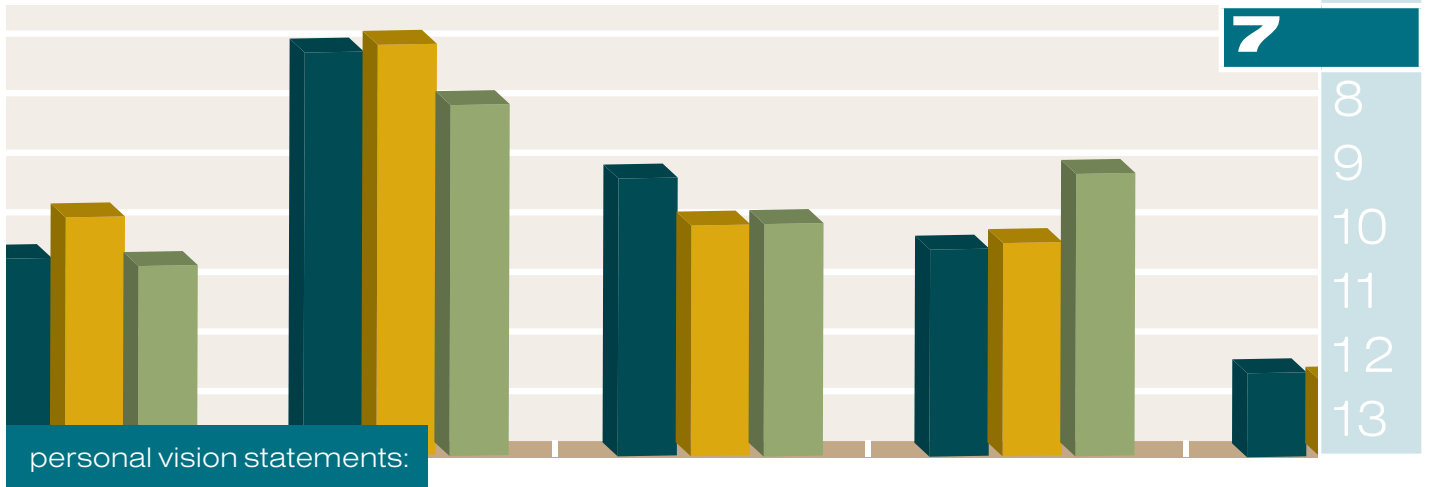


Prosperity and Opportunity: Economic Development

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“A community that prides itself on its quality of education, health care for all its citizens, and a dynamic region that promotes job growth and opportunities for both young and old.”

Chapter Summary

This chapter focuses on how Shreveport-Caddo can strengthen its economy and organize itself better to enhance competitiveness by supporting enterprises of all sizes, entrepreneurs, and the workforce. In order for the number of households and families in Shreveport-Caddo to grow, it needs to provide jobs both for young people who grow up in the area and for new residents—who then have to decide to live in Shreveport because it provides an excellent quality of life, a goal on which many of the other chapters of the master plan are focused. The analysis in this chapter focuses on three aspects of economic development: expanding base industries, both established and emerging; strengthening the “building blocks” of economic development, such as education, workforce development, and streamlining of regulation; and ensuring economic opportunity for all members of the community. Economic development recommendations revolve around four key priorities: supporting established and emerging industries; improving the education and workforce development system for all; organizing local resources for economic development work; and developing new businesses by building entrepreneurial capacity.

Strategies and actions include:

- Establish a Shreveport-Caddo Economic Development Corporation to coordinate local business retention and recruitment activities and partner with regional economic development groups.
- Create a public-private Caddo Career Education Trust to support innovative education and workforce training partnerships with possible funding from part of local collections in natural gas extraction, small dedicated millage, and philanthropic donations.
- Develop a strategic plan for biomedical applied research and technology transfer and shift biomedical efforts to recruitment of researchers and their teams.
- Promote formation of “angel” investment funds from local investors in early-stage, high-growth industries.
- Target initiatives to key established and emerging economic base industries, for example, efforts to meet the needs of natural gas producers and service firms to assist in site finding and permitting, meeting workforce needs, and developing a local workforce.
- Develop a coordinated regional marketing initiative for the health care industry as a regional center of specialized care.
- In the film and media sector, expand marketing to production and post-production industries and develop a buy- and hire-local initiative.
- Expand and reorganize career education, workforce training and employment support services.
- Conduct targeted outreach to minority and economically disadvantaged business owners to increase access to business support services.

GOALS	POLICIES FOR DECISION MAKERS
ECONOMIC BASE	
<i>Expand and diversify the economy through targeted support to key established and emerging economic base industries—industries that “export” products and services to non-local consumers.</i>	<ul style="list-style-type: none"> • Target initiatives to build on existing assets and sectors such as oil and gas, health care, and tourism to leverage, strengthen and diversify the economy. • Create a supportive business environment to grow emerging sectors such as life sciences and film and digital media. • Promote initiatives to build on or reposition the existing manufacturing base.
EDUCATION AND WORKFORCE DEVELOPMENT	
<i>Develop a more highly-skilled workforce through expanded career education, workforce training, and employment support services.</i>	<ul style="list-style-type: none"> • Support the K-12 school system to ensure that all students graduate from high school with the basic skills and competencies needed to obtain a post-secondary credential. • Support high-quality career education and work experience programs for every student through engagement with the K-12 school system. • Promote strengthened post-secondary education and adult workforce development systems to enable workers to develop and update career skills to obtain living-wage jobs and meet employer needs for high-quality workers. • Provide supportive services that assist workers to achieve professional and personal success.
ENTREPRENEURSHIP AND SMALL BUSINESS DEVELOPMENT	
<i>Create a stronger entrepreneurial environment that supports new business ventures and small business growth.</i>	<ul style="list-style-type: none"> • Support the needs of entrepreneurs, and promote strengthened linkages between academic institutions, funding sources, and entrepreneurs.
TALENT RETENTION AND ATTRACTION	
<i>Make Shreveport a community of choice for highly-skilled entrepreneurs and professional workers by enhancing job opportunities and the quality of life.</i>	<ul style="list-style-type: none"> • Support new initiatives that focus on business retention and recruitment, and retention of local graduates. • Improve the quality of life through investments in education, arts and culture, and recreation. • Create downtown and neighborhood environments that are attractive places to live, work, and play.
BUSINESS ENVIRONMENT	
<i>Enhance the business environment through critical infrastructure investments and efficient business regulation.</i>	<ul style="list-style-type: none"> • Provide sufficient land for a range of commercial and industrial uses, as well as buildings and infrastructure. • Streamline business regulations while maintaining appropriate safeguards.

Findings

- Shreveport’s economic base industries—the key to wealth creation and economic prosperity—include established industries such as oil and gas, health care, manufacturing, and tourism, and emerging industries such as life sciences and film and digital media.
- The economy is reasonably diverse, with limited dependence on any one industry.
- After lagging in the early part of the past decade, employment generally grew in step with the national average up to the beginning of the Great Recession and dropped less precipitously during the recession than many other places.
- Employment growth in the last decade has been less robust than in rest of the Shreveport-Bossier metropolitan area.
- Most important industry sectors have grown during the past decade, with the notable exceptions of manufacturing and gaming. However, emerging industries have yet to establish a strong toehold.
- Earnings and buying power, particularly among wage and salary workers, are significantly lower than the national average.
- Relative to the region as a whole, Shreveport-Caddo competes well in attracting firms in knowledge industries such as health care, education, information, and professional and technical services.
- Entrepreneurial activity is below the national average.
- Low education levels among a significant segment of the workforce make these workers unprepared for the skill requirements of growing knowledge industries.
- Employment, income and educational disparities between whites and African-Americans are barriers to achieving higher levels of economic prosperity.

Challenges

- Building economic development capacity to more effectively sustain and grow key economic base industries
- Improving educational outcomes in the K-12 system through increased partnerships between the schools, businesses, and the larger community
- Strengthening the workforce development system to more effectively meet the needs of employers for skilled workers and the needs of workers for well-paying jobs
- Addressing barriers to employment for low-income workers such as lack of transportation and child care
- Maintaining the quality of higher education and increasing the range of higher education programs in the face of a challenging budget environment
- Creating a stronger support system for startups and early stage firms
- Retaining and attracting talent by increasing economic opportunity and quality of life for highly skilled young adults
- Reducing economic disparities between the white and African-American populations by addressing barriers to economic opportunity, particularly low educational attainment

A. Current Conditions

ECONOMIC GROWTH—THE FUNDAMENTAL CHALLENGES

The vitality of Shreveport's economy is fundamental to achieving the master plan Vision for 2030. The opening lines of the plan's vision statement clearly underscore this point: "In 2030, greater Shreveport is the dynamic, creative and flourishing powerhouse of the ArkLaTex region. Our region combines the economic opportunity, diversity and cultural excitement of a growing city with the friendliness of a small town." A growing economy that provides economic opportunity for all residents generates the income and wealth that fuels private and public investments in downtown and the neighborhoods, improving quality of life and further bolstering economic competitiveness.

Achieving this vision will require fundamentally new ways of thinking about economic development among government, business and the general public. Shreveport's economy has traditionally been driven by resource extraction, manufacturing, and land development. But in an era of globalization, the path to prosperity for any American city lies in the cultivation of knowledge, technology and creativity as economic drivers. Shreveport has already begun to recognize and act on this shift but must accelerate the transition to keep ahead of the curve. In particular, the short-term income, jobs and wealth generated by the Haynesville Shale provide a window of opportunity for the community to invest a portion of this wealth to establish a sustainable economic foundation on which to build the industries of the future.

Economic base industries. Shreveport's economic base industries are the key to wealth creation and economic prosperity. These industries sell their products and services to business and consumers from elsewhere—regionally, nationally, and internationally—and therefore import income that circulates within the local economy, creating jobs and increasing business revenues. In Shreveport, these include established industries such as oil and gas, health care, manufacturing, defense and tourism, and emerging industries such as life sciences and film and digital media. Sustaining and strengthening these industries is a major focus of the recommendations.

Economic building blocks. The development of Shreveport's economy is shaped by its "economic building blocks." These include its human resources, entrepreneurial climate, physical infrastructure, economic institutions, and general quality of life. Strengthening these economic building blocks is a second focus of the recommendations, with a particular emphasis on building the community's "human capital."

Economic opportunity. Shreveport-Caddo cannot truly prosper unless all its residents prosper. In an age when economic prosperity is so closely tied to human capital, Shreveport cannot afford to leave a significant portion of its residents ill-prepared to fill high- and middle-skill jobs or succeed in entrepreneurial ventures. The principle of creating equal economic opportunity for all racial and ethnic groups, but particularly for the African-American community, is strongly embedded in the recommendations.

THE ECONOMY

During the past quarter century, Shreveport's economy has evolved from heavy dependence on the manufacturing and oil and gas industries to a high degree of diversification. While the oil and gas industry has recently revived due to the discovery of the Haynesville Shale, manufacturing employment has declined steadily, both in absolute terms and as a percentage of total employment.

At the same time, other industries have emerged or gained greater prominence. Foremost among these is the health care industry as Shreveport has grown in importance as a regional medical center serving the ArkLaTex region and beyond. Other growth industries

FIGURE 7.1 CADDO PARISH EMPLOYMENT BY INDUSTRY SECTOR

INDUSTRY SECTOR	2009 EMPLOYMENT	% OF TOTAL EMPLOYMENT
Oil and gas	7,100	4.4
Manufacturing	8,700	5.4
Health care	19,000	11.7
Accommodation and food service	9,600	5.9

Source: EMSI 2009

include tourism, call centers, and film and digital media. Tourism growth has been fueled by casino development and a new convention center. The casino industry alone employed almost 3,100 workers in 2009. The call center industry grew in employment from less than 200 in the early 2000s to over 2,000 by 2009. The film and digital media industry, jumpstarted by the enactment of state tax credits in 2002, has grown in employment almost three-fold since then. While total direct employment was only about 500 in 2009, spending for productions has injected money into the local economy, while the development of new production and post-production facilities promises to increase direct employment in the years to come. And while the general trend in manufacturing has been down, there have been some small pockets of growth in chemicals, oil and gas equipment, and electronic instruments.

Economic structure and performance

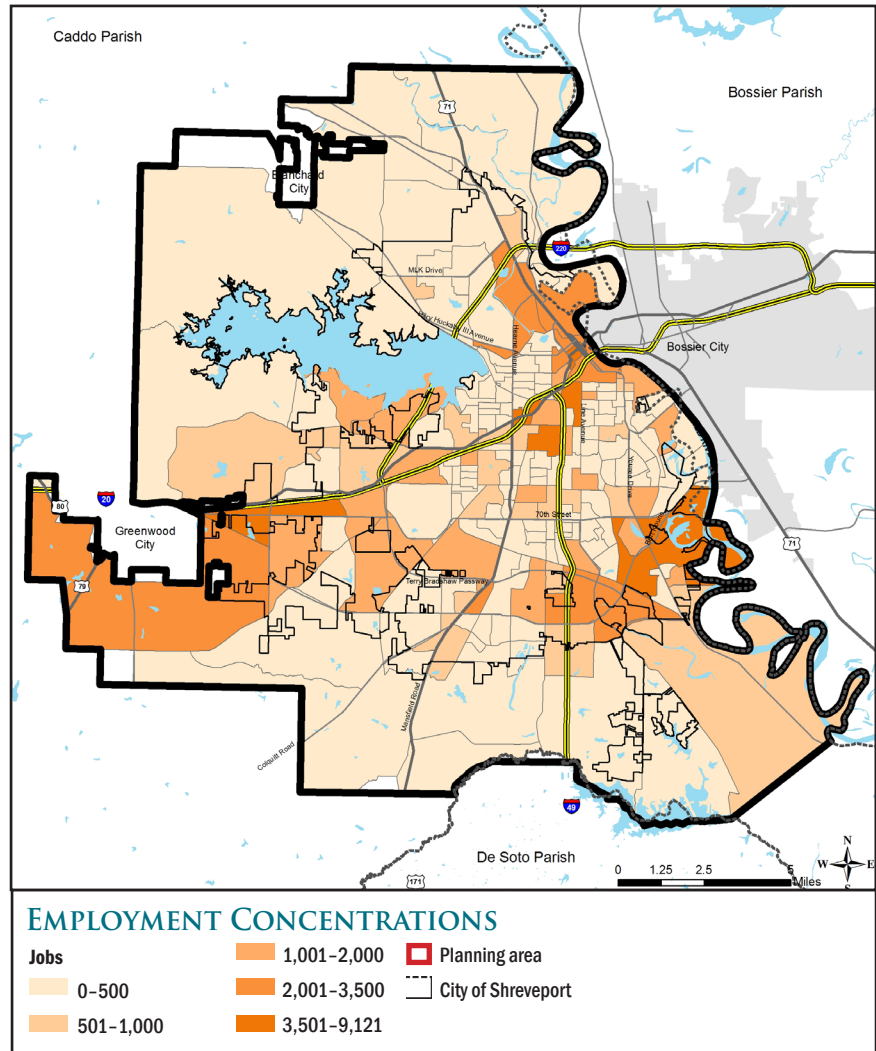
Figures 7.2–7.9 illustrate the structure and performance of the Caddo Parish economy in the decade 1999-2009.

- 2009 Caddo Parish employment was approximately 161,000.¹ Among primary industry sectors, almost 40 percent of total employment was accounted for by government, health care and social assistance, and retail. Other sectors each comprised six percent or less of total employment. (See Figure 7.2).²

¹ Much of the economic data given here is for Caddo Parish, because this is the geography for which most data is available. The majority of jobs and economic activity in Caddo Parish is in the Master Plan Area.

² Charts on employment by industry include all industry sectors except agriculture, forestry and fishing, and utilities, which each account for less than 0.5 percent of total employment.

MAP 7.1 EMPLOYMENT CONCENTRATIONS



Sources: NLCOG, Goody Clancy, ESRI Business Analyst 2009

- Employment in Caddo Parish grew by 10 percent between 1999 and 2009.³ This lagged the growth rate of 12.4 percent for the entire Shreveport-Bossier Metropolitan Statistical Area (MSA)⁴, but it exceeded the growth rates for Louisiana and the U.S. Employment growth experienced a less severe downturn when the U.S. entered a recession in 2008. (See Figure 7.3.)
- The greatest absolute employment growth took place in government, health care and social assistance, profession-

³ 2002 is used as the starting point for calculating employment growth because the federal government changed industry definitions in this year, meaning comparable industry data is not available for earlier years.
⁴ Caddo, Bossier, and De Soto parishes.

al and technical services (including law, accounting, architecture and engineering, scientific research and development, management consulting, and advertising and media services), and government. Manufacturing was the only industry to experience a large decline in employment.⁵ (See Figure 7.4.)

- Unemployment in both Caddo Parish and the MSA exceeded state and national rates in the early part of the decade, but trended more favorably after mid-decade. While still slightly higher than the state rate in 2009, both experienced a much less dramatic upturn at the start of the 2008 recession than occurred nationally. (See Figure 7.5.)
- Caddo Parish has particularly strong concentrations of employment in mining, health care, and arts, entertainment and recreation (which includes the casino industry) relative to both state and national averages. A high concentration of employment indicates that an area is well-positioned competitively in that industry. Figure 7.6 shows the concentration of industries in Caddo Parish relative to the national average. A reading of more than 1 indicates that Caddo Parish has a higher concentration of the industry than the U.S. as a whole.

⁵ 2002 is used at the starting point for calculating employment growth for industry sectors because the federal government changed industry definitions in this year, and therefore comparable industry data is not available for earlier years.

FIGURE 7.2 EMPLOYMENT BY PRIMARY INDUSTRY SECTOR, CADDO PARISH, 2009

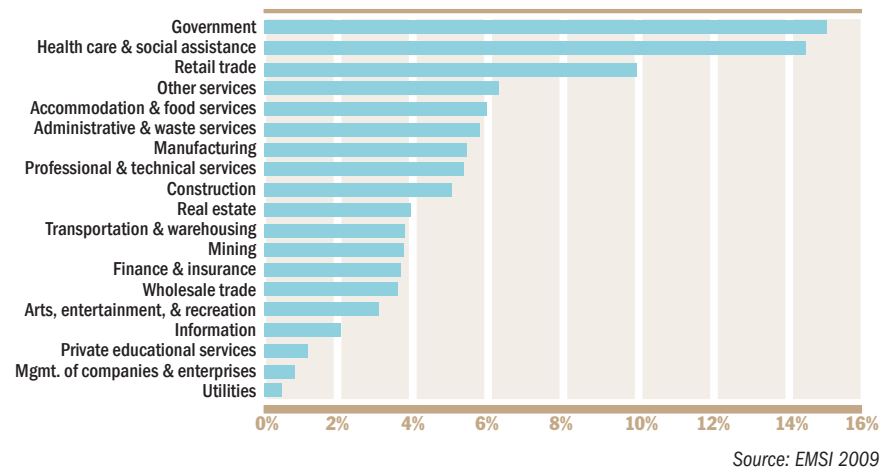


FIGURE 7.3 EMPLOYMENT GROWTH 1999–2009

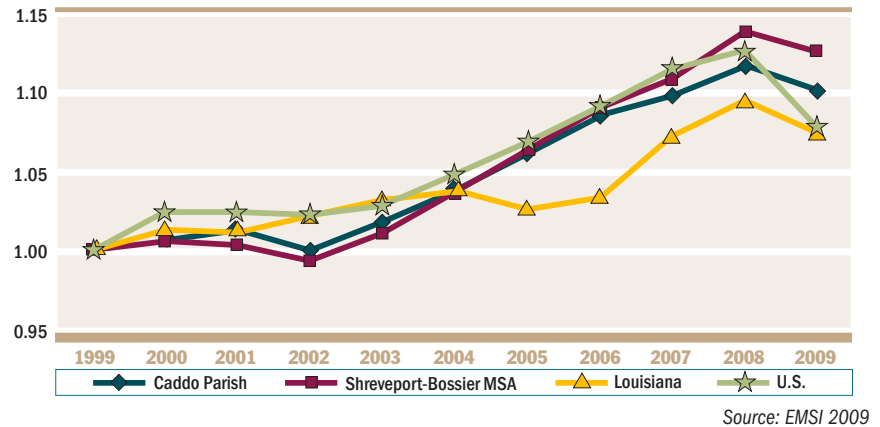


FIGURE 7.4 EMPLOYMENT GROWTH BY PRIMARY INDUSTRY SECTOR, CADDO PARISH, 2002–2009

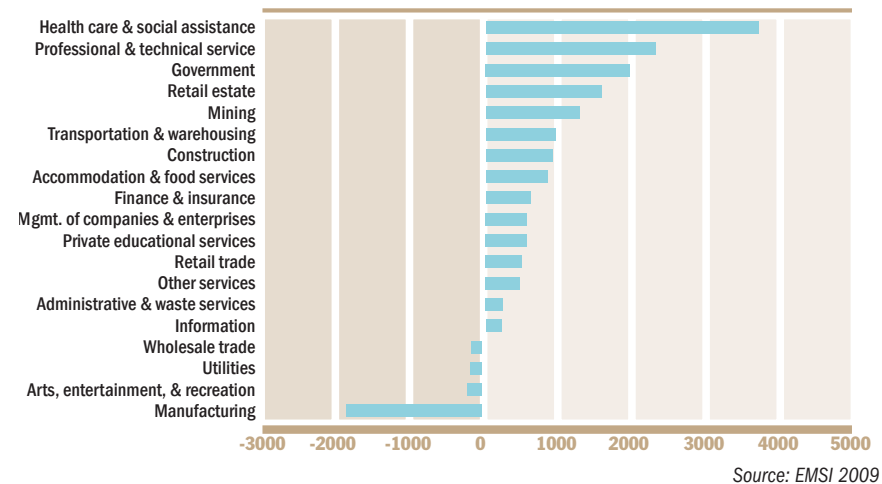
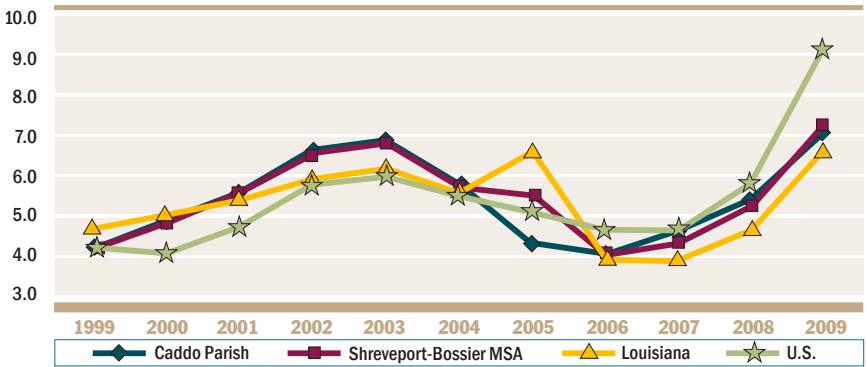
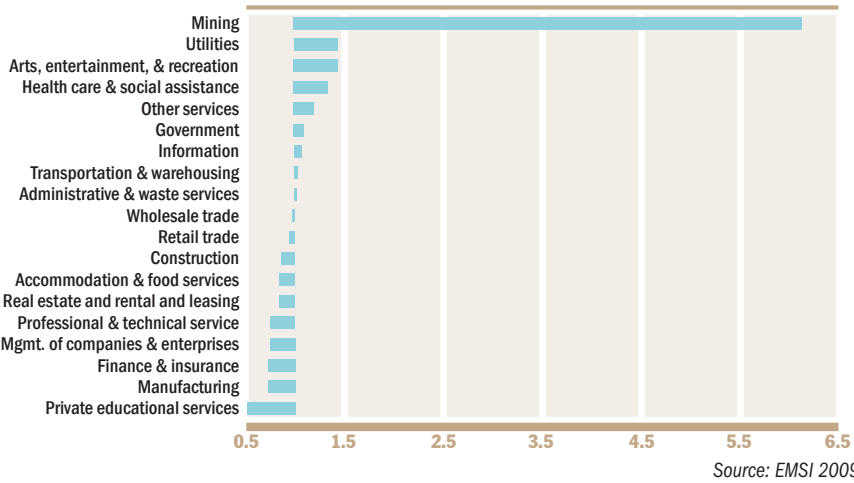


FIGURE 7.5 UNEMPLOYMENT RATES, 1999-2009



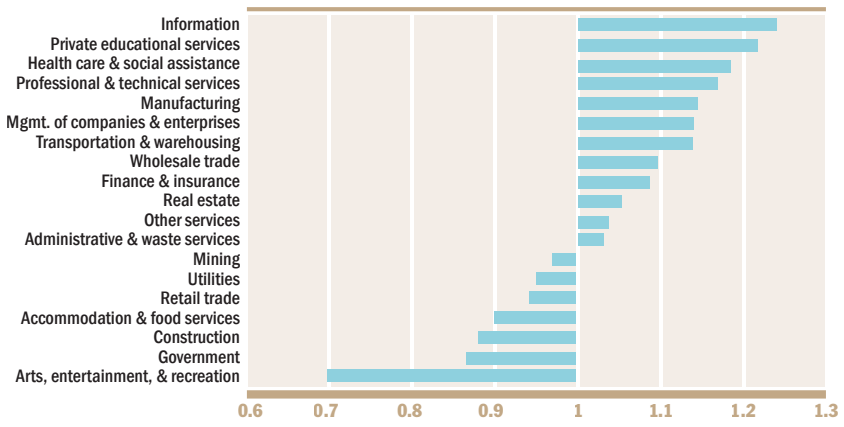
Source: EMSI 2009

FIGURE 7.6 INDUSTRY CONCENTRATIONS: CADDO PARISH RELATIVE TO USA, 2009



Source: EMSI 2009

FIGURE 7.7 INDUSTRY CONCENTRATIONS: CADDO PARISH RELATIVE TO SHREVEPORT-BOSSIER MSA, 2009



Source: EMSI 2009

- It is also important to understand Caddo Parish's relative industry strengths within the metropolitan area. Shreveport remains the central city of the region and central cities tend to attract economic activities that benefit from a central location and direct interactions. These typically include such industries as professional services, finance, health care, education, media, culture and entertainment, and, in some cases, retail. Figure 7.7 shows where Shreveport's regional strengths actually lie. It is notable that Shreveport's greatest strengths are in what are considered knowledge-intensive industries such as information, education, health care, and professional and technical services.

Incomes and employment

Average annual earnings for all workers in Caddo Parish, including wage and salary workers and business owners, were \$45,280 in 2007, about 91 percent of the national average. Average annual earnings for wage and salary workers were \$37,723 in 2008, about 83 percent of the national average. Within the Shreveport-Bossier MSA, workers in Caddo Parish earn about 4 percent above the average for the entire MSA. These relationships have remained roughly consistent during the past decade, as indicated by Figures 7.8 and 7.9.

It has been argued that Shreveport's cost of living is relatively low, so lower earnings in comparison to the nation as a whole do not tell the

whole story about employees' buying power. In fact, data from the U.S. Bureau of Labor Statistics for 2008 show that the Shreveport-Caddo MSA's cost of living is 93 percent of the U.S. average. Applying this rate to Caddo Parish earnings shows that average earnings for all workers (including business owners) in Caddo Parish provide slightly less buying power than for the average U.S. worker. Moreover, wage and salary workers in Caddo Parish have considerably less buying power, about 11 percent below the average U.S. wage and salary worker.

Economic gaps between whites and African-Americans

Beyond this broad overview, employment and earnings vary among different segments of the population. There is a particularly large gap along racial lines. During the period 2006–8, the unemployment rate for African-Americans in Caddo Parish averaged 11.6 percent, more than double the rate of 4.6 percent for whites. Median earnings for African-Americans in 2008 were 59 percent of white median earnings. Reflecting these lower employment and earnings

levels, the poverty rate for African-Americans was almost four times that of whites.⁶

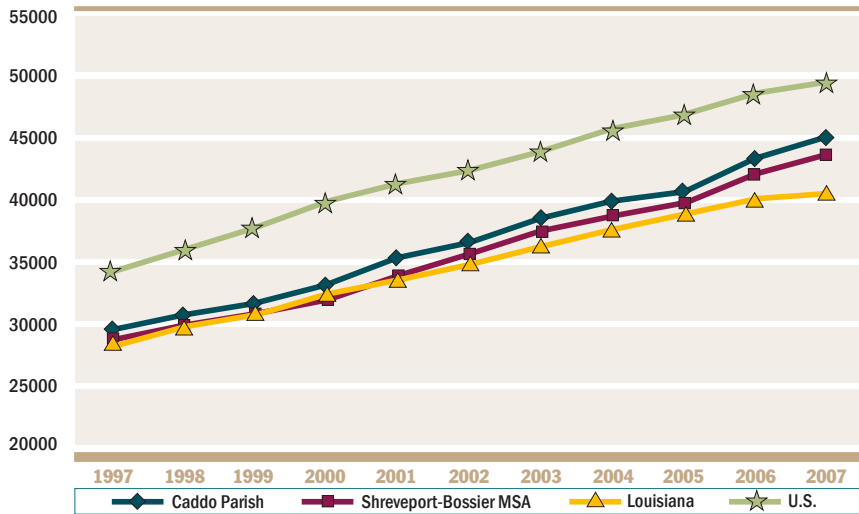
THE ECONOMIC BASE

Economic base industries are the industries that, capitalizing on local competitive advantage, export a significant share of their products and services to businesses and consumers outside the region, importing income and creating wealth. These industries are typically the focus of economic development efforts. Established economic base industries in Shreveport-Caddo include oil and gas, manufacturing, health care, and tourism. Emerging industries include life sciences and film and digital media. The growth potential of the life sciences industry rests heavily on an ability to develop biomedical research that is already occurring into marketable products.

Oil and gas

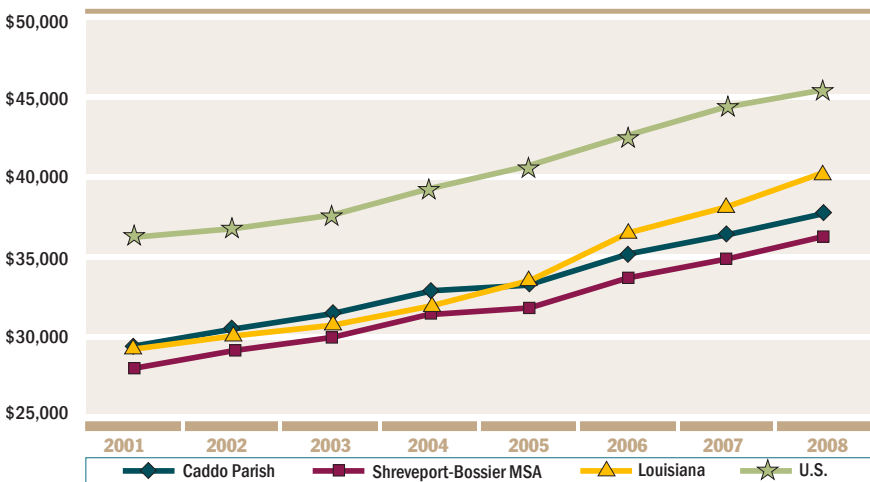
The oil and gas industry encompasses several types of activities, including exploration, production, manufacturing and sale of supplies and equipment, and distribution from the production source to the

FIGURE 7.8 AVERAGE ANNUAL EARNINGS, WAGE & SALARY EMPLOYEES AND PROPRIETORS, 1997–2007



Source: U.S. Bureau of Labor Statistics

FIGURE 7.9 AVERAGE ANNUAL EARNINGS, WAGE & SALARY EMPLOYEES 2001–2008



Source: U.S. Bureau of Labor Statistics

⁶ Source: U.S. Census Bureau, American Community Survey



Attracting gas service firms to locate facilities in Shreveport-Caddo and train local workers will help to increase job opportunities beyond drilling.

consumer. Together these activities employed 7,100 workers in Caddo Parish in 2009, 4.4 percent of total employment. Other industries, such as engineering services, provide services to the industry, but the extent of their oil and gas industry-related employment cannot be determined from the data available.

While Shreveport's oil and gas industry has gone through past boom-and-bust cycles, discovery of the Haynesville Shale in Caddo and several adjacent parishes and parts of Arkansas and Texas promises to generate significant increases in industry revenue and employment for decades to come. Haynesville is estimated to have the largest reserves of natural gas of any U.S. shale field and one of the five largest in the world. A recent economic impact study estimated that in 2009 extraction activities in the Haynesville Shale created approximately 4,300 direct jobs in Louisiana, and thousands of additional indirect jobs through spending by workers and recipients of royalty and lease payments.⁷ The industry predicts that drilling activities will continue for the next 5-10 years and that production will continue for the next 20-30 years. Natural gas generates fewer carbon emissions than other fossil fuels, so demand will likely intensify as national and international efforts to reduce carbon emissions expand.

Leasing activity in Haynesville began in 2008, although significant drilling activity did not get underway until

2009 because of depressed natural gas prices. Nevertheless, oil and gas industry employment increased by 27 percent in Caddo Parish between 2002 and 2009. According to industry data, fully 10 percent of the natural gas drilling rigs operating throughout the U.S. are located in the Haynesville Shale.

In the future, the scale and duration of Haynesville production will create significant opportunities for business development and job creation. At this point, many of the service firms and workers in the Haynesville Shale operate their businesses from or reside in other locations, such as Dallas-Ft. Worth. This presents an opportunity to attract more service firms to locate facilities in Shreveport and to train local workers to capture more job opportunities.

In business development, the recent decision by Schlumberger, the nation's largest oilfield services provider, to locate, consolidate and expand its regional operations in Shreveport, demonstrates the potential for attracting additional firms serving the industry. The company is converting a 250,000-square-foot warehouse on a 55-acre site along Mansfield Road for maintenance shops, laboratory facilities and office space.

In workforce training, the industry is working with and funding local institutions of higher education to develop training programs to supply firms with workers at multiple skill levels. This includes a basic six-week oil and gas industry introductory program for entry-level workers at Louisiana Technical College; an associate-level program in petroleum technology at BPCC; and a bachelor-level energy business program at Centenary College. A water engineering program linked to the hydraulic fracturing process is being discussed for LSU. These and other efforts by educational institutions and workforce development organizations can help to ensure that the maximum number of local residents secure jobs in the industry, which can pay very high wages.

Manufacturing

Once a mainstay of the Shreveport-Caddo economy, manufacturing has declined significantly during the past quarter century, both in absolute terms and as a share

⁷ Dr. Loren Scott & Associates, *Economic Impact of the Haynesville Shale on the Louisiana Economy: 2009 Analysis & Projections for 2010-2014*, April 2010.

of total employment. Much, but not all, of the recent decline resulted from the dramatic scale-back at the General Motors plant. Motor vehicle manufacturing employment declined by over 1,600 between 2004, its most recent peak, and 2009. Other manufacturing industries, however, including plastics and rubber products, fabricated metal products, and electrical equipment and appliances, suffered significant declines, while aircraft engine and shipbuilding completely disappeared.

Yet there are areas of strength as well. Industries dominated by two of the community's largest manufacturers, Libby Glass and Frymaster, maintained employment during this period, and industries experiencing significant growth, although relatively small in size, include chemicals (which includes pharmaceuticals), electronic instruments, and printing. Employment in oil and gas field machinery and equipment manufacturing, which might be expected to benefit from the activity in the Haynesville Shale, was volatile during this period, rising from about 30 in 2002 to 550 in 2007, then falling back to 150 by 2009.



Economic development entities are working to identify a new user for the recently upgraded GM plant, which is scheduled to close in 2012.

The most immediate manufacturing issue for Shreveport is the future of the GM plant, its 40 regional suppliers, and its workers. In March 2010 the plant had about 1,200 workers and GM made a commitment to keep the plant open through mid-2012, although it currently plans to discontinue production

of the GMC Canyon and Chevrolet Colorado light trucks after the 2011 model year. GM invested \$1.2 billion in the plant's modernization in 2003, so most of the production process uses state-of-the-art technology. Given current conditions in the automotive industry, however, it seems unlikely that the plant will attract

a buyer in the near term. Moreover, the plant is fitted for body-on-chassis production, which is used for light trucks, not the unibody production used for passenger cars, further limiting its marketability.

An informal group, including regional economic development groups, parish and city government, and Louisiana Economic Development, has met periodically to consider ways to market the facility for either automotive or other uses. The Louisiana Workforce Commission Rapid Response Team has also provided resources for worker retraining outside the automotive field.

Health care

Shreveport's health care industry is the largest predominantly private-sector industry in Caddo Parish, exceeded only by combined local, state, and federal government employment. The industry added 1,700 jobs between 2002 and 2009, a solid growth rate of 17 percent. While the industry serves primarily the metropolitan area, it has emerged as a regional medical center, serving a region of about one million people in the ArkLaTex region, and thus generating revenues and employment beyond that of an industry serving only the local community. This is reflected by the fact that health care employment as a proportion of total employment in Caddo Parish is 35 percent higher than the national average.

The largest health care employers in Shreveport are LSU Health Sciences Center, with almost 6,000 employees; Willis-Knighton Health System, with over 5,000 employees (most in Shreveport facilities, but some in Bossier City); and Christus Schumpert Health System, with 2,000 employees. Other large health care providers include Shriner's Hospital and Overton Brooks VA Medical Center. Together, these institutions provide advanced specialty care in such areas as cardiology, oncology, neurology, organ transplantation, and pediatrics.

Leaders of local health care institutions believe that Shreveport has an opportunity to increase its role as a regional medical center and expand its geographic market by further developing its areas of specialization. This will require addressing several challenges:

- **Maintaining and strengthening the educational and medical functions of LSU Health Sciences Center.**

- > It provides trained physicians for the entire regional health care system, which becomes increasingly important in the face of growing demand from an aging population and the restructuring of health care delivery, which is likely to require growing numbers of primary care physicians.
- > It attracts highly skilled specialists to teach, conduct research, and treat patients. Private health care institutions note that they draw heavily on LSUHSC clinicians to provide specialty care. One leading example is the partnership between LSU and Willis-Knighton in organ transplantation. Budget cuts at the state level will place increased financial pressures on LSU and will likely hinder its ability to attract high caliber educators and clinicians and invest in its facilities.

- **Meeting changing demand for nurses, physicians' assistants, and other allied health staff.** Cost management will require the adoption of new technologies and the shift of some types of care from physicians to other health care professionals. The health care industry and local educational institutions will need to work in partnership to ensure that educational programs are developed to meet the industry's evolving needs for trained health care professionals and that the industry plays its part in providing clinical experience for students.

- **More effectively marketing the specialty care provided by Shreveport's health care industry.** Health care leaders note that the industry could benefit from more coordinated regional marketing that communicates the full range of services provided by the area's leading health care institutions.

Tourism

Shreveport's tourism industry generated \$541 million in expenditures and provided 5,100 jobs in 2008.⁸ Caddo Parish ranked fourth among parishes in tourism

⁸ Source: U.S. Travel Association, *The Economic Impact of Travel on Louisiana Parishes 2008*.

expenditures, behind only Orleans, Jefferson, and East Baton Rouge, and ahead of Lafayette, and fifth in employment. Bossier Parish ranked sixth in expenditures, at \$383 million and fourth in employment, at 5,400, underscoring the interrelated nature of tourism in these two adjacent parishes. The casino industry is the major tourism draw for both parishes, providing a total of 7,000 jobs, 3,100 in Caddo alone. In 2008, the area's six casinos, two of which are located on Shreveport's riverfront, drew close to \$850 million in gaming revenues.⁹ However, the casinos are vulnerable to competition. When Indian casinos opened in Oklahoma, they drew customers from Shreveport's important Texas market and casino admissions declined by 12 percent between 2005 and 2008. Casino employment in Caddo Parish declined by one-third from its peak in 2004 through 2008 before rebounding modestly in 2009. Another major attraction is the Boardwalk outlet mall in Bossier City, which has become a regional draw.

With the opening of the new Shreveport Convention Center in 2006, conventions have also become a significant contributor to the tourism economy. Conventions drew more than 100,000 participants and generated \$25 million in expenditures in 2008. The area also has a number of other attractions and events that help to draw visitors, primarily from the ArkLaTex region. Among the most

⁹ Some of these revenues are generated from local residents so only a portion is counted as tourism revenues.



Shreveport's casinos are a large tourism draw to Shreveport and employ more than 3,000 workers.

important of these are the State Fair of Louisiana, the Sci-Port Discovery Center, and the Red River Revel.

The Shreveport-Bossier Convention & Tourist Bureau is the area's lead tourism development and marketing organization. The Bureau receives 3 percent of the parish room occupancy tax for marketing and had a budget of approximately \$3 million in 2010. The bureau conducts a wide range of marketing activities and develops highly professional print and on-line materials. Current initiatives include a marketing campaign to recoup casino business and efforts to expand the convention market.

While additional marketing dollars would be helpful, the Bureau has identified other priorities to sustain and strengthen the industry. One is to increase access to restaurants, shopping and entertainment amenities sought by convention goers and other visitors. In the long run, downtown and riverfront development efforts that increase visitor amenities within walking distance of the Convention Center will help to make Shreveport a more appealing venue. In the short run, the Bureau, working with the Downtown Development Authority and downtown restaurants, has initiated a weekly downtown lunch trolley which it hopes to expand to a daily service with an extended route and longer hours of operation. It is also working on defining and branding districts with clusters of visitor amenities throughout Shreveport-Bossier to increase awareness of areas away from the main visitor attractions. (See Chapter 10 on downtown.)

Another priority is to increase music performance venues outside of the casinos to capitalize on Shreveport's music heritage and provide more entertainment options for visitors. A third priority is to increase financial support for smaller attractions that are not primary tourism draws but broaden the tourism experience and encourage additional spending and trip extensions. Many of these attractions such as the Stage of Stars and the American Rose Center are struggling financially and need help with strategic planning, fundraising, and marketing.

Defense

Barksdale Air Force Base in Bossier City is a major regional employer as well as a source of contracting opportunities for local firms. In 2009, Barksdale had approximately 9,500 military and civilian workers and a payroll of \$400 million. It spent approximately \$88 million on goods, services and construction, 58 percent of which went to small disadvantaged businesses, 10 percent to small women-owned businesses, and 44 percent to businesses in distressed areas certified by the U.S. Small Business Administration as "historically underutilized business zones" (HUBZones). In August 2009, the Air Force established the headquarters of the Air Force Global Strike Command at Barksdale, which unites all strategic nuclear forces under a single command, adding to the base's employment and economic impact. At full staffing levels, the command will have as many as 1,000 military and civilian personnel. The role of the command headquarters is to provide resources and policy guidance in the field. As such, many of the new personnel will be senior-level managers and professionals. Command headquarters will not be directly responsible for procuring weaponry or other defense technology nor will it be a center of defense research. There will be some additional procurement of advisory and assistance services from defense consulting firms and of goods and services to meet the needs of additional staffing and facilities.

Film and digital media

Spurred by enactment of generous media-production tax credits in 2002, which were expanded and made permanent in 2009, Louisiana has become a major center of film and video production, exceeded only by California and New York. While New Orleans is the largest center of film production in the state, Shreveport has also captured a significant share of production activities. In 2009, the city hosted 18 film and television projects with total budgets of over \$98 million. This was down significantly from 2008, when the city hosted 23 film and television projects with total budgets of \$258 million. Production activities have continued to expand in 2010, including the first locally-produced television series, and existing sound studios have been booked to capacity. The city expects in 2010 to exceed 2009 activity (and has already equaled the



With financial assistance from the City, Los Angeles-based Millennium Studios is building its own film studio in Shreveport, adding more permanent film and television production jobs to the area.

2009 production budget level). And while a newcomer to the filmmaking industry, Shreveport has already gained recognition as a filmmaking venue, Shreveport ranked third in *MovieMaker Magazine's* list of 10 best cities to live, work, and make movies in 2010, the fourth year in which it ranked in the top 10.

The number of direct jobs created by the industry so far has been relatively small. In 2009, the motion picture and video production industry directly employed 375 workers according to government employment data. Many of these jobs tend to be seasonal or part-time because of the short-term nature of filmmaking activities. However, industry spending has also had indirect employment impacts as production companies spend money hiring construction contractors, purchasing services and supplies, renting hotel rooms, and patronizing restaurants, entertainment venues and stores.

Facilities serving the film industry include four production studios, with facilities at the State Fairgrounds also available for lease. Los Angeles-based Millennium Films, which is developing a film-production studio in Ledbetter Heights with financial assistance from the City, is the first production company to build its own studio in Shreveport and move permanent staff here. The facility is scheduled for completion in early 2011. The city is also home to the Louisiana Wave Studio, a unique 8,000-square-foot tank that simulates waves for film and video productions.

Shreveport also has a growing digital media industry, most of it related to film and video production. Foremost among these are Worldwide FX, a post-production subsidiary of Millennium Studios, which is planning to expand this operation by consolidating offshore activities in Shreveport, and Moonbot Studios, a digital animation and visual effects company, which is building a new state-of-the-art facility in the Intertech Science Park. A startup firm, Blade Studios, provides music production and post-production services to the film industry.

Efforts to promote the development of the film and video industry in Shreveport are led by the Shreveport-Bossier Film Office, jointly funded by the two cities and parishes and staffed primarily by the director of film, media and entertainment in the Shreveport Mayor's Office. The Film Office markets Shreveport to the industry, works with production companies to identify shooting locations and facilitate production activities, and promotes the development of facilities, services, and educational programs to meet industry needs. In 2010 the City of Shreveport launched a Film Industry Incentive Program, which provides sales-tax rebate on local production expenditures by qualifying film projects. In addition, some of the area's post-secondary institutions, including BPCC, LSUS, and Southern University, have developed educational programs to train students for a number of occupations in the industry. The director of the Film Office is working with owners of suitable properties to promote development of additional sound stages.

The Film Office and industry leaders agree that there is potential to significantly expand the industry, but this will require attracting additional permanent production and post-production operations like Millennium, and further developing the infrastructure that supports production activities. While strong financial incentives are already in place, other activities can be undertaken to support industry growth. These include:

- **Increased marketing of Shreveport as a shooting venue and a location for production and post-production operations** (The state recently eliminated matching funds for local marketing dollars).

- **Partnerships between industry and local K-12 and post-secondary institutions to expand the local industry workforce and strengthen the skills of incumbent workers.**
- **Development of additional sound stages and other production facilities.** This will require more aggressive effort because of the state's discontinuation of film infrastructure tax credit for development of production support facilities in 2009.
- **Promoting the location and growth of vendors of industry equipment, supplies and services.**

Transportation and distribution

Because of the presence of infrastructure for multiple modes of freight transportation—road, rail, water, and air—some see Shreveport as well-positioned to be a regional transportation and distribution center. The lack of a continuous north-south interstate route through Shreveport because of the gap in I-49 between Shreveport and Texarkana is seen as an impediment to attracting truck-dependent distribution activities. The completion of I-49 to Texarkana, expected around 2015, and its eventual extension to Kansas City, should make Shreveport a more attractive location for regional distribution. The completion of I-69, the north-south NAFTA interstate, would further enhance Shreveport's position, but this will not occur for 15-20 years at best.

Economic data indicate that, to date, this potential has not been realized. Employment in freight transportation and warehousing in Caddo Parish was approximately 3,500 in 2009, a little over two percent of total employment. Almost 60 percent of this was in trucking, 20 percent in rail transportation, and 15 percent in warehousing and freight transportation arrangement. Water and air freight transportation combined accounted for less than five percent. Compared to national averages, the percentage of total employment in truck transportation was about average, the percentage in rail transportation considerably above average, and the percentage in warehousing and freight forwarding considerably below average. While not a strong economic base industry, it has recently experienced

brisk employment growth, with an increase of about 25 percent between 2002 and 2009. About two-thirds of this was in trucking, 15 percent in rail, and 10 percent in warehousing and freight forwarding.

The Port of Shreveport-Bossier, with its shipping and rail facilities and adjacent 2,200 acre industrial park, has attracted a number of facilities that are dependent on water and/or rail shipping for inbound supplies and outbound distribution. However, as a whole, waterborne shipping volumes at the port are low. In 2008, the port handled 800,000 tons of cargo, putting it outside the top 150 U.S. ports. Primary cargoes included aggregate, petrochemicals, coal, fertilizer, and steel. The largest firms located at the port are Ternium USA's coil coating facility, with 175 employees, and Pratt Industry's paper mill and recycling facility, with 120 employees. Other firms include a number of suppliers to the oil and gas industry, chemical suppliers, and a warehousing and logistics firm.

Shreveport Regional Airport offers air cargo service from FedEx, UPS and smaller shippers. The Shreveport Airport Authority recently completed a new \$9.5 million cargo complex. The authority owns a 600-acre industrial park reserved for large projects and is planning warehouse development elsewhere on its site. It has not, however, attracted any air cargo-dependent distribution facilities to this point.

While Shreveport and the surrounding region may see an increase in distribution opportunities with the completion of I-49, it will be competing against much larger regional distribution centers with more extensive transportation infrastructure, notably Dallas-Fort Worth and Memphis.

Biomedical industry

Twenty-five years ago, recognizing the growing economic importance of the biomedical field and the untapped potential to expand and commercialize research at LSU Health Sciences Center, Shreveport embarked on an effort to develop a local biomedical industry. With support from the Caddo Parish Commission and the Shreveport Chamber of Commerce, the Biomedical Research Foundation of Northwest Louisiana was

established in 1986. Reflecting the strong community commitment to this initiative, the parish government dedicated a property tax millage to the foundation that currently generates \$2 million annually (the foundation's total budget is \$16 million).

Over the years, the foundation has invested in a number of facilities and activities to promote biomedical industry development:

- The 300-acre InterTech Science Park with facilities for biomedical research institutions and firms.
- The Shehee Biomedical Research Institute, a 160,000 square foot research facility with 56 state-of-the-art labs currently occupied by scientists and researchers from Louisiana State University Health Sciences Center.
- The development of eight education and workforce development programs.
- Operation of the Positron Emission Tomography (PET) Center, which uses nuclear imaging technology as diagnostic tools in areas such as oncology, cardiology, and neurology, and Southern Isotopes, which does clinical screening and provides research isotopes to universities using PET.

LSU Health Science Center is the area's primary generator of biomedical research. LSUHSC conducts highly-regarded basic research in such fields as oncology, cardiovascular, and pulmonary research. It has been working to strengthen both its basic research and the translational and clinical research

Significantly expanding the biomedical industry in Shreveport will require increasing research capacity at LSU HSC.



that can lead to new patents on biomedical products and the commercialization of those products by private enterprise.

LSU Shreveport's Laboratory for Advanced Biomedical Informatics (LABI) provides another important component of the area's biomedical research infrastructure. Bioinformatics involves the application of advanced computational tools to manage and analyze data generated by biomedical research and is essential to the research process. In addition to supporting research activities at LSUHSC, LABI offers undergraduate education in bioinformatics. LSUS, LSUHSC, and Louisiana Tech have been working jointly to establish a Ph.D. program in bioinformatics, but have not been able to gain approval from the state Board of Regents.

While a strong focus of economic development efforts, the biomedical sector has experienced uneven growth and remains small. According to government economic data, biomedical industry employment in Caddo Parish, which includes pharmaceutical manufacturing, medical equipment and supplies manufacturing, and biological research, stood at 341 in 2009 (this does not include institutional research). Between 2002 and 2009, employment increased by a moderate 14 percent.

Leaders of the foundation and LSU Health Sciences Center agree that significantly expanding the biomedical industry in Shreveport will depend on the ability to further strengthen research capacities at LSUHSC. In order to achieve this, the HSC must raise additional funds. Despite its strong reputation in basic research and its increasing success in attracting federal research funding, the HSC is not considered a priority for biomedical research funding by the LSU System, which has focused support on the Pennington Biomedical Research Center in Baton Rouge.

The HSC recently received the largest private donation in its history to support cancer and cardiovascular research. The \$100 million donation from the Feist brothers has been earmarked to attract top-level researchers. To fully capitalize on this opportunity, the HSC needs to expand

its research facilities. It has developed plans to build a \$50 million state-of-the-art research facility at the Feist-Weiller Cancer Center. The project was approved by the LSU Board of Supervisors but not funded.

Without state support, the HSC will have to rely more heavily on private donors to strengthen its research capacity. The LSU HSC Foundation-Shreveport has recently expanded its staff and has initiated a strategic planning process to develop a stronger private funding effort. With the notable exception of the Feist brothers, large donor support for the HSC at the local level has been limited.

If this funding challenge can be met, and expanded research begins to create a pipeline of products with commercial potential, a second challenge for the community will be to strengthen the local entrepreneurial environment to capture the businesses and jobs that result. While the investments in facilities such as the Intertech Science Park will help, other forms of support, particularly investment capital, will also be critical.

ECONOMIC BUILDING BLOCKS

Shreveport's ability to promote and sustain the processes of innovation, trade, and investment—its capacity to produce—is the key to achieving shared and sustainable growth. This capacity to produce is most directly a function of the characteristics of what can be called the community's economic building blocks—its human resources, its entrepreneurial climate, physical infrastructure, economic development organizations, and general quality of life—and, more importantly, how these building blocks are put to use. This section assesses the local strengths and challenges associated with each of these important building blocks.

Economic development capacity

Local and regional economic development organizations typically fulfill two core functions—recruitment of new businesses, and support for the retention and expansion of existing businesses. For many years, the Greater Shreveport Economic Development Foundation, an arm of the Chamber of Commerce, played this role. In 2007, the Chamber spun off the foundation, which eventually



Creating a consolidated citywide Department of Economic Development was recommended by economic development professionals in 2008.

evolved into the North Louisiana Economic Partnership. The Partnership leads recruitment and retention/expansion activities for a 14-parish region.

The leadership role in local economic development has largely fallen on the City of Shreveport. Within city government, economic development functions are divided among the mayor's staff and the Community Development Department:

- The economic development coordinator, a member of the mayor's staff, works on an ad hoc basis on a variety of economic development issues, including business recruitment, as they arise.
- The director of the Fair Share Program, which provides local government contracting assistance to small and minority businesses, also reports directly to the mayor.
- The Department of Community Development operates small business financing and technical assistance programs and assists businesses to obtain certain state incentives such as Enterprise Zone and Quality Jobs tax credits. It is also responsible for housing and workforce development programs.

This division of responsibilities has made coordination of economic development efforts difficult and left some gaps in economic development capacity. Notably, the City lacks either a formal business recruitment or business retention and expansion program to work in partnership with and supplement the efforts of regional and state economic development organizations. This detracts from the City's

ability to work with regional prospects to promote their location in Shreveport and to support existing businesses to remain and grow in Shreveport.

A report prepared by outside economic development professionals in 2008 recommended that the City establish a Department of Economic Development that would consolidate a number of related functions. The department would have three divisions: Community Development, incorporating most of the current functions of the Department of Community Development; Business Development, responsible for business recruitment, business retention and expansion, neighborhood retail development, and small and minority business development; and Entertainment Development, responsible for film and media, and music. The department would be led by an experienced economic development professional reporting directly to the mayor. These recommendations were not implemented.

Education and workforce development

A well-educated workforce is the key to attracting and retaining high-wage industries and creating high-quality jobs. Developing an educated workforce requires a comprehensive, high-quality system of lifelong learning from youth to mature adulthood. This continuum moves from career preparation for youth in elementary and secondary education, career training in the community colleges and universities, and adult workforce training to improve skills and support career advancement. Workforce development must be seen as a high priority for all economic stakeholders. In the long run, providing high-quality education uniformly across the city is the best path to increasing opportunities for economic inclusion.

Skill levels of the current and emerging workforce.

Educational attainment levels in Shreveport-Caddo are relatively low. The area significantly lags the nation in the percentage of adults with post-secondary degrees, which are increasingly recognized as the key to obtaining living-wage jobs. Relatively low overall educational attainment results in part from large disparities between whites and African Americans. Only about 15% of non-whites hold a post-secondary degree. (See Figures 7.10 and 7.11). Shreveport-Caddo also significantly lags the rest of the region and the

nation in high school completion rates, making it difficult to train a large segment of the emerging workforce for skilled occupations. (See Figure 7.12).

K-12 education. Career preparation for youth involves providing students with information about career opportunities, offering educational programs that teach basic occupational skills and work competencies, and providing students with real-world work experience. Career preparation activities occur primarily in elementary and secondary schools but also in non-school youth development programs.

The effort to strengthen the K-12 education system is a broad community responsibility and not the primary role of the economic development community. Yet economic development and business leaders in Shreveport recognize that the capacity of the school system to prepare students for productive careers will profoundly affect the course of the Shreveport economy in the years to come. This is the motivation for the Shreveport Chamber of Commerce making K-12 education one of its top organizational priorities.

Business support for the public schools has been longstanding. One of the primary vehicles for business engagement with the schools has been the Alliance for Education. The Alliance is a nonprofit organization that works with school systems in Caddo and six other parishes to improve the quality of public education. Its activities include advocacy, education around best practices, and support for innovative educational programs. Many individual businesses have also been involved in the public schools through mentoring, internships, job shadowing, service on advisory boards, and other activities.

Yet business and education leaders in Caddo Parish agree that the business-education partnership must be greatly strengthened to achieve the goal of significantly improving educational achievement. While the parish has some of the best schools in the state, more than 40 percent of students who enter the 9th grade still do not graduate, and many who do graduate do not have the basic skills needed to proceed to higher education or succeed in the workplace.

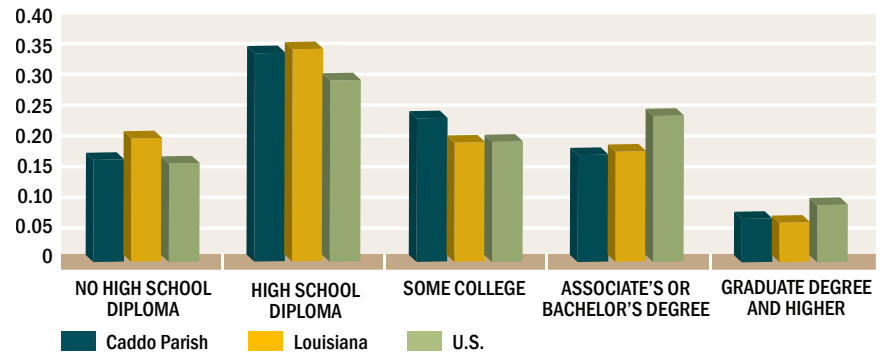
The Caddo Public School District recently embarked on a master planning process to improve its facilities and instructional standards with the goal of “creating world class schools for world class students.” A draft of the plan was completed by the end of 2010. The business community is well represented in the guiding Community Coalition, created to give feedback on the process. Business and community leaders are looking to the plan to lay out a clear strategic framework for business and community engagement with the schools that will lead to fundamental improvements in educational outcomes.

- *Bossier Parish Community College, Southern University at Shreveport, and Louisiana Technical College Shreveport-Bossier Campus, which offer a variety of associate degree and certificate programs*

Higher education. Higher education institutions are essential for training entry-level workers for high-skilled jobs and enabling incumbent workers to increase their skills and move up the career ladder. Communities lacking a strong higher education base are likely to be handicapped in efforts to develop, attract and retain talent. The Shreveport area is served by a number of post-secondary institutions providing master, baccalaureate and associate level degrees, certificate programs, and customized training for employers. The largest of these are:

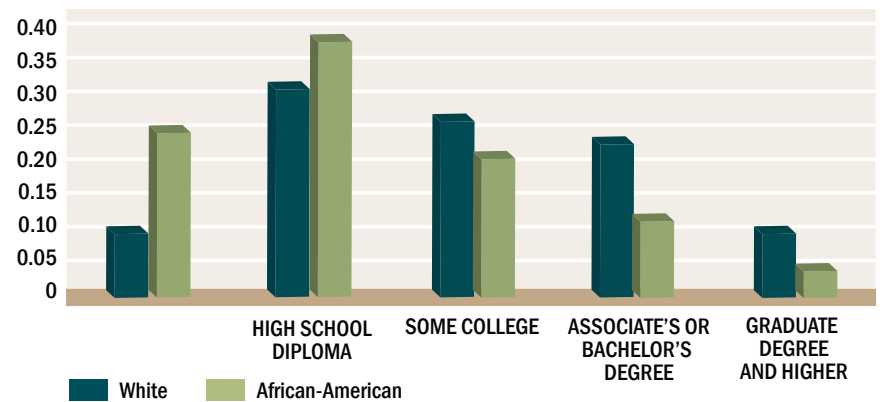
- *Louisiana State University–Shreveport, which offers a wide range of bachelor’s degree programs as well as 14 graduate programs, primarily masters programs in business, health, education, human services, and science fields*
- *Centenary College, which offers several bachelor’s degree programs as well as masters programs in business and education*

FIGURE 7.10 EDUCATIONAL ATTAINMENT, POPULATION 25+, 2008



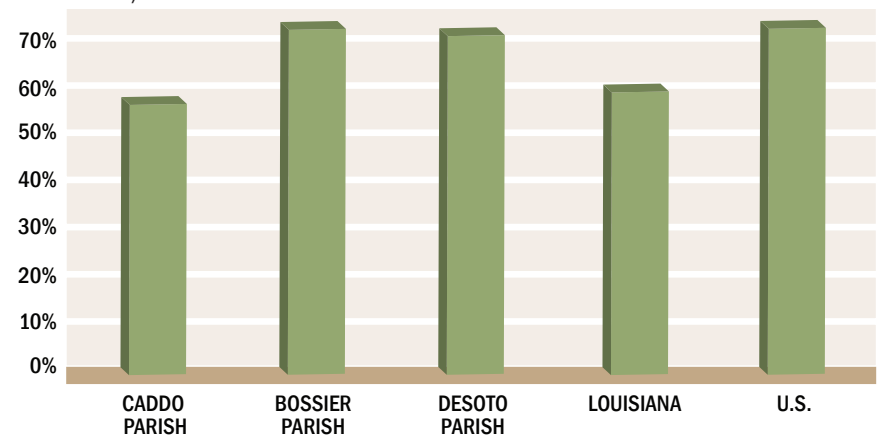
Source: U.S. Census Bureau, ACS 2008

FIGURE 7.11 EDUCATIONAL ATTAINMENT, POPULATION 25+, WHITES VS. AFRICAN-AMERICANS, 2008



Source: U.S. Census Bureau, ACS 2008

FIGURE 7.12 HIGH SCHOOL COMPLETION RATES FOR STUDENTS ENTERING 9TH GRADE, 2006



Source: U.S. Census Bureau, ACS 2008

- *LSU Health Sciences Center Shreveport*, which offers advanced degrees in medical, scientific, and allied health fields.

Most of the area's larger higher-education institutions fall under one of the state's five public post-secondary systems. Severe fiscal constraints have reduced state funding of public higher education by roughly one-third as of 2010. This will require local higher education institutions to eliminate programs, find alternative funding sources, increase administrative efficiencies, or some combination of all three. The State is also considering reorganizing the higher education system to reduce duplication and costs.

Economic development officials and business leaders generally consider the area's colleges and universities to be well-managed and responsive to business needs. At the same time, they and higher education leaders agree that change will be needed to continue to meet growing demands for higher education services in an environment of increasingly scarce resources. This will require development of stronger partnerships between the business and higher education communities to identify changing needs and develop strategies to meet these needs in a more coordinated and efficient manner.

Business and community leaders as well as young professionals have raised concerns about the limited number of post-graduate offerings in the Shreveport area. A lack of post-graduate education opportunities leaves residents who want to pursue a masters or doctorate degree no choice but to attend schools elsewhere and makes it difficult to attract highly-skilled professionals concerned about furthering their education. Post-graduate degree programs are also valued for the intellectual and cultural capital they contribute to the community.

The tight state higher education budget will make it difficult for LSU Shreveport to get approval for any additional post-graduate programs in the near term. One approach to address this gap is to promote partnerships between local and non-local higher education institutions

to bring additional programs to the area or to market the area to non-local institutions.

Educators and community leaders have considered the idea of developing a facility to attract satellite post-graduate programs of institutions located elsewhere, either through on-site or distance instruction. The Consortium for Education, Research and Technology of North Louisiana, a partnership of state higher education institutions in North Louisiana, has been developing a plan for such a facility in downtown Shreveport.

Adult workforce development. The task of matching workforce supply and demand in Shreveport is assumed by the network of education and training providers and workforce intermediaries sometimes referred to as the workforce development system. Education and training resources include adult basic education programs, occupational training programs, postsecondary degree-granting institutions, and industry- and employer-based workforce training programs. Publicly-funded one-stop career centers play an intermediary role by matching job seekers with employers and by funding education and training for workers who need to enhance their skills. Businesses, including employment services and job-posting services, also play an intermediary role.

The lead organization for adult workforce development in Shreveport is Local Workforce Investment Board 71, housed in the City's Department of Community Development and governed by a public-private board of directors. LWIB 71 implements state and federal workforce-development policies, operates the Caddo Business and Career Solutions Center, and distributes workforce training vouchers. A second workforce investment board, operated by the Coordinating and Development Corporation, serves the rest of Caddo Parish and nine other parishes.

Other government and nonprofit organizations operate adult education and workforce development programs. These include:

- Certificate programs and customized employer-based training programs offered by LSUS and the area's community and technical colleges.

- *Goodwill Industries*, which provides basic skills, occupational training, and job placement, including programs targeted to ex-offenders, and people with disabilities.
- *The Job Corps*, which provides education and career technical training for young people ages 16 through 24.
- *Community Renewal International*, which provides adult basic education at its five Friendship Houses in Shreveport.

Both workforce development and economic development professionals acknowledge that the WIB needs to be strengthened. There are three critical challenges:

- **Becoming more responsive to employer demand.** The WIB needs to develop better intelligence about employer workforce needs and to target training dollars more strategically. This will require more engagement with the employer community. However, while the WIB is required to have a majority of employers on its board, its level of engagement with employers is limited because employers do not view it as a significant resource for meeting workforce needs.
- **Coordinating resources.** At the career center, the objective of co-locating state and local workforce-development resources to create a “one-stop” shop has not been fully achieved. Some key organizations that are part of the one-stop model do not have staff at the career center. Part of the problem is the facility’s limited size and poor condition. Additionally, the presence of two WIBs in a single labor market complicates issues of planning, resource allocation, and business engagement. Ideally, a single WIB would serve the entire labor market.
- **Doing more with less.** Core funding for the WIB is being reduced, and it may have to begin rationing training vouchers. Recently the Louisiana Department of Education eliminated funding for all but one local adult basic education program.

Support services. In addition to basic education and occupational training, entry-level and incumbent workers often require certain support services to help them obtain

and maintain employment. Among the most widely needed services are convenient public transit for workers who cannot afford to maintain a reliable motor vehicle, and quality, affordable child care for families with young children. In addition, some job seekers face particular employment barriers that require specialized assistance. These include individuals who have substance abuse and mental health problems, lack permanent housing, or have been involved in the criminal justice system. These issues must also be considered an essential component in efforts to increase employment opportunities for residents and meet the workforce needs of employers.

Workforce development professionals identify a number of gaps in support services that must be addressed to increase employment success among economically disadvantaged populations:

- **Transportation.** In 2000, 13% of Shreveport households lacked regular access to a vehicle for transportation. SporTran’s routes, hours of operation, and service frequency are not well designed to meet workforce transit needs, although some improvements have occurred over the past decade.
- **Mental health and substance abuse treatment.**
- **High-quality, affordable and accessible child care.**
- **Mental health and substance abuse treatment.**

Marketable skill development will not be sufficient to obtain employment for some workers unless these other challenges are addressed.

Entrepreneurship and small business development

Creating a strong entrepreneurial environment is important in three ways: 1) it supports creation of new companies that expand economic base industries and create new jobs and wealth; 2) it provides a path to economic opportunity for individuals who have the skills and motivation to operate their own businesses; 3) it sustains businesses that sell goods and services to residents and visitors across the city’s many neighborhoods, enhancing the quality of life.

The term “small business” is a broad characterization that encompasses different types of businesses, including:

- New business ventures with a proprietary product or technology and the potential for rapid growth
- Businesses that provide business and professional services such as legal, accounting, and engineering
- Businesses that provide personal or household services
- Businesses that produce specialty products
- Street-level businesses such as retailers and restaurants.

Efforts to support entrepreneurship and small business development must recognize that a supportive environment has a different meaning for each type of business.

Small business in the Shreveport economy. Small businesses (firms with fewer than 25 employees) make up the great majority of area businesses, but generate only about a third of revenues. Entrepreneurial activity is somewhat less robust in Shreveport than in the U.S. as a whole. (See Figure 7.14)

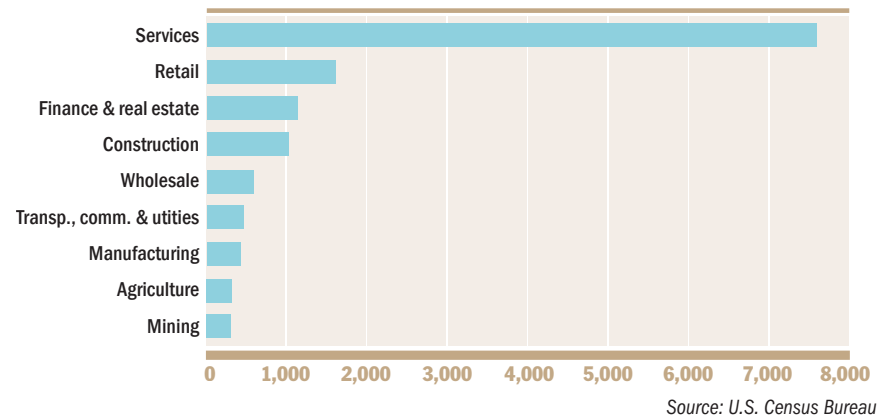
FIGURE 7.14 SMALL BUSINESS PROFILE, CADDO PARISH, 2008

Number of small firms (<25 employees)	13,266
Percentage of all firms	92.5%
Percentage of all firm revenues	29.6%
Startup rate	
> Caddo	7.6%
> U.S.	9.2%
3-year failure rate	
> Caddo	14.1%
> U.S.	20.1%

Source: U.S. Census Bureau

The vast majority of small businesses are in the service sector, followed by retail, finance and real estate, and construction. (See Figure 7.13). While available data does not provide a more detailed breakdown of small service businesses, other data suggest that the largest proportion of these businesses are in consumer and

FIGURE 7.13 NUMBER OF SMALL BUSINESSES (<25 EMPLOYEES) BY INDUSTRY, CADDO PARISH, 2008



household services (e.g., repair, personal grooming, laundry, home cleaning), professional, scientific and technical services, health care services, and administrative support services (e.g., clerical, security, waste disposal).¹⁰

Support for new venture development. Developing the “ecosystem” that fosters a critical mass of entrepreneurial activity is a long-term process. Shreveport lacks the entrepreneurial infrastructure found in communities with an established entrepreneurial base. The development of new business ventures with proprietary products or technologies can be an important engine of economic growth. Successful ventures export high-value products to national and international markets, creating new jobs and wealth, and expanding the city’s economic base. The local factors that support new venture development include entrepreneurs with ideas, management skills, and entrepreneurial drive, a research base that generates new technologies with market potential, sufficient seed and early stage capital, and a strong entrepreneurial support network of other entrepreneurs and business professionals. Local research activities can help to foster new technology companies. While not a major research center, the Shreveport area hosts some research activities that could spur new enterprise development. These include:

¹⁰ These data include: 1) U.S. Bureau of the Census, *Non-employer Statistics*, which compiles data on self-employed individuals; and 2) U.S. Bureau of the Census, *County Business Patterns*, which compiles establishment data. Establishment data includes both individual businesses and branches of multi-site businesses.

- Biomedical research at the LSU-HSC, as discussed above.
- The Technology Transfer Center in the Shreve Industrial Park, part of the Louisiana Tech Institute for Micromanufacturing (IfM), an integrated nanomanufacturing and micromanufacturing center, dedicated to micro/nano scale technologies and systems research, education, and commercialization. Other IfM facilities are its R&D facility in Ruston and its X-ray beam lines and lithography processing facility at the Center for Advanced Microstructures and Devices (CAMD) in Baton Rouge.
- The Cyber Innovation Center in Bossier City, which will house research, education and business activities in cyber technology and other technology areas.
- Plans are being developed for the Creative Center for Digital Media in the Municipal Auditorium District.
- Management and technical assistance sources for small businesses include the Small Business Development Center and Shreveport Export Assistance Center at LSUS, the SCORE program and the Northwest Louisiana Government Procurement Center at the Greater Shreveport Chamber of Commerce, and Centenary College's Center for Family-Owned Business.
- Annual entrepreneurial training programs are offered by Southern University and the City of Shreveport, in partnership with the LSUS Small Business Development Center.
- Small business financing is provided by the Coordinating and Development Corporation through its 504 Certified Development Company Program, Tri-District Development Corporation, and Red River Valley BIDCO. In addition, a new business financing program is being established by Accion Louisiana, with funding from the City of Shreveport and local banks and foundations.
- Incubator space is available at the Coordinating and Development Corporation's Metro/Regional Business Incubator in Shreveport, and Southern University's Small, Women and Minority-owned Business Incubator adjacent to its main campus.

Economic development professionals cite the lack of local risk capital as a barrier to technology-based enterprise development. While there is a longstanding history of local investment in the oil and gas industry, risk capital investors tend to invest in industries with which they are familiar, and the Shreveport investment community is generally not familiar with technology-based entrepreneurship. Budding entrepreneurs will also need access to sound business advice, access to professional services (e.g., legal, accounting), and opportunities for peer networking, and suitable space. Shreveport has made progress in this regard with the recent opening of incubator office space at CoHabitat Shreveport in downtown, funded with the support of the Downtown Development Authority and the Greater Bossier Economic Development Foundation.

Small business development. Many new small businesses need help getting started and both new and existing businesses often need help with a range of issues, including bookkeeping, marketing, pricing, and space needs. Some businesses also have trouble obtaining financing from banks and other conventional sources. The Shreveport area has a number of government, nonprofit and higher education organizations providing financing and technical assistance to small and micro-businesses:

While there are many small-business assistance resources, small business assistance professionals note that what is frequently lacking is assistance for the early stage business to survive its first few years of operations, particularly in areas such as financial management, marketing, and bidding and pricing.

Another challenge is declining resources. Cuts in the state higher education budget have caused the state Small Business Development Center program, which depends on state universities to house SBDCs and provide in-kind support, to consider closing the Shreveport SBDC at LSUS and serving Shreveport from its Alexandria center. While this would likely involve a satellite office in Shreveport, the result would be reduced access to SBDC services for local small businesses. The City's Department of Community Development is currently exploring the potential to co-locate a number of business-assistance programs in a single City-owned property on Jewella Avenue near Monkhouse

Drive to improve access to services and collaboration among service providers.

Minority business development. Programs targeted specifically to minority businesses are very limited. The City of Shreveport's Fair Share Program assists businesses with local government procurement, with an emphasis on increasing the diversity of participation in City contracts. Certified businesses are also eligible for a City bond guarantee program. Southern University at Shreveport operates a small business incubator targeted to small, minority and women-owned businesses

Talent retention and attraction

The ability to retain and attract professional, creative, and entrepreneurial talent will be a key factor influencing Shreveport's economic development. New talent brings new ideas, skills, energy, and ways of thinking that will invigorate the economic landscape, particularly in knowledge-based and creative industries that are the key to Shreveport's economic future.

There is undoubtedly some truth to the widespread perception in Shreveport that the community is losing many of its talented young people because of a dearth of skilled employment opportunities and the limited number of post-graduate education programs. In fact, demographic data show that the share of the population in the 25-44 age group is somewhat lower than state and national averages. Yet the actual situation is more nuanced. Quality employment opportunities are emerging in areas such as film and digital media and oil and gas services. And young adults themselves, while acknowledging that Shreveport is not for everyone, cite a number of strengths for young adults who have location options, including good schools, low cost of living, and a reasonable offering of cultural, entertainment and recreational amenities.

One drawback that is often cited is the difficulty of obtaining information about business and professional opportunities for individuals who are not tied into traditional social networks. This indicates the need for the city's business and civic leadership to develop

ways to more actively engage with younger people, expand opportunities to develop professional and business relationships, and cultivate a new generation of leadership that reflects the community's growing diversity.

Some recent initiatives have been developed that are aimed at retaining and attracting young talent. A young professionals group, the Northwest Louisiana Young Professionals Initiative, housed at the Greater Shreveport Chamber of Commerce organizes networking, professional development, civic, and social events targeted to professionals aged 21 to 40. The initiative has over 400 members. The North Louisiana Economic Partnership established the North Louisiana Employment Opportunities Network (NEON), a website targeted to young adults, with information on career opportunities, culture and entertainment, and area characteristics. NEON distributes an e-newsletter and uses social and professional networking sites. The Partnership also established a networking group specifically for technology workers along I-20 in North Louisiana called Techx20.

Land and infrastructure

Shreveport has ample land for industrial development. Industrial parks include 2,000 acres at the Port of Shreveport-Bossier, 800 acres at the Shreveport Regional Airport Industrial Park, 500 acres at the Shreve Park Industrial Campus, 900 acres at the West Shreveport Industrial Park and 110 acres at the North Shreveport Industrial Park. Economic development professionals indicate that there is a considerable inventory of vacant acreage in these parks to accommodate future industrial growth. However, as the Shreveport economy and the nature of demand for industrial space evolve, economic developers also suggest a need to reevaluate the design and marketing of existing industrial parks to meet the needs and preferences of new types of users. This is one objective of the master planning process currently being undertaken by the Port of Shreveport-Bossier.

Shreveport has well-developed transportation infrastructure that can meet a wide range of business needs. This includes: the Port of Shreveport-Bossier,

which handles barge traffic to and from lower Mississippi River ports and provides shippers with water-rail transshipment; service by three major freight railroads; a regional airport with passenger and freight service and ample room to accommodate growth in both; and excellent interstate highway access from the east, west, and south. While the area does not have interstate highway access to the north, the expected completion of I-49 north from Shreveport to Texarkana by 2015 will address this gap.

Businesses and residents have expressed considerable frustration with the limited availability of commercial air passenger service. While this may be a deterrent to attracting some travel-intensive businesses, it is unlikely that existing air service can be significantly expanded in the current airline industry financial and market environment unless the community is willing to subsidize additional routes for a sustained period. There may be some opportunities for additional niche services. For example, the Airport Authority is in discussions with airlines about establishing limited scheduled air service to Los Angeles to meet increasing demand from the film industry.

The Shreveport area has very high fiber optic capacity, making it attractive to fiber-intensive industries. It also has very low power costs, making it attractive to power-intensive industries.

Business climate

The area is widely viewed as having competitive business costs. A 2008 KPMG study found Shreveport to be No. 1 in cost effectiveness among 14 comparably sized metro areas and the least expensive location among 56 U.S. cities of all sizes in the study. A more recent report by Forbes Magazine, “Best Places for Business and Careers,” ranked Shreveport number 1 in cost of doing business out of 200 metro areas. However, there is the perception that regulatory processes in Shreveport—permitting, licensing, zoning approvals—are more onerous and/or unpredictable than necessary and need to be simplified.

B. Community Issues and Concerns

In a series of public meetings and a public opinion survey, residents, employees and business owners within the Shreveport-Caddo study area agreed on the critical importance of economic growth and opportunity to the future prosperity of the city, parish and region. This included much discussion on growing existing industries, nurturing developing industries, and importantly, improving educational and workforce development opportunities to create, attract and retain the quality workforce required to truly prosper.

Public opinion survey

Key findings of the survey included:

- Respondents ranked a “more diverse economy and better jobs” and “improved and new public schools” as the top two issues (out of 20) that local leaders should place emphasis on for a successful future. “More post-secondary technical education” was also in the top five.
- 82% of respondents said that diversified industries and job growth were “very important” to the future of the Shreveport area.
- 80% said that employment opportunities were a “very or extremely important” reason to stay in or come to live in the Shreveport area. When asked what would have the most impact on their staying, employment opportunities ranked highest.
- Less than half said the area is a “good” or “excellent” place to work.
- 88% said that improving public schools was “very important” to help grow Shreveport’s job base.
- Less than 20% of respondents rated public elementary and high schools as being “very good.” More than half said they were “poor” or “don’t know.” Nearly half felt local colleges and universities were “very good.”
- 71% deemed it “very important” to retain young people and recent graduates.

Visioning forum for the 2030 master plan

During small group discussions, the major challenges and opportunities that emerged related to prosperity included:

Challenges

- K-12 education (truancy, drop-out rate, poor educational facilities)
- Gaps in higher education programs
- Workforce development
- Proactive, not reactive, economic development
- Lack of jobs resulting in a loss of young talent

Opportunities

- Improve in public education—new schools, more teachers, updated technology
- Diversify employment opportunities
- Encourage growth of entrepreneurial skill
- Make waterfront area available for development
- Increase working and living opportunities downtown
- Importance of “quality of life” and sustainability as important to the area’s economic future.

“Speak Out!” neighborhood vision meetings

Participants in these sessions identified “problems with education” and “business development” as the top two challenges facing the Shreveport-Caddo area. However, these same issues were also seen as the two greatest opportunities for future prosperity. Improving the existing K-12 schools and more higher education and workforce development opportunities were a common topic of discussion, as was the significance of pursuing development opportunities in priority locations (i.e., downtown, port) within key industry sectors (technology, natural gas, film/digital media and biomedical) to create more jobs and strengthen the overall regional economy. Small business development was also viewed as important to neighborhood economic development.

District and neighborhood meetings

Neighborhood workshops held in four geographic areas of the city (North, Central, East and West) and downtown districts were held to discuss a range of topics, including local commercial areas. Many participants expressed frustration over lack of neighborhood retail, and the need for new or redeveloped shopping centers in areas that once housed significant retail amenities. Conversations

also centered on the need for more small business development, including incentives and partnerships to entice investment.

Discussion topics at the downtown workshop focused on downtown and the waterfront’s assets, opportunities and challenges. Key assets and opportunities identified included the potential for residential mixed-use development on large, vacant, publicly owned parcels along Cross Bayou; adaptive reuse of vacant or underutilized historical structures in the CBD, West Edge and Texas Avenue districts; and the importance of downtown as the economic, cultural and entertainment center of the region. Working with the Consortium of Education, Research and Technology of North Louisiana (CERT) to bring a significant university facility downtown was also identified as a key component to downtown’s future. The greatest challenges facing downtown’s economic prosperity included code enforcement, lack of services and retail, stringent building codes that disincentivize the adaptive reuse of historic structures into new office and/or residential uses, and the lack of incentives to bring new investment to the area.

C. Strategies and Actions to Achieve the Goals**Goal 1**

Expand and diversify the economy through targeted support to key established and emerging economic base industries—industries that “export” products and services to non-local consumers.

Policies:

- *Target initiatives to build on existing assets and sectors such as oil and gas, health care, and tourism to leverage, strengthen, and diversify the economy.*
- *Create a supportive business environment to grow emerging sectors such as life sciences and film and digital media.*
- *Promote initiatives to build on or reposition the existing manufacturing base.*

STRATEGIES

A. Target advanced manufacturing segments that capitalize on the area's existing manufacturing and transportation infrastructure and workforce.

While less prominent in the Shreveport-Caddo economy than in the past, manufacturing continues to be an important source of relatively well-paying jobs for workers with middle-level skills. The community needs to work to retain its existing manufacturing base and selectively recruit growth areas of manufacturing that are well-matched to the area's economic strengths.

Action

1. Develop a facility-reuse and -adjustment strategy to respond to the scheduled closing of the GM plant.

With GM's failure to sell the Hummer brand, it appears highly likely that the GM plant will close by mid-2012. This will leave the community with an idle plant that only recently received a \$1.2 billion modernization investment; a supplier base of about 40 regional companies lacking its major customer; and up to 2,000 unemployed or underemployed skilled-manufacturing workers. A formal working group should be established to develop a reuse and adjustment strategy, with an initial focus on automotive-related reuses, but if this proves infeasible, a broader focus on other advanced manufacturing sectors including defense, aerospace, and advanced energy. The working group should include local and state economic development officials, local government, GM suppliers, and representatives of GM employees. It should be led by the North Louisiana Economic Partnership.

B. Leverage Shreveport/Caddo's strength in oil and gas by promoting high value-added, technology-driven industry segments.



A formal working group to develop a reuse strategy for the GM plant is needed to attract a new entity to maintain Shreveport-Caddo's highly trained manufacturing workers.

As one of the largest reserves of natural gas in the world, the Haynesville Shale will generate significant economic activity for the next 20 to 30 years. Shreveport-Caddo needs to capitalize on this opportunity by developing higher-value segments in the industry supply chain and ensuring that the maximum amount of business activity and jobs directly benefit the local area.

Actions

1. Establish an advanced natural gas technology center to develop and commercialize new technologies related to natural gas production, processing and distribution.

With the discovery of the Haynesville Shale, Shreveport is fast becoming a national center of natural gas production. During the past 30 years, the industry has become far more technologically advanced, with the development of new exploration and production technologies; new processing technologies such as liquefied natural gas and natural gas fuel cells; a promising technology for green electricity production; and new distribution technologies. Another important focus of technology development is environmental protection. In the case of gas from shale, concerns have arisen about the impact of extraction on groundwater quality. The LSUS Red River Watershed Management Institute is already working with industry to monitor and address this issue. (See Chapter 4.)

The City and economic development organizations should work with gas producers, service firms, and higher education institutions to establish a center to develop and commercialize natural gas technologies, with particular focus on technologies relevant to local industry. One potential focus could be development of technologies and processes that address the environmental impacts of natural gas extraction, building on the work already being done by the Watershed Management Institute. This initiative should be led by CERT, working with representatives of the oil and gas industry. A key first step is to convene all major stakeholders and identify key focus areas for the center that reflect both industry needs and the technology strengths of the area's higher education institutions.

2. Target industry recruitment to oil and gas service firms.

Expanded industry recruitment efforts should include targeting of oil and gas service and supplier firms. The proposed Shreveport-Caddo Economic Development Corporation (see below) should include among its staff an oil and gas industry specialist. The development and distribution of marketing materials, and assistance with site finding and permitting, workforce, and state and local financial incentives will support recruitment efforts.

3. Develop a more comprehensive and coordinated approach to addressing industry workforce needs.

As described earlier, several local educational institutions are already working with the oil and gas industry to expand targeted education and training programs. In order to ensure that the maximum numbers of local residents are employed in the industry, these efforts should be expanded further. Under the auspices of CERT, a working group of industry representative and higher education institutions should be

established to examine fully industry workforce needs over the next decade and identify the programs needed to meet these needs. Higher education institutions should then work together to define their respective roles and establish collaborative relationships as required.

C. Expand the health care industry's role as a regional center of specialized care in areas such as cancer, cardiovascular, and neurosurgical treatment

The area's largest employment sector (except for government), the Shreveport-Caddo health care industry provides a range of jobs at all skill levels and serves a regional market, bringing in revenues that ripple through the local economy. The industry, supported by local economic development organizations, should work to solidify and expand its role as a regional center of specialized health care.

Action

1. Develop a coordinated regional marketing initiative.

While health care institutions engage in their own marketing efforts within the ArkLaTex region, regional marketing of the health care industry has not been viewed as a focus of economic development efforts. Increasing the numbers of patients using local health care providers is as much a source of job creation as attracting and retaining businesses. Given the industry's role as Shreveport's leading private-sector employer, local institutions should work together to develop a coordinated marketing initiative targeted to consumers and primary health care providers in the ArkLaTex region and possibly beyond. The initiative should showcase the advanced care available, focusing on specialty areas rather than individual institutions. The proposed Shreveport-Caddo Economic Development Corporation and the North Louisiana Economic Partnership can play a supportive role in these efforts. Major

health care institutions should also review the services available to non-local patients' families during their stay in the area (e.g., lodging arrangements) and determine whether such services need to be improved or expanded.

D. Diversify and expand the tourism industry by building on the area's cultural and entertainment assets.

Tourism industry development has helped to diversify the Shreveport-Caddo economy, provide low- and middle-skill jobs for individuals with limited educational attainment, support local cultural and entertainment venues and, through the gaming industry, provide significant revenue to local government. Support for tourism industry development will help to sustain and expand these economic benefits.

Actions

1. Support efforts to develop transportation options to move visitors among tourism attractions and entertainment and retail amenities in different parts of the city.

Local economic development organizations and governments should support current efforts of the Shreveport-Bossier Convention and Tourism Bureau and the Downtown Development Authority, and SporTran, to develop sustainable transit options to improve visitor circulation, and should work to secure funding for this effort.

2. Reinvigorate Shreveport's music scene by developing more performance venues and events.

The Shreveport-Bossier Convention and Tourism Bureau, the Shreveport Regional Arts Council, Tipitina's Foundation, and local music industry leaders should form a working group to develop a strategy for musical performance venue development, marketing, and local talent development.

3. Increase downtown and riverfront entertainment and dining amenities.

This will support the growth of the convention market (See Chapter 10).

4. Sustain existing cultural organizations and develop additional cultural amenities.

(See Chapter 5).

E. Grow the film and digital media industry through increased marketing and creation of a supportive business environment.

Film and digital media is a growth industry that attracts young creative and technical talent. Further development of this industry in Shreveport-Caddo will not only create new jobs but help to shift the area's image to that of a competitive location for new-economy businesses.

Actions

1. Expand marketing targeted to production and post-production industries.

While small, Shreveport's film industry has grown rapidly in both production and post-production activities. The industry provides a range of jobs in construction, services, and digital media. Digital media jobs attract young, tech-savvy workers, helping to stem the local brain drain. State government has recently reduced support for local marketing efforts. Local industry representatives believe that the national industry is not fully aware of the existing and planned local facilities, low costs, range of shooting locations, and other strengths of Shreveport as an industry location. The Film Office and local industry should identify needs and budget requirements for an expanded marketing effort and develop a strategy for raising additional revenues. This could include increased contributions from the city and parish governments, support from industry, and efforts to obtain support from adjoining parishes that benefit from production activity.

2. Develop a film industry buy-and-hire local initiative.

In its early stages, the industry relied heavily on a non-local workforce and non-local vendors. As the industry becomes more established, and activities become more evenly distributed throughout the year, a stronger local workforce and vendor base can be developed. The industry should work with appropriate local business and workforce development organizations to develop local training, hiring, and procurement initiatives.

3. Organize a film festival to showcase Shreveport's growing film industry and promote local industry growth.

A film festival would help to get the word out about the city's position as a growing movie industry location and promote its image as a regional cultural center. The festival could be sponsored by the Robinson Film Center with support from the film industry, the tourism industry, and local government. The Robinson Film Center has recently gained experience managing film festivals, having hosted the Louisiana Film Festival—Student Division in 2010.

F. Grow the biomedical sector by developing stronger applied research capacity and supporting technology transfer.

Shreveport-Caddo has a significant base of biomedical research capacity that has not reached its full economic potential. The community must place stronger emphasis on developing the "intellectual capital" to expand promising areas of research, and support the translation of research into new products that will create new businesses and high-skill jobs locally.

Actions

1. Develop a strategic plan for applied research and technology transfer.

The two local institutions that are key to the development of Shreveport's biomedical sector

are Louisiana State University Health Sciences Center and the Biomedical Research Foundation of Northwest Louisiana. In addition, LSU Shreveport's Laboratory for Advanced Biomedical Informatics plays a key support role in biomedical research, and Louisiana Tech University, with its engineering focus and research capabilities in areas such as nanotechnology, can also be an important partner in developing biomedical products. It is widely acknowledged that the initial focus on facilities investments as a way to grow the biomedical industry needs to shift toward more "intellectual capital" investment, expanding research staff and promoting technology transfer and new enterprise development. The four institutions should work together to develop a clear strategy for implementing this shift: defining research strengths; identifying resources and organizational capacity required to translate those strengths into business development and job creation; and delineating the respective roles of each institution. This will enable the community to better understand the local economic potential of biomedical industry development, to see a path to achieving this potential, and to be willing to continue to commit resources to industry development.

2. Develop a new funding plan for the millage currently allocated to the Biomedical Research Foundation.

Consistent with the shift in focus to intellectual capital development, the millage allocated to the Biomedical Research Foundation should be dedicated primarily to biomedical research, with the major portion allocated directly to LSU HSC. Smaller amounts could be allocated to LSU Shreveport's Laboratory for Advanced Biomedical Informatics and to technology-commercialization efforts. The area's biomedical research institutions should work with the Caddo Parish government, from whose tax revenues the millage is generated, to develop a new allocation formula. Because of restrictions currently imposed on uses of the millage, this may require approval by a voter referendum.

3. Launch a funding campaign to endow clinical research chairs at LSU Health Sciences Center.

LSUHSC conducts basic research in areas such as cardiovascular disease, cancer, and gene therapy, but it has limited resources to conduct translational and clinical research with the potential to translate basic research into patentable products that can spur the creation of new biomedical businesses. Consistent with the strategic plan described above, fundraising efforts should focus on supporting endowed chairs in clinical research and additional research facilities that would enable the school to attract high-level clinical research scientists and bring in more federal research dollars. The Board of Regents provides an \$800,000 match for private donations of at least \$1.2 million on a competitive basis.

4. Establish a biomedical enterprise-development program.

A key to making the biomedical industry a stronger engine of local economic growth will be to support the commercialization of institutional research by local enterprises. Efforts in other regions to promote commercialization of biomedical research demonstrate that several factors must be in place to achieve success. They include facilitating cooperative relationships between researchers and entrepreneurs, assisting entrepreneurs through licensing processes, and developing an infrastructure of professional services and investment capital to support new enterprise development. The Biomedical Research Foundation could potentially play this role as it shifts its strategic focus toward intellectual capital development. It should work in collaboration with its university partners to establish the program.

G. Increase local economic development capacity to support industry attraction, growth, and retention.

Shreveport-Caddo needs strong, effective economic development leadership in order to build these key

economic base industries. Yet current economic development capacity is limited and fragmented among a number of organizations. Local economic development stakeholders must work together to establish a strong lead organization with the resources to undertake key economic development functions.

Actions

1. Establish a Shreveport-Caddo Economic Development Corporation.

Local economic development functions within Shreveport are housed primarily in city government, either within the Mayor's Office or the Department of Community Development. This includes informal business recruitment and retention activities, many small business assistance programs, workforce development, and film industry development. Establishing a single entity incorporating all functions that support business development would provide a more effective organizational structure for coordinating economic development activity, make access to economic development services more user-friendly for business, and provide stronger economic development leadership. This entity should be organized as a nonprofit or quasipublic public-private partnership to ensure continuity through changes in political administration and to more fully engage the business community. It should serve all of Caddo Parish and involve the participation and financial support of the parish and city governments and the private sector. It should be governed by a broad-based board composed of government, business, education, and civic leaders.

In addition to the above functions, the EDC should take the lead in adopting and overseeing implementation of a strategic economic development plan for the city and parish, drawing initially from the recommendations in the master plan. The EDC should work with implementing organizations to establish objectives and benchmarks for each ele-

ment of the plan, monitor outcomes, and periodically update the plan to address challenges and take account of changing circumstances.

The EDC should also consider setting broad economic goals for Shreveport-Caddo in order to assess progress in improving overall economic well-being (e.g., unemployment rate, employee earnings, economic disparities), establishing benchmarks against which to measure performance (e.g., the national average, comparable Southern cities), and then establishing objectives for improving economic well-being with a time frame for their achievement. Establishing economic goals will help the EDC gauge whether its economic development strategies are making a difference and adjust these strategies as necessary.

2. Establish a local business-recruitment program within the proposed Shreveport-Caddo Economic Development Corporation to work with the North Louisiana Economic Partnership to attract targeted industries to Shreveport.

While business recruitment is rightly a regional function and Shreveport should not develop a stand-alone business-recruitment initiative, the area does need the capacity to partner with regional economic development organizations, notably the North Louisiana Economic Partnership, to market Shreveport to regional prospects. The proposed Shreveport-Caddo EDC should formally designate a lead staffer to work with prospects on providing information about the community; identifying suitable sites; addressing zoning, permitting and other regulatory issues; addressing workforce needs; and developing incentive packages as appropriate. It should also promote regional recruitment of industries of particular importance to Shreveport-Caddo, develop marketing materials specific to Shreveport-Caddo, and work with local property owners and real estate brokers to ensure that available sites are fed into the regional site database. Staff should include industry specialists with strong knowledge of industries of particular importance to the city and parish.

3. Establish a business retention and expansion program within the proposed Shreveport-Caddo Economic Development Corporation to address the needs of existing businesses and ensure their continued presence and growth in Shreveport.

While promoting new business development is important to enlarging Shreveport's economic base, the City and Parish must also pay attention to the needs of existing businesses. Many cities operate business retention and expansion programs that conduct regular outreach to existing businesses, collect information about current status and plans, and make timely efforts to address needs such as workforce, new or additional space, and regulatory issues. The program should coordinate with the North Louisiana Economic Partnership, which conducts regional business retention and expansion efforts, but tends to focus on larger firms.

Goal 2

Developing a more highly-skilled workforce through expanded career education, workforce training, and employment support services.

Policies:

- **Support the K-12 school system to ensure that all students graduate from high school with the basic skills and competencies needed to obtain a post-secondary credential.**
- **Support high-quality career education and work experience programs for every student through engagement with the K-12 school system.**
- **Promote strengthened post-secondary education and adult workforce development systems to enable workers to develop and update career skills to obtain living-wage jobs and meet employer needs for high-quality workers.**
- **Provide support services that assist workers to achieve professional and personal success.**

STRATEGIES

A. Support the K-12 school system to ensure that all students graduate from high school with the basic skills and competencies needed to obtain a post-secondary credential.

Actions

1. **Strengthen school-business partnerships to improve educational quality and create more career exploration, work experiences, and mentoring opportunities for all K-12 students.** Greater business involvement in the schools can help achieve the objective of increasing high school graduation rates and enabling students to develop the career skills necessary to obtain well-paying jobs. The Caddo Public School District should continue to work with organizations such as the Alliance for Education and the Greater Shreveport Chamber to achieve a strong and sustainable school-business partnership. In the short term, the school district should ensure that its new master plan clearly lays out a role for business participation in improving educational achievement, and that the business community be fully consulted about what this role should be. In the longer term, the school district and the business community must work together to develop effective mechanisms for implementing this partnership.
2. **Expand partnerships between K-12 schools and higher education institutions that promote high school completion and attainment of career skills.** A growing trend in education is the development of closer ties between K-12 and post-secondary institutions to promote a more seamless movement of students from high school to college. Examples include articulation agreements, dual-enrollment programs, and early-college high schools. Although some of these have been implemented locally, if on a piecemeal basis, the Caddo Public

School District should work with the Consortium for Education, Research, and Technology of North Louisiana (CERT) to expand such efforts.

B. Strengthen the adult workforce development system to more effectively help adult workers improve skills and obtain higher-paying jobs.

Actions

1. **Establish a regional workforce alliance to better connect employers and job seekers through the workforce development system.** While many highly qualified organizations in the Shreveport area provide adult career education and workforce training, economic development and workforce development professionals acknowledge that the workforce-development system as a whole is neither as connected with nor as responsive to employers and job seekers as it should be. In some regions, workforce investment boards (WIB) play a lead role in assessing regional workforce development needs and gaps, and they coordinate workforce development providers to address those needs. This has not occurred in Shreveport, a situation complicated by the division of the the regional labor market between two separate WIBs (the state Workforce Development Commission is now encouraging more regionalization of workforce development). The area needs a more robust organizational mechanism to connect the workforce development system with employers and to ensure that workforce development resources address employer and job-seeker needs effectively and efficiently. The success of such an initiative will depend on the leadership and active involvement of the employer community.

One model to consider is the Southeast Louisiana Regional Alliance, a collaborative established to coordinate workforce development in the New Orleans region. SLRA 's mission is to

bring together employers, educators, workforce and economic development professionals, and community-based organizations who will collaborate to identify common goals, set regional priorities, strategically align and leverage resources to support stated objectives, and advocate for the benefit of broader talent and economic development initiatives in the region. Recognizing that the labor market is regional, the SLRA seeks to simplify access to workforce development services for both job seekers and employers, use resources more efficiently, and ultimately make the region more competitive in meeting employers' workforce needs. Membership in the alliance includes the New Orleans' region's four workforce investment boards, employers, organized labor, educational institutions, economic development organizations, and human services organizations.

2. Transfer management of LWIB 71 to the proposed Shreveport-Caddo Economic Development Corporation.

As part of the reorganization of City economic development initiatives, LWIB 71 should be brought under the management of the new EDC. This reflects the close interrelationship between business development and workforce development. A first step following this reorganization should be a study of the WIB and its Caddo Business and Career Solutions Center to assess its effectiveness in meeting labor market needs and to identify how it can become more responsive to the needs of both employers and job seekers.

C. Enhance higher education's role in economic development by strengthening business-higher education partnerships and bringing more post-secondary educational programs to Shreveport, particularly those that support professional and technical career development in economic base industries.

Actions

1. Formalize the business-higher education working group that has been meeting to address state-level higher education budget reductions and changes in the higher education system.

A working group of the area's major higher education institutions as well as business and economic development leaders—the Higher Education Task Force facilitated by the Greater Shreveport Chamber of Commerce—has been meeting to develop strategies for addressing issues raised by budget cuts, new standards, and restructuring of the higher education system at the state level. This group could provide a foundation for a more formal, longstanding partnership that reviews the educational and workforce development needs of businesses in a more pro-active, coordinated, and cost-effective way. The long-term focus of the task force should include accomplishing several goals:

- > Developing a process for better assessing current and future workforce needs and for informing higher education institutions and the Board of Regents of the group's findings.
- > Strengthening ongoing communication between the higher education and business communities.
- > Developing an active communication system to inform the discussion and state policy considerations at the Board of Regents and in the state legislature.
- > Exploring resource strategies, including identification of resources outside the state's general fund and public-private partnerships with the potential to support higher education in Shreveport and northwest Louisiana.

2. Establish additional higher education presence downtown to expand post-secondary education offerings to local students.

In August 2010, Louisiana College announced it will locate the state's third law school in downtown Shreveport. Additional higher education programs could be offered in a



A multi-institution higher education facility would provide space for satellite educational activities.

Downtown Higher Education Center. The center would provide space for local and non-local higher education institutions to offer programs in a satellite location convenient to Shreveport residents, with a focus on offerings not currently available in Shreveport. This could include both on-site instruction and distance learning. While graduate degree programs are in particularly short supply, the center could offer a range of programs to fill gaps, including undergraduate, graduate, and corporate training. A successful model is the Learning Center for Rapides Parish in Alexandria, which houses a wide range of on-site and remote programs from the developmental to the graduate level. The center was funded by the Board of Regents, which leases space to individual educational institutions. The Downtown Development Authority, working with local higher education institutions, should take the lead in this initiative, conducting a market and feasibility analysis as a first step.

D. Ensure the availability of child care, social services programs, and transportation alternatives that workers need to be reliable employees while meeting personal and family obligations.

Actions

1. **Improve SporTran routes and schedules to better match the needs of transit-dependent workers and develop more flexible alternatives to large-bus fixed-route systems.** (See Chapter 8.)
2. **Conduct a child care assessment and develop a child care services plan.**

While workforce development and human service professionals recognize that lack of quality, affordable child care is a barrier to employment for many single parents, there is little comprehensive information about child care supply and demand in Shreveport. An assessment of child care needs and services should be conducted to guide future efforts to address child care gaps. The Community Foundation of Shreveport-Bossier could lead this initiative.

E. Develop a local funding stream for career education to partially offset cuts in state higher education funding and support innovative education and workforce-training partnerships between industry and higher education institutions.

Action

1. **Establish a Caddo Career Education Trust Fund.**
The purpose of the fund would be to partially offset drastic cuts in state higher education and adult education funding and support innovative education and workforce training partnerships between employers, higher education institutions, and other adult education providers. The fund could be supported from public and private sources such as a local tax on natural gas extraction, a small dedicated millage rate, and corporate and philanthropic donations. The business-higher education partnership proposed above could play the lead role in this initiative.

Goal 3

Create a stronger entrepreneurial environment that supports new business ventures and small business growth.

Policy:

- *Support the needs of entrepreneurs and strengthen linkages between academic institutions and entrepreneurs.*

STRATEGIES

A. Expand training and technical assistance for start-up and early-stage businesses.

Actions

1. Establish an entrepreneurial support system to help early-stage businesses survive and grow.

While Shreveport has training and technical assistance programs to help small businesses get started, it lacks programs to help them survive and grow during their early stages. Shreveport could draw from a successful model in Central Louisiana called the Entrepreneurial League System that provides early stage businesses with intensive coaching from experienced businessmen, peer support through “success teams” of businesses with similar skill levels, and business-to-business networking opportunities through events and Web-based tools. The program also seeks to engage government, business, and civic leadership to create a more supportive entrepreneurial environment. Economic development professionals should identify an appropriate home for such an initiative. The new Accion program is a strong possibility because of its extensive expertise in business technical assistance as well as lending.

2. Expand entrepreneurial training programs as necessary to meet increases in demand.

A number of organizations—including the City of Shreveport Community Development Department,



An entrepreneurial support system that provides coaching to entrepreneurs will help early-stage businesses to survive and grow.

Southern University, and LSUS Small Business Development Center—provide entrepreneurial training. Entrepreneurial training providers should work together to assess demand for such programs, identify gaps in program capacity or content, and develop collaborative strategies to address any gaps. The new EDC could coordinate this effort.

3. Conduct targeted outreach to minority and economically disadvantaged business owners.

While minority and economically disadvantaged business owners often need assistance to sustain and grow their businesses, they are also often unaware of or isolated from organizations that provide such assistance. The area’s business assistance organizations should work cooperatively to develop targeted outreach efforts to these businesses to increase their awareness of and comfort level with using available assistance. This should involve personal contact using outreach workers with strong connections in targeted communities. In addition to marketing business assistance programs, outreach workers could obtain information from these entrepreneurs on how services could be made more responsive to their needs.

B. Increase capital availability for new business ventures.

Actions

1. Promote the formation of “angel” investment funds to seed early-stage, high-growth enterprises.

Local small-business advocates point to a lack of small amounts of higher-risk, early-stage capital to fund small business startup and early growth. Yet Shreveport is also said to have many high-net-worth individuals who invest in the local oil and gas industries but not in startup and early-stage firms in other industries. The private sector should take the lead in creating funds that tap local wealth for startup and early-stage business financing. The Committee of 100 should lead this effort, bringing in local high-net-worth individuals and financial advisors who have sought to promote more local entrepreneurial investment.

2. Increase financing of minority business ventures.

A report being prepared for the Strategic Action Council and scheduled for delivery in early 2011 will include recommendations to increase minority business financing and other forms of support for minority business development.

C. Develop space with the layout, services, and amenities sought by small, entrepreneurial companies.

Action

1. Conduct a feasibility study of adaptive re-use of vacant or underutilized downtown properties as multitenant spaces for small technology and creative businesses.

These could build on the model of CoHabitat Shreveport, a shared workspace for small entrepreneurs and creative workers recently developed with support from the Downtown

Development Authority and the Greater Bossier Economic Development Foundation.

D. Increase contracting opportunities for small and economically disadvantaged businesses with large local corporate and government purchasers

Action

1. Develop a program to increase procurement opportunities for minority and disadvantaged businesses.

The minority business development study currently being conducted for the Strategic Action Council will include recommendations for initiatives to provide technical assistance and access to financing for minority business suppliers and vendors intended to enable them to increase their sales and profitability. One potential model is the Minority Business Accelerator in Cleveland, Ohio. The MBA works with minority-owned enterprises to increase their capacity and create new business opportunities so that they can boost sales and employment. Its primary focus has been to increase procurement opportunities with large firms and institutions. In its first two years of operations, it assisted 20 companies to secure contracts totaling more than \$55 million.

E. Strengthen linkages between academic institutions and entrepreneurs through collaborative research and effective technology transfer mechanisms.

Action

1. Follow through on an earlier CERT plan to establish a regional tech-transfer office to be shared by member higher education institutions.

Currently, the only regional institution with a fully staffed technology-transfer office is Louisiana

Tech. A regional tech-transfer office could catalogue the research of member institutions and handle patenting and licensing of marketable inventions. It could also catalogue the research specialties of individual faculty and research staff and broker partnerships with industries seeking research assistance and technical expertise.

Opportunities Network (NEON) by marketing Shreveport’s positive attributes, connecting job seekers to employment opportunities, and developing social networks to create a greater sense of attachment to the community among younger residents. These two organizations should take the lead in this initiative.

Goal 4

Make Shreveport a community of choice for highly-skilled entrepreneurs and professional workers by enhancing job opportunities and quality of life.

Policies:

- *Support for new initiatives that focus on business retention and recruitment and the retention of local graduates.*
- *Improve quality of life through investments in education, arts and culture, recreation.*
- *Create downtown and neighborhood environments that are attractive places to live, work, and play.*

STRATEGIES

A. Strengthen communication tools targeted at young adults.

Action

1. **Tap Shreveport’s emerging young leaders to develop a marketing and social networking campaign to attract and retain young talent.** Shreveport is viewed by many as offering a good quality of life but lacking high-wage job opportunities that would counter the drain of young talent. Yet there are significant numbers of well-paying jobs in many fields, including health care, oil and gas, digital media, and professional and technical fields. The community should build on recent efforts to attract and retain talent such as the Shreveport Chamber’s Young Professionals Initiative and the North Louisiana Employment

B. Encourage more local youth to remain in Shreveport as they begin their careers by connecting local high school and college students with business and professional networks and providing early work opportunities.

Action

1. **Expand internship opportunities with local employers for local college students.** The best way to attract and retain talent is to provide good job opportunities. In the long run, Shreveport should strive to develop the knowledge industries that provide high-quality jobs. In the short run, it can undertake initiatives to connect people with jobs that already exist. One way would be to develop more internship opportunities for local college students through a business-higher education partnership. Such a program would help students to become more aware of local job opportunities and to develop relationships in the business community that would help them find good jobs when they graduated. The North Louisiana Economic Partnership and the Committee of 100 recently developed a plan for such a program and are seeking implementation funding.

C. Invest in arts and culture, entertainment and recreational amenities.

Action

1. **Discussed in Chapter 4 and Chapter 5.**

D. Promote the development of downtown neighborhoods offering a lifestyle sought by younger workers.

Action

1. Discussed in Chapter 10.

E. Promote Shreveport as a retirement location

Shreveport should market itself as a place for retirement—as Bossier City already does.

Actions

1. Request a listing for Shreveport on the Encore Louisiana Commission website (www.encorelouisiana.com)
2. Market to real estate agents the advantages of Shreveport as a retirement location.
3. Create a retirement website or webpage.
4. Work with the health care industry to market Shreveport for retirement and assisted living.

Goal 5

Improve the business environment through improving the availability and/or reducing the cost of land, suitable buildings, and public infrastructure, and improving the regulatory environment.

Policies:

- *Provide sufficient land for a range of commercial and industrial uses, as well as buildings and infrastructure.*
- *Streamline business regulations while maintaining appropriate safeguards.*

STRATEGIES

A. Reduce the time and cost involved in meeting local regulatory requirements.

Action

1. Establish a one-stop shop to handle permitting and licensing issues.

The business retention and expansion program in the proposed Shreveport-Caddo Economic Development Corporation described above could include a regulatory-assistance unit. This unit would be the contact point for businesses requiring permits, licenses, zoning approvals, etc. It would identify which regulations apply, provide referrals to appropriate agencies and departments, coordinate meetings and inspections, and intervene to resolve bottlenecks. Through its hands-on experience working on these matters, the unit could also develop recommendations for reducing regulatory burdens.

B. Provide sufficient land for the various needs of commercial and industrial uses.

Action

1. Discussed in Chapter 12.

D. Getting Started

Early actions that are not costly will provide a foundation for more ambitious activities.

ACTION	RESPONSIBLE PARTY
Establish the Shreveport-Caddo Economic Development Corporation to lead local economic development efforts	Mayor; City Council; Parish Commission
Develop a facility reuse and adjustment strategy for GM plant	North LA Economic Partnership; City economic development staff initially, Shreveport-Caddo EDC when established
Target industry recruitment to oil and gas service firms	North LA Economic Partnership; City economic development staff initially, Shreveport-Caddo EDC when established
Develop a coordinated regional health care marketing initiative	Health care institutions, with support from City economic development staff/Shreveport-Caddo EDC and North LA Economic Partnership
Develop a strategic plan for biomedical applied research and technology transfer	Biomedical Research Foundation; LSUS-HSC; LSUS; Louisiana Tech
Establish a regional workforce alliance to strengthen adult workforce development.	Workforce Investment Boards 70 and 71; LA Workforce Development Commission; North LA Economic Partnership
Conduct targeted outreach to minority and economically disadvantaged business owners to increase access to business support services	Partnership of existing business assistance providers: LSUS Small Business Development Center; Accion; Southern University Small Emerging Business Development Program; City Community Development Department
Develop marketing and social networking campaign to attract young talent	Shreveport Chamber's Young Professionals Initiative; North Louisiana Employment Opportunities Network
Market Shreveport as a retirement location	Mayor's office; Chamber of Commerce; Encore Louisiana Commission