Gulf Coast Business Reinvestment Forum
Working Group Reports

U.S. Chamber of Commerce
Washington, D.C.
November 28-29, 2005
1. Image Building and Crafting the Media Message
**Key Strategies**

**Short Term:**

- Leverage Corporations to deliver a Advertising Campaign that focuses on “Common Ground” across the Gulf Coast
- Use Private Sector to influence legislation through the “Hill” and “Roll Call”
- Have National Broadcast and Cable to Broadcast from the Gulf Course (Multi-state, multi-city broadcast)
Key Strategies

Long Term:

• Take a Multi-State Story on the Road throughout the US
• Have Regional Bus Tours for Site Selectors and Prospects
• Develop “Box Scores” to demonstrate success in the Gulf
• Conduct a Conference on the Future of the Gulf Coast
  – Led by a Futurist
  – Tap into University Intellectual Assets
Audiences

- Congress and Voters
- Tourism/Convention Industry
- Business Decision Makers
- Tourists
- Investors/Developers
- International Business
- Opinion Leaders
- Displaced Citizens
Key Messages (Categories)

- Tourism – Good Place to Visit
- Help From Congress
- Strategic Assets – Energy and Transportation
- Opportunity and Future --- Good Place to Work
- Open for Business
- Rebuilding the Gulf Coast
- Risk Management
Delivery Systems

- Print (newspapers, magazines)
- TV
- Cable
- Radio
- Web Sites/Portal
- Visits
- Direct Mail
How we Measure Success

- Perception Analysis
- Corporate Support for Campaign (Companies and Dollars)
- Positive Earned Media
- Congressional Funding
- Private Sector Investments
- Prospects, Visits, Inquiries
- Tourism (Conventions booked, Tax Revenue)
- Content Analysis of Stories
- College Applications (Out of State)
- Unemployment Data/Employee Returns
Image Building and Crafting the Media Message

Appendix
Strategies

- Co Sponsor and Leverage Corporate Ads
- Have Reporters write about ad campaigns/business efforts
- Develop common ad for gulf course region (energy, distribution, energy, oil and port, lab)
- Convene CEOs to underwrite the message in this advertising effort
- Develop stories about bringing workers back
- Leverage corporations to influence legislation where there is common ground
- Use “Hill” and “Roll Call” to reach congressional delegations with private sector funds
Strategies

- Use entertainment ambassadors to carry positive message about GC present and future
- Conduct media briefings using economic development professionals and CEOs for maximum impact
- Demonstrate success “box score” indicators
- Target company newsletters
- Get on national talk show circuit (e.g. Oprah, John Stewart)
- Encourage national media to look at the GC as a region
- Take the GC story on the road with joint marketing efforts
Strategies

• Bring media to the region to broadcast morning shows at various locations in the four states
• Conduct tours for site selectors and prospects with a regional focus if possible
• Hold invitation only conference led by futurists that will explore what the new GC would look like (Universities, K-12, workforce, R&D)
• Collaboration of Workforce Investment Boards in 4-state area
• Create a general information portal that would provide information across region (business, land availability, workforce, infrastructure, incentives)
Key Messages

Tourism – Good Place to Visit
- America’s Gulf Coast: Still a Great Value
- America’s Gulf Coast: Still a Great Experience
- Great Place to combine a good job with the good life
- Gulf Coast Entertains America
- Gulf Coast is a Unique Cultural Treasure! (Cajan, Creole, Slavic, Vietnamese, Black, French, Spanish, Hispanic, etc.)

Help From Congress
- Do not forget the need to fund the 4-state effort to recovery
- Not a question of if disasters will happen but when. Gulf Coast reconstruction can be a model for the future.
- Katrina & Rita: Not a Gulf Coast Problem, but an American Problem
- The “Hill” and “Roll Call - We’re all in this together and the reasons why the entire nation is impacted by the future of the Gulf Coast
- Grateful for Help but we will prevail regardless”
Key Messages

Strategic Assets - Energy

- Objective: Communicate importance of Gulf Coast Region energy resources to US. Use facts of loss and production and impact to far away cities.
- Gulf Coast Fuels America
- America’s Gulf Coast is America’s Energy Coast – Keep it Strong
- Gulf Coast is Fueling the engine of America (its homes, its cars, its economy)
- The Gulf Coast Region is the Energy Canteen of the Nation
- Gulf Coast is a Strategic Asset for the US: Energy, Transportation, Defense

Strategic Assets - Transportation

- Gulf Coast Feeds America
- Gulf Coast is a Strategic Asset
- Gulf Coast: The Heartlands Gateway to the World (Transportation/Agriculture)
Key Messages

Opportunity and Future --- Good Place to Work
- Create Your Future in the Gulf Coast
- Rebuild Your Future in the Gulf Coast
- America’s new Gulf Coast – be a part of our progress
- Where there is challenge, there is opportunity
- Challenge = Opportunity
- The Gulf Coast: Opportunity now and in the Future

Open for Business (Business Attraction)
- Gulf Coast is Open for Business
- Companies/Investors: Performing due diligence before storm and continue to do so
- Primary location factors are still in tact
- Various impact prospects scheduled for completion are on schedule
- We are Here!! Where are You??
- America’s Third Coast – the Gulf Coast – Its Energy, Transport and all that Jazz, but a whole lot more
Key Messages

Risk Management
• Construction/Engineering – Methods exist to mitigate risk impacts

Rebuilding the Gulf Coast
• Biggest Reconstruction project in history
• Region likely to have most modern infrastructure in 5-10 years
• Region will do everything it can to make it likely your business will succeed
• We will rebuild better than before, so you can be confident
• Come home and work (displaced citizens)
2. Legislative Agenda
Legislative Agenda

Top Priority Items for Federal Legislative Agenda that should include all affected areas

1. Access to Business Capital
   9/11 style grants
   Bridge loans
   Improved SBA operation
   Vehicles for cash-based businesses
Legislative Agenda

2. Gulf Opportunity Zones
   - Tax exempt bonds similar to Liberty Bonds from 9/11
   - IRB’s with Treasury Cost of $6-8 billion over 10 years
   - Tax Credits – better funding and include census tracks included in presidential declared areas
Top Priorities

3. Comprehensive Hurricane Protection and Coastal Restoration

Create protection for Category 5 storms
Remove moratorium on off-shore drilling, Includes increased portion of revenue share to states
Top Priorities

4. Expand Opportunities for Housing at all Income Levels

Expand HUD funding (currently $2.2 Billion) for owners and renters so more people can access programs now for first time buyers

Endorse housing redevelopment agency in style of Baker bill for areas that want it
Top Priorities

5. Equitable Tax Relief for all Affected Areas
Maximizing Our Strength

• The group decided that the states would be better served by presenting a united front on the priority issues.
Looking in the Mirror

- The Chamber should establish a Gulf Coast Disaster Working Group to coordinate implementation of these ideas
Working Group Title

- **Other Important Items**
  - Support $8 billion bill for VA, Federal, and Military installations
  - Resolve casinos issue quickly, one way or the other
  - Block grant funding for impacted NGO’s (e.g. hospitals, universities)
  - Endorse housing redevelopment agency similar Baker bill for affected areas
  - Change funding formula
  - Rescind moratorium on off-shore drilling to raise new revenue for recovery; increase state’s portion
Current Bills Needing Attention

The Supplemental Bill

- Access to Capital
- Need provisions for getting SBA loan program working
- Bridge Loans
- Housing
  - Finance and Programs

Ways and Means Appropriation

- Gulf Opportunity Zones
Policy Suggestions

• Allow internet sales tax for businesses in affected areas
• USDA should revisit its definitions of rural/exurban areas, since this affects funding for recovery
• Change timing of BRAC in light of recovery needs.
3. Infrastructure for Economic Development
Infrastructure for Economic Development

- Needs Vary Across the States
- What is Level of Our Response?
  - State of Art Vs Simple Replacement
  - Population Dependent
  - States Have Analyses Underway
Infrastructure for Economic Development

- Master List of Infrastructure Needs
- Decide What We Want To Be
- Benchmark
- Cost Estimates
- Funding Sources
- Execution
- Sustainability
Infrastructure for Economic Development

Short Term

- Housing
  - Building Codes
  - Insurance
- Debris Removal
- Labor Shortages
- Basic Quality of Life Services
  - Water/Sewer
  - Schools
- Venture Capital Attraction
Infrastructure for Economic Development

- Decision-making at Local and Federal Levels
- Need for Federal Agencies to Establish Parameters of Their Programs for States
- Regional Coordination for Effective Communication of Needs
- Group Meeting With Federal Agencies
Infrastructure for Economic Development

Long Term

- Environmental Science Management
  - Levee and coastal protection
- Governance/Coordination
- Energy Availability
- Contingency Planning
- Sustainability
4. Workforce Development
Workforce Development
Guiding Principles

• Job Number 1 is focusing on the short term challenge of getting regional workers employed and businesses running

• The short term solutions should be designed to support long-term responses to existing workforce challenges

• This crisis provides a real opportunity to foster better integration between regional workforce, economic development, and community development efforts – lets use it
Workforce Development
Regional Structural Challenge Exacerbated by Short Term Storm Dislocations
Workforce Development
Overarching Goals and Benchmarks

– GOAL: A streamlined delivery system that is responsive to recovery needs AND long term workforce needs

– Benchmarks:
  • Short Term
    – Percentage of Posted Jobs Filled
    – Decrease in unemployment rates
  • Medium Term
    – Increase in level of education in workforce
    – Increases in average wages of employed workers
    – Ongoing reduction in unemployment rate
    – Increased rate of business start-ups
Workforce Development
Key Issues

• Making the Existing Regional Workforce/Economic Development System Work (The “Hum” Group)

• Marketing/Outreach/Matching

• Long Term Focus on Skill Development
Workforce Development
The Hum Group

• Convene a Gulf Coast Summit on Workforce (Short Term)
  – Aim to integrate and collaborate more (including Economic Development leaders)
  – Focus on better meeting business community needs
  – Industry sector focused

• Build the *Metro Alliance* by enacting an alignment agreement between workforce boards in New Orleans labor market area region (Short Term)
  – Work in lock step for 24 months
Workforce Development
The Hum Group

• Reconstitute Workforce Investment Boards to meet Recover, Rebuild, Renew goals (Short Term)
  – New people and new organizations – get right people in the right place
• Restructure One Stop Career Centers to add strong business support services
  – Attract business community to participate more
• Use federal funds as part of an integrated strategy
• Create an inventory of federal and state resources for workforce development
  – Best practices in recruitment, assessment, placement and training
Workforce Development Marketing/Matching

- Implement Integrated Marketing Campaign focused on business and workers using multiple communications media
- Optimistic Theme: “We are on the way back and want you to participate”
  - Featured jobs and success stories on radio
  - Collateral materials through Chambers and other groups
  - Church-based job fairs
  - Single 1-800 line for job search/job training info (a single help line that coordinates assistance)
  - Consolidated web-based job search and matching (underway with major private employment sites, like Monster, Yahoo, CareerBuilder)
  - Celebrity Endorsement and Rap Song
- Benchmarks: unemployment rate, jobs filled, calls to 1-800 line
Workforce Development
Long Term Skill Development

• Create Incentives for Attracting Higher Wage Employers
  – Corporate tax credits for companies that reimburse for higher education tuition (accredited colleges and universities)

• Develop Entrepreneurship
  – Specific funding through the Department of Commerce for Regional Entrepreneurship Institutes—leveraging/connecting existing assets

• Align Worker Skill Sets with High Growth Industry/Sector Targets
  – Dedicated funding from Department of Labor WIRED program for the affected region
Workforce Development

• Require extension of forbearance mortgage policy for at least 12 additional months to be spread over a repayment period of 3-5 years

• Establish a pool of low interest loans funds to rehabilitate single family and multi family housing; as well as new construction

• Re-invent FEMA/Federal government temporary housing programs
  – To be administered by local govt with market-driven site selection process
  – Expand definition of temporary housing
Workforce Development

Workforce Segmentation: Key Challenges by Segment

- **In Region**
  - Unskilled/Unready
    - Training
    - Recruitment (Long Term)
  - Skilled/Ready
    - Matching

- **Location**
  - Not In Region
    - Unskilled/Unready
      - Training
      - Recruitment (Long Term)
    - Skilled/Ready
      - Marketing
      - Housing
      - Matching

- **Matching**
- **Training**
- **Counseling**
- **Marketing**
5. Financial Tools for Large and Small Business
Financial Issues for Large Business

- Layoffs
- Incentives
- Depreciation & Amortization
- Housing
- Utilities & Refineries
Financial Issues for Small Business

- Definition of Small Business
- Tax Holidays
- Go zones
- Incentives maybe disadvantage
- Depreciation & Amortization
- Housing
- SBA Loan Delivery Bank role/risk in financing small bus.
- Grants / gap financing
- Loans/emergency short term
- CRA credit for lending activity
Financial Issues for Small Business

• Grants for immediate recovery need
• Fast/flexible Loans (Fed sponsored bridge loans)
• Tap private foundations for grants (tours of impacted areas)
• Local Non-profit Infrastructure
• **Delivery** (NY model)
• Goal=speedy recovery of small business
• Banks as conduit for capital (unconventional)
• Development of recovery models for business with flexibility for catastrophic efforts
Business Recovery Cycle

- **Event**
  - Shock Survival
  - Immediate Recovery
  - Recovery Opportunity

- **Shock Survival**
  - Grants; Business Assistance Centers

- **Immediate Recovery**
  - Bridge Loans
  - 0-low % loans
  - Flexible terms

- **Recovery Opportunity**
  - SBA, EDA
  - USDA loans; Procurement Contracts
Action Steps

• Passage of Go legislation package with 2-3 changes
  – Fed backing of municipal bonds; Accelerate delivery with wide range of intermediaries: existing organization
  – Push new market tax credits for impact area

• Congress to pressure SBA on GO Loans program
  – Confidence builder
  – Remove/Reduce fee Structure
  – Below market/discount Rates
  – Core small Business Recovery Loan program

• Support provisions/legislation that accelerates restoration of housing to assist business recovery
Action Steps

• Initial philanthropic programs to bring private, corporate...foundations resources for business recovery
  – Organize tour
  – Identify major sources and top needs
  – Identify local conduits for delivery

• State business plan to determine Intermediaries to use to speed delivery and system for doing so

• Communication of programs that are offered to small business

• Expedite expansion of technical assistance centers
6. Coordination and Implementation
Mission

• Prosperity in the Gulf Coast economy will require the persistent pursuit of the following strategic recommendations, along with the diligent monitoring of performance indicators.
Coordination and Implementation

Principles for Engagement and Rules for Coordination-Collaboration-Implementation

- Federal govt. no do what states can do
- Deal with affected areas as a regional bloc of common interests
- Coordinate topical working groups across all states and affected areas
- Establish clear ground rules for how resources are distributed
- Federal govt. should not be in the business of ‘running’ businesses
- Regulatory relief for economic recovery should have maximum flexibility in emergency situations
- Four affected states need to make a unified proposal for dollars with full support of governors, legislators, congressional delegation
- Use flexible ‘block’ grants to states for appropriate distribution of funds
- Governors prioritize regulatory waivers
- Need transparency and accountability to distribution, spending of dollars
- Federal govt should not invest in opportunities that are not sustainable and strategic (startup dollars are okay if promise sustainability, invest in leveraging investments, seek longer-term strategies versus short term temporary solutions)
Coordination and Implementation

Principles for Engagement and Rules for Coordination-Collaboration-Implementation

- “Block Grant” equals federal assistance to be provided as flexible grants to states to meet their individual scenarios and demands
- Federal, state govt. support should be stimulative of private investment
- Private sector should sit at the decision-making table
- After emergency response, state and local should be in leadership role and federal govt. should be responsive
- Federal govt. use resources for technical assistance around existing ‘innovation agenda’ being driven by US Council on Competitiveness, Southern Growth Policy Board, others
Establish and improve a communication plan/strategy to accelerate and enhance delivery of services - focus on citizens, interorganizational, and small-medium enterprises – to ensure effective implementation of strategy, enable users to efficiently access communications, take advantage of innovation methods (blogs, Craigslist)
Coordination and Implementation

Leadership, Implementation

• Four governors shall form a coalition to develop an unified plan in order to establish priorities to get appropriate levels of funding
• Four states consider cross-state working groups in key issue areas (e.g. workforce development, business reestablishment funding, etc.) – broadly representative of different sectors (business, economic, NGOs)
• Need independent body to establish metrics and track progress – identified by the collective leadership of the four Governors
• IEDC should assume responsibility for tracking progress as a neutral third party on critical action items from the Conference’s effort.
• Civic leadership should and must be central to this plan and the overall communication strategies and tactics