critical raw materials available in only a single part of the world that may be subject to political volatility. The term "in-sourcing," used below, means contractual or long-term cooperative arrangements to ensure steady supply. It seems likely that supply risks may also be addressed through the use of market instruments like futures contracts.

| Supply Category | Market Trends | Risks | Impact on Supplier Management |
|---------------------------------------|---|--|---|
| Petrochemical Feed Stocks | <ul style="list-style-type: none"> Rising and volatile oil prices Increasing captive use in oil producing companies Declining future availability of oil and gas (-30% by 2030?) | <ul style="list-style-type: none"> Cost increase threatens profitability Dependency on middle east producers Supply reliability | <ul style="list-style-type: none"> In-source raw materials Search for alternative, substitute feedstocks (e.g., biomass, tar sands, coal) Financial hedging Supplier risk management |
| Organic basic chemicals | <ul style="list-style-type: none"> Feedstock providers extend/shift the production of basic chemicals to middle east/Asia | <ul style="list-style-type: none"> Pressure on European suppliers leads to mid-term shutdowns and higher prices Supply from middle east/Asia causes longer lead times and reduced supply reliability | <ul style="list-style-type: none"> Maintain strategic sourcing from European suppliers Long-term contracts with domestic suppliers Participate in new production through joint ventures Close management of supplier performance and risk to avoid supply shortages |
| Organic fine chemicals | <ul style="list-style-type: none"> Sourcing shifted to Asia due to price pressure Shutdowns in Europe Increasing prices and monopolies in Asia | <ul style="list-style-type: none"> Cost increase Supply reliability (e.g., unexpected closures due to regulatory issues) Long lead times | <ul style="list-style-type: none"> In-source raw material production Identify alternative supply regions Secure alternative suppliers Close management of supplier performance and risk to avoid supply shortages |
| Inorganic basic chemicals | <ul style="list-style-type: none"> Cost of chlorine and caustic soda production (electrolysis) linked to rising energy prices based on oil and gas prices | <ul style="list-style-type: none"> Energy cost increase Threatens profitability Domino effect on downstream industries | <ul style="list-style-type: none"> In-source raw material production Identify alternative supply regions Secure alternative suppliers Implement volatile price management to limit impact of energy costs |
| Precious metals – Catalyst precursors | <ul style="list-style-type: none"> Scarcity of precious metals Recycling to meet total demand – “urban mining” Rising prices Future technologies require even more precious metals (e.g., fuel cells) | <ul style="list-style-type: none"> Cost increase for catalyst precursors threatens profits Supply reliability | <ul style="list-style-type: none"> Focus on sources of recycled precious metals Long-term sourcing agreements Investments in supply sources (backward integration) Identification of alternate production methods Implement volatile price management processes to limit impacts |

Other Economic Activity:**Export and Import Trade**

A 2012 study for the Ports Association of Louisiana and DOTD found that the state's ports have a significant economic impact. One in five jobs in Louisiana are tied to the maritime industry. The \$130 million the state invested in port infrastructure from 2000 to 2010 has generated more than 2,250 jobs, \$8.5 million in personal earnings, \$11 million in tax collections and the growth in total net port assets of \$60 million. Additional growth is expected with the widening of the Panama Canal.

The Port of South Louisiana is a major import and export port, with primary export cargoes being chemicals and grain shipped south from the Mid-West. Louisiana exports hit an all time high of nearly \$42 billion in 2008, but declined by 29% in the first three quarters of 2009 after the economic meltdown. The U.S. Census report on Louisiana exports for 2010 were 41,356, 000, a near return to 2008's record high. Major export categories were oil and petroleum products, soybeans and soy products, chemicals and parts for boring or sinking machinery. The majority (78.5%) of export trade was with 25 trading partners, including China (15.7%), Japan (7.4%), Mexico (6.7%), the Netherlands (4.9%).

Louisiana, in general, and the Port of South Louisiana in particular, is also a major importer, primarily of crude oil and petroleum products. Port Fourchon is also a major importer of petroleum products through the Louisiana Offshore Oil Port (LOOP), which are then transported via pipeline to oil refineries and chemical plants along the Mississippi River. According to the U.S. Census, in 2010, 91.4% of imports fell into the state's top 25 import commodities. Of these, 72.3% was crude oil from petroleum and bituminous minerals. Major trading partners were Saudi Arabia (19.7%), Venezuela (14.9%), Mexico (8.4%), Nigeria (8.2%) and Russia (7.2%).

Demographics: Detailed Information From 2010 Census

The 2010 U.S. Census remains the most current information on population. The figures for SCPDC parishes and municipalities are shown in the first three tables below. In addition to the basic population counts, American FactFinder has now provided data by parish on age, race and household characteristics and tenure. These are shown in the subsequent tables below.

Recent Parish Population Trends—Parishes

| | 2000 Census | July 2009 Est. | 2010 Census | Number Change 2000 to 2009 | % Change 2000 to 2009 |
|-------------|-------------|----------------|-------------|----------------------------|-----------------------|
| Assumption | 23,388 | 22,835 | 23,421 | +33 | 0.14% |
| Lafourche | 89,974 | 94,302 | 96,318 | +6,344 | 7.05% |
| St. Charles | 48,067 | 51,615 | 52,780 | +4,713 | 9.79% |
| St. James | 21,216 | 21,462 | 22,102 | +886 | 4.18% |

| | 2000 Census | July 2009 Est. | 2010 Census | Number Change 2000 to 2009 | % Change 2000 to 2009 |
|----------------------|-------------|----------------|-------------|----------------------------|-----------------------|
| St. John the Baptist | 43,044 | 47,651 | 45,924 | +2,880 | 6.69% |
| Terrebonne | 104,503 | 110,907 | 111,860 | 6,404 | 7.04% |
| District Total | 330,395 | 348,772 | 352,405 | 18,377 | 6.73% |

Source: American Census Bureau, American Fact Finder; Louisiana Population Center—College of Business, LA Tech University; the New Orleans Index, November 2007.

Municipalities

| | 2010 Census | 2000 Census | % Change | Parish |
|-----------------|-------------|-------------|----------|------------|
| Golden Meadow | 2,101 | 2,193 | -4.20% | Lafourche |
| Gramercy | 3,613 | 3,066 | 17.84% | St. James |
| Houma | 33,727 | 32,393 | 4.12% | Terrebonne |
| Lockport | 2,578 | 2,624 | -1.75% | Lafourche |
| Lutcher | 3,559 | 3,735 | -4.71% | St. James |
| Napoleonville | 660 | 686 | -3.79% | Assumption |
| Total Municipal | 46,238 | 44,697 | 3.45% | |

LaPlace Total Population

| | 2010 Census | 2000 Census | % Change | Parish |
|---------|-------------|-------------|----------|----------------------|
| LaPlace | 29,872 | 27,684 | +7.9% | St. John the Baptist |

Parish Population Trends: Age (2010 Census)

| | 2010 Census Population | Median Age | Below School Age | School Age | Retirement Age |
|----------------------|------------------------|------------|------------------|---------------|----------------|
| Assumption | 23,421 | 38.9 | 1,479 6.3% | 4,955 27% | 3,145 13% |
| Lafourche | 96,318 | 36.5 | 6,804 7.1% | 19,985 21% | 12,031 12% |
| St. Charles | 52,780 | 36.5 | 3,969 7.0% | 11,942 23% | 5,235 10% |
| St. James | 22,102 | 37.9 | 1,525 7% | 4,974 23% | 2,841 13% |
| St. John the Baptist | 45,924 | 35.5 | 3,368 7% | 10,287 22% | 4,736 10% |
| Terrebonne | 111,860 | 35.0 | 8,142 7% | 24,219 22% | 9,576 9% |

Parish Population Trends: Race (2010 Census)

| | Total Population | White | Black or African American | American Indian | Asian | Hispanic or Latino |
|----------------------|------------------|----------------|---------------------------|-----------------|--------------|--------------------|
| Assumption | 23,421 | 15,635 (66.8%) | 7,141 (30.5%) | 133 (0.6%) | 58 (0.2%) | 498 (2.1%) |
| Lafourche | 96,318 | 76,445 (79.4%) | 12,746 (13.2%) | 2,703 (2.8%) | 709 (0.7%) | 3,647 (3.8%) |
| St. Charles | 53,870 | 36,540 (69.2%) | 14,051 (26.6%) | 172 (0.3%) | 440 (0.8%) | 2,648(5%) |
| St. James | 22,102 | 10,615 (48.0%) | 11,180 (50.6%) | 45 (0.2%) | 31 (0.1%) | 256 (1.2%) |
| St. John the Baptist | 45,924 | 19,501 (42.5%) | 24,576 (53.5%) | 144 (0.3%) | 322 (0.7%) | 2,175 (4.7%) |
| Terrebonne | 111,860 | 78,591 (70.3%) | 21,129 (18.9%) | 6,347 (5.7%) | 1,140 (1.0%) | 4,421 (4.0%) |

Asian Population Includes:

| | Vietnamese | Asian Indian | Chinese | Filipino | Japanese | Korean |
|-------------|------------|--------------|------------|------------|-----------|-----------|
| Assumption | 18 (0.1%) | 13 (0.1%) | 9 (0.0%) | 5 (0.0%) | 1 (0.0%) | 1 (0.0%) |
| Lafourche | 379 (0.4%) | 68 (0.1%) | 74 (0.1%) | 74 (0.1%) | 21 (0.0%) | 9 (0.0%) |
| St. Charles | 92 (0.2%) | 119 (0.2%) | 82 (0.2%) | 47 (0.1%) | 14 (0.0%) | 12 (0.0%) |
| St. James | 12 (0.1%) | 8 (0.0%) | 0 | 3 (0.0%) | 5 (0.0%) | 3 (0.0%) |
| St. John | 103 (0.2%) | 72 (0.2%) | 37 (0.1%) | 66 (0.1%) | 9 (0.0%) | 10 (0.0%) |
| Terrebonne | 578 (0.5%) | 172 (0.2%) | 143 (0.1%) | 111 (0.1%) | 14 (0.0%) | 32 (0.0%) |

Parish Household Characteristics: Data from 2010 Census:

| | Pop in Households | Total HHs | Family HHs | HHs with Individuals Under 18 | % | HHs with Individuals 65 and over | % | Average HH Size | Av. Family Size |
|-------------|-------------------|-----------|------------|-------------------------------|-----|----------------------------------|-----|-----------------|-----------------|
| Assumption | 23,222 | 8,736 | 6,423 | 3,197 | 38% | 2,299 | 27% | 2.66 | 3.11 |
| Lafourche | 94,693 | 35,486 | 25,651 | 13,145 | 37% | 8,536 | 24% | 2.67 | 3.11 |
| St. Charles | 52,188 | 18,557 | 14,356 | 7,782 | 42% | 3,854 | 21% | 2.81 | 3.19 |
| St. James | 21,898 | 7,717 | 5,944 | 3,065 | 40% | 2,074 | 27% | 2.84 | 3.28 |
| St. John | 45,453 | 15,965 | 12,187 | 6,644 | | 3,433 | 22% | 2.85 | 3.27 |
| Terrebonne | 110,381 | 40,091 | 29,001 | 15,645 | 39% | 9,069 | 23% | 2.75 | 3.20 |

Housing Occupancy/Tenure: Data from 2010 Census

| | Total Housing Units | Occupied | Vacant | Owner-Occupied | Pop in Owner Occupied | Av. HH Size Owner | Renter-Occupied | Pop in Renter Occupied | Av. HH Size Renter |
|-------------|---------------------|-----------------|---------------|-----------------|-----------------------|-------------------|-----------------|------------------------|--------------------|
| Assumption | 10,351 | 8,736 | 1,615 | 7,126 81.6% | 19,190 | 2.69 | 1,610 18.4% | 4,032 | 2.50 |
| Lafourche | 38,582 | 35,486 92% | 3,096 8% | 26,911 75.8% | 73,463 | 2.73 | 8,575 24.2% | 21,230 | 2.48 |
| St. Charles | 19,896 | 18,557 93.3% | 1,339 6.7% | 14,804 79.8% | 42,161 | 2.85 | 3,753 20.2% | 10,027 | 2.67 |
| St. James | 8,455 | 7,717 91.3% | 738 8.7% | 6,471 83.9% | 18,458 | 2.85 | 1,246 16.1% | 3,440 | 2.76 |
| St. John | 17,510 | 15,965 91.2% | 1,545 8.8% | 12,637 79.2% | 36,345 | 2.88 | 3,328 20.8% | 9,108 | 2.74 |
| Terrebonne | 43,887 | 40,091 | 3,796 | 28,965 | 82,135 | 2.84 | 11,126 | 28,246 | 2.54 |

Employment Trends

Unemployment figures continue to show some parts of the SCPDC district doing better than the nation as a whole. These figures should, however, be viewed in context. After the 2010 oil spill, many companies retained their employees, but reduced their hours and sometimes wages, so they never appeared on the official unemployment rolls. Another factor is the significant number of sub-contractors

Recession effects on district employment continue to vary widely by parish. Historically, the labor market in the Houma MSA (Terrebonne and Lafourche Parishes) has been closely linked to the energy market. As of April 11, 2012, the price of West Texas Intermediate crude oil stood at \$102.65 per barrel, while the price at the pump hovered around \$4 a gallon.

In the wake of the oil spill, official unemployment figures held fairly steady, because oil-field companies held onto their workers, but they often reduced overtime while they waited a for resolution of the multi-pronged technological-environmental disaster and the economic impacts of the drilling moratorium.

By January 2011, unemployment in the SCPDC district had begun to creep up, though the two Houma MSA parishes continued to do better than the state and nation. Official unemployment figures for the two parishes should often be viewed with a degree of caution. The numbers also fail to reflect the high percentage of the local workforce that is self-employed and thus ineligible for conventional unemployment benefits. This includes commercial fishermen and contract workers such as “truck welders,” who supply their own equipment and make up much of the workforce at many local shipyards. Neither group is eligible for unemployment, except for limited periods after natural disasters,

when short-term unemployment may be made available to the self-employed. Lacking any safety net when work becomes scarce, these populations have been particularly hard hit by the oil spill and subsequent moratorium. The district’s two non-MSA parishes historically have unemployment rates higher than both that state and the nation. The generally higher unemployment rates in all three River Parishes reflect both lower demand in the recession economy and long-term workforce shrinkage in the basic chemical industry. The entry of companies like Nucor (Iron and Steel) and Yara (Fertilizer Distribution) into these parishes indicates potential for a shift to other industrial sectors and a broadening of the economic base.

The tables below show 2011 employment data and then recent unemployment figures for the six SCPDC parishes.

Employment by Parish:

Labor Market Area 1—includes the River Parishes

| Parish | Employment |
|----------------------|------------|
| St. Charles | 23,067 |
| St. James | 7,739 |
| St. John the Baptist | 15,247 |

Labor Market Area 3—Bayou Parishes

| Parish | Employment |
|------------|------------|
| Assumption | 4,379 |
| Lafourche | 36,711 |
| Terrebonne | 53,457 |

Unemployment by Parish Compared to State and National Unemployment 2008-2010

| | January 2009 | December 2009 | January 2010 | December 2010 | January 2011 | December 2011 | January 2012 | February 2012 | March 2012 |
|----------------------|--------------|---------------|--------------|---------------|--------------|---------------|--------------|---------------|------------|
| Assumption | 7.1% | 9.4% | 11.4% | 10.8% | 13.3% | 9.4% | 11.5% | 10.4% | 10.1% |
| Lafourche | 3.6% | 5.2% | 6.0% | 4.9% | 6.3% | 4.2% | 5.3% | 4.9% | 5.9% |
| St. Charles | 5.0% | 6.7% | 7.7% | 6.3% | 8.0% | 6.0% | 6.7% | 6.1% | 6.2% |
| St. James | 9.3% | 10.1% | 11.7% | 11.4% | 13.6% | 10.4% | 11.9% | 11.0% | 10.9% |
| St. John the Baptist | 6.7% | 9.3% | 10.7% | 9.4% | 11.1% | 7.7% | 8.9% | 8.2% | 8.2% |
| Terrebonne | 3.8% | 5.5% | 6.5% | 5.3% | 6.4% | 4.3% | 5.3% | 5.0% | 5.0% |
| SCPDC Average | 5.92% | 7.70% | 9% | 8.02% | 9.78% | 7.0% | 8.27% | 7.60% | 7.72% |
| Louisiana | 5.7% | 7.2% | 8.2% | 7.2% | 8.6% | 6.4% | 7.5% | 7.1% | 7.0% |
| United States | 8.5% | 9.7% | 10.6% | 9.1% | 9.5% | 8.3% | 8.8% | 8.7% | 8.4% |

Source: LA Works. Note: January increases reflect post-Christmas seasonal drop in employment.

Per Capita Income

Overall, the Deepwater Horizon disaster and even the current recession have had limited downward effect on regional per capita income. All but one SCPDC parish continues to lag the state and nation, but the gap continues to shrink. This probably reflects a combination of the counter-cyclical regional economy, higher local wages paid in post-hurricane recovery programs and lower wages paid in the national, recession economy. Effects of the oil spill and subsequent offshore drilling moratorium remain difficult to quantify, especially in the cash-based fishery.

2008 PCI Growth and As a % of State and National PCI

| | 2008 | 2009 | Growth 2008 to 2008 | State PCI | National PCI |
|----------------------|------|----------|---------------------|-----------|--------------|
| Assumption | 6.4% | \$34,951 | 6.7% | 94% | 84% |
| Lafourche | 7.4% | \$42,205 | 6.6% | 111% | 100% |
| St. Charles | 3.8% | \$38,154 | 4.5% | 101% | 91% |
| St. James | 6.4% | \$32,719 | 7.3% | 86% | 77% |
| St. John the Baptist | 4.9% | \$34,372 | 6.0% | 91% | 82% |
| Terrebonne | 7.5% | \$39,049 | 7.0% | 105% | 95% |

Source: Bureau of Economic Analysis. Printed 4/27/2010.

Average Weekly Wages

Job and industry categories with the highest annual average weekly wages in both the Bayou and River Parishes include Mining; Transportation and Warehousing; Utilities; Construction; and Professional and Technical Services. The closure of fishing grounds after the oil spill and the federal moratorium on deepwater drilling have temporarily restricted self-employment opportunities. In the offshore energy industry, the drilling moratorium has affected some of the area's best-paid jobs, with cut

Per Capita Income 2006 to 2007

| | 2007 | 2008 | 2009 | Growth 2007-2009 |
|----------------------|----------|----------|----------|------------------|
| Assumption | \$31,798 | \$33,936 | \$34,951 | \$3,153 (10%) |
| Lafourche | \$37,716 | \$40,203 | \$42,205 | \$4,489 (12%) |
| St. Charles | \$34,842 | \$36,404 | \$38,154 | \$3,312 (10%) |
| St. James | \$28,967 | \$31,070 | \$32,719 | \$3,752 (13%) |
| St. John the Baptist | \$31,115 | \$32,973 | \$34,372 | \$3,257 (11%) |
| Terrebonne | \$35,519 | \$38,005 | \$39,049 | \$3,530 (10%) |
| Louisiana | \$35,340 | \$36,091 | \$37,632 | \$2,292 (.6%) |
| United States | \$39,392 | \$40,166 | \$39,635 | \$243 (.01%) |

Source: Bureau of Economic Analysis. February 2012.

backs in overtime and sometimes base hours. A prolonged delay in returning to full operations could erode average weekly wages, with potential for lower prevailing wage levels to become established. In general, the River Parishes have slightly higher average wages in most job and industry sectors. This reflects that part of the district's closer proximity to the more urbanized, higher-paid New Orleans job market.

Annual Average 2010 Weekly Wages: Labor Market Area 1—Includes the River Parishes (St. Charles, St. James, St. John the Baptist)

| | Overall Average | Mining | Transport & Warehouse | Utilities | Manufacturing | Construction | Professional & Tech | Healthcare & Social Assistance |
|----------------------|-----------------|---------|-----------------------|-----------|---------------|--------------|---------------------|--------------------------------|
| River Parishes | \$889 | \$2,130 | \$1,081 | \$1,325 | \$1,301 | \$971* | \$1,320 | \$851 |
| St. Charles | \$1,095 | \$1,218 | \$1,358* | \$1,762* | \$1,793 | \$1,029* | \$1,414 | \$684 |
| St. James | \$1063 | \$1,348 | \$1,178 | N/A | \$1,745 | \$783* | \$1,185 | \$645 |
| St. John the Baptist | \$891 | \$1,209 | \$939 | \$1,155 | \$1,591 | \$956 | \$931 | \$690 |

Source: LA Works. 2012 *Indicates reduction in average weekly wages in occupational category.

Annual Average 2010 Weekly Wages: Labor Market Area 3--Bayou Parishes (Assumption, Lafourche, Terrebonne)

| | Overall Average | Mining | Transport & Warehouse | Utilities | Manufacturing | Construction | Professional & Tech | Healthcare & Social Assistance |
|----------------|-----------------|----------|-----------------------|-----------|---------------|--------------|---------------------|--------------------------------|
| Bayou Parishes | \$873 | \$1,476* | \$1,369 | \$1,476 | \$1,104 | \$1,064 | \$961* | \$754 |
| Assumption | \$742* | \$1,630 | \$970* | \$1,149 | \$1,374 | \$805 | \$825* | \$344 |
| Lafourche | \$905 | \$1,476* | \$1,438 | \$900* | \$1,061 | \$1,123 | \$828 | \$753 |
| Terrebonne | \$862 | \$1,475* | \$1,228* | \$869* | \$1,078 | \$1,036* | \$1,014 | \$804 |

Source: LA Works.

Job Requirements and Job Vacancies

Before the Deepwater Horizon disaster, the Bayou Parishes experienced chronic labor shortages, especially in some skilled occupational categories like welding and fabrication. This reflected ongoing effects of significant shrinkage of both population and workforce in the “oil bust” of the 1980s and out-migration following Hurricane Katrina. Over time, market conditions have created some sub-regional shifts in specific occupational sectors experiencing shortages. As summarized below, labor shortages continue to be a factor in construction, fabrication and ship-building occupations.

Bayou Parishes Job Requirements (2nd Quarter 2009)

| Occupational Group | % Require Experience | % Require More than HS Diploma |
|--------------------------------------|----------------------|--------------------------------|
| Transportation & Material Moving | 81.0% | 11.0% |
| Construction & Extraction | 66.2% | 38.0% |
| Production | 100% | 37.4% |
| Healthcare Practitioner & Technician | 82.9% | 100% |
| Business & Financial | 100% | 100% |

Source: Houma (Bayou) Job Vacancy Survey. Louisiana Workforce Commission. 2009.

River Parishes Job Requirements (2nd Quarter 2009)

| Occupational Group | % Require Experience | % Require More than HS Diploma |
|-------------------------------------|----------------------|--------------------------------|
| Healthcare Practitioner & Technical | 88.3% | 92.8% |
| Transportation & Materials Moving | 91.0% | 24.2% |
| Construction & Extraction | 98.3% | 3.8% |
| Production | 60.7% | 51.1% |
| Business & Financial | 38.0% | 0.0% |

Source: New Orleans (Southeast) Job Vacancy Survey. Louisiana Workforce Commission. 2009.

Job Vacancies by Category and Industry Sector—Second Quarter 2011: Labor Market Area 1 (includes St. Charles, St. James, St. John)

| Industry Group | Number of Vacancies | Median Hourly Wages (\$) | Vacancy Rate (%) |
|----------------------------------|---------------------|--------------------------|------------------|
| Education & Health Services | 2,150 | \$18.93 | 1.9% |
| Trade, Transportation, Utilities | 1,012 | \$17.50 | 0.9% |
| Professional & Business Services | 442 | \$10.00 | 0.6% |
| Construction | 247 | \$12.00 | 0.8% |
| Natural Resources & Mining | 11 | \$18.00 | 1.0% |

Job Vacancies by Category and Industry Sector—Second Quarter 2011; Labor Market Area 3 (Assumption, Lafourche, Terrebonne)

| Industry Group | Number of Vacancies | Median Hourly Wages (\$) | Vacancy Rate (%) |
|----------------------------------|---------------------|--------------------------|------------------|
| Trade, Transportation, Utilities | 273 | \$19.03 | 1.1% |
| Education & Health Services | 161 | \$20.52 | 0.8% |
| Professional & Business Services | 123 | \$15.00 | 1.3% |
| Natural Resources & Mining | 107 | \$16.09 | 1.7% |
| Construction | 49 | \$13.00 | 0.8% |

Employability

Job vacancies in the SCPDC district often result from a mismatch between available jobs and workforce skills and education. This is especially true in the skilled trades, which increasingly require training beyond high school, as well as specialized certifications. Incomplete education and training contribute to the

state’s low 60.5% labor force participation rate, as reported by the U.S. Department of Labor on March 25, 2011. This is a full 4% below the national average of 64.5% labor force participation. On a positive note, between the 2000 Census and 2006–2008 interim estimates, most district parishes showed modest gains in educational attainment. These factors are depicted in the charts below.

Educational Attainment—2010 Census 2010 Educational Attainment: Young Adults

| | Assumption | Lafourche | St. Charles | St. James | St. John | Terrebonne |
|------------------------------------|------------|-----------|-------------|-----------|----------|------------|
| Age 18 to 24 | 2,362 | 10,275 | 5,191 | 2,066 | 4,483 | 11,674 |
| Less than HS | 34.5% | 24.4% | 21.4% | 24.9% | 27.7% | 41.2% |
| HS Grad (includes equivalency) | 41.4% | 40.3% | 27.0% | 27.3% | 26.6% | 34.1% |
| Some College or Associate’s Degree | 16.2% | 33.2% | 45.5% | 44.5% | 35.8% | 21.2% |
| BA Degree of Higher | 8.0% | 2.1% | 6.1% | 3.3% | 9.9% | 3.5% |

Age 25 and Older

| | Assumption | Lafourche | St. Charles | St. James | St. John | Terrebonne |
|---------------------------------|------------|-----------|-------------|-----------|----------|------------|
| Age 25 and over | 15,245 | 62,761 | 33,149 | 14,035 | 29,144 | 71,116 |
| Less than 9th grade | 15.2% | 11.0% | 3.3% | 5.1% | 4.9% | 14.5% |
| 9th to 12th grade, no diploma | 14.9% | 13.9% | 11.0% | 12.4% | 12.6% | 15.1% |
| HS Grad (includes equivalency) | 43.5% | 41.4% | 35.9% | 46.9% | 35.6% | 37.3% |
| Some College, no degree | 13.4% | 15.8% | 21.2% | 18.0% | 26.2% | 18.1% |
| Associate’s Degree | 3.1% | 3.5% | 7.5% | 5.5% | 5.7% | 3.2% |
| BA Degree | 7.0% | 10.7% | 15.4% | 8.0% | 11.2% | 7.6% |
| Graduate or Professional Degree | 2.7% | 3.6% | 5.7% | 4.2% | 3.7% | 4.2% |

Poverty Rates for Populations 25 and Older—Poverty and Educational Attainment Level (2010 Census)

| | Assumption | Lafourche | St. Charles | St. James | St. John | Terrebonne |
|------------------------------------|------------|-----------|-------------|-----------|----------|------------|
| Less than HS Grad | 24.9% | 16.6% | 28.2% | 28.1% | 25.4% | 23.2% |
| HS Grad (includes equivalency) | 9.8% | 13.0% | 10.1% | 6.1% | 10.3% | 8.9% |
| Some College or Associate’s Degree | 8.1% | 4.0% | 6.4% | 4.0% | 7.2% | 12.8% |
| BA Degree or Higher | 0.0% | 0.4% | 3.0% | 2.4% | 2.6% | 4.0% |

Median Earnings in the Past 12 Months (in 2010 Inflation Adjusted Dollars)

| | Assumption | Lafourche | St. Charles | St. James | St. John | Terrebonne |
|------------------------------------|------------|-----------|-------------|-----------|----------|------------|
| Aged 25 and Older with earnings | \$35,514 | \$36,524 | \$40,670 | \$37,534 | \$31,405 | \$31,527 |
| Less than HS | \$23,816 | \$26,916 | \$26,664 | \$14,044 | \$19,320 | \$18,495 |
| HS Grad (includes equivalency) | \$35,638 | \$33,913 | \$34,141 | \$35,173 | \$27,844 | \$32,235 |
| Some College or Associate’s Degree | \$30,568 | \$35,595 | \$41,483 | \$40,612 | \$31,488 | \$31,728 |
| BA Degree | \$50,250 | \$47,925 | \$50,496 | \$65,595 | \$50,479 | \$46,721 |
| Grad or Professional Degree | \$56,824 | \$56,576 | \$60,292 | \$55,500 | \$51,338 | \$52,797 |
| Imputed to Educational Attainment | 4.6% | 5.2% | 4.3% | 2.1% | 5.2% | 6.6% |

Louisiana and Neighboring States' Graduation Rates [as compared to National Rates]

| | All Students | White | Black | Hispanic | Asian | American Indian |
|-------------|--------------|-------|-------|----------|-------|-----------------|
| Louisiana | 60% | 66% | 52% | 57% | 80% | 54% |
| Texas | 67% | 76% | 59% | 58% | 89% | 52% |
| Mississippi | 61% | 66% | 57% | 47% | N/A | 75% |
| Alabama | 65% | 71% | 54% | 52% | 75% | 77% |
| Arkansas | 70% | 73% | 64% | 62% | N/A | 51% |
| National | 72% | 78% | 57% | 58% | 83% | 54% |

Source: Alliance for Excellent Education, c2012.

Louisiana and Neighboring States' Eighth-Grade Proficiency Scores as Measured by State Tests and NAEP Test. 2010-2011.

Source: Alliance for Excellent Education.

Nationwide, the average gaps between state- and NAEP reading and math scores are 39 percentage points and 32 percentage points respectively. These averages are based on the 41 states that have released 2010-2011 state assessment data.

| | State Reading Test Proficiency | NAEP Reading Proficiency | State Math Test Proficiency | NAEP Math Proficiency |
|-------------|--------------------------------|--------------------------|-----------------------------|-----------------------|
| Louisiana | 22% | 67% | 60% | 22% |
| Mississippi | 51% | 21% | 65% | 19% |
| Alabama | 77% | 26% | 77% | 20% |
| Arkansas | 77% | 28% | 63% | 29% |
| Texas* | | | | |

*Texas is one of three states that have not adopted the common core standard, but have developed their own college- and career-ready standards. Texas is also not participating with either of the two groups of states that have formed to develop next-generation assessment systems aligned to the national standards, which are scheduled to be available during the 20014-15 school year.

Louisiana is participating in the Partnership for Assessment of Readiness for College and Careers (PARC) Consortium. Louisiana is one of 36 states that have in place 10 of the 10 elements recommended by the Data Quality Campaign (DQC) as the start of a robust P-12 longitudinal data system. Louisiana also has in place 5 of the 10 fundamental actions recommended by the DQC to change the culture around how data is used to inform decision on improving system and student performance. To date, no states have all 10 actions in place.

Work Experience

Work experience also plays a significant role in employability. The charts below include percentages of jobs that require both experience and more than a high school diploma. It should be noted that a number of the job categories listed bear some relationship to the previously listed job vacancies.

Bayou Parishes Job Requirements (2nd Quarter 2009)

| Occupational Group | % Require Experience | % Require More than HS Diploma |
|--------------------------------------|----------------------|--------------------------------|
| Transportation & Material Moving | 81.0% | 11.0% |
| Construction & Extraction | 66.2% | 38.0% |
| Production | 100% | 37.4% |
| Healthcare Practitioner & Technician | 82.9% | 100% |
| Business & Financial | 100% | 100% |

Source: Houma (Bayou) Job Vacancy Survey. Louisiana Workforce Commission. 2009.

River Parishes Job Requirements (2nd Quarter 2009)

| Occupational Group | % Require Experience | % Require More than HS Diploma |
|-------------------------------------|----------------------|--------------------------------|
| Healthcare Practitioner & Technical | 88.3% | 92.8% |
| Transportation & Materials Moving | 91.0% | 24.2% |
| Construction & Extraction | 98.3% | 3.8% |
| Production | 60.7% | 51.1% |
| Business & Financial | 38.0% | 0.0% |

Source: New Orleans (Southeast) Job Vacancy Survey. Louisiana Workforce Commission. 2009.

Job Vacancies by Category and Industry Sector--Second Quarter 2011: Labor Market Area 1 (St. Charles, St. James, St. John)

| Industry Group | Number of Vacancies | Median Hourly Wages (\$) | Vacancy Rate (%) |
|----------------------------------|---------------------|--------------------------|------------------|
| Education & Health Services | 2,150 | \$18.93 | 1.9% |
| Trade, Transportation, Utilities | 1,012 | \$17.50 | 0.9% |
| Professional & Business Services | 442 | \$10.00 | 0.6% |
| Construction | 247 | \$12.00 | 0.8% |
| Natural Resources & Mining | 11 | \$18.00 | 1.0% |

Job Vacancies by Category and Industry—Second Quarter 2011; Labor Market Area 3 (Assumption, Lafourche, Terrebonne)

| Industry Group | Number of Vacancies | Median Hourly Wages (\$) | Vacancy Rate (%) |
|----------------------------------|---------------------|--------------------------|------------------|
| Trade, Transportation, Utilities | 273 | \$19.03 | 1.1% |
| Education & Health Services | 161 | \$20.52 | 0.8% |
| Professional & Business Services | 123 | \$15.00 | 1.3% |
| Natural Resources & Mining | 107 | \$16.09 | 1.7% |
| Construction | 49 | \$13.00 | 0.8% |

Source: New Orleans (Southeast) Job Vacancy Survey. Louisiana Workforce Commission. 2011.

Local Government Revenues

The recession economy has affected government revenues around the world, with ripple effects from a mutually reinforcing combination of unemployment, underemployment, lower profits and incomes, and reduced market demand. Louisiana, like most of the states, is struggling with a budget crisis. These factors, coupled with aftereffects of the Deepwater Horizon Disaster, have significantly reduced the sales and use and severance tax revenues that are primary sources of revenue for SCPDC parishes and municipalities. The drop in revenues and the persistent delays in the return to full offshore operations continue to raise the level of uncertainty and unpredictability as both state and local governments struggle with falling revenues and resulting fiscal stress.

Louisiana stands 36th among the 50 states in total tax collections. Per capita distribution of total state tax collections (excluding severance taxes) is \$1,932 per person. This is in comparison to the highest and lowest total state tax collection distributions: Alaska at \$6,361 per capita and South Carolina at \$1,471 per capita.

Lafourche ranked highest among all the Louisiana parishes, with the highest average income tax liability per return as a percent of parish average. Terrebonne ranked 7th and St. Charles ranked 8th among all parishes statewide.

| | Average LA Adjusted Income Tax | Rank | Top 10 as Percent of Parish Average |
|-------------|--------------------------------|------|-------------------------------------|
| Lafourche | \$1,692 | 1 | 135.06% |
| Terrebonne | \$1,554 | 7 | 124.03% |
| St. Charles | \$1,517 | 8 | 121.11% |

Sales Taxes: Louisiana’s state sales tax rate is 4%. Parishes and municipalities are authorized to levy local sales taxes. These are in addition to the state sales tax. As of March 2012, sales taxes for SCPDC’s six parishes and six municipalities were as follows:

Source of Sales Tax Data: Louisiana Association of Tax Administrators. http://www.laota.com/ondex.php?option=com_content&view=article&id=168&Itemid=146

Tax and Revenue Data: from Louisiana Department of Revenue. Annual Tax Collection Report 2010-2011.

| | Gross Sales Tax | Sales Tax Per Cap | Distrib. of Local Property Tax | Prop Tax per Capita | LA Adjusted Indiv. Income Tax | LA Income Tax Per Capita |
|-------------|-----------------|-------------------|--------------------------------|---------------------|-------------------------------|--------------------------|
| Assumption | \$2,324,259 | \$99 | \$13,671,573 | \$584 | \$10,265,005 | \$438 |
| Lafourche | \$27,003,455 | \$280 | \$91,640,203 | \$951 | \$66,752,248 | \$693 |
| St. Charles | \$31,451,953 | \$596 | \$116,481,724 | \$2,207 | \$35,563,788 | \$655 |
| St. James | \$6,240,693 | \$282 | \$41,966,913 | \$2,207 | \$34,563,788 | \$655 |
| St. John | \$22,090,372 | \$481 | \$41,012,340 | \$893 | \$20,618,368 | \$449 |
| Terrebonne | \$42,340,956 | \$379 | \$72,402,840 | \$638 | \$72,924,162 | \$652 |

Sales and Use Tax—Totals Reported by Parish:

| | FYE 6/10 | FYE 6/11 | % Change | FYE 2010 Per Capita | FYE 2010 PC Rank | FYE 2011 Per Capita | FYE 2011 PC Rank |
|-------------|--------------|--------------|----------|---------------------|------------------|---------------------|------------------|
| Assumption | \$2,428,993 | \$2,324,259 | -4.31% | \$106 | 61 | \$99 | 60 |
| Lafourche | \$25,880,114 | \$27,003,455 | 4.34% | \$276 | 26 | \$280 | 25 |
| St. Charles | \$27,701,587 | \$31,451,953 | 13.54% | \$5237 | 3 | \$596 | 3 |
| Sr. James | \$5,552,153 | \$6,240,693 | 12.40% | \$264 | 29 | \$282 | 24 |
| St. John | \$23,151,056 | \$22,090,372 | -4.58% | \$492 | 6 | \$481 | 5 |
| Terrebonne | \$37,442,092 | \$42,340,956 | 13.08% | \$343 | 17 | \$379 | 16 |

Sales Tax Rates

| | Tax Rate |
|--|----------|
| Assumption Parish | 5.000% |
| Village of Napoleonville | 5.000% |
| Lafourche Parish | |
| Consolidated District A Road Districts 3,5 and 6 | 4.700% |
| Road District 2, South of GIWW | 5.200% |
| Road District 2, North of GIWW | 4.200% |
| Town of Golden Meadow | 5.200% |
| Town of Lockport | 4.700% |
| City of Thibodaux | 4.000% |
| St. Charles Parish | |
| Parish Wide | 5.000% |
| St. James Parish | |
| Outside Incorporated Municipality Areas | 3.500% |
| Town of Gramercy Incorporated Area Only | 3.500% |
| Town of Lutcher | 3.500% |
| St. John the Baptist Parish | |
| Parish Wide | 4.750% |
| Terrebonne Parish | |
| Parish of Terrebonne | 4.500% |

Local Dedications of State Hotel/Motel Tax Collections included the following:

| | Amount |
|--|--------------|
| Lafourche Parish: | |
| Lafourche Parish Enterprise Fund | \$336,390.72 |
| St. Charles Parish | |
| St. Charles Parish Visitor Enterprise Fund | \$156,864.99 |
| St. Charles Parish River Parish Convention, Tourism & Visitor Fund | \$53,826.62 |
| St. James Parish | |
| St. James Parish Enterprise Fund | \$16,111.50 |
| St. James Parish River Parish Convention, Tourism & Visitor Fund | 5,424.75 |
| St. John the Baptist Parish | |
| St. John the Baptist Parish Convention Facility Fund | \$339,625.24 |
| St. John the Baptist River Parish Convention, Tourism & Visitor Fund | \$114,351.97 |
| Terrebonne Parish | |
| Terrebonne Parish Houma Tourist Fund | \$674,960.23 |
| Terrebonne Parish Visitor Enterprise Fund | \$664,835.80 |

Severance Taxes Overall:

| | Oil/Condensate | Natural Gas | Timber/Pulpwood | Minerals | Total Tax Reported |
|----------------------|-----------------|-----------------|-----------------|-------------|--------------------|
| Assumption | \$2,835,258.14 | \$538,770.41 | \$9,861.36 | \$35,183.99 | \$3,419,073.90 |
| Lafourche | \$68,300,335.97 | \$5,491,189.40 | \$13,862.99 | \$11,415.08 | \$73,816,803.44 |
| St. Charles | \$5,391,565.85 | \$448,361.56 | \$59.33 | \$35,595.05 | \$5,875,581.79 |
| St. James | \$531,467.58 | \$108,767.62 | \$3,820.56 | \$3,589.77 | \$674,645.53 |
| St. John the Baptist | \$283,136.58 | \$23.58 | \$1,556.79 | \$0.00 | \$284,716.95 |
| Terrebonne | \$55,100,199.00 | \$12,087,724.75 | \$2,236.47 | \$0.00 | \$67,190,160.42 |

Update on Key Factors Affecting the Economy

Factors cited in previous CEDS continue to have significant impacts on the regional economy. These include:

Labor Shortage:

The limited supply of skilled labor continues to affect the regional economy. The energy industry, with its existing skilled workforce aging, faces “the great crew change” as half of the energy industry reaches retirement age. At the same time, the SCPDC district has a limited pool of upcoming, homegrown recruits to replace the current workers. This will be especially problematic

as stricter regulations on offshore drilling are implemented while the current cadre of experienced workers retires or prepares to retire. Louisiana Workforce Commission figures, detailed in the charts below, show limited annual growth in some key occupational categories, but an ongoing need to replace existing workers in these occupations. Average wages for some occupational categories in the SCPDC district can be significantly higher than statewide wage averages for those occupations. Also of note, the occupational health and safety category is projected to both add jobs and require replacement of existing workers. Employment in this category could continue to increase as the regulatory regime for offshore drilling becomes stricter.

ENERGY INDUSTRY – State of Louisiana Long-Term Demand for Top Occupations to 2018 by Career Cluster-- Natural Resources Cluster

| | 2008 Est. Employment | Annual Growth | Annual Replacement | Annual Growth in Demand | Education Training Cert. | 2010 Av. Annual Wage |
|--|----------------------|---------------|--------------------|-------------------------|----------------------------------|----------------------|
| Petroleum Pump System and Refinery Operators and Gaugers | 6,360 | 30 | 180 | 200 | Long-Term Training & Experience | \$58,912 |
| Roustabouts, Oil and Gas | 4,080 | 50 | 120 | 170 | Mod-Term Training & Experience | \$31,819 |
| Wellhead Pumpers | 2,850 | 10 | 110 | 130 | Mod-Term Training & Experience | \$37,100 |
| Helpers-Extraction Workers | 960 | 20 | 30 | 40 | Short-Term Training & Experience | \$31,678 |

Source: LA Works. April 2011.

Houma MSA—Regional Labor Market Area 3 (Assumption, Lafourche, Terrebonne Parishes) Long-Term Demand for Top Occupations to 2018 by Career Cluster Natural Resources Cluster

| | 2008 Employment | Annual Growth | Annual Replacement | Growth in New Demand | Education, Training, Cert. | 2010 Av. Annual Wage |
|-------------|-----------------|---------------|--------------------|----------------------|----------------------------|----------------------|
| Roustabouts | 720 | 0 | 20 | 0.6% | Mod-Term & Exp. | \$38,931 |

Source: LA Works. April 2011.

New Orleans MSA—Regional Labor Market 1 (St. Charles, St. James, St. John the Baptist) Long-Term Demand for Top Occupations to 2018 by Career Cluster

| | 2008 Employment | Annual Growth | Annual Replacement | Growth in New Demand | Education, Training, Cert. | 2010 Av. Annual Wage |
|--|-----------------|---------------|--------------------|----------------------|---------------------------------|----------------------|
| Petroleum Pump System and Refinery Operators and Gaugers | 2,310 | 10 | 60 | 80 | Long-Term Training & Experience | \$62,793 |
| Roustabouts | 700 | 0 | 20 | -1.3% | Mod-Term & Exp. | \$32,339 |

Source: LA Works. April 2011.

MANUFACTURING— State of Louisiana Long-Term Demand for Top Occupations to 2018 by Career Cluster Manufacturing

| | 2008 Employment | Annual Growth | Annual Replacement | Annual % Demand Growth | Education, Training, Cert | 2010 Av. Annual Wage |
|--|-----------------|---------------|--------------------|------------------------|---------------------------|----------------------|
| Welders, Cutters, etc. | 16,340 | 170 | 350 | 1.0% | Post-Secondary Vo-Tech | \$40,790 |
| Maintenance & Repair | 28,210 | 190 | 70 | 0.6% | L-T training & Exp. | \$33,524 |
| Indus. Machinery Mechanic | 6,480 | 120 | 110 | 1.7% | L-T Train & Exp | \$45,547 |
| Truck & Tractor Op | 7,230 | 0 | 180 | -0.6% | Short-Term train & Exp. | \$30,788 |
| Machinists | 6,960 | 50 | 110 | 0.8% | L-T Train & Exp. | \$40,654 |
| Structural Metal Fabricators & Fitters | 2,890 | 20 | 50 | 0.1% | Mod-Term train & Exp. | \$40,063 |

Source: LA Works. April 2011.

Houma MSA –Regional Labor Market 3 Long-Term Demand for Top Occupations to 2018 by Career Cluster Manufacturing

| | 2008 Employment | Annual Growth | Annual Replacement | Growth in New Demand | Education, Training, Cert | 2010 Av. Annual Wage |
|--|-----------------|---------------|--------------------|----------------------|---------------------------|----------------------|
| Welders, Cutters, etc. | 3,130 | 110 | 70 | 3.0% | Post-Secondary Vo-Tech | \$39,160 |
| Maintenance & Repair | 1,550 | 20 | 0 | 1.2% | L-T training & Exp. | \$33,524 |
| Indus. Machinery Mechanic | 540 | 10 | 10 | 2.2% | L-T Train & Exp | \$42,729 |
| Machinists | 840 | 30 | 10 | 2.7% | L-T Train & Exp. | \$39,241 |
| Structural Metal Fabricators & Fitters | 530 | 20 | 10 | 3.1% | Mod-Term train & Exp. | \$45,209 |

Source: LA Works. April 2011.

Population Shifts:

Nearly six years after the catastrophic 2005 hurricane season, the 2010 U.S. Census has provided answers to longstanding questions about the storms' ultimate demographic impacts on the state of Louisiana. All of the SCPDC parishes have experienced some growth, but none ranked among the state's fastest growing areas. Along with the population shifts, some district parishes have experienced dramatic changes in their ethnic composition. The New Orleans Community Data Center gathers information on the two River parishes in the New Orleans MSA.

St. Charles Parish's population is now about 66% white, 26% African-American, and 5% Hispanic;

St. John the Baptist Parish's population is now 40% white, 53% African-American, and 5% Hispanic.

Louisiana's greatest growth occurred just north of the SCPDC district, in Ascension and Livingston Parishes. St. Tammany and Tangipahoa Parishes, north of Lake Pontchartrain had slightly lower, but still significant, rates of growth. The 2010 Census figures confirm previously anecdotal evidence of a marked shift of population away from the New Orleans metro area and toward the Baton Rouge metro area. Orleans, St. Bernard and Plaquemines Parishes had the greatest population losses.

Bedroom Communities and Trends in New Home Starts

Recent Trends in Building Permits:

SCPDC handles centralized building code enforcement for five of its six parishes and five of its six municipalities through the South Central Building Code Enforcement Council. The charts below capture data from the last quarter of 2011 to give a sense of growth trends within the parishes that participate in the regional building code program. Source: www.mypermitnow.org (March 5, 2012)

**Recent Trends In New Residential and Mobile Home Permits
4th Quarter 2011:**

| Assumption Parish Oct-Dec 2011 | |
|---|--------------|
| New Residential | Mobile Homes |
| 3 Pierre Part 2 Plattenville 1 Bayou L'Ourse 1 Belle Rose 1 Labadieville 1 Donaldsonville 1 Napoleonville | None |

| St. Charles Parish Oct-Dec 2011 | |
|--|-------------------------|
| New Residential | Mobile Homes |
| 6 Luling 3 Montz 2 Boutte 1 Ama 1 Des Allemands 1 Norco | 1 Boutte 1 Hahnville |

| St. James Parish Oct-Dec 2011 | |
|-------------------------------|---|
| New Residential | Mobile Homes |
| 2 Paulina 2 Vacherie | 6 Vacherie 3 Convent 3 Paulina 2 St. James |

| St. John the Baptist Parish Oct-Dec 2011 | |
|--|------------------------------------|
| New Residential | Mobile Homes |
| 2 LaPlace 2 Reserve | 7 Edgard 2 Reserve 1 LaPlace |

| Terrebonne Parish Oct-Dec 2011 | |
|---|--|
| New Residential | Mobile Homes |
| 6 West Houma & to the north 2 Gray 4 Schriever 2 Thibodaux 1 Montegut | 6 Sunshine Ct., Houma 2 Thibodaux 1 Nassau Ct.-East Houma 2 Roy St., Houma-to the north 1 Coteau Road 1 Port au Prince Ct. -East Houma 1 Gray 1 Schriever |

AVERAGE PRICE OF EXISTING SINGLE FAMILY HOMES River Parishes

| Parish | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | % Change 05-10 |
|----------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|----------------|
| St. Charles | \$186,396 | \$229,826 | \$222,471 | \$213,269 | \$199,402 | \$197,854 | \$184,879 | 0.8% |
| St. James | \$120,609 | \$158,664 | \$135,763 | \$130,005 | \$144,364 | \$127,772 | \$101,151 | -16.1% |
| St. John the Baptist | \$141,174 | \$171,801 | \$171,085 | \$155,495 | \$156,113 | \$148,105 | \$127,436 | -9.7% |

Source: New Orleans Metropolitan Association of Realtors. Feb. 2012.

Similar information, though not available for the Bayou Parishes, can be extrapolated from a number of different sources. These include data on median home prices on the Zillow (<http://www.zillow.com/>) and Trulia Real Estate websites.

Bayou Parishes Houma Area:

| Zip Code | Dec 2008 | Dec 2009 | Dec 2010 | Dec 2011 | Jan 2012 | Listings with Price Cut (%) | Year Over Year |
|----------|-----------|-----------|-----------|-----------|-----------|-----------------------------|----------------|
| | | | | | | Current | |
| 70360 | \$249,000 | \$245,000 | \$240,000 | \$245,500 | \$243,100 | 23.2% | 0.8% |
| 70363 | \$139,000 | \$130,000 | \$129,900 | \$125,000 | \$127,000 | 29.2% | 1.5% |
| 70364 | \$169,000 | \$154,900 | \$164,900 | \$157,300 | \$159,900 | 22.1% | -6.7% |

Bayou Parishes Thibodaux:

| Zip Code | Dec 2008 | Dec 2009 | Dec 2010 | Dec 2011 | Jan 2012 | Listings with Price Cut (%) | Year Over Year |
|----------|-----------|-----------|-----------|-----------|-----------|-----------------------------|----------------|
| | | | | | | Current | |
| 70301 | \$189,900 | \$189,000 | \$175,000 | \$179,900 | \$179,000 | 17.9% | -8.0% |

Napoleonville: (No data prior to 2010 provided.)

| Zip Code | Dec 2010 | Dec 2011 | Jan 2012 | Listings with Price Cut (%) | Year Over Year |
|----------|-----------|-----------|-----------|-----------------------------|----------------|
| | | | | Current | |
| 70390 | \$129,000 | \$130,000 | \$109,900 | 25.0% | -35.0% |

The Trulia site is http://www.trulia.com/real_estate/

Houma Area: Average Listing Price February 2012:

| | Average Listing Price | Number of Listings |
|---------------|-----------------------|--------------------|
| Feb. 1, 2012 | \$212,000 | 360 |
| Feb. 8, 2012 | \$214,000 | 355 |
| Feb. 15, 2012 | \$213,000 | 373 |
| Feb. 22, 2012 | \$213,000 | 371 |

Thibodaux Area: Average Listing Price February 2012:

| | Average Listing Price | Number of Listings |
|---------------|-----------------------|--------------------|
| Feb. 1, 2012 | \$210,000 | 145 |
| Feb. 8, 2012 | \$212,200 | 144 |
| Feb. 15, 2012 | \$212,100 | 142 |
| Feb. 22, 2012 | \$215,000 | 152 |

Napoleonville Area: Average Listing Price February 2012:

| | Average Listing Price | Number of Listings |
|---------------|-----------------------|--------------------|
| Feb. 1, 2012 | \$131,000 | 7.0 |
| Feb. 8, 2012 | \$128,000 | 7.0 |
| Feb. 15, 2012 | \$120,000 | 8.0 |
| Feb. 22, 2012 | \$120,000 | 8.0 |

Foreclosure Data Foreclosure Rates By State as of June 2011 (from About.com)

| State | Rank | Foreclosure Rate (1 in every X HH) | State | Rank | Foreclosure Rate (1 in every X HH) |
|------------|------|------------------------------------|-------------|------|------------------------------------|
| Nevada | 1 | 114 | Illinois | 9 | 480 |
| Arizona | 2 | 205 | Colorado | 10 | 497 |
| California | 3 | 248 | Arkansas | 16 | 662 |
| Utah | 4 | 294 | Oklahoma | 21 | 842 |
| Idaho | 5 | 344 | Louisiana | 23 | 948 |
| Michigan | 6 | 352 | Texas | 27 | 1,041 |
| Florida | 7 | 352 | Alabama | 34 | 1,497 |
| Georgia | 8 | 418 | Mississippi | 46 | 4,149 |

Additional Factors Affecting Housing:

A number of other factors affect the availability of housing in the SCPDC district. These include demolitions of homes damaged in severe weather events which have not been repaired. Another, related, factor is the incidence of homes that have been subjects of repetitive loss claims due to severe weather. Such properties may be eligible for FEMA buy-out and demolition programs. The properties where the demolished homes were located cannot be reused, but serve as recharge areas for runoff and flooding and as community green space.

Housing and Credit Trends

Experience since Katrina has highlighted the close links between employment and housing within the SCPDC district. Too little housing to meet workforce demand creates higher housing prices that contribute to labor scarcity. Too much housing that stands unused creates a crisis of its own. Credit is tight in the current recession, and impacts within the district continue to be much less severe than in New Orleans, where unresolved damages from Katrina still leave many homes uninhabitable and sharp increases in home prices and rents threaten to close many people out of the market completely.

Impacts of Conditions in the Housing Market:

Since the housing market formed the leading edge of the current downturn, home foreclosures continue to be a key indicator of the ongoing status of the current recession and any

possible signs of recovery. Louisiana never had a housing bubble and has tended to feel less impact than many other states. A 2012 Kaiser Family Foundation *statehealthfacts.org* report used 2010 data to draw a close correlation between foreclosures and other social factors such as unemployment and participation in the food stamp program. Comparing the 2010 Louisiana data below with the 2011 figures above indicates that the state is seeing an increase in the rate of foreclosures over the two-year period.

Business Relocation and/or Disruption

Small business have been impacted by cash flow issues related to the slowdown in the energy industry due to the drilling moratorium imposed in the wake of the 2010 oil spill. Some small businesses have been forced to close their doors.

Disaster Related Uncertainties

Four major hurricanes in five years and the BP oil spill have affected fishermen, fish docks, seafood dealers, with potential for a total collapse of the fishing and seafood industry. The moratorium on deepwater drilling also caused a cutback in activity at Port Fourchon, a major economic driver for the Bayou Parishes. A gradual return to pre-oil spill activity levels is expected by 2014. These projections could, of course, be affected by severe weather events impacting the region.

| | Foreclosure Rate (1/every x HH) | Foreclosure Rank | % Change in Monthly Unemployment | Food Stamp Participation Change |
|----------------|---------------------------------|------------------|----------------------------------|---------------------------------|
| Louisiana | 1,257 | 30 | -0.6% | 3.4% |
| Nevada | 278 | 1 | -1.3% | 8.3% |
| California | 283 | 2 | -1.1% | 8.8% |
| Arizona | 312 | 3 | -1.0% | 8.9% |
| Georgia | 331 | 4 | -0.8% | 8.7% |
| Florida | 341 | 5 | -1.4% | 8.1% |
| Illinois | 398 | 6 | -0.2% | 0.8% |
| Michigan | 433 | 7 | -1.9% | -5.5% |
| South Carolina | 489 | 8 | -1.4% | 3.7% |
| Ohio | 543 | 9 | -1.3% | 1.2% |
| Wisconsin | 596 | 10 | -0.7% | 5.6% |
| Mississippi | 3,337 | 44 | -1.0% | 5.8% |
| Texas | 1,044 | 23 | -0.9% | 5.4% |
| Alabama | 1,347 | 33 | -1.7% | 5.6% |
| Arkansas | 2,880 | 42 | -0.4% | 3.6% |
| United States | 637 | N/A | -0.7% | 5.1% |

After the Oil Spill:

Regulatory Changes, Economic Impacts

A year after it began, the 2010 BP oil spill continues to have a significant effect on the SCPDC district. The drilling moratorium, ongoing trends in global energy prices and a more stringent regulatory regime seem likely to create lasting economic changes and challenges. Offshore operators and local communities still await definitive answers to a number of key questions:

- When will the Gulf return to full operational status?
- What timeframes can operators expect for approval of applications for deepwater drilling permits?
- What kind of regulatory regime will the industry have to operate under moving forward?

Upcoming Lease Sales

On May 14, 2011, in the face of rising gas prices at the pump, there were hopeful signs regarding the first question. The president announced resumption of plans to expand domestic oil production that had been put on hold after the oil spill. These include conducting a sale of Gulf oil leases in 2011 and two more in 2012. Leases in the Gulf that were affected by the drilling moratorium will also be extended. Additionally, plans call for annual lease sales in Alaska's National Petroleum Reserve, while the Department of the Interior has been directed to speed up evaluation of potential oil and gas resources along the mid- and south-Atlantic coasts and to develop new incentives for industry to tap unused leases both onshore and offshore. The steps to increase production fell short of bills to expedite and expand offshore drilling passed by the House of Representatives, which would have required that the three lease sales all be held in 2011. The administration again cautioned against precipitous action, while critics noted the continued slow pace in permitting of offshore drilling.

Still Evolving

Answers to the second and third questions are still evolving. During the oil spill crisis, the former Minerals Management Service (MMS) went through significant reorganization. The National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling issued its report in January 2011. The report included a series of recommendations in a number of different directions and aimed at various audiences. Recommendations regarding federal response capacity included:

- **Expand and enhance federal scientific and operational capacity:** This initiative could build and expand on the existing National Contingency Plan and National Response Team framework established under the Clean Water and Oil Pollution Acts to put together critical information and take charge during an oil spill, especially a "Spill of National Significance."
- **Fund research and development to improve oil-spill response methods and technology:** Funding to federal agencies would ensure they can keep pace with rapid technological development by industry. Incentives to encourage private-sector investment would improve industry capabilities in oil spill response. Two

private sector initiatives in well-containment have already been or are under development, even without incentives.

- **Develop greater expertise in source control and ability to accurately estimate flow rates or volumes within the federal government:** Such knowledge would ensure government has the information it needs to gauge the magnitude of a spill and require the responsible party to consider various contingencies and justify the paths chosen.
- **Develop greater scientific understanding of oil spill impacts, particularly in the deepwater environment:** Most important is developing accurate information on health and environmental impacts from the spill and the use of dispersants.
- **Increase opportunities for state and local involvement in oil spill contingency planning, training and response:** This could be accomplished by creating mechanisms similar to the Regional Citizens' Advisory Councils mandated by the Oil Pollution Act.
- **Continue steps to restore consumer confidence in Gulf Coast seafood and tourism:** This included a recommendation to dedicate 8% of Clean Water Act penalties to long-term restoration of the Gulf of Mexico.
- **Develop better tools to balance economic and environmental interests in the Gulf.**
- **Develop a comprehensive national energy policy.**

Drilling Permits

The rechristened BOEM has been working to staff up its permit review and inspection staff. Budget limitations make it difficult to pay the competitive salaries necessary to attract qualified employees who can earn significantly more in the private sector. In July 2011, HIS Global Insight issued a report on exploration in the Gulf of Mexico. Pending drilling permits were up from the historic average of 18 to nearly 65. This is an indication that drilling companies are still interested in working in the Gulf. The report states that adding more inspectors would increase the pace of permitting and the pace and scale of investment, with resulting potential to create 230,000 domestic jobs in 2012, as well as more than \$44 billion of U.S. gross domestic product. Suggestions to raise caps on responsible parties' liability and requiring offshore operators to pay at least part of regulatory costs have raised concerns of a possible chilling effect on the return of drilling activity to the Gulf. Spill-containment systems developed by private sector companies have played an important part in decisions to grant the first new permits for deepwater drilling issued since the spill and moratorium.

Recommendations in the national commission report give some indication of factors that could be considered in future BOEM decisions regarding applications for offshore drilling permits.

1. **Improve Safety of Offshore Operations:** Develop a risk-based performance approach that can be tailored to individual facilities and adapt to rapid changes in technology, practice and risk;

2. Benchmark U.S. regulations against the highest international standards.
3. **Safeguard the Environment:** Revise and strengthen National Environmental Policy Act (NEPA) policies, practices and procedures regarding OCS planning, leasing, exploration and development. Limit area-wide leasing and require environmental impact statements to focus on a particular site, rather than allowing broad, general EIS across larger areas;
4. **Strengthen Oil Spill Response, Planning and Capacity:** Use relevant scientific and operational expertise in federal agencies and from other sources to evaluate operators' spill response and containment plans to verify ability to implement plan elements and coordinate activities under federal oversight.
5. **Advance Well-Containment Capabilities:** Require well designs that mitigate risk to well integrity during post-blowout containment and response. Require operators applying for deepwater permits to document ready access to well-containment capability as part of their applications.
6. **Ensure Financial Responsibility:** Require applicants for offshore permits to demonstrate financial capability necessary to address any issues that may arise in the course of drilling the well.

Regulation of Drilling: Mandatory SEMS:

The evolving permit process is linked with a shift in the regulatory regime. In November 2010, the government published a rulemaking that all offshore operators must have Safety and Environmental Management Systems (SEMS) in place by November 11, 2011. The SEMS program is based on recommended and previously voluntary practices developed by the American Petroleum Institute (API) in its RP 75 document. Where API guidance allowed companies to choose the elements of their safety management plan, the new regulations require all operators to cover all 13 elements in their mandatory SEMS plans.

Requirements for Operators and Contractors:

SEMS applies to all OCS oil and gas facilities under BOEM jurisdiction. It is applicable to operations including drilling, production, construction, well work over, well completion.

The timeline is very short. Lessees/operators must have their SEMS plans in place by November 15, 2011 and the plans must be audited within two years of being implemented. This gives the industry just eight months to achieve compliance with a very complex regulation. With another industry-wide regulation, the TWIC card system, 20 months were allowed to achieve compliance and companies still found it difficult to meet that deadline.

Contractors who work on offshore facilities are not required to have a SEMS. However, operators must ensure that their contractors are familiar with applicable parts of the operators' SEMS. Operators and contractors must also document their agreement on appropriate contractor safety and environmental policies. BOEM estimates it will cost offshore operators over \$92 million to imple-

ment and maintain their SEMS programs. Unfortunately, no estimate of the cost to contractors has been provided. Depending on what operators put in their plans, these could be significant and contractors who have difficulty meeting the November 15 deadline also run the risk of losing work.

What This Will Mean in Practice

How the regulatory regime will evolve in practice remains to be seen. Operators' SEMS information need not be reviewed by BOEM, but it must be properly documented and available for review upon request. SEMS plans must be audited for compliance within two years of adoption. Again, as noted below, not all audits will be reviewed, but some reviews will be conducted randomly or based on performance. The 13 SEMS Elements are as follows:

- **General Management Program Principles:** the written documentation of goals and performance measures, accountability, organizational structure and use and allocation of necessary resources and trained staff.
- **Safety and Environmental Information:** development and use of informational tools like simplified flow diagrams and acceptable upper and lower limits, as well as piping and instrument diagrams; electrical area classifications; equipment arrangement drawings; design basis of relief system.
 - This element also includes descriptions of alarm, shutdown and interlock systems; well control systems; design basis for passive and active fire protection features and systems and emergency evacuation procedures.
- **Hazards Analysis:** facility level analysis and job safety analysis, with job steps, existing or potential hazards, and mitigation.
 - This element also includes information on previous incidents, and control technology, as well as a qualitative evaluation of possible health and safety effects on employees and potential impacts to the human and marine environments.
- **Management of Change:** procedures for modifications associated with equipment, operating procedures, personnel changes (including contractors), materials and operations conditions.
 - Employees, including contractors, whose jobs will be affected by a change must be informed and training in the change must be provided prior to startup of the process or of the affected operation.
- **Operating Procedures:** development and implementation of written instructions for activities involved in each operation addressed in the SEMS program.
 - Procedures must address initial startup, normal operations, emergency operations, normal shutdown, and start up following a shutdown, as well as potential hazards of any chemicals used in the operation.
- **Safe Work Practices:** contractor selection procedures, with emphasis on verifying that contractors are conducting their activities in accordance with the SEMS.
 - This element covers installation, maintenance or repair of equipment; construction, startup and operation of facilities;

turnaround operations; major renovation; specialty work.

■ **Training:** establishing and implementing a training program so all personnel have the necessary preparation to work safely and are aware of environmental considerations offshore.

- This element covers initial training, as well as periodic updates to training.

■ **Mechanical Integrity:** development and implementation of written procedures to ensure the mechanical integrity and safe operation of equipment through inspection, testing and quality assurance.

- This element covers the design, procurement, fabrication, installation, calibration and maintenance of equipment and systems. It also covers training employees involved in maintaining equipment and systems, the frequency and verification of inspections and tests, correction of deficiencies and installation of new equipment and modifications to existing equipment.

■ **Pre-Startup Review:** pre-start up safety and environmental review for new and significantly modified facilities confirms that construction and equipment are in accordance with applicable modifications.

- The purpose of this element is to ensure that safety, environmental, operating, maintenance and emergency procedures are in place and adequate, with safety and environmental information current and hazards analysis recommendations implemented as appropriate and training complete.

■ **Emergency Response and Control:** emergency response and control plans must be in place and ready for immediate implementation.

- The plans must be validated by drills carried on a schedule defined by the SEMS training program. The plan must include the 1) Emergency Action Plan that assigns authority and responsibility; 2) Emergency Control Center(s) designated for each facility; 3) Training and Drills incorporating emergency response and evacuation procedures and based on realistic scenarios.

■ **Investigation of Incidents:** to learn from incidents and help prevent similar incidents, the SEMS program must include procedures for investigating all incidents with serious safety or environmental consequences or that are determined by BOEM to have the potential for serious safety or environmental consequences. Investigation should begin as promptly as possible, with due regard for protecting people and environment.

- Investigations must address the nature of what happened, factors (human and other) that contributed, recommended changes identified as a result. A corrective action program must be established based on the findings of the investigation.

■ **Audits:** audits must be conducted by either an independent third-party or by designated and qualified personnel according to requirements of API RP 75, within two years of the initial implementation of the SEMS program and at least every three years thereafter.

- The audit must include all 13 elements. The audit plan must be submitted to BOEM at least 30 days before the audit. The agency reserves the right to modify the list of facilities to be audited. A plan and schedule for addressing any deficiencies must be submitted to BOEM within 30 days of completion of the audit.

■ **Records and Documentation:** BOEM or its authorized representative may evaluate or visit the facility to verify that the SEMS program is in place, addresses all the required elements, and is effective in protecting worker health and safety and the environment and preventing incidents.

- Evaluations may be conducted at random or based upon performance. Documents and information to be evaluated include the SEMS program; documentation of contractors; qualifications of auditor(s); SEMS audits conducted; documentation or information on correction of deficiencies. During site visits, BOEM may also verify that personnel are following the SEMS program; familiarity with and ability to explain and demonstrate the procedures and policies included in the SEMS program; and evidence to support the implementation of the SEMS program.

Regulations Affecting Marine Operations

The 2010 oil spill also prompted a review of regulations related to the marine aspects of offshore operations. Questions focused primarily on the adequacy of regulation for mobile operating drilling units (MODUs) and of foreign-flag floating facilities, since the Deepwater Horizon had a Marshall Islands registration.

Mobile Offshore Drilling Units

The U.S. Coast Guard's after-action report on the oil spill also recognized a widening gap between technology used in the energy industry and the regulations governing the industry. The major technological gap discussed related to large offshore rigs like the Deepwater Horizon, known as MODUs. An increasing number of MODUs have "Dynamic Positioning" (DP) systems to keep them in place. Such vessels do not fit easily into existing U.S. statutes and regulations for vessel operation administered by the Coast Guard. Current definitions in U.S. regulation and law were enacted and published well before the rising prominence of DP systems on MODUs. In fact, current Coast Guard regulations reference DP only once.

The Deepwater Horizon was constructed in accord with the 1989 edition of the International Maritime Organization (IMO) MODU Code. The Code itself provides recommendations intended as guidance for flag-state administrations (as in the case of the Deepwater Horizon) to use in promulgating their own domestic regulations. The existing code is also used extensively by the Classification Societies as the basis for their MODU Rules. The IMO MODU Code has been amended and substantially improved since 1989, but it still does not address all aspects of design, construction, equipment and operation as comprehensively as U.S. regulations do and, as noted previously, MODUs do not fit easily within existing U.S. regulations. U.S. Code effectively exempts MODUs from manning requirements when "on-location," but defines "on-location" to mean that a MODU is bottom

bearing or moored with anchored placed in the drilling configuration. According to the Coast Guard, maintaining a fixed position with DP does not satisfy the regulatory definition, since there is no physical connection to the ocean bottom.

The Coast Guard describes previous attempts to address regulatory shortcomings for DP as at best short-term fixes or policy interpretations which failed to provide the industry with clarity and direction. The offshore drilling industry is of course concerned about operational and financial implications of any changes in regulations or their interpretation, including any restructuring or increases in inspection fees. Appendix I of the oil-spill report offers a comprehensive discussion of the critical issues to be addressed to create a workable legal framework for DP. The appendix concluded that there is sufficient statutory authority to address and clarify DP vessels' status in regulations and both the Coast Guard and the industry would be well served by doing so. The appendix also stressed that any new regulations to be promulgated should consider current international standards/practice and that DP technology is constantly evolving.

- Specific items identified give a sense of the direction upcoming regulatory changes are likely to take:
- New and amended definitions in regulations concerning credentialing, manning, ship design and operations, as follows:
 - DP systems;
 - Self-propelled MODU;
 - Station keeping with DP systems;
 - Clarifying the term on location to specifically exclude MODUs operating under DP; and
 - Clarifying the term underway to include vessels operating under DP
- Regulations addressing the need for competency standards for seafarers serving aboard vessels equipped with DP systems.
- Regulations addressing crediting sea service for seafarers serving on vessels using DP for extended periods.
- Regulations addressing DP systems used for station keeping.
- Regulations addressing the unique manning requirements of vessels equipped with DP systems.
- Regulations addressing manning and operational requirements of self-propelled MODUs.
- Regulations addressing the manning requirements of foreign registered vessels, including MODUs operations with DP systems in the OCS.

Foreign-Flagged Vessels

There are also concerns regarding impacts of possible changes in regulation of foreign-flagged vessels. Legislation proposed after the oil spill would have curtailed the use of foreign-flagged vessels in the OCS. It remains to be seen how possible Coast Guard regulations will evolve. Industry groups suggest that "Americanizing" regulation could have a major chilling effect on activity in the OCS that would cost the country jobs. Most seismic vessels,

offshore drilling rigs, deepwater MODUs and specialty vessels involved in activities like pipelaying, heavy lift, dive support are foreign flagged, because they require global markets to be economically viable. Foreign flagged drilling rigs must already undergo Coast Guard inspection to secure a Certificate of Compliance prior to operating on the OCS. These vessels are also subject to the major "open registries" that require compliance with widely applied international standards, conventions and codes that the Coast Guard routinely accepts in permitting foreign-flagged vessels entering U.S. ports.

Possible Opportunities

The current situation, while certainly challenging, could actually offer opportunities for resilient local communities, companies and increased employment options for local workers. An important tool would be expanding local training programs in environmental and safety skills to meet increased demand for workers with these skills in the energy industry. Such training would prepare local residents for well-paid jobs just as much of the energy industry's existing workforce gets ready to retire. Previous CEDS have identified environment and safety as an emerging economic sector with significant potential to fuel job creation. This skilled workforce can also provide the area with an exportable asset employable in the global energy industry when the local economy is struggling and provide a cadre of local workers to serve on rapid response teams for future spills and local, regional, national and perhaps, even international, disasters. Local companies may also gain from opportunities to provide services like third-party audits of SEMS systems.

Goals and Objectives

In 2001, the South Central region established six goals that remain, with slight adjustments, generally applicable today. The 2008 CEDS added a seventh goal regarding pre-planning of regional disaster response. These goals link the regional vision to the state's Vision 2020 goals. The goals and the objectives intended to advance each of them are designed to help the region maximize its strengths, capitalize on its opportunities and resolve any problems. The SCPDC goals and objectives are as follows:

■ **Goal One: Improve the region's public infrastructure in order to support and sustain a viable economy and environment.**

- Objective 1: Improve road infrastructure and capacity.
- Objective 2: Improve water and wastewater treatment and collection capacities.
- Objective 3: Improve public facilities and services.
- Objective 4: Continue infrastructure improvements at area ports and airports.
- Objective 5: Improve flood protection and drainage.

■ **Goal Two: Create and retain quality jobs and foster a more diversified economy.**

- Objective 1: Work within existing industry sectors to identify workforce development needs
- Objective 2: Provide technical support and infrastructure necessary to support start up, relocation and recruitment of businesses.
- Objective 3: Support research and development in new and emerging industry sectors.
- Objective 4: Promote regional coordination among various public and human resource transportation providers to ensure residents of the region have access to work and necessary services.

■ **Goal Three: Improve the region's overall capacity to make efficient land use decisions.**

- Objective 1: Develop and/or update Parish Comprehensive Plans
- Objective 2: Develop and implement other programs that enhance existing land uses and encourage development near existing business centers or in areas identified by local governments.
- Objective 3: Promote development practices that reduce vulnerability to severe weather events.
- Objective 4: Promote mitigation efforts such as elevating structures in flood-prone areas to reduce risk.
- Objective 5: Promote use of pervious paving to reduce runoff that can contribute to flood risk.

■ **Goal Four: Improve the region's overall capacity to make economic development decisions.**

- Objective 1: Identify potential funding sources that will facilitate various types of business development and enhance economic development programs.
- Objective 2: Support efforts that sustain regional tourism

- Objective 3: Continue to explore opportunities to further new and emerging industry sectors
- Objective 4: Improve regional knowledge of sources of small business assistance.

■ **Goal Five: Improve the fiscal capacity of local government and the community to make the region financially attractive for economic development and to enhance quality of life.**

- Objective 1: Identify and educate the public about business incentives available to the region
- Objective 2: Promote uniform enforcement of construction codes to bring private insurers back into the regional property insurance market
- Objective 3: Expand and enhance financial incentive programs offered to resident and new businesses.
- Objective 4: Enhance and build leadership capacity in small communities to foster revitalization and sustainability.
- Objective 5: Cooperate and assist in the formation of a community foundation to aid community development projects in the Houma-Thibodaux area, currently the only MSA in the state without such a foundation.

■ **Goal Six: Protect and conserve the region's natural resources and promote more equitable use of these resources for business and recreation.**

- Objective 1: Conserve the available resources for future generations
- Objective 2: Advance implementation of barrier island, wetland and levee projects to protect communities and regional economic interests
- Objective 3: Recognize open land, marsh, wetlands and barrier islands as critical infrastructure providing friction to help reduce the region's vulnerability to high-water events.
- Objective 4: Identify and promote eco-tourism opportunities.

■ **Goal Seven: Pre-Plan to improve the region's emergency operations and recovery systems.**

- Objective 1: Develop quick recovery plan and use it as a marketing asset for the region.
- Objective 2: Establish uniform re-entry policies and inter-governmental agreements to allow essential personnel and businesses to cross through neighboring parishes as necessary.
- Objective 3: Develop alternate power sources for critical public infrastructure, businesses and public services.
- Objective 4: Improve emergency operations center communications during emergency situations to provide business with critical, up-to-date information.

Regional Needs and Environmental Assessment

Summary of SWOT (Strengths, Weaknesses, Opportunities and Threats) Analysis

This section is based on a review of two previous SWOT updates, the first from the 2008 CEDS and the second from the International Economic Development (IEDC) teams that worked in Lafourche and Terrebonne Parishes following the 2010 oil spill.

| STRENGTHS | WEAKNESSES |
|---|--|
| Natural Resources—oil and gas, fisheries, wildlife | Lack of Hurricane Protection Levees |
| Navigable waterways—Mississippi River, Gulf Intracoastal Waterway, Gulf of Mexico, Bayou Lafourche | Severe weather events a fact of life; long-term impacts of disasters |
| Regional Ports—Port Fourchon, Port of South Louisiana, LOOP, Port of Terrebonne | Chronic labor shortages |
| | Loss of Barrier Islands and Coastal Wetlands |
| | Limited Housing Stock |
| Airports—Houma Regional, St. John the Baptist, South Lafourche Leonard J. Miller, Thibodaux Municipal | Limited educational attainment; high percentage of high school dropouts. |
| Pipeline Systems | Economy remains largely undiversified |
| Highway Access—Interstate 10, U.S. 90 | Over-reliance by state and local government on oil and gas severance and sales taxes |
| Skilled Workforce; Disaster Knowledge and Experience | Need more worker certification programs |
| Industrial Knowledge Infrastructure | |
| Technical and Community College Systems | Water system infrastructure in some areas has inadequate capacity |
| | Roadways in need of upgrading and repair; part of LA 1, critical oil and gas corridor, in deteriorated condition |
| Pipeline Systems | Pipelines affected by deferred maintenance more vulnerable in high water |
| Cultural identity and sense of place; Eco- and Cultural Tourism | Lack of rail access in the Bayou Parishes |
| Entrepreneurial spirit and Inventiveness | Lack of adequate drainage systems and levees throughout the region |
| Retail Centers | Lack of or limited public transit |
| Medical Centers; Healthcare Cluster | Limited industrial/business park space or buildings and sites |
| Fisheries Cluster | Lack of North-South transportation corridor |
| Foreign Trade Zones | Insurance cost and availability barrier to area business |
| Local, Community Banks | Limited Access to Capital |
| | Debt Limits; Lack of Venture Capital |
| | Lack of Research University |

| OPPORTUNITIES | THREATS |
|--|--|
| Population growth and new development | Coastal erosion and increased vulnerability to flooding |
| Growth centers in Houma, LaPlace and Lafourche Parish | Saltwater intrusion |
| Project to reintroduce Mississippi River to Bayou Lafourche to reduce saltwater intrusion | Public Health issues due to lack of comprehensive sewerage. |
| Louisiana Optical Network Initiative (LONI) will foster collaboration and technology transfer | Drop in sales and severance tax revenues in current economic downturn |
| Development of state-of the art coastal restoration technologies | Rising insurance costs; many private insurers have withdrawn from regional homeowners' insurance market |
| Development of state-of-the art logistical and cargo handling technologies | Displaced workers with few options due to shrinkage of commercial fishing community and changes in sugar cane production |
| Development of biomass technologies to make productive use of waste materials like bagasse | Disruption and increased costs of adjustment to new regulations on offshore drilling. |
| Use of CDBG Disaster Recovery funding to improve water systems, install backup generators, etc. -St. Charles and St. James Parishes installing waterlines under the river to link east and west bank plants | Limited availability and increased cost of insurance for offshore activities. |
| Install sewer lines in previously un-served areas | Projections indicate higher incidence of flooding of LA 1 by mid-21st Century. |
| River Parishes Transit Authority increases access to jobs. | |
| Bayou Lafourche Corridor Plan for redevelopment | |
| Atchafalaya National Heritage Area in Assumption and Terrebonne Parishes | |
| Medical center for cardiac care and surgery and trauma care. | |
| Uniform enforcement of building Codes by Regional Construction Code Council. | |
| Award winning mypermitnow.org | |
| St. James Parish mobile classroom brings targeted training programs to disadvantaged communities | |

Threats and Uncertainties

A major threat continues to be the high degree of uncertainty in the wake of the 2005 and 2008 hurricanes and the Deepwater Horizon disaster and the drilling moratorium. Questions that can only be answered over time relate to environmental, regulatory and economic impacts. Long-term studies of environmental and health impacts are underway. Monitoring and marketing campaigns to verify the safety of Louisiana seafood continue, with funding by BP and coordination by the Louisiana Seafood Promotion and Marketing Board. With the economic challenges and repetitive catastrophes, it remains to be seen how many commercial fishermen will continue in the fishery. Direct and indirect job losses due to the oil spill and subsequent moratorium remain difficult to quantify. Long-term impacts on local, regional and state tax bases and revenues, and population numbers also remain uncertain. The pace of permitting for offshore drilling continues to lag historic averages. Impacts of regulations such as the SEMS (Safety and Environmental Management System) and Coast Guard policies specific to MODUs will continue to be worked out in practice as they are implemented and enforced.

Emerging Industry Sectors

SCPDC's sector-based economic development strategy continues to be another regional strength, opening the door to potential for expanding economic diversity and range of opportunity. The 2010 oil spill and drilling moratorium again highlighted the region's economic dependence on the energy and petrochemical industries. While the global economy and energy demand continue to shift, the region retains significant potential in both sectors, as well as in related, support industry sectors like maritime commerce; transportation, logistics and cargo-handling; and ship-building. The pace of permitting for offshore activity is gradually increasing. Offshore operators have now required SEMS systems in place. The industry has also made substantial investments in developing oil-spill containment technologies to reduce risk of future runaway spills like the Deepwater Horizon. Post-oil spill, offshore drilling permits granted have incorporated such containment technologies.

Diversifying the regional economy still remains a challenge, but the current crisis has increased general awareness of economic vulnerability, while also raising interest in emerging sectors, including alternate energy. Such endeavors can build on potential created by the district's long history of innovation and entrepreneurship in the energy industry, as well as existing industry relationships, infrastructure, knowledge- and skills-base.

Limited access to capital remains one of the foremost obstacles to business development in the district. Bank consolidation has reduced the number and increased the size of major regional banks. As noted in a 2004 Small Business Administration (SBA) study, larger banks tend to do less small business lending. This tendency increases in a fundamental economic crisis like the current recession and slow recovery. The situation has been further complicated, at the local level, by the impacts of the drilling moratorium and the slower pace of offshore permitting. The district's cadre of community banks creates competition in small business lending. However, community banks' focus on relationship banking, with repeat loans to strong, long-term customers in familiar industries, can make securing funding difficult for start-ups, new entrepreneurs and ventures outside familiar, core industries. These conditions limit economic growth and diversification.

By reducing risks for banks making loans, SCPDC's group of Revolving Loan Funds (EDA RLF, RCF) helps expand regional capital markets. The RLF programs help initiate strong banking relationships, enabling regional businesses to develop and grow. The region continues to benefit from significant expansion of the SCPDC Revolving Loan Fund programs. In 2010, as a result of the oil spill, the EDA RLF received \$450,000 "sudden and severe economic dislocation" recapitalization. The Regional Capital Fund is based on repayments of post-disaster Katrina-Rita and Gustav-Ike business loans. SCPDC is also lead agency in the South Louisiana Brownfields Coalition RLF (BCRLF), which funds cleanups within a 16-parish area to prepare properties with environmental issues for redevelopment and reuse. Given past history with Superfund requirements, banks have tended to shy away from lending on projects that involve properties with envi-

ronmental issues. In 2011, the BCRLF was awarded a \$300,000 recapitalization to further expand its efforts. In these uncertain times, SCPDC's package of resources provides "seed capital" to assist in advancing opportunities in the emerging, "seedling," economic sectors recognized in previous CEDS and described below. With this infrastructure already in place, the district could be well-positioned for development in a number of emerging sectors with job creation potential

Environmental and Safety Technologies

The 2010 oil spill has spurred a move toward more rigorous government regulation and standards for offshore activity in the energy industry. The district also faces the "great crew change," as about 50% of the energy industry's current workforce prepares to retire. Both these situations have potential to create opportunities for the SCPDC district to build on existing local experience and knowledge in oil-spill cleanup, remediation and mitigation; and marsh, wetland and coastal restoration technologies. A key goal of SCPDC's successful application for post-oil spill economic adjustment strategy funding was to provide HazMat and related training to groups like displaced fishermen and individuals unemployed due to the drilling moratorium. This type of skills training will build regional capacity to respond to future disasters by forming trained individuals into quick-response, water-based, disaster, environment and safety teams. SCPDC continues to work with a public-private partnership to implement such a training program.

Food Technologies and Service

Food products continue to be a natural for south Louisiana. Though still not as organized in this sector as the Acadiana region, the district continues to see promising developments. Edible Enterprises in St. Charles Parish is a food incubator-network that currently assists 25 member businesses with shared commercial kitchens in a parish-owned facility, as well as product development, marketing and technical assistance. SCPDC continues to work with the group to identify potential funding sources to implement a strategic plan to enhance the program's capacity for financial sustainability. The next step in the plan is to retrofit one of the kitchens as a production center for Edible Enterprises' self-labeled "Louisiana Good Foods" line of baked goods. Future plans call for developing a catering kitchen and a second, larger production center for additional self-labeled products. The ultimate goal is to develop a diverse package of revenue streams that will enable Edible Enterprise to achieve financial self-sufficiency so enhance its capacity to spark development in this sector.

Eco-Tourism

The region's unique marine, marshland, swampland, upland and lowland wooded habitats and wildlife lend themselves to development in this sector. Current direct job creation remains limited, but systematic, targeted small business assistance and marketing aid to groups like the large cadre of fishing guides, who experienced mass cancellation of bookings after the 2005 and 2008 hurricanes and then the 2010 oil spill. Such assistance help strengthen the base for further development of this sector. Other "attractions" include the annual Grand Isle Birding Pilgrimage, which already

draws thousands of birdwatchers to coastal areas to view migratory birds. The federally chartered Barataria-Terrebonne Natural Estuary Program (BTNEP) continues to be a first point of contact and referrals for national and international tourists interested in regional environmental features. Tourism in general was negatively impacted by the 2005 and 2008 hurricanes and by the oil spill, but Lafourche and Terrebonne Parishes have both made effective use of funding from BP in strong marketing efforts to rebuild tourism in their areas. The district also continues to add value and create a limited number of jobs or self-employment opportunities with a growing number of bed and breakfast accommodations. The region has significant potential for future expansion in development environmentally sound lodging and in construction and operation of longer-trip tour boats to ply the extensive waterways. Guidance from groups like the International Ecotourism Society could help coordinate a full package with destination marketing, coastal and marine ecotourism, cultural heritage tourism and hands-on, “voluntourism” experiences in coastal and wetland restoration and cleanup projects. Such an approach would add further value by doing “double duty,” increasing national awareness and support for federal funding of coastal restoration projects to reduce the region’s vulnerability to future storms.

Healthcare

This cluster continues to employ some of the region’s most highly skilled and best paid professionals and para-professionals. Regional assets could support further development and organization. Cardiovascular Institute of the South in Terrebonne Parish is nationally recognized in the treatment of heart disease. Chabert Medical Center, also in Terrebonne, is part of the state’s Charity Hospital system and linked to the Louisiana State University Medical School. District hospitals already have significant capacity and skill sets in occupational and emergency health initiatives related to offshore industrial accidents. A network of private hospitals, some affiliates of major regional medical powerhouses Ochsner in New Orleans and Our Lady of the Lake in Baton Rouge, continue to provide access to cutting-edge treatment based on recent medical research. Post-oil spill, long-term studies of health and environmental impacts could add another potential area for research and capacity building in the area of environmental health related to major releases of oil and chemicals.

Information Technology

This cluster includes software, auto regulation, internet and telecommunications, and acoustic and other testing technologies. District assets include a talent for innovation and invention. The energy industry has been an early adopter of technologies like 3-D Seismic in energy exploration and global positioning systems (GPS) in the maritime industry. SCPDC’s mypermitnow.org software allows inspectors in its regional building code enforcement program to make real-time entry of data from the field. As local governments recognize the advantages, the market for licensing the software has continued to expand statewide and into neighboring states. This sector is also likely to play a key role in supporting the new inspection regimen for offshore drilling rigs, with increased use of sensor technologies on offshore

rigs to extend the reach of limited inspection staff. Much of the inspection activity will likely be staged out of the district’s Port Fourchon. Technical support could be provided by the digital imaging and computer technology programs at Nicholls State University. News reports indicate that the nation will need thousands of trained personnel to combat an increase in cyber threats to networks and systems critical to national security and day-to-day operations. District assets, including a talent for innovation and invention and numerous strategic locations, make this area well suited to help meet this need.

Other Opportunities

The regional adjustment strategy also continues to stay open to long-term, “big-picture” possibilities like exports of oil field and other products based on regional welding, fabrication and metal-working skills, as well as in development of alternative fuels. The district also continues to have potential opportunities based on its unique combination of energy industry contacts, infrastructure and workforce, and bio-fuel producing agribusiness giants and sugar cane farming. Major corporations with significant local presence have access to national and international markets and financing, as well as the capacity to fund research to commercialize new products. Interest and investment in such initiatives tends to wax and wane with the price of energy and the availability of government incentives. The current glut of natural gas produced from shale deposits in Louisiana and other states limits current motivation for alternate energy development. It should be noted, however, that alternate energy could potentially become more attractive as the energy industry responds to more stringent regulatory regimens and global market trends that could raise prices. University-based technology transfer programs like Louisiana University research on bio-fuel resources could provide the “applied-science” expertise that practical applications of such technologies will need to gain traction in the market.

Alternate energy applications can also advance goals of promoting sustainable development and creating and retaining quality jobs based on use, reuse and “recycling” of existing local assets, such as land and existing infrastructure. A sustainable economy is defined as one that does not unduly deplete the natural environment and helps create communities where people want to live and work, now and in the future. Such an economy meets the diverse needs of existing and future residents and businesses, while being sensitive to the natural environment and contributing to a high quality of life. The district’s economic adjustment strategy envisions just such an economy based on a diverse and thriving set of technology-intensive industries. Objectives for reaching these goals are 1) promoting continued adoption of new technologies to make existing industry more competitive in regional, national and international markets; 2) fostering economic diversification by recognizing and supporting technology-driven opportunities outside the core industries; 3) reducing barriers to business formation, growth and survival, in clusters both within and outside core industries; 4) promoting reuse of vacant and underused properties and infill development in areas already served by infrastructure in order to reduce sprawl and demand for additional infrastructure that strain limited community tax bases.

These goals and objectives reflect the industrial-cluster approach described above and in previous CEDS. They are also congruent with Economic Development Administration (EDA) strategic priorities in promoting regional approaches to economic development. This strategy focuses on putting the focus on the district's human capital and strong entrepreneurial spirit and drive to guide the region's advance through the current crisis to renewed sustainability. SCPDC received a third round of EPA Brownfields Hazardous and Petroleum Assessment grants in 2011. The grants fund environmental assessments to facilitate redevelopment and reuse of sites with environmental issues. Potential projects to reuse both a former sugar refinery and a former sugar mill for alternate energy development have been stalled in the current credit market, but could come back into play as the credit market improves in the gradual recovery.

The regional strategy also includes workforce training programs necessary to match skills to industry clusters. Such initiatives can assist fishermen, unemployed people and new entrants to the labor market to transition to meet requirements for high-demand jobs like certified boat captains and as HazMat and HazWoper technicians. Such training programs will take on added importance as regional industry faces the need to replace skilled workers as the "big crew change" progresses.

Another element of the regional strategy is promotion of ongoing innovation and adoption of new technologies with potential to have long-term impacts in enhanced competitiveness for regional businesses. This includes increasing national and export sales of local products, services and expertise through district ports. This element of the strategy also supports links with university-based expertise to help expedite technology transfer and commercialization of technologies.

Priority Initiatives: Toward a Sustainable Future

In the 2009 CEDS, SCPDC along with its member governments, business, industry and other community stakeholders identified three priority issues important to the district's future. The issues recognized at that time were: 1) regional competitiveness; 2) workforce development; and 3) air quality. A fourth priority, hazard mitigation planning, was added in 2011. SCPDC continues to coordinate conversations with a view toward partnering with other development organizations and regional business, industry and governments to identify possible initiatives to promote long-term regional sustainability in each priority area.

Three years later and two years after the BP oil spill began, it seems appropriate to again revisit the three priority topics. All remain highly relevant to the region's future, but the passage of time has helped clarify ongoing challenges and opportunities within each priority. A broad-based approach, with the flexibility to adjust as issues evolve, seems likely to offer the greatest potential for promoting regional sustainability. These elements, most of which have been touched on in other parts of this report, include

- **Developing and coordinating parish and regional comprehensive plans to guide future land use and development and regional coordination of plans across the SCPDC district;**
- **Incorporating development and and implementation of systematic hazard mitigation planning into parish and regional comprehensive plans in order to reduce vulnerability to severe weather events and other risks to which the district is prone;**
- **Identifying funding sources to help implement programs like mini/corridor Main Street efforts, which could utilize a regional circuit rider to serve multiple communities, with the goal of aiding targeted revitalization of downtown areas of small municipalities within the district;**
- **Coordinating the Regional Brownfields Program with Main Street and other revitalization efforts: This initiative will use the site-corridor Brownfields inventory completed in 2010 as a starting point for identifying properties and development corridors, where SCPDC's Brownfields Hazardous and Petroleum Assessment grants can provide funding for environmental assessments and cleanup efforts to aid rede-**

velopment and reuse and the return of such properties to commerce and the tax rolls;

SCPDC will continue to coordinate conversations to advance these and other initiatives that foster sustainability. The goal in all cases will be to develop and implement asset-based, best-practice models that build on existing community assets in order to achieve greater resilience. Initiatives in priority areas like workforce development and hazard mitigation will also help the district to build regional and local capacity to respond both to natural disasters and to changes in regulatory regimes, like those currently being implemented in the offshore energy industry and for air and water quality.

Comprehensive planning continues to make great strides in the SCPDC district. SCPDC has assisted Assumption and St. James Parishes in comprehensive plan processes. St. Charles Parish has just completed and Terrebonne Parish has updated their plans. Lafourche Parish has received assistance from the Center for Planning Excellence (CPEX) to develop its comprehensive plan. St. John the Baptist Parish is continuing progress toward develop linked land use and strategic plans for the parish. The Town of Lockport has also expressed interest in developing a comprehensive plan.

SCPDC's Regional Brownfields Program received its third round of EPA Brownfields Hazardous and Petroleum funding in 2011. The program has, to date, assisted assessments of nearly 30 sites. Two properties in communities within the district have been subjects of cleanup grants from the South Louisiana Brownfields Coalition RLF, of which SCPDC is the grant recipient and lead agency.

Discussion of Key Priorities

Priority #1: State Competitiveness

Data on state competitiveness generally does not extend down to the parish or municipal level. The information provided here is, therefore, at the state level. There are many organizations that do state rankings. Most tend to focus primarily on business taxes. The Tax Foundation's 2012 State Business Tax Climate Index gave Louisiana an overall rank of 32nd among the 50 states. This is an aggregated amount that also includes a number of other tax categories, as shown in the table below, which compares Louisiana rankings to those of neighboring southern states.

Tax Foundation: Louisiana State Business Tax Climate and Component Tax Rankings

| State | Overall Tax Rank | Corporate Tax Rank | Individual Income Tax Rank | Sales Tax Rank | Unemployment Insurance Tax Rank | Property Tax Rank |
|-------------|------------------|--------------------|----------------------------|----------------|---------------------------------|-------------------|
| Louisiana | 32 | 17 | 24 | 49 | 4 | 23 |
| Mississippi | 17 | 11 | 19 | 28 | 8 | 29 |
| Texas | 9 | 37 | 7 | 35 | 15 | 31 |
| Alabama | 20 | 16 | 18 | 41 | 11 | 6 |
| Arkansas | 31 | 36 | 27 | 38 | 17 | 18 |
| Florida | 5 | 12 | 1 | 19 | 5 | 24 |
| Georgia | 34 | 9 | 40 | 12 | 22 | 39 |
| Oklahoma | 33 | 7 | 38 | 39 | 2 | 12 |

CNBC Best States for Business

CNBC’s system for rank states on competitiveness incorporates a number of criteria, again as shown in the table below. Virginia topped the 2012 rankings, with our neighbor, Texas, coming in second.

CNBC’s ranking criteria and methodology are summarized below:

■ **Cost of doing business (450 pts)**

- Tax burden—individual and property, business taxes, gasoline tax
- Utility costs
- Cost of wages and state workers’ compensation insurance
- Rental costs for office and industrial space

■ **Workforce (350 pts)**

- Education level of workforce
- Numbers of available workers
- Union membership
- Relative success of state worker training programs in placing participants in jobs

■ **Economy (314 pts)**

- Solid, diverse economy with access to biggest players in a variety of industries
- Basic indicators of economic health and growth
- Number of major corporations located in state

■ **Education (250 pts)**

- Educated pool of workers
- Higher education institutions as source of new talent and partner in R & D
- Measures of K-12 education like test scores, class sizes and spending
- Number of higher education institutions in each state

■ **Technology & Innovation (150 pts)**

- Support for innovation
- Number of patents issued to residents
- Deployment of broadband services

■ **Transportation (107 pts)**

- Access to all modes is key to getting products to market and people on the move
- Vitality of state transportation system by value of goods shipped by air, land and water
- Availability of air travel
- Quality of roads

■ **Cost of Living (50 pts)**

- Helps drive cost of doing business
- Cost of housing, food and energy

■ **Business Friendliness**

- Regulation and litigation are the bane of business
- Perceived “friendliness” of legal and regulatory frameworks to business
- Access to Capital (50 pts)
- Business goes where the money is
- Venture capital flows to some states more than others.

CNBC State Competitiveness Rankings

| State | Rank | Cost of Business | Workforce | Quality of Life | Economy | Infrastructure & Transport | Tech & Innovation | Education | Business Friendly | Access to Capital | Cost of Living |
|-------------|----------|------------------|-----------|-----------------|---------|----------------------------|-------------------|-----------|-------------------|-------------------|----------------|
| Louisiana | 42 | 22 | 25 | 50 | 28 | 26 | 34 | 33 | 26 | 35 | 21 |
| Virginia | 1 | 21 | 12 | 26 | 8 | 10 | 11 | 6 | 2 | 10 | 24 |
| Texas | 2 | 33 | 14 | 32 | 14 | 1 | 4 | 27 | 18 | 4 | 5 |
| Georgia | 4 | 18 | 4 | 38 | 35 | 2 | 17 | 22 | 16 | 13 | 9 |
| Florida | 18 (tie) | 40 | 2 | 31 | 47 | 8 | 13 | 35 | 26 | 9 | 25 |
| Oklahoma | 28 | 6 | 22 | 37 | 4 | 35 | 37 | 42 | 24 | 24 | 3 |
| Arkansas | 32 | 1 | 10 | 45 | 9 | 40 | 44 | 31 | 44 | 35 | 4 |
| Alabama | 41 | 16 | 16 | 49 | 39 | 24 | 33 | 44 | 29 | 35 | 11 |
| Mississippi | 47 | 31 | 20 | 41 | 39 | 32 | 45 | 48 | 45 | 35 | 10 |

Camelot Index

The Camelot Index is issued by a group known as Federal Funds Information for States. The group tracks the federal budget and spending information for state leaders. Their index contains 25 different metrics used to analyze states in six categories weighted equally: economic health; residents’ health; education; crime; state government prudence; and the health of society. The latter includes factors such as home ownership and voting rates. A state that performs better than all others in every category would have an index score of 1 and a state that did worse in all categories would have an index score of 50. Louisiana was ranked lowest this year, with a score of 41.0. That was largely due to poor marks for residents’ health and crime rates.

Camelot Index

| State | Rank | Camelot Index |
|---------------|------|---------------|
| Louisiana | 50 | 41.0 |
| North Dakota | 1 | 7.0 |
| South Dakota | 2 | 9.5 |
| New Hampshire | 3 | 10.0 |
| Nebraska | 4 | 11.3 |
| Wyoming | 5 | 11.7 |
| Iowa | 6 | 12.2 |
| Minnesota | 7 | 12.7 |
| Virginia | 8 | 13.3 |
| Idaho | 9 | 13.7 |
| Wisconsin | 10 | 14.2 |
| Texas | 31 | 29.2 |
| Florida | 36 | 32.5 |
| Georgia | 37 | 33.8 |
| Mississippi | 43 | 37.3 |
| Alabama | 44 | 37.5 |
| Arkansas | 46 | 38.2 |

Chief Executives’ Best/Worst States for Business

Chief Executive magazine and its website offered a different perspective with the survey of Best/Worst States for Business 2012. Louisiana’s ranking of 13th this year, represents an ascent of 32 spots since 2008. <http://chiefexecutive.net/best-worst-states-for-business-2012>

Chief Executive Best/Worst States for Business 2012

| State | 2012 Rank | 2011 Rank | One-Year Change |
|----------------|-----------|-----------|-----------------|
| Louisiana | 13 | 27 | 14 |
| Texas | 1 | 1 | 0 |
| Florida | 2 | 3 | 1 |
| North Carolina | 3 | 2 | -1 |
| Tennessee | 4 | 4 | 0 |

| State | 2012 Rank | 2011 Rank | One-Year Change |
|----------------|-----------|-----------|-----------------|
| Indiana | 5 | 6 | 1 |
| Virginia | 6 | 7 | 1 |
| South Carolina | 7 | 8 | 1 |
| Georgia | 8 | 5 | -3 |
| Utah | 9 | 9 | 0 |
| Arizona | 10 | 13 | 3 |
| Oklahoma | 17 | 11 | -6 |
| Alabama | 21 | 26 | 5 |
| Mississippi | 30 | 38 | 8 |

The criteria and methodology Chief Executive uses is summarized below:

■ **556 CEOs completed the detailed survey between Jan. 14 and Feb. 1, 2011.**

- Individual CEOs were asked to provide their selections for the 4 best states for doing business and the 4 worst states for doing business.

■ **BEST: Points assigned to each state each time they were cited as a top 4 state based on a weighting process**

- 10 points for each #1 rating
- 8.33 points for each #2 rating
- 6.66 points for each #3 rating
- 5 points for each #4 rating

■ **WORST: Points deducted for each state ranked from #47 to #50**

- -10 points deducted for each #47 rating

■ **Positive points minus negative points tallied for a total for each state and the states are then listed in order of points earned.**

■ **OTHER RATINGS: on 3 key criteria—the average (mean) of responses for each category is used to calculate each state’s ratings.**

- Taxes and regulations
 - State income tax and corporate tax rates
 - Perceived government attitude to business
 - Degree of employment compliance regulations
 - Degree of environmental compliance regulations
 - Tax incentives to locate in state
- Workforce quality
 - Cooperative employee–management relations
 - Employee work ethic
 - General education level of workforce
 - Competitiveness of wage rates
 - Availability of workforce with specialized experience/education
- Living environment

- o Crime rate
- o Quality of public education
- o Public health and hospitals
- o Real estate costs
- o Transportation access
- o Arts and cultural institutions

The variances among the different rating systems described above indicate that competitiveness is often in the eyes of the beholder.

Maintaining State Competitiveness: Strategies for Tighter Fiscal Times

Michael Porter of Harvard University, famed as the author of the industry cluster concept of economic development, has taken a more qualitative approach to state competitiveness. In 2011, Porter addressed the National Governors' Association and summarized the challenges facing his audience in fiscally troubled times. Governors must find ways to achieve fiscal stability, while enhancing state competitiveness. Creating a clear economic strategy for the state, one that engages all stakeholders, becomes even more important in times of budget cuts and fiscal austerity.

Competitiveness, as defined by Porter, is the only way for states to achieve sustainable job growth, improving wages, and stable public finances. A key factor in competitiveness is the productivity with which the state utilizes its human, capital and natural resources. Productivity determines wages and the standard of living in the state. It also determines the state's capacity for sustainable economic growth. Productivity, Porter stressed, depends on how a state competes, not what industries it competes in. Productivity is driven by innovation in products and processes. Productive businesses create wealth and jobs. States are in competition to offer the most productive environment for business. The public and private sectors play different but interrelated roles in creating a productive economy.

Porter developed a scatter graph comparing individual state's economic performance based on the growth rate of Gross Domestic Product Per Capita from 1999-2009. The data is from the Bureau of Economic Analysis, using real GDP in 2005 U.S. dollars. Louisiana and neighboring Texas both had state GDP per capita around the U.S. GDP per capita of \$46,093. The two states were also situated on the dividing line between "high but declining versus U.S." and "Low but rising versus U.S.," with Louisiana doing slightly better and positioned closer to the most positive "High and rising prosperity versus U.S." area of the graph.

What drives state productivity? Porter gave a three-fold answer:

1. Quality of the overall business environment;
2. Status of cluster development;
3. Policy coordination among multiple geographic levels.

Factors in the **business environment** include inputs like human resources; access to capital; physical infrastructure; administrative processes like permitting and regulations; and scientific and technological infrastructure. This included worker training programs

aligned with the needs of in-state businesses.

Demand conditions include quality, safety and environmental standards; consumer protection laws; government procurement of advanced technologies; and early demand for products and services.

Rules and incentives help encourage investment and productivity. This includes tax policies that encourage investment and research and development, as well as flexible labor policies and intellectual property protections. All of these factors contribute to open and vigorous local competition.

Related and support industries like suppliers and contractors are critical to developing strong business clusters and to maintaining the flow of activity within the regional business environment. Strong regional industry clusters drive regional performance, with job growth, higher wages, higher patenting rates and greater new business formation, growth and survival.

Porter found that local clusters that serve almost exclusively the local market represent 71.7% of employment, 61.8% of income and 3.5% of patents in regional economies. Traded clusters, which serve national and global markets, represent 27.4% of employment, 37.3% of income and 96.4% of patents in regional economies.

Priority #2: Workforce Development

The South Central Planning and Development Commission and Options Workforce Partners continue to collaborate with the Louisiana Technical College system and private sector trainers and employment contractors to develop a model job training program offering safety and environment certifications to advance the following goals:

- **Enhance participants' employability, while helping to address the region's chronic skilled labor shortage;**
- **Help prepare the next generation of energy-industry workers and supervisors as the industry faces the "big crew change," with half of the current workforce nearing retirement age;**
- **Help meet demand for workers with environmental and safety skills that are driven by more stringent regulations for the offshore energy-industry implemented after the Deepwater Horizon disaster;**
- **Incorporate the flexibility to help meet demand for increased education and environmental and safety skills in other industry clusters, including marine services, shipyards, chemical and other manufacturing, and warehousing and logistics;**
- **Form a cadre for a rapid response team for future natural and technological disasters in the Gulf of Mexico, the state and region and even across the nation and around the world.**

Target Populations:

Who would benefit from environment and safety training? Who would be motivated to participate and complete the training? The answer in both cases is individuals prepared to capitalize on an opportunity to improve their job options and earning power. Target populations for the training program will be classified into a number of possible “tracks.”

- **Incumbent workers** interested in (or who have employers interested in) enhancing their skills and earning power.
- **Unemployed individuals**, with an emphasis on 18-24 yr olds, who want to work in the environmental field of the Energy and Response industries.
- **Local residents with livelihoods impacted the 2010 Gulf oil spill**, but who received very limited settlements from the Gulf Coast Claims Facility set up by BP. Among individual claims settled, 59,483 or 34% were under \$5,000 and 87,784 or 51% were under \$25,000. A mere 2,611 or 2% were between \$25,000 and \$100,000, while only 29 ranged from \$100,000 to \$500,000. No claims over \$500,000 have been settled.
- **Seniors in high school** who are enrolled in programs like Options’ Bridging the Gap and **in-school GED programs** designed to help them stay in school and connect with the world of work. Participants in this track will need to be old enough to enter employment upon completing the training program.

A variety of initiatives with similar goals are being implemented across the state. An example is the Certified Marine Personnel Program, which graduated its first class in April 2012. The 80-hour training program, based at the Coastal Communities Consulting office in Terrytown, included courses like water survival, basic firefighting, first aid, maritime security awareness, oil spill response, hazard communication, etc. Graduates received certificates for each course completed, we all a Certified Marine Personnel flag to be flow on their boats.

Education and Training Equals Long-Term Employability

A 2010 report from the Georgetown University Center on Education and Workforce described the increasingly strong connection between education, training and employability. The ability of individuals to connect to education, training and careers has become the key to their employability and to attaining and maintaining middle class status.

Unfortunately, our ability to match education alternatives with career options remains underdeveloped. The information is available, but often not used. The Bureau of Labor Statistics under-predicted how many U. S. workers would have Associate’s degrees or better by 19 million, a 47% error. The Center on Education and Workforce over-predicted post-secondary educational demand by about 2 million workers, an error of just 4%. The numbers are important, because they can misguide policy makers and encourage a consistent bias against investing in postsecondary education and training. Such investments are, in fact, critical to

helping the nation’s workers navigate the economic transformation following the worst economic downturn since the Great Depression.

Income differentials are extremely telling:

- **A High School degree is worth about \$569,000 more than being a dropout**
- **Some college but no degree or a post-secondary certificate is worth about \$473,000 more than a High School degree**
- **An Associate’s degree is worth about \$150,000 more than no degree**
- **A Bachelor’s degree is worth about \$1.1 million more than an Associate’s degree.**
- **A Masters degree is worth \$457,000 more than a Bachelor’s.**

The new service economy demands more education and different skills from workers.

Many blue-collar jobs are not coming back. By 2018, this country is projected to under-produce postsecondary graduates by approximately 3 million. This increases the need to bridge the gap between economic and social factors by making the link through access to opportunities, educational attainment, wages and household income. Those at the bottom of skills, education and income distribution face a long-term labor market depression. Hundreds of thousands of low-skill jobs in sectors like manufacturing, farming, fishing and forestry have been permanently destroyed because the recession has further prompted employers to either automate or ship jobs offshore where labor is cheaper.

A loss of 637,000 jobs in Manufacturing and Natural Resources sectors is projected by 2018. The jobs that replace those lost will be different kinds of jobs, requiring very different kinds of workers and very different kinds of preparation. About 70% of the increase in requirements for postsecondary training stems from upgrading in skills demanded for occupational categories that previously did not require higher education, such as those under the job categories “foreman” or “manufacturing supervisor.” In 1973, there were 25 million jobs that required at least some college. By 2007, 91 million jobs required some college. The share of jobs open to high school dropouts has fallen from roughly 30% to 11%. In 1973, only 28% of prime-age workers had any postsecondary education. By 2007 that number had climbed to 59%.

Technology drives the demand for more preparation and training. “Skill-biased technological change” favors workers with more education prepared to handle more complex tasks and activities. Demand for such workers grows as technology spreads. The current driver is Information Technology, which extends across industries and the larger society. Technology adds new kinds of value to goods and services that were impossible in previous economic eras. Technology provides built in Quality Assurance at every stage of production and precise, consistent service delivery. The downside is the depressed demand for workers with only a high school diploma or less. Information technology tends to substitute for the narrow, repetitive work tasks that require low-skilled workers

In the two most recent recessions, the typical job loser has been a high school educated male in a blue collar job, like manufacturing or construction, and living in the middle of the country. The typical job gainer has been a female with a postsecondary education who lives on either the east or west coast and works in a service occupation, such as healthcare, education or business services.

By 2018, the economy is projected to create 46.8 million openings. This includes 13.8 million new jobs and 33 million replacement jobs vacated by workers who have retired or permanently left their occupations. Nearly 2/3 or some 63% of these jobs will require at least some college education. About 33% will require a Bachelors degree, while 30% will require some college or an Associates' degree. Only 36% will require a high school diploma or less. These figures reflect a trend, with occupations as a whole steadily requiring more education. Workers with more education typically use technologies like personal computers or flexible machine tools that increase their autonomy and enhance their skills. Less educated workers tend to use technologies that substitute for skills. Narrow training in the use of such technologies compensates for broader educational deficiencies, but does not provide long-term adaptability. This creates a problem in future employability when narrow tasks are fully automated or shifted offshore. Access to technology on the job aids earning power.

Even a high school dropout who uses technology at work earns about 15% more than similar workers who do not use such technology. As a result of these factors, the middle class is dispersing into two opposing streams, the upwardly mobile college-haves and the downwardly mobile college-have-nots. This trend is reinforced as the economy continues to demand more and more workers with postsecondary education and employers are willing to pay more to attract and retain them.

The table below compares the percentage of workers with some college by industry sectors (natural resources, goods-producing, services) in 1983 and 2008.

From 1983 to 2008: Some College

| | Natural Resources | Goods-Producing | Services |
|------|-------------------|-----------------|----------|
| 1983 | 32% | 34% | 50% |
| 2008 | 31% | 46% | 64% |

The 14.4 million new jobs created through 2018 will overwhelmingly require post-secondary education. The overall ratio of new to replacement jobs is about 0.3:1. For jobs requiring Masters degrees or higher, the ratio is 0.69:1.

Educational Requirements by Total Job Openings Across Industry 2018

| | HS or Less | | Some College, no degree | | Associate's Degree | | Bachelor's Degree | |
|--|------------|------|-------------------------|------|--------------------|------|-------------------|------|
| | % of Indus | Rank | % of Indus | Rank | % of Indus | Rank | % of Indus | Rank |
| Natural Resources | 69% | 1 | 10% | 13 | 9% | 11 | 13% | 12 |
| Construction | 62% | 2 | 16% | 9 | 10% | 9 | 12% | 13 |
| Leisure and Hospitality | 54% | 3 | 18% | 6 | 8% | 12 | 20% | 9 |
| Transportation and Utilities | 51% | 4 | 19% | 4 | 11% | 4 | 18% | 11 |
| Personal Services | 49% | 5 | 17% | 7 | 15% | 3 | 19% | 10 |
| Manufacturing | 45% | 6 | 15% | 10 | 11% | 5 | 29% | 7 |
| Wholesale & Retail Trade Services | 41% | 7 | 22% | 1 | 11% | 7 | 27% | 8 |
| Healthcare Services | 25% | 8 | 17% | 8 | 19% | 1 | 39% | 6 |
| Professional and Business Services | 19% | 9 | 13% | 11 | 10% | 10 | 58% | 3 |
| Financial Services | 18% | 10 | 20% | 3 | 10% | 8 | 52% | 4 |
| Government and Public Education Services | 17% | 11 | 19% | 5 | 18% | 2 | 46% | 5 |
| Private Education Services | 14% | 12 | 11% | 12 | 8% | 13 | 68% | 1 |
| Information Services | 8% | 13 | 21% | 2 | 11% | 6 | 59% | 2 |

Source: Center on Education and Workforce forecast of educational demand through 2018.

Educational Demand for new and replacement jobs by industry through 2018 (in thousands).

| | HS Dropout | HS Grad | Some College, no degree | Associate | Bachelor's | Masters' degree or higher |
|---------------------------------------|------------------|------------------|----------------------------|----------------|------------------|------------------------------|
| Construction | New 106 | New 208 | New 81 | New 51 | New 49 | New 10 |
| | Replace 344 | Replace 676 | Replace 264 | Replace 167 | Replace 159 | Replace 31 |
| Financial Services | New 24 | New 196 | New 244 | New 129 | New 496 | New 159 |
| | Replace 37 | Replace 300 | Replace 374 | Replace 198 | Replace 758 | Replace 243 |
| Government & Public Education | New 2 | New 20 | New 23 | New 22 | New 41 | New 16 |
| | Replace 36 | Replace 359 | Replace 428 | Replace 405 | Replace 752 | Replace 287 |
| Healthcare Services | New 198 | New 825 | New 704 | New 787 | New 1,023 | New 573 |
| | Replace 158 | Replace 658 | Replace 561 | Replace 628 | Replace 816 | Replace 457 |
| Information Services | New 0 | New 25 | New 62 | New 32 | New 131 | New 43 |
| | Replace 0 | Replace 58 | Replace 147 | Replace 76 | Replace 309 | Replace 101 |
| Leisure & Hospitality | New 491 | New 565 | New 358 | New 165 | New 328 | New 62 |
| | Replace 1,030 | Replace 1,185 | Replace 751 | Replace 345 | Replace 687 | Replace 130 |
| Manufacturing | New -55 | New -201 | New -86 | New -63 | New -113 | New -48 |
| | Replace 248 | Replace 911 | Replace 389 | Replace 286 | Replace 512 | Replace 219 |
| Natural Resources | New -20 | New -29 | New -7 | New -6 | New -7 | New -2 |
| | Replace 115 | Replace 163 | Replace 40 | Replace 36 | Replace 39 | Replace 13 |
| Other Services | New 88 | New 188 | New 97 | New 83 | New 68 | New 41 |
| | Replace 228 | Replace 486 | Replace 251 | Replace 215 | Replace 177 | Replace 105 |
| Private Education | New 8 | New 85 | New 72 | New 52 | New 224 | New 243 |
| | Replace 32 | Replace 342 | Replace 290 | Replace 208 | Replace 902 | Replace 978 |
| Professional & Busi- ness Services | New 172 | New 466 | New 438 | New 331 | New 1,266 | New 702 |
| | Replace 230 | Replace 624 | Replace 587 | Replace 444 | Replace 1,696 | Replace 940 |
| Transport & Utility Services | New 43 | New 223 | New 98 | New 60 | New 82 | New 14 |
| | Replace 97 | Replace 504 | Replace 222 | Replace 135 | Replace 184 | Replace 32 |

| | HS Dropout | HS Grad | Some College, no degree | Associate | Bachelor's | Masters' degree or higher |
|--------------------------------------|----------------|------------------|----------------------------|----------------|------------------|------------------------------|
| Wholesale & Retail Trade Services | New 148 | New 559 | New 378 | New 190 | New 388 | New 79 |
| | Replace 478 | Replace 1,804 | Replace 1,220 | Replace 612 | Replace 1,254 | Replace 254 |
| Total New | 1,205 | 3,130 | 2,462 | 1,833 | 3,976 | 1,892 |
| Total Replaced | 3,033 | 8,070 | 5,524 | 3,755 | 8,245 | 3,790 |

Earnings are not just a function of postsecondary attainment. Occupational choice also influences earnings potential.

- **43% of workers with licenses and certificates earn more than an Associate's degree**
- **27% with licenses and certificates earn more than a Bachelors degree**
- **31% with an Associate's earn more than those with a Bachelor's degree.**

Priority #3: Air Quality

Timeline

The current National Ambient Air Quality Standard (NAAQS) for ground-level ozone continues to be 0.075 parts per million (ppm). This was established in 2008, under the Bush Administration. In 2009, U.S. Environmental Protection Agency (EPA) announced that it would reconsider the 2008 standard. At that time, the expected target date for the revised standard was January 2010, with final designation expected March 2011. It was expected that the revised primary standard would fall between 0.60 and 0.70 ppm. The lower standard would be problematic, having the potential to put some parishes in the SCPDC district out of compliance.

In December 2010, EPA announced it would delay issuing the final standards until July 2011. A draft of the standard was prepared, with the standard set at the somewhat less problematic level of 0.70 ppm. The White House requested, however, that EPA withdraw the proposed revision to the standard "to underscore the

importance of reducing regulatory burdens and regulatory uncertainty, particularly as our economy continues to recover."

The EPA noted, in withdrawing the draft revision, that the agency continues work to reconsider the 2008 standard in 2013. The five-year timeframe for periodic review of the standard was established in the Clean Air Act, but not always followed. EPA also suggested that it would be too complicated to require state and local governments to implement a 2011 standard that would be revised again in two years' time.

The American Lung Association report *State of the Air 2012* focused on ozone and particle pollution, finding that about 41% of the nation lives in areas affected by some degree of air pollution. Nine Louisiana parishes, none of them in the SCPDC district, received an "F" grade for high ozone days. Within the district, St. Charles and St. John the Baptist Parishes each scored a "C," while Lafourche and St. James each scored a "B." There are no figures for Terrebonne Parish, which has no monitors collecting ozone data. Assumption is also unmonitored

High Ozone Days 2008-2010

| Parish | Orange | Red | Purple | Weighted Average | Grade |
|-------------------------|--------|-----|--------|---------------------|-------|
| Lafourche | 2 | 0 | 0 | 0.7 | B |
| St. Charles | 4 | 0 | 0 | 1.3 | C |
| St. James | 1 | 0 | 0 | 0.3 | B |
| St. John the Baptist | 4 | 0 | 0 | 1.3 | C |

American Lung Association. 2012 report.

At-Risk Groups - Lung and Other Diseases

| Parish | Total Popu- lation | Under 18 | 65 and over | Pediatric Asthma | Adult Asthma | Chronic Bronchitis | Emphysema | Cardio- Vascular | Diabetes | Poverty |
|-------------------------|-----------------------|-------------|----------------|---------------------|-----------------|-----------------------|-----------|---------------------|----------|---------|
| Lafourche | 96,318 | 23,666 | 12,031 | 1,966 | 4,850 | 13,998 | 1,352 | 23,605 | 7,522 | 12,585 |
| St. Charles | 52,780 | 14,308 | 5,235 | 1,180 | 2,580 | 1,654 | 680 | 12,321 | 3,917 | 6,604 |
| St. James | 22,102 | 5,701 | 2,841 | 474 | 1,096 | 710 | 321 | 5,535 | 1,782 | 3,452 |
| St. John the Baptist | 45,924 | 12,356 | 4,736 | 1,027 | 2,244 | 1,435 | 595 | 10,706 | 3,401 | 8,397 |
| Terrebonne | 111,860 | 29,123 | 12,566 | 2,419 | 5,524 | 3,523 | 1,482 | 29,343 | 8,354 | 20,192 |

Lawsuits arguing the inadequacy of the current standard continue to be pursued by the American Lung Association, the National Resource Defense Council, and a dozen states.

Within the SCPDC district, Zeh-Noh Grain Corporation has filed suit in state and federal courts and a complaint with EPA to require additional review of the PSD (Prevention of Significant Deterioration) Clean Air Act permits LDEQ has issued for the Nucor pig iron and direct reduced iron (DRI) operations at a site near Convent in St. James Parish.

Planning for Coastal Restoration and Hazard Mitigation

The Louisiana Coastal Protection & Restoration Authority issued the draft of the state's *Comprehensive Master Plan for a Sustainable Coast: Committed to Our Coast* in January 2012.

The final plan was issued in March 2012. As expressed in the mission statement, the plan is "designed to provide the leadership needed to save our coast." The plan represents a working collaboration involving local, state and national stakeholders, representing the millions of people who live, work and play in Louisiana's working coast. Innovative technical analysis was employed to evaluate needs along the entire coast and inform decisions about how taxpayer dollars can be most effectively invested.

The Master Plan incorporates multiple objectives:

- **Flood Protection:** reduce economic losses from storm surge flooding to residential, public, industrial and commercial infrastructure.
- **Natural Processes:** Promote a sustainable coastal ecosystem by harnessing natural processes.
- **Coastal Habitats:** Provide habitats suitable to support an array of commercial and recreational activities coast wide.
- **Cultural Heritage:** Sustain, whenever practicable, unique cultural heritage by protecting historic properties and traditional ways and their ties and relationships to the natural environment.
- **Working Coast:** Promote a viable coast to support regionally and nationally important businesses and industries.
- **Long-Term Solutions:** Identify projects with tangible effects over a 50-year planning horizon.
- **Seek Sustainability:** Recognizing the urgent need for action, the plan calls for promoting resilience by relying on and to the extent possible utilizing natural cycles and processes to maximize ability withstand variable conditions and recover from periodic disturbances.
- **Systems Approach:** Using a systems approach to flood risk reduction and restoration to identify most beneficial and effective solutions.
- **Clear Expectations:** Evaluations recognized there is no returning to the coast of the 20th century. Instead, the goal is to fashion a new landscape that will support viable and human communities into the future.
- **Acknowledge Remaining Risk:** Protection systems (structural and non-structural) and restored habitats cannot eliminate all risk of flooding. Some degree of storm related risk along Louisiana's coast is an inevitable risk. Close coordination among jurisdictional authorities and keeping residents informed will help minimize risks to property and life.
- **Public's Role:** Achieving a sustainable coast requires collective effort. Citizen involvement and participation in planning and a strong flow of information will advance informed public, family and individual decisions about living and working on the coast.
- **Providing for Transitions:** The coastal crisis is forcing displacement of resources, infrastructure and communities. Sensitivity and fairness will help in the transition of those whose homes, land, livelihoods and ways of life may be threatened.
- **Participatory Process:** A diverse group of stakeholders who live, work, plan and own property on Louisiana's coast participated in developing the plan.
- **Accounting for Uncertainties:** Awareness of financial and scientific/technical uncertainties influenced the selection of projects in the plan. Knowledge will always be incomplete and it is understood that the risk of doing nothing is far greater than the risk of acting before all the facts are in. Calculated risks must be taken.
- **Adapting to Changing Circumstances:** The dynamic nature of coastal processes require developing the groundwork for effective monitoring and evaluation to help reduce scientific and engineering uncertainty, assess success and support adaptive management of the program. Revisiting the plan regularly, and after exceptional events like hurricanes, will allow refining as necessary to respond to changing, social and environmental conditions.
- **Efficient Use of Resources:** Sound management of resources like funding, fresh water and sediment will allow capitalizing on synergies among projects and generating the greatest return on the investment.
- **Sediment for Restoration:** With limited supplies of or access to renewable sediment, dredging options have also been considered.
- **Ensuring Consistency:** Quick and coordinated action by local, state and federal agencies is crucial.
- **Regulatory Effects:** Revisions to some laws and regulations may be needed to achieve goals.
- **Role of the Private Sector:** Most of Louisiana's coast is privately owned. Close working relationships are crucial to success. Since Louisiana's coast is also a working coast, partnerships with business and industry are also important.

Identifying Projects

The projects included in the plan were chosen with a view to offering the most effective and balanced path forward. Possible projects were identified by mining previous studies, reports, presentations and various plans, including local parish plans. Some of the ideas may have been previously approved by state or federal agencies, but none had yet been funded. Source documents included *Multiple Lines of Defense*; the Barataria-Terrebonne National Estuary *Comprehensive Conservation Management Plan (CCMP)*; *Coast 2050*; *Louisiana Coastal Area (LCA) Comprehensive Study*; *Parish Master Plans* (including Terrebonne Parish's plan); *Third Delta Phase II Reconnaissance Study*. Screening criteria focused on eliminating duplications, ensuring that projects were, whenever possible, at least 500 acres in size, and making descriptions offered enough detail for evaluation using decision models.

Structural project types include protective levees; bank stabilization; barrier island restoration; channel realignment; hydrologic restoration; marsh creation; oyster barrier reef; sediment diversion; shoreline protection; and multiple features. Timetables were divided into the First Implementation Period (2012 to 2031) and the Second Implementation Period (2032 to 2061). Significant structural projects the SCPDC district in the first implementation phase include:

■ Barrier Island/Headland Restoration:

- Isles Dernieres Barrier Island Restoration
- Timbalier Islands Barrier Island Restoration
- Belle Pass to Caminada Pass Barrier Island Restoration

■ Ridge Restoration:

- Bayou DuLarge Ridge Restoration
- Bayou Terrebonne Ridge Restoration
- Bayou Pointe au Chene Ridge Restoration

■ Structural Protection (high priority):

- Morganza to the Gulf
 - Maintain Larose to Golden Meadow levee
- Sediment Diversion:
 - Bayou Lafourche Diversion

First phase marsh creation projects in the SCPDC district included:

■ Terrebonne GIWW March creation

■ Pointe au Fer Island Marsh creation.

■ North Caminada Marsh Creation north of Caminada headland to Leeville

Funding Sources: Committed and Potential

The Master plan does not have direct funding for implementation. A broad range of funding sources has been identified. Some of the funds are already committed, while others are in negotiation or recognized as having potential in the future. Ongoing funding

continues to be available under the Coastal Planning, Protection and Restoration Act (CWPPRA) and the Coastal Impact Assistance Program (CIAP). Major projects like the Morganza-to-the-Gulf and the Donaldsonville-to-the-Gulf flood protection systems have gone through various stages of analysis and planning by the U.S. Army Corps of Engineers, but await passage of a Water Resources Development Act (WRDA) and then of project-specific appropriations bills. Work on Morganza to date has been funded by the ¼ cent sales tax the citizens of Terrebonne Parish pay to provide match funds for the project. Offshore energy royalty funds are expected to begin flowing to the state in 2017. Funding from BP fines under the Clean Water Act is provided for in draft federal legislation, but has not yet made it through Congress in these fiscally constrained times.

Non-Structural Approaches

In addition to structural measures like levees, flood walls, and pumps, the plan promotes non-structural, hazard mitigation measure that homeowners and businesses can take individually. Recommended measures typically involve flood proofing to three feet and elevating to the Base Flood Elevation plus one foot. Other recommendations are for voluntary acquisition of flood-prone properties, especially in rural areas of individual parishes.

Support for the Coastal Master Plan

The Coalition to Restore Coastal Louisiana provided a comprehensive review of the CPRA master plan, describing it as an “objective, scientific and coordinated set of projects which will continue to grow, with continued revisions every 5 years as required by the Legislature.” Key points in CRCLA's review are as follows:

■ The plan is science-drive and technically robust;

■ CRCLA was greatly encouraged by the transparent nature of CPRA in constructing the plan;

■ CPRA's primary task in constructing the plan was to make tough decisions based on model projections of a Future-Without-Action. CRCLA found that CPRA set appropriate goals of maximum land building and maximum risk reduction, considering limited funding and the relative uncertainty associated with the 50-year planning horizon;

■ On the question of how to be fair to all citizens across the coast, the plan sets forth an unbiased methodology focused on the most protection for the most people based on population density. CRCLA noted that, “While this is not a perfect process, it must be recognized that it is the most thorough, scientifically-based and transparent effort to achieve this to date.”

■ CRCLA agreed with the decision criteria driving the evaluation of projects slated for the master plan: sustainability, use of natural processes, and planning at a landscape scale.

■ **Noting that no plan can be all things to all people, CRCLA found room for improvement:**

- It remains unclear how the plan works with some critical pieces of coastal restoration, such as the Coastal Annual Plan and other federal planning efforts like LCA, CWPPRA and BP recovery and restoration efforts.
- Implementation strategies for adaptive management and non-structural programs are conceptual and lack organizational structure and a clear framework for implementation;
- Evacuation is a non-structural element that should be given more consideration in the master plan;
- The plan should also do more to define and outline local responsibility that would foster more informed decision making at the community level.

■ **Conclusion: “Overall, CRCL supports the plan and the ambitious efforts of the planning team. There are many significant wins for our coast within the plan.**

- At least 50% of funds will go toward restoration;
- Risk reduction strategies reduce our annual damages and split funding equally between structural and non-structural protection.
- This is the first time in the history of this issue that there is a plan in place for a net gain in land.
- The engagement of the Mississippi River as a significant restoration tool is also a critical feature.
- We are also encouraged by CRPRA's willingness to listen to the feedback of citizens in composing its final draft.”

Action Plan

This section focuses on progress in advancing goals and objectives and on actual projects implemented since the five-year CEDS. All three elements serve as performance measures to gauge the CEDS' usefulness to the region. Annual review by regional public and private partners also serves as an indicator of the CEDS' effectiveness in serving the region.

Demand for energy and waterborne commerce have spurred population growth and kept the regional economy strong despite the downturn in the national economy. Major projects planned for the region reflect regional assets and potential for diversification and growth.

- **Water lines under Mississippi River completed in St. Charles Parish with Katrina/Rita CDBG Disaster funding and approved in St. James Parish with Gustav/Ike CDBG Disaster funding.**
- **St. Charles Parish completed and held the grand opening of a new water treatment plant in the Norco area.**
- **St. Charles will also refurbish its aging water treatment Plant C. The two plants are projected to provide enough water for the parish's east bank for the foreseeable future.**
- **The asphalt portion of Adam"Ted" Gisclair/Northern Expansion Road and waterline project at Port Fourchon was completed under budget. This will allow paving of the entire road, with all space leased.**
- **Environmental cleanup for Lafourche Parish's new Raceland community center was completed, with funding through a sub-grant from the South Louisiana Brownfields Coalition RLF. CDBG funding will be used to construct the building.**
- **Marathon Petroleum Company has applied to modify its state air quality permit to allow expansion of crude oil capacity and output production at its Garyville refinery by 20,000 barrels per day. The refinery is the fourth largest in the United States. The work, which includes increases in hydrocracker and ultra-low-sulfur diesel production, is planned in two phases, with the first to be implemented later this year and the second in 2014.**
- **The Port of South Louisiana has completed construction of its new 700-foot long, 65-foot wide pier that will allow a second 965-foot Panamax cargo vessel to dock while simultaneously allowing barges to be loaded on the other side of the pier. The cost of the new pier is estimated at \$22 million.**
- **St. Charles Parish is assisting the Port in building a rail spur just downriver from Dow plant.**
- **Southern Precision, a high-volume machine shop in St. Charles, is constructing a new building in the James Business Park at a cost between \$2.5 million and \$4 million.**
- **Inspectorate, an industrial inspection company in St. Charles, is building a new facility at a cost of from \$4 million to \$5 million.**
- **K& B Machine Shop in Houma (Terrebonne Parish) has announced a \$40 million capital investment to create a 200,000 square foot manufacturing and headquarters at an industrial park location. The company already has a 42,000 square foot customer inventory building at the location.**
- **NALCO has announced plans to build a new dry polymer production facility at its location in Garyville. The new plant will produce dry polymers used to remove contaminants from wastewater, to increase production efficiency in the paper industry, and to recover minerals in the mining industry. NALCO merged with Ecolab, Inc. in 2011. The \$18.7 million project will create 22 new direct jobs, retain 235 existing jobs, and result in an estimated 167 new indirect jobs.**
- **Port of South Louisiana continues to acquire land to develop a public dock on the West Bank of St Charles Parish (Riverpark). This will provide the port with a second location with space for growth, which is not available at the current location. Facility is planned to have rail and warehousing.**
- **Port of South Louisiana is constructing conveyor from docks to service lay-down areas at Globalplex.**
- **Rail spur rehabilitation and extension from warehouses is underway for the Globalplex Intermodal Terminal**
- **Nucor has begun site and engineering work in St. James Parish, with a target of having the first of multiple steel-related production facilities operational by the Summer of 2013.**
- **New public library planned for Assumption, with capital outlay funding. The location is a former gas station and body shop. SCPDC's Regional Brownfields Program coordinated a Phase I environmental assessment and is coordinating a Phase II environmental assessment of the property.**
- **Two new community centers planned for Assumption, with disaster CDBG funding.**
- **Valero Energy Corporation has begun a large expansion at its St. Charles Refinery in Norco that includes a new catalytic cracker. This represents a \$1 billion investment to increase refinery capacity in the parish**
- **Dow Chemical in Taft is in the midst of a \$600 million construction project to restart an ethylene plant and announced it will be expanding production at its Taft plant.**
- **Edible Enterprises, the food incubator in St. Charles, continues to explore funding options to complete to develop a catering kitchen and production centers.**
- **SCPDC's Houma-Thibodaux MPO participated in drafting and review of the Greater New Orleans Data Center's analysis report on "Cross-Metro Commuting Patterns in Southeast Louisiana;"**
- **Ongoing water and sewer system and drainage projects in parishes throughout the district, with disaster CDBG funds targeted to make improvements to address problems encountered in and after the 2008 hurricanes.**

Cutbacks in the federal budget have made funding for major

public projects even more challenging. The current recession and the slower pace of offshore permitting have left local communities with limited resources to repair or replace aging infrastructure and to implement projects critical to reducing coastal erosion and improving flood protection. If the 2005 and 2008 hurricanes can be said to have had a silver lining, it would be the federal resources committed to repair and replacement of damaged public infrastructure. The two sets of hurricanes also helped highlight energy-security reasons why the rest of the nation should continue to invest in the South Central region. FEMA Hazard Mitigation funds have helped local governments implement projects that reduce long-term vulnerability. Construction has begun on the first projects funded with parish allocations of CDBG Gustav/Ike recovery funding to purchase backup generators, improve pump stations, elevate water treatment facilities and construct levees and flood walls. These projects will contribute significantly to upgrading, elevating and hardening facilities to reduce community vulnerability to severe weather and other threatening events.

- **Federal funding for the Morganza to the Gulf flood control project continues to be delayed by Corps requirements to restudy the cost-benefit. Completion of Reach 1 in the vulnerable Point-aux-Chenes area continues with funds generated by the local ¼ cent sales tax awaits settlement of a federal environmental law suit. In the wake of the oil spill, requests have been made to expedite planning, approval and funding of the project.**
- **The new, \$174.9 million elevated, two-lane, Leeville Bridge opened in July 2009. The total project includes the bridge itself, entrance and exit ramps and a pre-pay electronic toll system. Project funding combined federal and state funds and federal revenue bonds backed by bridge tolls. Bridge users can stop at Automatic Toll Payment Machines to pay their tolls in cash, coin or by credit or debit cards**
- **Construction of the \$153.2 million Phase I-A of the LA 1 Project is complete. This is a 6.3 mile section of elevated, two-lane highway between Leeville and Port Fourchon.**
- **The U.S. Departments of Homeland Security issued a Consequence Analysis on remaining unimproved sections of LA 1 estimating the nation could suffer up to \$7.8 billion in loss of GDP with a loss of this highway. The LA 1 Coalition continues to support efforts to secure the \$320 million required for Phase 2 of the LA 1 project, the 8.3 mile section of elevated, two-lane highway from Leeville to Golden Meadow. SCPDC has assisted the LA 1 Coalition in submitting an application for federal Department of Transportation TIGER Discretionary ARRA stimulus funding for the final phase of the LA 1 project.**
- **St. Charles Parish's East Bank levee project has been completed. The parish is working on permits and hydraulic modeling for two phases of the West Bank levee system and is acquiring property and defining the scope of work for the third phase.**

Performance Measures

Goal One: Improve the public infrastructure of the region in order to support and sustain a viable economy and environment.

■ Objective 1: Improve road infrastructure and capacity

- The Leeville bridge continues to operate, with an Open Road Tolling System;
- The LA 1 Coalition continues efforts to fund the balance of LA Highway 1 improvements. The state has funded the design work and has allowed division of the project into three phases;
- A new \$30 million Lift-Span Bridge over Bayou Lafourche at Larose is under construction, replacing an aged, weight-limited pontoon swing bridge;
- Road overlays completed on LA 1 in Labadieville with American Recovery and Reinvestment Act funding;
- Continued efforts to complete I-49;
- Houma-Thibodaux Master Transportation Plan (MTP) 2035 issued May 13, 2010;
- Continued progress on development of transportation loop around Thibodaux. This includes completion of Stage 0 Study for the Canal Boulevard/Acadia Corridor intersection; preliminary engineering plans begun with DOTD for development of a roundabout at intersection to improve road capacity and vehicle safety;
- Preliminary engineering plans being developed for a roundabout or highway traffic signal at the intersection of Highway 648/Percy Brown Road and North/South Acadia Roads in Thibodaux;
- Continue to monitor plans for creation of North-South Access Road between LA Hwy 3127 and US Hwy 90. EIS is currently being developed by DOTD;
- Continue to investigate adequacy of La. Highways 1 and 308 as alternate hurricane evacuation routes through Assumption Parish;
- Develop specific plans to improve access in Sr. John the Baptist from Highway 3127 and U.S. 90;
- Develop an additional North/South access road from Highway 3127 to Highway 18 on the West Bank of St. John the Baptist Parish;
- Develop plans and seek funds for an additional East-West roadway for the East Bank of St. John the Baptist Parish;
- Turning lane projects completed in Lafourche Parish along LA Highway 1 in Thibodaux area at Tiger Drive, Jackson Street, Canal Boulevard and Audubon Avenue and along LA Highway 1 in the central portion of the parish between U.S. Highway 90 to La Highway 654 intersection;
- Terrebonne Parish turning-lane projects are underway;
- Initiate engineering plans for upgrade/resurfacing of Laurel Valley Road from LA Highway 308 to Choctaw Road (approximately six miles);
- Widen La. Highway 20 in Thibodaux;

- Replace/expand Tiger Drive Bridge in Thibodaux. Project received \$350,000 ARRA funds 2011;
- Four lane La. Highway 3127 from Edgard to Donalsonville;
- Study feasibility of widening U.S. Highway 61 (Airline Highway) in the River Parishes as part of the New Orleans area Regional Planning Commission Metropolitan Planning Organization (MPO) program;
- Develop plans and seek funding to meet infrastructure need for development of businesses and residential growth on the West Bank of St. John the Baptist Parish;
- Continue repairs and upgrades to other State and local roads;
- ITS Infrastructure—cameras and VMS --in Terrebonne Parish; future traffic synchronization on La 24; VMS on I-10 through River Parishes and on I-310 in St. Charles Parish; use of 511 and Twitter; expansion of Terrebonne Parish ITS fiber line to Schriever;
- The South Central Regional Transportation Safety Plan developed to implement DOTs's Strategic Highway Safety Plan at the local level;
- The Coordinated Human Services Transportation program developed in 2001 to facilitate efforts by representatives of public, private, and non-profit transportation and human service providers and the public;
- Valhi Boulevard extension in Terrebonne Parish: extended from Hollywood Road to Equity Boulevard. Currently under construction to be extended to Valhi Boulevard;
- Terrebonne Parish is currently working on plans for Bayou Gardens Boulevard extension from Coteau Road to Bayou Blue Road;
- Environmental Assessment completed on LA 311 with Finding of No Significant Impact.

Accomplishments

Lafourche Parish's two Transportation Development Districts have tax millages for repair and replacement of roads. Planned road projects include Cote Blanche Bridge repairs; opening of Laurel Valley Road as an extension route; road improvements on Fourchon Beach; East-West Corridor Project to extent Thibodaux corridor through Highway 3185; Cut Off Bridge; Town of Golden Meadow; Mockingbird Lane. The 5.4 mile elevated highway between Leeville and port Fourchon has been completed 2011?? . The Louisiana DOTD requested state capital outlay funds to begin final design of the elevated highway between Golden Meadow and Leeville. The DOTD agreed to break up construction of this 8.7 mile phase into three segments to make it more feasible to secure funding for the project. SCPDC continues to develop the Master Transportation Plan for the River Parishes. The region continues to monitor the North - South Access Road, including investigation of LA 1 and LA 308 as evacuation routes. The New Orleans MPO Transportation Improvement Plan (TIP) included \$5 million for new road construction at the Port of South Louisiana in St. John the Baptist Parish. Study completed for a City of Thibodaux Northeast Bypass, which would provide a transportation route from Highway 20 N and utilize the Laurel

Valley Road. The study was conducted for a partnership of the City of Thibodaux and Lafourche Parish Government.

The Houma-Thibodaux MTP included 4-lane, 2-lane, bridge and turn-lane projects, as well as an ITS Corridor in Terrebonne and a pedestrian walkway in Lafourche. Many projects involve the construction of turn lanes as the most cost-effective way to ease the flow of traffic. Near-term, 4-lane projects (2010-2015) moving forward include Hollywood Road from LA 3040 to LA 311; Westside Boulevard Phase B from LA 24/Main Street to LA 3040/MLK Boulevard; Grand Caillou Road/LA 57 (Industrial Boulevard to Thompson Road). Two-lane projects include Acadian Drive West from LA20/Canal Boulevard to LA 3185 in Thibodaux; Enterprise Drive from Corporate Drive to Westside Boulevard Drive Extension; and Thompson Road Extension (LA 56 to LA 57) in Houma; and Country Drive from LA 24 to St. Anne Bridge in Bourg. There are also a number of bridge projects, including Coteau Road; St. Charles; Company Canal; St. Anne; Thompson Road Extension; Grand Bayou; Prospect Street. The 5.4 mile elevated highway between Leeville and Port Fourchon has been completed. The region continues to monitor North -South Access Roads, including investigation of LA 1 and LA 308 as evacuation routes. The New Orleans MPO Transportation Improvement Plan (TIP) included \$5 million for new road construction at the Port of South Louisiana in St. John the Baptist Parish. Study completed for a City of Thibodaux Northeast Bypass, which would provide a transportation route from Highway 20 N and utilize the Laurel Valley Road. The study was conducted for a partnership of the City of Thibodaux and Lafourche Parish Government.

In the New Orleans MPO Area, projects identified in previous CEDS continue to move forward. These include drainage and drainage improvements, overlay and resealing projects. Key roadways affected include I-10, I-310, LA 61/Airline Highway, LA 3127.

In the coming year, the region will continue to monitor progress of all of these projects.

■ Objective 2: Improve water and wastewater treatment and collection capacities; upgrade gas intake and distribution services

- Continue to upgrade water treatment facilities and capacities in all communities;
- Continue to improve wastewater treatment and build additional collection systems throughout the Region;
- St. Charles Parish East Bank water treatment plants \$1,750,000 and \$675,950 in 2011;
- St. Charles West Bank water treatment plant slated to be partially completed in 2012. \$821,200;
- Seek funding to expand wastewater collection system in St. John the Baptist Parish;
- Continue to identify funding sources and assist member governments in securing funds to provide wired-in generators to ensure alternate, redundant sources of power to keep water and sewer systems operational during power outages;

- Continue to investigate ways to improve water flow along Bayou Lafourche and counteract salt water intrusion;
- Linkage completed between the St. Charles Parish East and West Bank water treatment facilities continue to provide additional treatment capacity for the East Bank. The project was funded through Gustav/Ike Disaster CDBG program;
- A similar linkage between St. James Parish's East and West Bank Water Treatment facilities is planned, again with funding through Gustav and Ike Disaster CDBG program.
- St. John the Baptist has upgraded treatment capacity at its Lions water treatment plant. The next step, required by the state Health Department, is to replace outdated filters at the treatment plant. The parish held a workshop meeting on May 3 to discuss a project to build a pipeline under the Mississippi River to supplement water supply for the parish's west bank;
- St. John the Baptist Parish also plans to link its East and West Bank water treatment plants. The project will also replace aging filters at the Edgard (east bank) plant. The Edgard plant (west bank) can produce 8000,000 gallons per day, more than twice normal demand on the West Bank. The parish will seek a \$5 million loan from the state revolving loan fund to connect the two plants. If loan funds are not available, the parish has indicated it has sufficient funds to finance the project itself. The permitting process is expected to take around two years.
- Continue efforts to upgrade old and provide new or expanded municipal wastewater systems throughout the Region through Community Development Block Grant projects;
- Project to increase size of water lines and add second water storage tank in Assumption Parish is funded through the Gustav and Ike Disaster CDBG program;
- The Community Water Enrichment Fund has assisted piping improvements within Assumption Parish water plant and raw water pump station improvements will also be completed;
- EPA funded wastewater treatment feasibility analyses for Bayou Area and River Region West Bank are in final stages and nearing completion;
- Identify priorities for implementation of sewerage projects;
- Prepare engineering work for update of St James Parish-wide Sewage System facilities plan;
- Increase wastewater treatment capacity for the West Bank of St. Charles;
- Upgrade waterlines to improve water system capacity and pressure in Assumption Parish;
- Continue to move forward on implementing Bayou Lafourche Diversion Project. Reintroduction of the Mississippi River will increase the volume of water and reduce saltwater intrusion in the bayou;
- Upgrade salt water control on Bayou Lafourche south of Lockport, on the Gulf Intracoastal Waterway and in the Houma Navigation Canal;
- Implementation of \$20 million in improvements to the South Lafourche Levee District System is nearly complete.

This system provides flood protection for the communities of Larose, Cut Off, Galliano and Golden Meadow.

Accomplishments

The Louisiana Coastal Protection and Restoration Authority Master Plan included the joint project, with the Bayou Lafourche Freshwater District and the U.S. Army Corps of Engineers, to divert the Mississippi River to increase the flow in Bayou Lafourche to 1,000 cubic feet per second. The project is currently underway, with an estimated cost of \$195 million. The Bayou Lafourche Freshwater District hosted a Bayou Lafourche Summit in October 2011 to set priorities for the bayou's future. . The long-term goal is to increase the outflow of Mississippi River water coming down the bayou tenfold, from the current 300 cubic feet per second to 3,000 cubic feet per second. The project is being implemented under the existing Bayou Lafourche Freshwater District permit, with participation by the U.S. Army Corps of Engineers and the Coastal Protection and Restoration Authority. St. John the Baptist Parish received a \$1 million EDA award to expand and upgrade the Lions Water Plant. Assumption Parish has received CDBG disaster funding to increase the size of waterlines. The state contributed an additional \$243,000, while local funds covered \$3.143 million. Completion of the project is expected in 2012. Lutchter has completed the upgrade of its water intake structure, which was in danger of falling in the Mississippi River. Funding for the emergency project was obtained through Delta Regional Authority, LGAP and other sources. St. Charles Parish has completed construction of the waterline under the Mississippi River to connect its two water plants. St. Charles has also completed a new East Bank water treatment plant in Norco and is upgrading its existing East Bank treatment Plant C. St. Charles is also continuing sewer improvements. St. James Parish has secured CDBG funding to construct a waterline under the river to connect its two water plants. An EDA award of \$1.6 million and local funding of \$866,634 will enable St. James to upgrade filters to increase capacity at the Convent Water Plant in 2012. The upgraded treatment plan will serve the new Nucor industrial plant.

Lutchter is also upgrading its sewer plant. St. James continues to move toward the goal of parish wide sewerage and is negotiating with the two municipalities of Gramercy and Lutchter to include them in the project, which will begin with installation of three community sewer systems on the east bank (in Paulina, Union and Convent) and two systems on the west bank (in Vacherie and Welcome). Gramercy has completed several phases of its plan to upgrade its water treatment system. St. Charles upgraded its sewer treatment plant in 2011. Terrebonne Parish plans to upgrade sewer lines in industrial and commercial areas in 2012. This includes installation of a wastewater line along Dickerson Road to the Port of Terrebonne and sewerage along Grand Caillou, Industrial/Thompson Road and Martin Luther King Boulevard. These areas were, in most cases, previously served by septic systems. SCPDC is completing final reports of wastewater feasibility analyses funded by two grants from the Environmental Protection Agency. The first grant funded the analysis in the Bayou Parishes (Assumption, Lafourche and Terrebonne). The second grant funded the analysis of the west banks of St. James, St. John and St. Charles Parishes.

The two analyses identified available treatment capacities and priority projects for implementation.

The EDA-funded Sewer Force Main project in Thibodaux was issued a Certificate of Substantial Completion for a total project cost of \$1,256,725. Lafourche Parish Government, through a grant from FEMA/GOHSEP for emergency generators, has installed emergency generators at the Thibodaux Wastewater Treatment Facility, along with Sewer District #1 Wastewater Treatment Facility and Lift Station and Sewer District #4 Lift Station.

Work will continue on each of these objectives during the coming year.

■ Objective 3: Improve public facilities and services

- Continue upgrades to public libraries;
- Provide generators to allow public libraries to be used after disasters as sites to allow businesses to use laptop computers, to charge cell phones and thus continue to function and do business;
- Continue public transit service throughout the region, including inter-city bus service through the River Parishes;
- Seek funding to expand the existing River Parishes Transit Authority;
- Continue efforts to improve regional health facilities and services;
- Improve neighborhood and municipal parks;
- Continue work with the Regional Criminalistic Laboratory;
- Continue Regional Solid Waste Authority efforts to address solid waste disposal and transportation issues;
- Upgrade fire protection facilities throughout the Region.

Accomplishments

Parishes continue to upgrade libraries throughout the region. The River Parishes Transit Authority has passed its third anniversary in operation and continues to operate, with funding from the Federal Transit Administration and the La. Department of Transportation and Development. The RPTA is also included in the New Orleans Transit TIP. The SCPDC, under a grant from the FTA, analyzed the feasibility of providing public transit service in Thibodaux. Lafourche Parish is exploring the possibility of a transit study for the parish. The parish has negotiated an agreement with Terrebonne Parish's Good Earth Transit to provide services across parish lines and the Thibodaux circulator transit route is now in operation. Assumption Parish is planning construction of a new public library branch in Belle Rose with Louisiana Capital Outlay funding. SCPDC's Regional Brownfields Program has assisted with Phase I and Phase II environmental assessments to identify any possible environmental issues at the Belle Rose property, which is a former gas station and body shop. Community Development Block Grant (CDBG) disaster funding is assisting construction of a new community center in Assumption Parish at a projected cost of \$9,390,000. Lafourche Parish has received \$800,000 in CDBG funding to construct a new community center in the Raceland area.

In the coming year the region will continue to monitor and implement these programs.

■ Objective 4: Continue infrastructure improvements at area ports and airports

- Continue to construct improvements at all area airports;
- Construct a road to connect the South Lafourche Airport to La. Highway 3235, including a Bayou Lafourche Bridge crossing;
- Continue to pursue general cargo opportunities to better serve the maritime industry;
- Port of South Louisiana's planned public dock on the West Bank of St Charles Parish (Riverpark at River Mile Marker 130 and 131) will provide the port with a second location with space for growth, which is not available at the current location. Planned facility has space for rail and warehousing;
- The Terrebonne Parish Economic Development Authority has assisted the Houma-Terrebonne Airport in establishing a foreign trade zone at the airport;
- Assist St. John the Baptist Parish and the Port of South Louisiana in the expansion of the St. John General Aviation Airport, to include extending the runway;
- Construct conveyor from docks to service lay-down areas at Globalplex (Port of South Louisiana);
- Rail spur rehabilitation and extension with warehouses for Globalplex Intermodal Terminal;
- Increase warehouse and distribution capacity at the Port of South Louisiana;
- Completion of Slip B of Northern Expansion area project at Port Fourchon;
- Continue development of Slip C of Northern Expansion area at Port Fourchon;
- Explore feasibility of establishing rail service to Port Fourchon;
- Support initiatives to improve public facilities and access to Port Fourchon beaches;
- Draft EIS for North-South Corridor connecting Thibodaux to I-10 is well underway, and public review should occur in Autumn 2012;
- Conduct an Airport Feasibility Study to identify potential sites for development of a municipal airport for Thibodaux;
- Provide rail service to the Port of Terrebonne;
- Complete infrastructure improvements at the Port of Terrebonne facility;
- Deepen the existing east-west channel connecting the Houma Navigation Canal to Port Fourchon to 12-feet to facilitate flow of traffic between the ports of Terrebonne and Fourchon;
- Continue efforts to ensure the planned Houma Navigation Canal and lock system are designed for medium draft vessels at 200 feet wide and 20 feet deep.

Accomplishments

The Port of South Louisiana received \$1 million in state supplemental appropriation funding, with half of the funds allocated to extend the runway at the St. John the Baptist Parish airport from 4,000 to 5,000 feet and the other half going toward initial phases of various port expansion projects. These include purchasing options on property near the Nucor site in St. James, Parish; site selection of a new port facility on the west bank of the Mississippi River in the River Parishes; and new office buildings at the port's Globalplex complex in Reserve. The Port of Terrebonne received an EDA award to provide bulkheading at a location to accommodate a major tugboat builder and began construction of the project in 2007. The Greater Lafourche Port Commission has completed and leased all 5,300 feet of Slip B of its Northern Expansion. In early 2007, the Port Commission began construction of an additional 3,600 feet of bulkhead in the Northern Expansion, with 1,400 feet pre-leased. In 2008, the GLPC received a 3-year, \$15 million DOTD Port Priority grant to construct the road and complete bulkheading at Slip B. The GLPC is moving forward with plans to construct half of 770 linear feet of bulkhead at the Port's Martin Slip. Funding for the project is from a 2009 EDA grant of \$2 million related to impacts from Hurricanes Gustav and Ike. In 2010, the GLPC received a \$2.196 million EDA grant for construction of the Northern Expansion road. The first two phases of the project, construction of a waterline and the aggregate portion of the road, has been completed. Bids for the second phase, construction of the asphalt portion of the road, have been received and the contractor has been selected. This funding has allowed the GLPC to dedicate the majority of Port Priority funds to bulkheading to add to leasable space at Slip B. The project to convert the Golden Meadow floodgates to locks is now complete.

The region will continue to monitor these programs and projects in the coming year.

■ Objective 5: Improve flood protection and drainage.

- Improve area levees, in particular the Morganza to the Gulf and other hurricane protection levees;
- Support efforts to create a Comprehensive Hurricane Protection Plan for Coastal Louisiana;
- Support Governor's LA 1 Task Force plans for hurricane evacuation route from Grand Isle to Alexandria;
- Continue drainage improvements throughout the Region;
- Construction of floodgates along Bayou Lafourche;
- Clear and widen major drainage canals in Lafourche and Terrebonne Parishes and throughout the region;
- Continue to reduce regional businesses' vulnerability to natural disasters by coordinating informational resources to facilitate preparedness and recovery planning;
- Continue to upgrade and improve area pump stations and pump capacities;
- Construct the West Bank flood protection levee and support planning and implementation of Donaldsonville to the Gulf project to help protect St. Charles Parish and Lafourche Parish;

- Construct hurricane protection levee from St. John the Baptist to Ascension Parish north of Interstate 10;
- Construct hurricane protection levee for the West Bank of St. John the Baptist Parish;
- Lafourche Parish is implementing drainage projects, including improvements, repairs, relocation of pump stations, installation of pumps, waterline and forced drainage systems, ditches and canal upgrades, as well as acquisition of portable pumps;
- St. Charles Parish is implementing drainage projects, including a master drainage plan for one area, upgrading of pump station, canal crossing improvements.
- Install the proposed Bayou Chene flood gate to prevent backwater flooding of the low-lying industrial area where Assumption, Terrebonne and St. Mary Parishes converge. The flood gate project would protect hundreds of jobs and replace the barge temporarily placed in the bayou to reduce flooding from the 2011 Mississippi River and Atchafalaya River flooding.

Accomplishments

Parishes and levee districts continue to work on flood protection projects throughout the district. Lafourche and Terrebonne Parishes continue to coordinate flood-protection efforts. Terrebonne has used the ¼ cent sales tax approved by voters to provide local funds for flood protection. To date, the tax has funded parts of the Morganza to the Gulf system, including \$39.512 million for levee construction; \$14.2 million for the Bush Canal Floodgate; \$8.4 million for the Placid Canal Floodgate; and \$9.8 million for the H2 levee. An additional \$612,000 was used for the Pointe aux Chenes tie-in to the Donaldsonville to the Gulf Levee. Lafourche Parish is completing a Master Drainage Plan, using CDBG Katrina/Rita disaster recovery funds for plan development. St. Charles has completed the West Bank Hurricane Protection Levee, using a combination of \$1.1 million in state funds, \$13,559,480 in local funds and \$2,613,567 in federal funds. Phase IV, V and VI of the St. Charles West Bank Levee are slated for completion in 2012, respectively using \$9.3 million in local funds, \$1.4 million in local funds and \$1.025 in local funds. St. James Parish is elevating its water treatment facility and installing essential operating controls. Terrebonne Parish's capital outlay boardwalk project in downtown Houma is complete and has had its grand opening. The project includes a safe harbor for fishing boats at the nearby public marina. Lafourche Parish is partnering with the Greater Lafourche Port Commission on a "Storm Harbor" project to be located just inside the floodgates. Assumption Parish has developed a plan and is using CDBG disaster recovery funds to create a redundant pump system using propane fuel to operate pumps in the event of a power failure or temporary need for additional capacity. SCPDC, the Acadiana Regional Development District (ARDD), and Assumption, Terrebonne and St. Mary Parishes are collaborating regionally to pursue EDA disaster assistance for the Bayou Chene flood gate project under the federal disaster declaration for the 2011 flooding.

Goal Two: Create and retain quality jobs and foster a more diversified economy.

■ Objective 1: Work within existing industry sectors to identify workforce development and training needs.

- Continue efforts to design education programs that match training to the area job market and update capacity to track training efforts; Continue to support efforts to expand on existing job training programs in Emergency Preparedness and Response and Marine Manufacturing Technology at Louisiana Community and Technical Colleges;
- Seek opportunities to expand and upgrade the South Central Technical College for the River Parishes to meet current and future training needs;
- Continue to explore potential for local adaptations of model joint labor/management partnership programs and of state community colleges and community-based organizations to improve access to on the job and skill training. Assist development of a long-term funding stream for the Work It! Louisiana program to encourage young people to pursue alternate career paths;
- Continue to explore potential for building on existing institutional assets like the Chef John Folse Culinary Institute at Nicholls State University and the Louisiana Coastal Recovery Authority, the Barataria-Terrebonne National Estuary Program and the Louisiana Universities Marine Consortium in implementing additional training alliances;
- Continue to explore potential for developing additional training programs, such as one focused on job training for the marine logistics industry in the River Parishes;
- Increase coordination to bridge basic and occupational skills training for adults with limited education and skills and linking training to workforce needs identified by employers;
- Coordinate with the Greater New Orleans Region SBDC and regional Chambers of Commerce to expand on existing leadership programs to develop a regional “young president’s forum” to provide mentoring and peer networking to improve fledgling entrepreneurial companies’ chances of success;
- Explore potential for using the St. James Parish mobile classroom program as a model for taking sector-specific job training linked to actual employment opportunities into communities where a significant part of the adult population possess limited education and skills;
- Identify funding source for a Business Incubator facility at Nicholls State University in cooperation with South Louisiana Economic Council.

Accomplishments

SCPDC continues to work with public, private and non-profit partners to develop a workforce training program to develop a cadre of trained and skilled workers in the environmental and safety sector. This will help replace workers ready to retire in the energy industry’s “big crew change.” Vocational-technical schools continue to offer skills training and to offer customized training to employers. The City of Thibodaux has increased pump capacity to provide sufficient water to serve the Nicholls State University

campus and support its planned expansion of the Chef John Folse Culinary Institute.

■ Objective 2: Provide technical support and infrastructure necessary to support start up, relocation and recruitment of businesses

- Create business incubators in Thibodaux and Terrebonne Parish and other communities and continue to support the incubator program in St. Charles Parish;
- Provide ongoing technical assistance concerning tax incentives and loan programs;
- Continue administration and expansion of SCPDC Revolving Loan Fund Programs;
- Continue Enterprise Zone Assistance;
- Increase the number of regional businesses marketing on-line in order to enhance individual firms’ ability to return to business, even if a storm or other disaster destroys or damages their physical facility;
- Create a micro-lending program for very small businesses and self-employed individuals;
- Administration and expansion of Louisiana Small Business Development Center (LSBDC) office located at Nicholls State University;
- Seek funding to assist River Region Economic Development Initiative (RREDI) with a Small Business Resource Center located at the South Central Technical College, River Parishes Campus, and at the Edible Enterprise food incubator facility in Norco and on the West Bank of St. Charles Parish;
- Seek funding to assist small business startups and meet the training needs of such small businesses in St. John the Baptist Parish;
- SCPDC and its member parishes and municipalities recognize the critical need to upgrade services such as broadband across the region in order to improve local competitiveness and open greater opportunities and access for local businesses;
- Continue to expand small business development services, with the creation of an “e-center” that will provide small business consulting and training services, starting with a base in Houma and Thibodaux;
- Develop satellite extension location in the River Parishes, with space at the Community and Technical College to house SCPDC personnel, “e-center” services and regional Small Business Development Center (SBDC) services.

Accomplishments

The South Louisiana Economic Council (SLEC) has developed a business incubator in Thibodaux. Nicholls State University again houses a Small Business Development Center. SCPDC is working with the SBDC and the River Region Community and Technical College to open the satellite location and services. SCPDC’s Revolving Loan Funds include the EDA RLF, the Regional Capital Fund based on repayments of loans made through the Business Recovery Grant and Loan Program, and

the South Louisiana Brownfields Coalition RLF, which provides loans and sub-grants for cleanup of properties with environmental concerns. The combination significantly expands regional RLF lending capacity and provides gap financing to regional small businesses and redevelopment and reuse projects. These financing mechanisms, in combination with USDA financing programs for rural areas, can also help in taking the first steps in providing improved broadband service throughout the region. Edible Enterprise, the previously noted food incubator facility in St. Charles Parish, assists regional entrepreneurship in the food technologies sector. The project currently operates under Good Will Industries. SCPDC is assisting the group, the parish in identifying possible funding sources to help the project achieve financial self-sufficiency.

■ Objective 3: Support research and development of new and emerging sectors

- Continue to develop logistics, digital media, alternative energy and advanced manufacturing sectors in St Charles Parish;
- Continue to investigate feasibility of a warehouse distribution center in St John the Baptist and St. James Parishes;
- Seek RREDI funding to continue research and development of new and emerging industry sectors;
- Seek funding for a promotional video for St. John the Baptist Parish;
- Explore potential to expand on existing institutional structures at Nicholls State University to create cluster development centers to spur technological innovation and commercialization and export of products, expertise and services in the maritime-shipbuilding, culinary and information technology industries;
- Increase coordination among training providers and the business community in order to explore potential for undertaking regional, cluster-based workforce development, planning, training, job matching and outreach;
- Further the development of a distribution, light industrial, digital media, energy and advanced manufacturing cluster in St. Charles Parish with programs providing needed job and skill training;
- Assist expansion of high-quality shrimp business model using on-boat freezing and direct, contract-based marketing to increase price per pound;
- Coordinate access to university-based technology transfer programs to help commercialize technologies in emerging economic sectors.

Accomplishments

SCPDC is coordinating, with private, public and non-profit sector partners, development of a workforce training program in the environmental and safety sector.

Goal Three: To improve the overall capacity of the Region to make efficient land use decisions.

■ Objective 1: Develop and/or update Parish Comprehensive

Plans

- Complete Terrebonne zoning effort in areas outside Houma;
- Update the Lutchet Zoning and Subdivision Ordinances;
- Explore possible land use Master Plan for Lafourche Parish;
- Begin development of Lafourche Parish's Coastal Parish Comprehensive Plan in coordination with the Center for Planning Excellence. The consultant selection process is nearly completed;
- The St. James Parish Comprehensive Plan, facilitated by SCPDC, has been approved by the Steering Committee and will be reviewed and approved by the Parish Planning Commission;
- Develop Land Use Plan for St. John the Baptist Parish ;
- Update of the St Charles Parish Comprehensive Plan is complete;
- Continue to keep parish and municipal codes current;
- Begin implementation programs for Assumption comprehensive plan.

Accomplishments

SCPDC and Assumption Parish have completed the parish's Comprehensive Plan. The parish is considering land use controls. The St. James Comprehensive Plan has been approved by the appointed steering committee and is being presented to the Parish Planning Commission for final approval. Terrebonne Parish has updated its strategic plan. St. John the Baptist Parish is advancing toward development of linked Comprehensive Land Use and Strategic Plan, with assistance from the University of New Orleans. Parishes and municipalities continue to update their codes and make land use planning decisions.

■ Objective 2: Develop and implement other programs that enhance existing land uses and encourage development near existing centers of business and industry.

- Continue to share expenses related to enforcement of the State Uniform Building Code through participation in a regional inspection program;
- Continue updating of historic structure inventory;
- Revitalize the Thibodaux CBD and Historic District Area;
- Investigate feasibility of creating historic districts in Lockport, Napoleonville and Reserve;
- Assist in seeking funds for implementation of Historic Redevelopment designation for the Edgard, Reserve and LaPlace communities of St. John the Baptist Parish;
- Investigate feasibility of developing mini-Main Street program for communities along the Bayou Lafourche Corridor;
- Plan for access and development along U. S. Highway 90 (future I-49 corridor);
- Continue to extend the boardwalk along Bayou Terrebonne in the Houma central business district;
- Investigate feasibility and market potential for development of a multi-purpose Sports Complex in Thibodaux.

Accomplishments

St. Charles Parish has received a \$442,000 Community Challenge grant to revitalize the Paul Maillard Corridor that extends from U.S. 90 to River Road in Luling and Boutte. The Regional Building Code Council, now entering its fifth year, has reduced inspection costs for residents. Over time, such consistent enforcement continues to have the potential to attract the interest of private insurers and may encourage some to return to the regional insurance market. A hopeful sign is that major insurers like Allstate have re-entered the regional residential renters' insurance market. This could be a first step toward a return to the homeowners' insurance market. SCPDC continues to update the historic structure inventory. Current state budget constraints have put a possible mini-Main Street program on hold. However, such a program can be revisited in the future. The extension of the boardwalk along Bayou Terrebonne in Houma was funded in the state capital outlay budget.

■ Objective Three: Promote development practices that reduce vulnerability to severe weather events.

- Continue public education efforts to inform the public of the location of flood-prone areas;
- Continue educational programs for contractors on practices like use of pervious paving to reduce runoff.

■ Objective Four: Promote mitigation efforts such as elevating existing structures in flood-prone areas to reduce risk.

- Continue to utilize FEMA mitigation program and other programs to assist homeowners in elevating houses.

■ Objective Five: Promote use of pervious paving to reduce runoff that can contribute to flood risk.

- Continue contractor education program.

Goal Four: To improve the overall capacity of the Region to make economic development decisions.

■ Objective 1: Identify Sites Suitable for Various Types of Industrial Development

- Update and continue existing site inventories;
- Create GIS based inventories of available sites for communities where none exist;
- Inventory of Brownfields sites has been completed, with assistance from the Louisiana Department of Environmental Quality's Targeted Brownfields Assessment Program;
- Continue to assess Brownfields sites as a first step in making them ready for cleanup, redevelopment and reuse to turn them from community liabilities to community assets;
- Explore potential and support of an amendment to the National Flood Insurance Program that would allow coastal homeowners to purchase flood and wind protection in the same policy;
- Explore potential to add guidelines to regional building codes for installing energy-efficient technologies like solar panels, wind turbines, etc.;
- Develop a plan for an industrial development district on the

West Bank of St. John the Baptist Parish.

Accomplishments

SCPDC received notification in June 2011 that the agency was awarded another round of Brownfields assessment funding, with a \$200,000 hazardous assessment grant and a \$200,000 petroleum assessment grant. To date under the new funding, the program has conducted Phase I assessments of one hazardous and two petroleum sites and is preparing to do a Phase II assessment of one of the petroleum sites. SCPDC is working with a redevelopment project in St. Charles Parish and with parish economic development staff in St. James and St. John the Baptist Parish to market Brownfields services and increase the number of assessments in the River Parishes. The agency's previous Brownfields grants have funded environmental assessment of approximately 27 properties over two earlier rounds of funding. Assessments in Lockport have assisted revitalization of the downtown area, while assessments in Houma have contributed to downtown development in the Louisiana Main Street community. SCPDC is also now lead agency of a Brownfields Coalition RLF (BCRLF) to fund cleanup of Brownfields sites with loans and sub-grants. Partners in the BCRLF are the Acadiana Regional Development District, the City of Lake Charles and the City of Baton Rouge and East Baton Rouge Parish. EPA awarded the RLF program an additional \$300,000 in recapitalization in 2011. Two cleanup projects funded by the BCRLF are located in the SCPDC district. The cleanup at the Raceland Community Center site is completed and the Louisiana Department of Environmental Quality (LDEQ) has issued a No Further Action (NFA) letter. The cleanup at the UST site contiguous to the Lockport boat center is nearing completion. Additional Brownfields assessments will aid development of a recreational area in a low income community and of supported senior housing are currently in the pipeline. The Port of South Louisiana continues to maintain a GIS industrial site inventory within the River Parishes and SLEC is developing a program which will accomplish a similar goal in the Bayou Region. The RLF is about to make its first two sub-grants. The first of these will be to the Town of Lockport for a petroleum site attached to the Town's new boat museum.

■ Objective 2: Support efforts that sustain regional tourism.

- Support coordination of efforts of area tourism commissions and chambers of commerce to promote regional culture and heritage;
- Promote the culture and heritage of the entire region;
- Develop docking facilities at tourist attractions along the Mississippi River;
- Expand tourism efforts throughout the South Central Region;
- Continue implementation of Bayou Lafourche Corridor Plan to develop cultural and ecological assets;
- Provide additional public access to outdoor scenic and recreational areas such as Lake Verret;
- Explore potential for coordination among regional tour bus and hospitality industry to create a shuttle bus service from the New Orleans airport to locations in the district;

- Support the Greater Lafourche Port Commission's development of the Maritime Forest Ridge, which will provide a world-class 12,000 birding trail to complement opportunities offered by Grand Isle's Nature Conservancy Facility for birding, both as integral parts of the Grand Isle Loop on the State of Louisiana Birding Trail;
- Explore the potential to develop historic sites as tourist attractions in St. John the Baptist Parish.
- Provide way-finding tour guidance throughout the region.

Accomplishments

SCPDC updated the Parish profiles used by the Louisiana Department of Economic Development for the region and identified a prime site in each parish that is being promoted for development. The City of Thibodaux has recently been certified as a Louisiana Main Street Community and is also a certified retirement community. Lafourche Parish received a state Recreational Trails Grant of \$55,066 for Phase I of the Lockport Elevated Wetlands Boardwalk project. This will be supplemented with \$83,872 in local funds. Lafourche has also received a grant award for a Bayou Wharf and Overlook and is in the design phase of the project. Construction of Lafourche Parish's Central Market pavilion, beside the Tourist Commission office in Raceland, is underway with HUD EIDC funding. The South Louisiana Economic Development Council's website promotes its region (which includes part of the South Central district) and features sites suitable for development, demographic information, tourist information and other important data that will promote the area. SCPDC will continue to assist SLEC as possible to enhance the site. After the BP oil spill, Lafourche and Terrebonne Parishes were each allocated \$2.1 million from the Louisiana Tourism Recovery Program to promote/market tourism in their communities. Projects utilizing these funds began February-March 2011 and can continue through November 2013.

■ Objective 3: Continue to explore opportunities to further new and emerging sectors.

- Hold one or more workshops to present information on cluster development and emerging sectors;
- Increase the Region's understanding of industry sectors and their role in the regional economy;
- Increasing linkages to connect the business community and university-based research and development expertise in order to expedite innovation, early adoption of new technologies, development of information technology products and services and entry into export markets;
- Coordinating with the Small Business Development Center at Nicholls State University, Chambers of Commerce and other development organizations to offer small businesses access to up-to-date, industry oriented market data to help them forecast and respond to market and industry trends and identify and act on opportunities;
- Continue to implement construction of community-based projects included in the Bayou Lafourche Corridor Plan to foster revitalization along the Bayou Lafourche waterfront from Donaldsonville to the Gulf of Mexico;

- Investigate feasibility of pursuing Congressional designation of Bayou Lafourche Corridor as a National Heritage Corridor;
- The Terrebonne Parish Economic Development Authority (TEDA) has assisted the Houma-Terrebonne Airport Authority in establishing a foreign trade zone at the airport;
- The Edible Enterprises incubator in St. Charles Parish provides certified kitchen facilities and assists over 20 regional businesses in developing, packaging and marketing local food products.

Accomplishments

Assumption and Lafourche Parishes and the municipalities of Napoleonville, Lockport, Thibodaux and Golden Meadow have begun implementation of elements of the Bayou Lafourche Corridor Plan. Assumption Parish has obtained Transportation Enhancement funds to develop a bayou side park across from the Assumption Parish Courthouse and a Safe Routes to School grant to improve sidewalks and school crossings along LA Highway 1. Lockport has completed renovation of the Center for the Traditional Louisiana Boat, located in the former Ford dealership on Main Street (c.1917). The center's schedule of boat-building classes is fully subscribed. The Town has accepted the donation of the area around the old canal lock, with future plans call for development of walking trails. Lafourche Parish, as noted above, has begun construction of the Central Market at the junction of the La. Hwy. 1 and U.S. Highway 90 in Raceland The parish is working with the Louisiana Department of Transportation and Development to secure Transportation Enhancement funds for development of the Bayou Wharf and Overlook, also planned for the area. .

■ Objective Four: Improve regional knowledge of resources providing small business assistance

- Invite Small Business Development Center (SBDC) serving the region to address CEDS review committee, the SCPDC board of commissioners, Chambers of Commerce and business groups.

Goal Five: To improve the fiscal capacity of local government and to make the region financially attractive for economic development.

■ Objective 1: Identify and educate the public about business incentives available to the region.

- Prepare and continue to update a brochure on existing regional and state incentive programs;
- Identify new incentives and other programs that would be of use to existing and developing cluster industries;
- Investigate feasibility of implementation of such programs;
- Identify other assistance programs that area industry would find helpful.

Accomplishments

SCPDC hosts annual workshops on incentive programs offered by the state. The target audience is businesses. Workshops held in

cooperation with BTNEP focused on comprehensive planning and economic development as part of the comprehensive planning effort.

■ **Objective 2: Promote uniform enforcement of construction codes to bring private insurers back into the regional property insurance market.**

- The South Central Regional Code Council is in its fifth year in regional enforcement of the International Building Codes;
- The mypermitnow.org software has provided a best-practice model for real-time coordination of building inspection programs now licensed to local governments throughout Louisiana and also licensed for use by a growing number of local governments outside the state.

■ **Objective 3: Expand and enhance financial incentive programs offered to resident and new businesses.**

- Encourage cooperation and joint production and marketing ventures among businesses in sectors and across interrelated “super cluster;”
- Cooperate with the business community, parish economic development departments, Chambers of Commerce and other development organizations to implement a district wide business retention program to counter migration of businesses and innovations out of the region;
- Explore potential to increase the regional pool of investment capital for entrepreneurial development in the district by utilizing incentives such as tax credits under the Louisiana Early Stage Angel Investment Incentives program;
- Increase the number of regional businesses qualifying for tax credits and abatements under the Louisiana Enterprise Zone, Quality Jobs and Industrial Property Tax Exemption programs;
- Increase the number of regional businesses complying with ISO 9000 and ISO 1400 standards in order to improve quality control and increase “exportability” of local products, expertise and services;
- Investigate potential to develop strong regional branding of food and tourism products and services and promoting improved coordinated scheduling of festivals and other events, bundling of services and use of the internet to organize and market tour packages;
- Explore possible resources to establish a micro-loan fund for entrepreneurs in self-employment businesses such as tour guide and craftsperson in the tourism and eco-tourism cluster;
- Encourage the use of state and federal incentives to promote growth related to production and use of alternate energy resources.

■ **Objective 4: Enhance and build leadership capacity in small communities to foster revitalization and sustainability.**

- Promote development of programs like Mini/Corridor Main Street to support revitalization efforts in small communities.

■ **Objective 5: Cooperate and assist in the formation of a community foundation to aid community development in**

the Houma-Thibodaux area, currently the state’s only MSA without such a foundation.

- SCPDC continues efforts to organize the community foundation for the Houma MSA.

Accomplishments

The region’s economic development planners continue to promote development within regional sectors. Repayments of loans through the Business Recovery Grant and Loan program were used to create a second RLF that significantly expands regional capacity to provide gap financing to regional small businesses. The Brownfields RLF assists cleanup to ready properties with environmental concerns for redevelopment and reuse. SCPDC continues to seek opportunities to expand community-university partnerships with Nicholls State University and other academic institutions for development in areas like alternate energy resources, environmental compliance, sustainable community development and seafood marketing. SCPDC continues efforts to develop the community foundation for the Houma MSA (Terrebonne and Lafourche Parishes).

Goal Six: To protect and conserve the natural resources of the Region and to promote more equitable use of these resources for business and recreation.

■ **Objective 1: Conserve the available resources for future generations**

- Promote the wise and sustainable uses of non-renewable resources;
- Create education and outreach programs that promote use of same.

■ **Objective 2: Advance implementation of barrier island, wetland and levee projects to protect communities and regional economic interests**

- Implement Barrier Island Restoration Projects;
- Implement the Coast 2050 Ecosystem and Louisiana Coastal Area Strategies and the Coastal Protection and Restoration Authority of Louisiana Comprehensive Coastal Protection Master Plan;
- Promote fresh water diversions from the Mississippi River into Bayou Lafourche and to restore coastal wetlands and marshes;
- Promote installation of permanent pipeline infrastructure to transport sediment from the Mississippi River for marsh and wetland restoration;
- Explore potential for development related to renewable energy resources.

Accomplishments

Barrier island restoration projects are ongoing, despite continued losses to events like the 2008 storms. The first phase of the Bayou Lafourche diversion project is complete. Nicholls State University continued to coordinate the Clean Power & Energy Research Consortium to develop technologies and the knowledge base to advance production and generation of “next generation” fuels for

clean power and energy production.

■ **Objective 3: Recognize open land, marsh, wetlands and barrier islands as critical infrastructure providing friction to help reduce the region's vulnerability to high-water events.**

- Continue public information efforts to raise regional residents' and stakeholders' awareness of how all elements of the regional system, both natural and manmade, can work together to reduce vulnerability and increase sustainability.

■ **Objective 4: Identify and promote eco-tourism opportunities**

- Continue to promote events like the annual Grand Isle Birding Pilgrimage;
- Support the development of a new marina in St. Charles Parish;
- Lafourche and Terrebonne Parishes were each allocated \$2.1 million from the Louisiana Tourism Recovery Program following the BP Deepwater Horizon oil spill. The funds will be used to promote/market tourism in the two parishes and the region, including eco-tourism, fishing, cultural fairs/festivals and events. This initiative began February-March 2011 and can continue through November 2013;
- Continue researching potential to develop a marina along Highway 51 in LaPlace.

Accomplishments:

The guidebook developed based on comprehensive planning and sustainability workshops conducted by SCPDC and the Barataria Terrebonne National Estuary Program (BTNEP) focused on comprehensive planning, economic development planning, implementation tools and conservation easements and similar programs. The U.S. Army Corps of Engineers has unveiled its long-awaited \$446 million plan to rebuild the Caminada Headland south of Port Fourchon and the highly eroded Shell Island to the east of Grand Isle. The approach calls for a radically different approach to coastal restoration, using sand deposits from miles offshore to restore a sand dune that will reach seven feet above sea level along the shoreline and deploying a 12-mile pipeline to move sand from the river to rebuild the barrier island to six feet above sea level. Both projects have already been approved by Congress, but the Corps plans for now to move forward only with the Caminada project. Reasons behind the decision include the rising cost projections for both projects, questions regarding ownership of the land, and the possibility that oil from the BP spill could still cause problems in the wetlands. Louisiana coastal officials questioned the reasoning.

Goal Seven: Pre-Plan to improve the region's emergency operations and recovery systems

■ **Objective 1: Develop quick recovery plan and use it as a regional marketing asset.**

- The recovery plan will recognize periodic severe weather events as a fact of life for the region and focus on mitigation to reduce vulnerability and planning to expedite recovery.

■ **Objective 2: Establish uniform re-entry policies and inter-governmental agreements to allow essential personnel and businesses to cross through neighboring parishes/areas as necessary.**

- Establish re-entry policies that track the state plan: Tier 1—critical services and infrastructure repair; Tier 2—oil field service and environmental impacts; Tier 3—critical retail, including fuel, pharmacies, grocery stores and critical medical services;
- Reduce misinformation by developing systems for communicating to businesses and members of the public who have to wait for re-entry.

■ **Objective 3: Develop alternate power sources for critical infrastructure, businesses and public services.**

- To ensure the availability of alternate power for critical services during emergency power outages, assist member governments and other key entities in the purchase and installation of wired-in generators;
- Assist critical businesses such as fuel, pharmacies, groceries and critical medical services to purchase and install wired-in generators to provide alternate power during power outages;
- To reduce potential business failures following disasters, provide generators at public libraries so businesses can use laptop computers and charge cell phones and return to at least partial operation as soon as possible;
- Identify resources to aid regional businesses in marketing on the internet and utilizing other strategies to continue generating income and reduce potential for business failures.

■ **Objective 3: Improve emergency operations center communications during emergency situations to provide businesses with critical, up-to-date information.**

- Develop data bases with contact information for regional businesses by parish, industry sector, etc.;
- Use electronic formats like twitter, regular press releases and other methods for keeping businesses informed during and after disasters. This could include re-entry schedules and assistance available to businesses.

Accomplishments

The Greater Lafourche Port Commission has completed installation of its Phase I MDA Command and Control System, which allows remote access/data sharing from 16 port cameras and 3 elevated highway cameras with other state and federal agencies following natural disasters. SCPDC district parishes and municipalities have used Gustav/Ike CDBG disaster funds and funding prompted by subsequent disasters to purchase and install generators in install backup power-source generators for critical public facilities.

Strategy Committee, CEDS Distribution and Process

SCPDC's goal is to make the CEDS a living document of maximum use to the region. SCPDC, as per EDA guidelines for the CEDS process, works with a CEDS Strategy Committee. Beginning with the 2010 CEDS, utilized as it CEDS Strategy Committee the existing Loan Advisory Committee for its EDA Revolving Loan Fund and the Regional Capital Fund based on repayments of post-disaster business recovery grants and loans. This group is made up of entirely of bankers who review and make recommendations on loan applications submitted to the RLF. Additional CEDS distribution lists represent the main economic interests of the region. This includes private sector representatives, as well as public officials, community leaders, representatives of workforce training institutions and private individuals. This year's CEDS review process included a meeting with the Loan Advisory Committee and invitations to committee members and other stakeholders to provide comments and input by telephone or email.

SCPDC RLF/RCF Loan Advisory Committee

| Name | Organization |
|-----------------|--|
| Tammy Landry | Community Bank (Assumption Parish) |
| Ron Gallagher | Iberville Bank (Assumption Parish) |
| Stephen Baudoin | State Bank (Lafourche Parish) |
| Ira Cazenave | Capital One Bank (St. Charles Parish) |
| Mitch France | Community Bank (St. Charles Parish) |
| Grant Martin | First American Bank (St. James Parish) |
| Conley Dutreix | First American Bank (St. John the Baptist Parish) |
| Rhonda Hotard | Louisiana Federal Credit Union (St. John the Baptist Parish) |
| Jim Sublett | South Louisiana Bank (Terrebonne Parish) |
| Marie Morris | Synergy Bank (Terrebonne Parish) |
| Doug Bourg | At-Large (Terrebonne Parish) |

SCPDC CEDS 2010 Distribution List

| Name | Organization |
|--------------------|---|
| Al Levron | Terrebonne Parish Consolidated Government |
| Andrew Barron | Barataria-Terrebonne National Estuary Program |
| Audrey Temple | St. James Parish-Economic Development |
| Becky Thibodaux | Assumption Chamber of Commerce |
| Carmen Sunda | Louisiana Small Business Development Centers |
| Carolyn Smith | Gulf Oil Spill Disaster Adjustment Assistance |
| Charlotte Randolph | Lafourche Parish Government President |

| Name | Organization |
|---------------------|---|
| Chassitty McCormack | River Region Chamber of Commerce |
| Ryan Friedlander | Lafourche Parish Government |
| Chett Chiasson | Greater Lafourche Port Commission |
| Corey Fauchoux | St. Charles Parish-Economic Development |
| Cullen Curole | SCPDC-Economic Development |
| Dale Hymel | St. James Parish President |
| David Rabalais | Port of Terrebonne |
| Dawn Lopez | Chet Morrison Construction |
| Debi Benoit | Nicholls State University |
| Don Hingle | Terrebonne Parish Economic Development Authority |
| Donald Picou | Terrebonne Parish Consolidated Government |
| Drake Portier | Houma-Terrebonne Chamber of Commerce |
| Earl Hicks | Houma-Terrebonne Airport Commission |
| Erin Watson | Assumption Parish Economic Development |
| Henri Boulet | LA 1 Coalition |
| Henry Sullivan | Port of South Louisiana |
| Hugh Caffrey | Valentine Chemicals, Inc. |
| Jamie Elfert | Terrebonne Parish Consolidated Government |
| Jamie Liner | Town of Golden Meadow |
| Jane Arnett | South Central Industrial Association |
| Jim Edmonson | South Louisiana Economic Council |
| Jim Sublett | South Louisiana Bank |
| Jo-Anna Jones | SCPDC |
| Jody Chenier | St. James Parish |
| Joel Chaisson | Port of South Louisiana |
| Kara Renne | New Orleans Regional Planning Commission |
| Kathy Benoit | Thibodaux Chamber of Commerce |
| Kerry St. Pe' | Barataria-Terrebonne National Estuary |
| Kevin Belanger | SCPDC-CEO |
| Kim Marousek | St. Charles Parish Planning Director |
| Kim Torres | Assumption Parish |
| Lin Kiger | Chamber of Commerce of Lafourche and the Bayou Region |
| Linda Prudhomme | Port of South Louisiana-Economic Development |
| Louise Billiot | United Houma Nation |

| Name | Organization |
|----------------------|--|
| Luci Sposito | City of Thibodaux Economic Development |
| Mart Black | Providence Engineering |
| Martha Cazaubon | SCPDC-Community Development |
| Martin Triche | Assumption Parish President |
| Michael Waguespack | Assumption Parish Sheriff's Office and CPA |
| Mike Voisin | Motivatit Seafood |
| Natalie Robottom | St. John the Baptist Parish President |
| Nolan Harris | Community Representative-Minority |
| Paige Kuhlman | Louisiana Small Business Development Center |
| Pat Gordon | Terrebonne Parish-Planning |
| Paul Aucoin | St. James Parish-Tourist Commission |
| Richard Champagne | Town of Lockport, Mayor |
| Richard McCarthy | Market Umbrella/White Boot Brigade |
| Ron Gallagher | Iberville Bank |
| Rowdy Scott | Town of Lutchter Mayor |
| Ruperto Chvarri | Gulf Oil Spill Disaster Adjustment Assistance |
| Simone Maloz | Restore or Retreat |
| Steve Nosaka | Trinity |
| Tara Mason | Community Representative-Minority and Attorney |
| Ted Falgout | Greater Lafourche Port Commission |
| Terry Borne | Town of Gramercy Mayor |
| Tom Bourg | Terrebonne Parish Consolidated Government |
| Tommy Eschete | City of Thibodaux Mayor |
| Tori Rayne | Louisiana Small Business Development Center |
| Travis Lavigne | L.E. Fletcher Community & Technical College |
| V.J. St. Pierre, Jr. | St. Charles Parish President |
| Vic LaFont | South Louisiana Economic Council |
| Wiley Matherne | Community Bank |
| Windell Curole | South Lafourche and Terrebonne Levee Districts |
| | |

Regional Brownfields Coalition

In 2008, SCPDC began to include the Regional Brownfields Coalition in its CEDS review process. Brownfields are properties with real or perceived environmental issues that hinder their redevelopment. SCPDC has received two rounds of grants from the Environmental Protection Agency to conduct environmental

assessments to aid redevelopment of subject properties. A new Brownfields Revolving Loan Fund, to assist cleanup of previously assessed properties, will begin operation in October 2009. SCPDC is the lead agency of the coalition RLF. Coalition partners are Acadiana Regional Development District (Lafayette area); the City of Lake Charles; and the City of Baton Rouge and East Baton Rouge Parish. Decisions on loans and sub-grants will be made in a three-step process, with initial review by a committee made up of representatives of the four coalition partners, a second review and recommendation by SCPDC's RLF Loan Advisory Committee, and the final decision by the committee of the coalition partner representatives.

Regional Brownfields Coalition

| Name | Organization |
|--------------------|--|
| Andrew Simoncelli | Nicholls State University |
| Audrey Temple | St. James Parish |
| Chett Chiasson | Greater Lafourche Port Commission |
| Claire Renault | Leaaf Environmental, LLC |
| Corey Fauchoux | St. Charles Parish |
| Duane Wilson | DEQ |
| Earl Eues, Jr. | Terrebonne Parish-EOC |
| Gretchen Caillouet | Lafourche Parish Government |
| Henry Sullivan | Port of South Louisiana |
| Jane Morgan | Leaaf Environmental, LLC |
| Jim Blazek, Jr. | Leaaf Environmental, LLC |
| Jo-Anna Jones | SCPDC |
| Julia Remondet | St. John the Baptist Parish |
| Karly Gibbs | Materials Management Group |
| Katherine Gilbert | Terrebonne Parish Economic Development Authority |
| Kim Torres | Assumption Parish |
| Linda Prudhomme | Port of South Louisiana |
| Martha Cazaubon | SCPDC |
| Paul Lo | Materials Management Group |
| Riger Gingles | DEQ |
| Sam Reynolds | EPA-Regional 6 Dallas |
| Tyson Hackenberg | Shaw Environmental & Infrastructure |

CEDS Review Meetings

SCPDC staff made a general presentation on the CEDS and its functions at the April 17, 2012 meeting of the Loan Advisory Committee. The SWOT Analysis and Action Plan from the 2011 CEDS had previously been sent to the members of the Loan Advisory Committee and the CEDS distribution list prior to the meeting. The two sections of the previous CEDS were then at the meeting. Additional was provided by a number of community stakeholders.

Those in attendance at the meeting were as follows:

| Name | Organization |
|--------------------|---|
| Stephen Baudoin | State Bank |
| Ira Cazenave | Capital One Bank |
| Mitch France | Community Bank |
| Grant Martin | First American Bank |
| Debora Varnam | Louisiana Federal Credit Union |
| Robert Ross | South Louisiana Bank |
| Doug Bourg | Terrebonne Parish Consolidated Government |
| Erin Watson | Assumption Parish Police Jury |
| Ryan Friedlander | Lafourche Parish Government |
| Audrey Temple | St. James Parish Government |
| Torri Buckles | St. John the Baptist Parish |
| Donald Picou | Terrebonne Parish Consolidated Government |
| Paul Aucoin | St. James Parish Economic Development Council |
| Ray Landry | Private Sector Representative—St. John the Baptist Parish |
| Logan Landry | Private Sector Representative—Terrebonne Parish |
| Rocky McMillan | Private Sector Representative—Francorp |
| Dr. Ricky Melancon | Private Sector Representative—Lafourche and Terrebonne Parishes |
| Cullen Curole | South Central Planning and Development Commission |
| Cindy Giroir | South Central Planning and Development Commission |
| Jimmy Nguyen | South Central Planning and Development Commission |
| | |

Comments and recommendations from all who participated in the CEDS review process were incorporated into the 2012 CEDS document.

Additional comments, recommendations and input were received from the following participants in the CEDS review process:

| Name | Organization |
|-----------------|---|
| Corey Faucheux | St. Charles Parish Economic Development |
| Linda Prudhomme | Port of South Louisiana Economic Development |
| Henri Boulet | LA 1 Coalition |
| Leo Marretta | Houma-Thibodaux MPO—South Central Planning and Development Commission |

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