



Iberia Parish, Louisiana

Site Visit: August 25 to August 27, 2010

Economic Development
Assessment & Evaluation



1. Introduction

a. Deepwater Horizon Oil Spill

On April 20, 2010, an explosion and fire erupted on an offshore drilling rig in the Gulf of Mexico called the Deepwater Horizon, causing the rig to sink to the ocean floor. Eleven members of the Deepwater crew lost their lives. In addition, the riser connecting the Deepwater rig to the wellhead ruptured, causing large amounts of oil to flow into the Gulf of Mexico.

The Deepwater Horizon oil spill serves as a reminder of the sudden, severe, and wide-reaching impacts on communities when a disaster occurs. In responding to a disaster the immediate issues of health and safety are of paramount importance. As those issues are mitigated during the response, action is necessary to consider the economic recovery needs. The National Incident Command (NIC), which was established to coordinate the federal response to the Deepwater Horizon oil spill, formed the Economic Solutions Team (EST) in July 2010 to coordinate and spearhead NIC economic recovery efforts.

b. Project Objectives, Scope, and Process

In July 2010, the EST requested the assistance of the International Economic Development Council (IEDC), in partnership with the National Association of Development Organizations (NADO) and the Business Civic Leadership Center (BCLC), to perform economic development needs assessments in 21 impacted communities along the Gulf Coast. This effort was carried out through a grant from the U.S. Department of Commerce's Economic Development Administration (EDA).

The objective of these qualitative assessments was to provide comprehensive, customized, and capacity-building technical assistance for impacted communities. The assistance was meant to foster each community's ultimate development of its own strategies for economic recovery.

To accomplish this, the EST deployed assessment teams of economic development experts to conduct two-and one-half day site visits to 21 Gulf Coast communities. These experts were drawn from across the country and from different federal agencies involved with the recovery of communities impacted by the oil spill, and included staff members from IEDC, NADO, and BCLC.

The purpose of each site visit was to meet with a wide swath of key stakeholders from different sectors of the local community, including economic development leaders, political leaders, local government officials, business owners, workforce intermediaries, educational leaders, financial sector representatives, etc. Based on stakeholder-identified economic development needs, the assessment teams identified possible short- and medium-term strategies towards economic recovery that communities could consider.

Due to the contours of this project, the assessment teams did not conduct economic analyses or investigate the causes of any reported economic downturn or economic distress in the communities visited. The teams also did not independently verify the information provided to them by the stakeholders or the sources of data compiled outside of the federal government. The project was focused on providing comprehensive, customized, and capacity-building technical assistance from economic development and recovery experts.

This report is one of 21 customized reports that elaborate on the suggested recovery strategies. It is intended to capture the input from the community and provide some suggestions of recovery strategies based on past disasters, industry best practices, and economic development principles.

There is no “silver bullet” for economic recovery. The consideration and implementation of suggested strategies are at the discretion of communities, who must lead their own recovery processes.

c. Relationship between the Mabus Plan and the Assessment Teams

On September 28, 2010, Secretary of the Navy Ray Mabus presented to the President a comprehensive report titled *America’s Gulf Coast: A Long Term Recovery Plan After the Deepwater Horizon Oil Spill* (“Mabus Plan”). The Mabus Plan sets out a framework for recovery in the Gulf Coast focused on four areas: the environment, the economy, the nonprofit sector, and health care. The assessment teams played an important role in providing information, background, and community observations in support of the Secretary’s effort.

The Mabus Plan stresses that affected communities can benefit greatly from economic assessment, technical assistance, and capacity building. Through the work of the assessment teams, including the site visits and these final reports, the federal government has begun to deliver that kind of support. In addition, the federal government has collected and prepared numerous resources that may aid impacted communities in their recovery efforts. Some of these resources were included as part of the Mabus Plan and can be found here:

<http://www.restorethegulf.gov/sites/default/files/documents/pdf/recovery-resource-guide.pdf>

2. Background

a. Economic Overview of Iberia Parish, Louisiana

A good awareness of baseline information may be helpful for strategic planning purposes. The purpose of this section is to present data that may be useful in helping the community understand its demographic makeup and areas of economic concentration.

Iberia Parish is centrally located in the Gulf Coast and has a total area of 1,030.8 square miles of which 575.1 square miles is land and 455.7 square miles is water.¹ Located in the heart of the Louisiana Acadiana region, Iberia Parish is approximately halfway between Houston and New Orleans. Interstate 10, which runs east-west between the two cities, passes directly north of the Parish. Interstate 10 intersects with U.S. Highway 90, which travels directly through the Parish. Iberia Parish has intermodal transportation facilities, with the Port of Iberia, Acadiana Regional Airport, and a rail-to-truck facility. During the team's visit, it became apparent that these assets could provide a foundation for economic diversification.

Demographic information is provided in Table 1 below.

Table 1. Iberia Parish Demographic Information

2009 Population and Income*

Population	75,101
Civilian Labor Force (16 years old and over)	33,876
Median Household Income (Adjusted for Inflation)	\$43,204
Civilian Labor Force Unemployment Rate	7.6%
Poverty Rate	18%

* Source: U.S. Census Bureau. *2009 American Community Survey 1-year Estimates*. For further information, see Appendix b.

In addition to New Iberia, five separate communities are located in the Parish: Jeanerette, Delcambre, Loreauville, Lydia, and Coteau.

Area attractions include Avery Island, home of world-famous Tabasco brand pepper sauce; Rip Van Winkle Gardens; the oldest operating rice mill in the U.S. at the Konriko Company Store/Conrad Rice Mill; and Shadows-on-the-Teche, the only National Trust historic home and gardens in Louisiana.²

¹ U.S. Census Bureau. *Geographic Comparison Table*. http://factfinder.census.gov/servlet/GCTTable?_bm=y&-context=gct&-ds_name=DEC_2000_SF1_U&-CONTEXT=gct&-mt_name=DEC_2000_SF1_U_GCTPH1_ST7&-tree_id=4001&-redoLog=false&-caller=geoselect&-geo_id=&-format=US-25|US-25S&-lang=en

² Iberia Parish Government. Retrieved from www.iberiaparishgovernment.com

i. *Economic Anchors*

A large portion of the Parish is devoted to agricultural production. In fact, Iberia Parish is the largest producer of sugarcane in Louisiana.³ Food processing is important to the Parish, which is home to Tabasco brand products and Bruce Foods; however, according to local stakeholders, the Parish used to have more food-processing facilities, many of which consolidated, shut down, or moved away.

Fishing, shrimping and shrimp processing are also major segments of the Iberia Parish's economy. Delcambre is the major population center in the west of the Parish, and much of its economy is based on the fishing industry. Stakeholders expressed that, in recent years, the fishing industry has been on the decline, however, and numerous hurricanes (in particular, hurricanes Rita and Gustav) have heavily affected the Iberia Parish coast. Many Iberia Parish fishermen expressed that they have been unable to recover from the succession of natural disasters.

A wide variety of national and international companies are headquartered in Iberia Parish. Mining, manufacturing, and construction are the three industries in Iberia Parish that employ more than 3,000 people each and pay an average weekly wage above \$800. In addition, health care, agriculture/aquaculture, and tourism are important to the Parish economy.⁴

The top five industries in Iberia Parish, by employment, are provided in Table 2 below.

Table 2. Top Five Industries by Employment in Iberia Parish: 2009

Industry	Employees	# of Establishments
Manufacturing	4,097	140
Health Care and Social Assistance	3,574	223
Retail Trade	3,420	279
Construction	3,383	148
Mining	3,292	72

Source: Bureau of Labor Statistics. *Quarterly Census of Employment and Wages*. Retrieved from <http://www.bls.gov/cew/>⁵

³ United States Department of Agriculture. (2010). *2009 Louisiana Sugarcane Parish Estimates*. Retrieved from

http://www.nass.usda.gov/Statistics_by_State/Louisiana/Publications/Parish_Estimates/Sugarcane09.pdf

⁴ Louisiana Department of Labor. *Employment and Wages 3rd Quarter 2007*. Retrieved from

http://www.laworks.net/LaborMarketInfo/LMI_WageData2002toPresent.asp?year=2007&qtr=3

⁵ **Note:** The above listed Bureau of Labor Statistics (BLS) categories may not correspond to the major industries identified by the community. This is because some locally-identified industries may be represented by one or more BLS categories. For example, the commonly identified "tourism" industry may contain businesses in the BLS "Accommodation", "Food Services", and "Retail" categories. Therefore, readers should consider all BLS employment data with this understanding.

Despite the many assets in the Parish, 97 percent of Iberia’s businesses are small businesses.⁶ Local stakeholders identified that this reliance on small businesses makes the Parish very vulnerable to economic downturns and disasters like the Deepwater Horizon oil spill. Demonstrating the sensitivity of the local economy, Iberia Parish’s unemployment rate spiked from 2.8 percent in April 2008 to 8.9 percent in January 2010.⁷

b. Iberia Parish Economic Development Delivery System

Local stakeholders affirm that Iberia Parish has a broad economic development delivery system with multiple partners that often work in tandem. The capabilities of the Parish economic development delivery system could present an opportunity for further regional coordination and collaboration. Its efforts are described below.

Iberia Economic Development Authority⁸

The Iberia Economic Development Authority is a public, state-chartered authority that facilitates economic development activities for Iberia Parish, Louisiana. It was created as an arm of government and serves as a central hub for development activities within the Parish, including collection and maintenance of vital statistics and demographics, coordination between local government and potentially relocating businesses, as well as establishing a plan to ensure business development in the future.

Iberia Industrial Development Foundation⁹

The Iberia Industrial Development Foundation was established in 1984 as a quasi-public foundation and serves as a primary facilitator of economic development activities for the Parish of Iberia and for the communities of New Iberia, Jeanerette, Loreauville, and Delcambre, as well as the Port of Iberia, Acadiana Regional Airport, and LeMaire Memorial Airport Industrial Park Complexes.

The foundation is a member-driven organization made up of both public entities and private business members. It is governed by a 20-member board of directors made up of local business leaders and representatives from all the local governing bodies.

In addition to recruitment of new business and economic development for the Iberia community, the foundation also offers business advisory services to existing local businesses in an effort to help them grow and prosper, and provides a central location for dissemination of information on available resources designed to create business opportunities.

Greater Iberia Chamber of Commerce¹⁰

The Greater Iberia Chamber of Commerce is a 501(c)(6) not-for-profit trade organization, and is nonpartisan and nonsectarian. This Chamber serves three municipalities: New Iberia, Loreauville,

⁶ According to the U.S. Census Bureau, 4 businesses out of 1,732 businesses in the Parish have 500 or more employees. <http://www.census.gov/econ/cbp/>

⁷ Bureau of Labor Statistics. *Unemployment Rates*. Retrieved from <http://www.bls.gov/lau/home.htm>

⁸ Iberia Economic Development Authority. Retrieved from www.iberiaeda.org

⁹ Iberia Industrial Development Foundation. Retrieved from <http://www.iberiabiz.org/site.php>

¹⁰ Greater Iberia Chamber of Commerce. Retrieved from www.iberiachamber.org

and Delcambre; and the unincorporated areas of Iberia Parish. The Chamber focuses its efforts on public policy and infrastructure issues which impact business in the area.

In implementing its mission of developing the business environment so members can grow and prosper the Chamber works in collaboration with the Iberia Industrial Development Foundation, the Iberia Economic Development Authority, the Iberia Parish Visitors' and Convention Bureau, the Acadiana Airport Authority, parish and city governments, and the Acadiana Regional Alliance. The Chamber is managed by two full-time and one part-time staff members and a board of directors composed of 21 volunteers.

Louisiana Economic Development¹¹

Louisiana Economic Development is responsible for strengthening the state's business environment and creating a more vibrant Louisiana economy. Its vision is to reposition Louisiana as the next great American state for business investment, quality of life, and economic opportunity, and its mission is to lead economic development for the state of Louisiana.

Louisiana Workforce Development Commission¹²

The Louisiana Workforce Development Commission is an advocate for a trained, viable workforce and is committed to a strategy of career ladder employment for Louisiana citizens. The Commission works closely with employers, workers, and job seekers to determine how best to meet their employment and training needs. The Louisiana Workforce Development Commission has several central goals: implement Louisiana's comprehensive workforce development reform initiatives; provide quality workforce solutions through an integrated workforce development system; maintain the integrity of the Unemployment Insurance and Workers' Compensation systems through regulatory compliance; increase the state's economic competitiveness; help retain and expand existing businesses; and increase workforce participation.

Louisiana Recovery Authority¹³

The mission of the Louisiana Recovery Authority is to ensure that Louisiana rebuilds safer, stronger, and smarter than before hurricanes Katrina, Rita, Gustav, and Ike. The Louisiana Recovery Authority has five areas of focus: securing funding and other resources needed for the recovery; establishing principles and policies for redevelopment; leading long-term community and regional planning efforts; ensuring transparency and accountability in the investment of recovery funds; and communicating the progress, status, and needs of the recovery to officials, community advocates, and the public.

3. Community-Identified Economic Assets

This section describes community perceptions of Iberia Parish's core economic assets, as described throughout discussions with the assessment team about areas to focus on during the economic recovery process.

¹¹ Louisiana Economic Development. Retrieved from <http://www.louisianaeconomicdevelopment.com>

¹² Louisiana Workforce Development Commission. Retrieved from <http://www.laworks.net>

¹³ Louisiana Recovery Authority. Retrieved from <http://lra.louisiana.gov/splash>

a. Oil and Gas

The Port of Iberia, with 5,000 employees and a \$160 million payroll, generates \$1 billion in economic impact for the region and is a regional center for oil and gas services, manufacturing/fabrication, and maintenance and repair.¹⁴ Stakeholders estimate that approximately 90 percent of the 100 businesses in the Port are related to the oil and gas industry and that port employees commute from seven surrounding parishes. In the long term, stakeholders expressed that the port's future depends on securing funding for expansion, deeper water capacity for ships, and improved infrastructure.

The region boasts a high concentration of helicopter activity. Much of this capacity provides logistical support for oil rigs near the regional airport. A local business, Air Logistics Bristow, provides helicopter tracking for offshore oil rigs and as well as aircraft maintenance and repair services. For instance they paint many of Fed Ex's planes. Economic development stakeholders have expressed interest in expanding economic activity to build on this expertise.

b. Agriculture

The agriculture industry is a consistent contributor to the Parish's economy. Numerous large farming operations in Iberia Parish produce high yields of both sugarcane and soybeans. According to locals, the Parish is seen as a headquarters for sugar production in the region, although the number of sugar processing mills has declined by half over the last eight years. Locals are uncertain about future agricultural output, however, because of the uncertainties of weather, the impact of foreign imports on aquaculture, and increasing fuel and fertilizer costs.¹⁵

c. Aquaculture and Food Processing

Local stakeholders assert that the aquaculture and food processing industries (e.g., shrimp, fish, oysters, crawfish) are very important to Iberia Parish. Industry stakeholders note that they have survived numerous challenges in recent years from hurricanes and the oil spill, and have the potential for expansion and for value-added processing of aquaculture products. One of the region's largest employers is McIlhenny Food Co., global home of "Tabasco" brands, on nearby Avery Island. The plant generates hundreds of millions of dollars in revenues and exports product around the world.

Also, stakeholders provided that Delcambre is the closest deepwater port access for the city of Lafayette in neighboring Lafayette Parish. The community is trying to reinvigorate Delcambre fishing by developing a Delcambre direct seafood line, through which people from around the region can purchase shrimp directly off the boats, in person or online. According to locals, the program has been successful thus far, and could be a major benefit for the community as it establishes a fresh fish market exchange.

¹⁴ Port of Iberia's website. Retrieved from <http://www.portofiberia.com/facts.php>

¹⁵ Acadiana Regional Development District. (2010). *2010 Acadiana Regional Development District Comprehensive Economic Development Strategy*.

d. Tourism

The city of New Iberia is situated in what is known as the “Heart of Cajun Country,” and tourism is an important economic driver in the region. Numerous visitors are attracted to the food and music, to festivals, to antebellum homes, state parks, and to the McIlhenny Company’s facility on Avery Island.¹⁶

e. Health Care

Iberia Parish is increasingly becoming a health care destination for the immediate area, and the sector provides more than 3,500 jobs in the Parish.¹⁷ The city of Lafayette, in neighboring Lafayette Parish, contains the greatest concentration of doctors and hospitals in the region, including specialty hospitals (e.g., extended care, heart, surgical)¹⁸, and Iberia Parish stakeholders note that these nearby assets have spillover benefits to Iberia Parish. In addition, Iberia Parish is home to research and development initiatives at the University of Louisiana-Lafayette’s New Iberia Primate Research Center, which conducts primate studies for worldwide pharmaceutical companies. Regional economic development officials also suggested that research on obesity and diabetes, as well as specialty health care and manufacturing of pharmaceuticals, were on the increase.

4. Challenges and Key Recovery Areas

Working from conversations with stakeholders during the site visits, the assessment team identified several core areas to consider when thinking about the community’s economic recovery needs.

a. Coastal Protection and Restoration

The Gulf Coast has experienced many large hurricanes over the past few years, so many parish locals have expressed interest in coastal protection and hazard mitigation. Hurricanes Katrina, Rita, Gustav, and Ike severely affected the Parish. One possible mitigation solution that locals identified during the meetings is coastal restoration. Locals are concerned that the wetlands and barrier islands in Louisiana are disappearing destroying natural barriers to hurricanes and flooding. Coastal protection stakeholders stated that fishing is also adversely affected when freshwater marshes are increasingly invaded by salt water, disrupting natural ecosystems. Another suggestion to restore the coast was implementation of “beneficial dredging” to use the silt that is dredged from coastal channels to help restore the wetlands.

b. Small Business Assistance

The Iberia Parish community identified several core small business needs that could be addressed in economic recovery planning. The main issues are:

¹⁶ Iberia Economic Development Authority. Retrieved from www.iberiaeda.org

¹⁷ Louisiana Department of Labor. *Employment and Wages 3rd Quarter 2007*. Retrieved from http://www.laworks.net/LaborMarketInfo/LMI_WageData2002toPresent.asp?year=2007&qtr=3

¹⁸ Acadiana Regional Development District. (2010). *2010 Acadiana Regional Development District Comprehensive Economic Development Strategy*.

Business Continuity

The parish does not have a business continuity kit for small businesses. A business continuity kit for small businesses would entail a list of actions that businesses can carry out ahead of time to prepare themselves for disasters. The kit would include recommendations like businesses keeping redundant systems, protecting their financial records, coming up with a plan for employee absences, etc. Members of the business community expressed that such a kit would be greatly beneficial to businesses attempting to recover from natural or manmade disasters or economic challenges.

SBDC Capacity-Building

The Small business development center (SBDC) housed at the Iberia Industrial Development Foundation. The services are provided to businesses for free; however, resources are needed to fund the services and expand them. Additionally, some members of the Parish community expressed that too few local businesses are aware of the services the SBDC offers and that better advertisement of SBDC services is necessary.

Small Business Incubator

Also, there is no business incubator in the Parish. Some members of the Parish community expressed that the development of a small business incubator could help entrepreneurs in the community. Other parishes have hosted small business summits, which Iberia Parish has considered. Technical colleges could be major participants in creating the possible new business incubator. Linking the colleges with the business incubator may create robust training and technological resources for budding entrepreneurs. Technical colleges could also be helpful in developing partnerships with local businesses to utilize employer-based training resources. This may help expand training capacity in the Parish and assure relevance to employers.

c. “False Economy”

Also, locals expressed that over the summer, the economy was temporarily supported by spending on cleanup efforts and federal government officials coming to the area, thus creating a “false economy.” They expressed concern that the phase-out of oil spill response activity could cause the community to face another economic hit.

d. Stemming Retail Leakage

A number of years ago, local stakeholders realized that the transient nature of the Parish workforce had both benefits and drawbacks. Locals state that a significant portion of the Parish’s workforce live outside of the Parish and commute into the Parish daily. They note that this brings significant revenue to the community, however, expressed that, as a result, the Parish has a smaller workforce within its boundaries. Wanting to learn more, the Parish commissioned an in-depth study into its retail sector. The consultant found that the Parish has a \$200 million retail surplus (people traveling into the Parish to purchase items), but also a \$55 million retail leakage (people leaving the Parish to purchase items). The consultant identified 150 local retailers that match what people are buying in the Parish, and also identified what items people are leaving the Parish to purchase. This study could help with retail attraction and the local stakeholders are looking for more opportunities to stem retail leakage and grow local retail options.

e. Education and Workforce

The Iberia Parish community also identified a need for greater educational and workforce development capacity. Some of the major education and workforce issues are:

Technical Education Capacity

Community members expressed that there is a need for more post-secondary school technical education. They expressed that, in the wake of the economic downturn and oil spill, out-of-work residents are pursuing additional training and education; however, even with seven campuses in the Acadiana region, the demand for classes outstrips the supply.

Mismatch between Demand Occupation Lists and Needs

The technical colleges receive demand occupation lists from the state; however, education stakeholders claim that the occupations provided on such lists sometimes do not match the needs of local employers. Community members expressed that they require better demand occupation data in order to facilitate planning and ensure adequate training capacity.

Business Training

Members of the Parish community expressed that businesses spend too much of their incumbent worker training on safety training instead of skills training. They expressed that, given this imbalance, these businesses rely on the technical colleges to provide the requisite skills training. They state that having the technical colleges provide much of the skills training for employees exacerbates the capacity issues faced by the technical colleges. Therefore, workforce development stakeholders expressed that local business could put greater focus on skills training for employees.

f. Economic Diversity

The Iberia Parish community identified a need for greater economic diversity for the Parish. In particular they identified the following issues:

Coordination with the State Diversification Plan

The State of Louisiana has a new economic diversification plan called the Louisiana Blue Ocean strategy. The parish stakeholders feel that it may have an opportunity to create strategies to diversify local industries aligned with priority industries identified in this plan.

Oil and Gas Industry Dependency

According to local stakeholders, the Parish economy is heavily dependent on the oil and gas industry. The members of the Parish community expressed that diversification away from the oil and gas industry could help the entire Parish. These members want to encourage companies to start thinking about ways that their expertise supplying or otherwise supporting the oil and gas industry can be used to supply companies in other industries domestically and internationally.

Food Processing Industry Diversification

The Parish is looking for ways to revitalize the food processing industry, which stakeholders report used to have a much larger local presence. Stakeholders are concerned that the region does not have a good farm-to-market system to keep much of the value from agriculture in the Parish.

With strong agricultural, fishing, and cultural assets (such as the highly-marketable Cajun heritage and cooking tradition), revitalization of the Parish's food processing industry could provide a good opportunity to reduce dependency on the oil and gas industry.

Tourism Industry Diversification

According to stakeholders in the Parish, travel and tourism inquiries are down 20 percent since before the oil spill. These stakeholders expressed that inaccurate public perceptions about the impact of the oil spill on the Parish's attractions. The famous Louisiana cuisine has long been a major tourist draw for the state, but this attraction has been negatively impacted by the perception that seafood is tainted with oil. Parish stakeholders expressed that local tourism is also heavily tied to New Orleans tourism and that New Orleans tourism needs to thrive for the Acadiana region to do well. These stakeholders also expressed that the Acadiana region also needs to be better marketed to intrastate tourists.

Health Care Industry Diversification

Health care is a major economic driver in Louisiana¹⁹, and the Parish would like to expand the health care industry locally. According to a health care representative in Iberia Parish, keeping businesses strong helps health care because strong businesses provide more people with adequate insurance, therefore, helping to avoid "train wreck" medical scenarios (i.e., instances of uninsured or under-insured people incurring medical bills of \$100,000 or more).

g. Infrastructure Development

Iberia Parish has several infrastructure development challenges. The most significant challenges raised by local stakeholders are:

Airport Connectivity/New Business Park

A major asset in the Parish is the Acadiana Regional Airport; however, intermodal access to the airport is limited by the current transportation infrastructure connecting it to U.S. 90. Parish stakeholders expressed that, in order to move cargo more quickly to and from the airport, the Parish needs to construct an improved access road. The Parish is planning to build a new off-ramp for industrial access to the airport, and it also wants to create a business park at the intersection of the off-ramp and U.S. 90. Stakeholders expressed that the access road will provide better truck access to the airport, and the business park will help with diversifying the economy.

h. Impacts on Oil and Gas Industry

The Parish has many oil and gas support services and industries such as accountants, engineers, lumber and metal providers, and manufacturers. Locals expressed concern about the impact of the deepwater drilling suspension on local industry, especially small businesses. Now that the deepwater drilling suspension has ended, some of these concerns may have been allayed.

¹⁹ Louisiana Hospital Association. *Hospitals and the Louisiana Economy*. Retrieved from <http://www.lhaonline.org/associations/3880/files/Exerpts%20from%20Econ%20Impact%20Report%207-17-07.pdf>

5. Strategies for Economic Recovery

The strategies described below aim toward a more unified and comprehensive framework for strategic planning within the community that would facilitate conversations between different stakeholders, including (but not limited to) the different entities in the economic delivery system described earlier in this report. To that end, the community may want to consider some of the strategies captured below.

a. Business Retention, Expansion, and Attraction

Small businesses are the backbone of local economies. Unlike larger businesses, they often have difficulty withstanding even a few weeks of business disruption. The importance of small businesses is very apparent in Iberia Parish, where 97 percent of all businesses are SBA-designated small businesses.²⁰

To help small businesses cope with the effects of the oil spill, the team makes the following recommendations.

i. *Small Business Development Center Capacity Building*

One of the major barriers to helping small businesses in the Parish is the need for additional SBDC capacity. One way to help address this capacity issue is to develop a train-the-trainer program. The SBDC staff could train bankers, accountants, or attorneys to provide pro bono help to small businesses. This would increase the community involvement of parish professionals while helping small businesses at the same time. Local economic development stakeholders expressed a belief that a train-the-trainer program would help without incurring significant additional costs.

Another way to increase SBDC capacity is to develop a partner program with major private industry to utilize employee skills-based volunteering. Like the train-the-trainer program, the private industry partnership could provide mentors from large businesses' accounting or marketing staffs to assist small businesses. The SBDC could even develop a business services fair, with mentors coming from existing businesses to share best practices with entrepreneurs or other micro-businesses.

Capacity issues aside, it became apparent during the meetings that some small businesses did not know about the free services offered by the SBDC. One way to rectify this is to advertise SBDC services at the point when businesses renew their business licenses. This would help ensure that all small businesses know about the available services.

Finally, the team believes that business assistance resources such as the SBDC and Manufacturing Extension Partnership of Louisiana could be well aligned with the Parish's diversification priorities. Many small businesses could diversify their services so they supply a more diverse client base than just the oil and gas industry. Local officials and employers could work with SBDC and the Manufacturing Extension Partnership of Louisiana to help businesses use their current skills to serve customers outside the oil and gas industry. This alignment may help with the stability of the economy.

²⁰ According to the U.S. Census Bureau, 4 businesses out of 1732 businesses in the Parish have 500 or more employees. <http://www.census.gov/econ/cbp/>

ii. *Business Incubator*

Business incubators are programs that provide a range of resources and services that are designed to accelerate the successful development of entrepreneurial businesses. Generally incubators require entrepreneurs to apply for admission by demonstrating the feasibility of the business. Admission, however, often affords entrepreneurs access to resources that would have been otherwise difficult or expensive to obtain.

The Parish could implement a business incubator, which would be a positive addition to the small-business assistance currently being offered. The first step in developing a business incubator would be to conduct a feasibility study, ideally for a high-tech incubator in the proposed new business park. The feasibility study would identify opportunities to capitalize on growth industries and other new sectors that fit well within the existing economic infrastructure of the Parish. Often, state grants are available to fund feasibility studies of this kind.

iii. *Upgrading Small Business Connectivity*

The team recommends that the Parish develop a framework to connect small businesses with other businesses in existing industry clusters. For example, the chamber of commerce could host a roundtable event at which large businesses can connect with start-ups or mom-and-pop businesses that would benefit from being more connected within their industry. Alternatively, the chamber or the Iberia Industrial Development Foundation could help facilitate partnerships between higher education institutions and small business. Also, as a class project or graduate school seminar course, students could work with small businesses to help them modernize, run their businesses on a computer, or become trained in accounting software such as Quickbooks.

iv. *Disaster Recovery*

An important asset in Louisiana is the business emergency operations center (BEOC) that is established in conjunction with the traditional emergency operations centers (EOCs) after disasters. The Iberia Industrial Development Foundation could compile a list of area businesses and capabilities so that when a disaster response is needed, the relevant information is already on-hand and businesses in the Parish or state, rather than out-of-state providers, can provide the needed disaster-related services. The Parish could also increase the emphasis on “buying local” when trying to recover from disasters.

There are business continuity resources that already exist for helping small businesses prepare for disasters. Two resources that might be helpful are the Disaster-Resistant Business Toolkit (found at <http://www.drtoolkit.org>) and the Institute for Business and Home Safety (found at <http://www.disastersafety.org/>).

v. *Assistance to At-Risk Manufacturers*

With state support, economic developers in Iberia Parish could design strategies for organizing a regional effort to reach out to companies identified as being at risk for layoffs. The effort could include partners such as Manufacturing Extension Partnership of Louisiana centers, the SBDC’s, and other federal, state, and local organizations that have technical expertise to offer businesses. The strategy will focus in the short term on helping companies reduce costs to survive the imminent threats; developing sales and marketing plans for reaching new customers in the U.S. and abroad; diversifying from current products and customers to new products and markets; and pursuing other growth opportunities.

vi. *Employing Best Practices to Improve Access to Capital*

Communities, individuals, and government entities across the country face challenges related to accessing capital. Often, there are creative approaches that can be employed in order to better leverage Federal, state, and non-governmental programs in order to make the most of limited resources.

In response to the concerns raised by Gulf communities over the course of the economic assessment and evaluation teams' visits, the EST has compiled a guide to certain best-practices and existing resources that may be helpful to communities in addressing some of these critical challenges.

This guide is being made available online to support all communities that may be able to benefit from this information. In addition, the EST will be hosting a conference call to discuss the information included in this guide, which will provide a forum for you to ask questions and answers. The guide is available at: <http://www.restorethegulf.gov/node/4476>

vii. *Encourage awareness about the claims process and its eligibility protocols*

For individuals and small businesses in tourism-related industries, as well as others whose wages and business have been impacted by the Deepwater Horizon oil spill, lost profits and impairment of earning capacity may be recouped through the claims process, which is being administered independently by Ken Feinberg's Gulf Coast Claims Facility (GCCF). A good understanding of the claims process, eligibility rules, and application procedures may be important to recouping income, where appropriate.

More information is available via the GCCF (<http://www.gulfcoastclaimsfacility.com>).

The Parish may want to consider offering technical assistance to individuals and small businesses that express challenges associated with managing the claims process. Some community members have articulated challenges with filling out forms, providing adequate documentation, and translation. Moreover, claims recipients may benefit from assistance with financial literacy – a challenge identified in Secretary Mabus' recent report

(<http://www.restorethegulf.gov/sites/default/files/documents/pdf/gulf-recovery-sep-2010.pdf>, p.83).

Claims recipients, as well as others impacted by the spill, may also benefit from additional information to assist with tax-related questions. The IRS has already taken a number of steps to assist taxpayers impacted by the oil spill. To help with questions and issues, the IRS has posted the answers to frequently asked questions on its website (<http://www.irs.gov/pub/irs-pdf/p4873a.pdf>) and has established a dedicated phone line (<http://www.irs.gov/newsroom/article/0,,id=225434,00.html>) to deal with taxation questions arising from the oil spill. In addition, the IRS has announced a number of options available to assist taxpayers experiencing hardship due to the spill. Options include postponement of collection actions or added flexibility to coordinate installment agreements. These steps are described in greater detail in Secretary Mabus' report.

b. Workforce Development and Education

Community leaders noted that often the younger generation does not expressed it is possible to pursue careers other than those of their parents, family, and neighbors. The high school dropout

rate is high in the Parish—10 percent for grades nine through 12 in 2007, compared to the national average of 4 percent.²¹ Education stakeholders claimed that many students leave school to get jobs in fishing and in the oil and gas industry, which often have relatively high salaries without necessarily requiring a high school education. These stakeholders note that there are shortages of trained technicians (e.g., aluminum welders) in the Parish. Stakeholders cite a need to motivate students to consider the full range of career opportunities available to them.

The Parish could recommend a number of options for helping students realize their potential. The school system can invite professionals into schools to talk about specific career paths and options available (including wages, required skills sets and education/training credentials, and industry certificates). Another option is to integrate innovative project-based learning opportunities in the schools that give students an opportunity to develop confidence in applying skills and exposing them to real-world problems. Schools can also create an education campaign to expand career interests and help students see themselves in various careers, using viral videos, Facebook, and games. Finally, schools can engage students to develop programs to educate their peers on possible career choices.

Another strategy that the team suggests is to develop a communitywide “Graduate Iberia” campaign. Because it is of high value to the community to have students graduate from high school, this initiative gets the entire community involved. Through a community process, the school system identifies particular goals for literacy (e.g., 98 percent of all residents will read at the tenth-grade level) and for high school graduation (e.g., 95 percent of students will graduate). The school system then develops a high-profile campaign to get the entire community aware and involved in achieving the goals. The community could build a process for providing for and supporting the effort, which might involve tutoring, counseling, providing supplies, and building instructor capacity. The community could also engage private industry in supporting the effort (e.g., a company’s marketing department might help develop the campaign materials).

c. Economic Diversification and Resiliency Recommendations

Communities across the Gulf Coast have almost uniformly articulated a strong desire to diversify, often noting that the oil spill revealed the fact that their economies are too narrowly concentrated. Many communities had plans to diversify before the oil spill occurred and expressed frustration that recent progress towards realizing projects such as airports and shipping docks might be stymied by the oil spill. Moreover, communities articulated the need for workforce retraining to support economic diversification.

Disasters can provide an opportunity to address long-standing challenges and to reconsider fundamental questions about a community or region’s economy and future direction. By incorporating preexisting ideas about diversification into the long-term economic response, the Gulf Coast can use its valuable assets to move toward a 21st Century economy and workforce.

One challenge in this area is to balance short-term oil spill responses with preexisting long-term goals. The vision of a healthy, diverse, 21st Century Gulf Coast economy has great potential in several key areas that are vital to the Gulf Coast’s long-term success. But, ultimately, the decisions of whether and how to diversify an economy must be the decisions of, and driven by, the local community.

²¹ Education.com. *Iberia Parish School District*. Retrieved from <http://www.education.com/schoolfinder/us/louisiana/district/iberia-parish-school-district/>

These strategies are intended to lay the groundwork for connecting critical assets and resources from within the community and the region that can serve in the creation of new and emerging industries. The private sector could contribute strongly to this process. Private sector input will be necessary to provide direction on what obstacles the community needs to overcome, as well as where private industry is looking to invest. The industry sectors identified as having diversification potential captured in this report are derived from input captured from the community, and are based on the Parish's competitive advantages. It is also important, however, that the community be flexible in its diversification goals. The community may wish to avoid choosing winners and losers, and could instead target activities that emerge and have clear potential for new growth and spillover into other sectors.

According to local stakeholders, Iberia Parish has understood its need for diversification for some time and, as such, a variety of ideas have circulated within the community about how diversification can be best achieved. The purpose of this section is to show how the community assets and strategies outlined throughout this report could be used to cultivate specific industries in Iberia Parish. This elaboration is not meant to replace local decision-making and leadership, nor could it.

The community identified several areas as potential fields for diversification. This section spells those out and suggests best practices that the community could employ to help move in the direction of their diversification goals.

The economic diversification of a region is a long-term undertaking which requires dedication on the part of local stakeholders. Should the community pursue diversification, however, some efforts can begin immediately. The complexities of diversification often require that communities form strong public/private partnerships, develop reliable new funding streams, and adapt to new conditions in an economy that is unprecedented in its size, competitiveness and volatility.

Diversification is the stage where the community moves from stabilization to sustaining itself. The central task of this stage will be for the community to decide which of the short-term stabilization measures it needs to make permanent. While the life preservers of the short term are still important, this stage of recovery demands that the community step outside of day-to-day survival thinking and transition to thinking about building capacity for tomorrow.

Effective economic development investment and capacity building requires long-term strategic thinking that is sufficiently flexible to respond to emerging opportunities. In the medium term, the role of the Iberia Parish leadership could be to further the efforts of the recovery task force and connect public and private resources for building back a more resilient economy. The efforts the Parish initiated in the short term could also be extended and deepened to have extensive interdependency with the efforts of business retention, industry reinvigoration, and marketing.

i. *Oil and Gas*

According to many local stakeholders, the Parish is overly reliant on the oil and gas industry and could explore diversification of its economy. The State of Louisiana is embarking on a similar effort, called the Blue Ocean Strategy.²² The purpose is to diversify the state's economy by targeting specific, high-growth industries such as nuclear energy manufacturing, value-added agribusiness, and digital interactive media. Iberia Parish could quantify its existing industry assets

²² Perilloux, Gary. (2009). *New Economic Strategy Opens Up New Markets to State*. Retrieved from <http://www.2theadvocate.com/news/business/63332502.html?showAll=y&c=y>

and coordinate its diversification targets with the Blue Ocean Strategy. The parish could start with an inventory of existing businesses and see how this aligns with the Blue Ocean categories. The Parish can then see where it is strong and where opportunities exist for more focus.

ii. Coastal Restoration and Water Management

Focusing on this industry could turn a current liability (flooding risk and disappearing wetlands) into a future asset. Such efforts would marry Iberia Parish's geographic assets with the need for coastal restoration, disaster mitigation, and security. The Parish could partner with the University of Louisiana-Lafayette, Louisiana State University, and other relevant institutions to build Iberia Parish's position as a center of excellence in this subject area and industry sector. The universities could create offshoot campuses in Iberia Parish focused on water management. This would likely attract companies and research opportunities related to the subject area.

Iberia Parish could also pursue a public-private partnership with local businesses to restore the region's coastal areas to mitigate future hurricane- and flood-related costs. The Coastal Protection and Restoration Authority of Louisiana could also be engaged to play a significant role in the partnership.

iii. Food Processing

According to locals, the Parish used to have more food processors, but many consolidated, went out of business, or moved outside the Parish. In order to reinvigorate the food processing industry, Iberia Parish could leverage the Cajun cuisine brand. With Tabasco brand products already in Iberia Parish, the Cajun brand seems like a natural fit. The Parish could work with some of the surrounding parishes to create a brand like "Official Cajun Country Cuisine" that goes on the packaging of products manufactured in the region. Only food processors that manufacture in the region would be able to brand their packages this way. This could be a way to attract additional food processors that want their packaging branded as official Cajun cuisine.

iv. Tourism

The Parish could expand tourism opportunities by continuing to leverage its cultural assets, including Cajun food and lifestyle experiences such as dining, fishing, and exploring the wetlands. A simple way to promote this would be for the chamber of commerce or Iberia Industrial Development Foundation to create a marketing video communicating the presence of healthy fish in Acadiana and that there are attractive charter fishing opportunities available for tourists. Such a video could be easily and inexpensively distributed using the Internet and social networking websites. The Parish can overcome the public perception that the oil spill completely devastated the state's fishing industry. By focusing on marketing the Parish's cultural assets, the Parish can fight this negative image.

v. Aviation

Based on its current assets, namely the Acadiana Regional Airport, the Parish could enhance its aviation capacity. More specifically, helicopter repair and servicing, helicopter training, and air logistics are the most reasonable expansion opportunities. To help support this expansion, the Parish could look at current local oil and gas companies whose core competencies could be directed to supply the helicopter industry in addition to their current customers. The

Manufacturing Extension Partnership of Louisiana,²³ supported by the Department of Commerce, offers information and technical assistance to identify new product and market opportunities in alternative industry sectors.

vi. Renewable Energy

Renewable energy can take on many forms (wind, solar, ethanol). Iberia Parish could focus its energies on one major renewable energy source that fits the Parish's strengths. Given the Parish's sugarcane production, sugarcane-based ethanol production could be a logical renewable energy target, in partnership with a major university and possibly the U.S. Department of Agriculture (USDA) Agriculture Research Service. Bio-fuel could present a major opportunity for the Parish because of the large agricultural footprint and strategic access to highways and the Port of Iberia.

vii. Pharmaceuticals

The University of Louisiana Primate research facility could be a good asset for diversification into the pharmaceutical industry and could be further explored as an opportunity.

viii. Leverage the Manufacturing Extension Partnership of Louisiana

Many of the industries listed above would require current businesses in Iberia Parish to expand their products and services to new customers in the targeted industries. The Manufacturing Extension Partnership of Louisiana may be a good team member in such business retention and expansion initiatives. The Manufacturing Extension Partnership's participation in the teams could provide businesses access to the full set of technical and consulting services available through its centers and partners, including staff with engineering and plant management experience in manufacturing. Services could include quality and lean process improvement, marketing strategies, pursuing new product development and new customers in the U.S. and abroad, and innovation engineering to foster creativity and help existing companies survive and grow. Diversifying products and markets would be an important component of this work.

ix. Worldwide Interoperability for Microwave Access (WiMAX)

Iberia Parish could look at providing WiMAX to serve the new business park with high-speed broadband Internet. Doing so could accelerate the provision of services and possibly spark interest among current private providers who would otherwise be unwilling to supply that particular market with WiMAX.

6. Conclusion

The Deepwater Horizon oil spill has had far-reaching impacts for the entire Gulf Coast and beyond, compounding challenges that were pre-existing. Despite these impacts, Iberia Parish has an opportunity to transform its future and develop strategies for a broader, more sustainable recovery. The course, speed, and approach for implementing the recovery will always be driven by leadership from Iberia Parish. As part of a collaborative process, the efforts of the assessment

²³Manufacturing Extension Partnership of Louisiana. Retrieved from www.mepol.org

team, working together with local officials, will hopefully be helpful to the community in moving forward.

7. Appendix

a. Site Visit Agenda

Iberia Parish, Louisiana

August 25–27, 2010

Day 1 – Wed Aug 25

1–2:15pm	<i>Overview Meeting</i>
2:30–3 p.m.	<i>State Overview</i>
3:30–6 p.m.	<i>Tour of Community</i>
6 p.m.	<i>Dinner</i>

Day 2 – Thu Aug 26

7:30–8:30 a.m.	<i>Introduction to IEDA</i>
8:30–9:45 a.m.	<i>Planning Officials</i>
10–11 a.m.	<i>Small Business Development</i>
11:30 a.m.– 12:30 p.m.	<i>Lunch with Local Elected Officials</i>
1–2:45 p.m.	<i>Workforce Development</i>
3:30–4:30 p.m.	<i>Major Industry</i>
5–6 p.m.	<i>Dinner with Officials</i>

Day 3 – Fri Aug 27

10 a.m.–noon	<i>Major Industry and Economic Development Stakeholders</i>
Noon–2 p.m.	<i>IEDC Lunch</i>
2–3 p.m.	<i>Final Presentation</i>

b. Narrative from the 2009 American Community Survey 1-Year Estimates

Iberia Parish, Louisiana

Population and Housing Narrative Profile: 2009

2009 American Community Survey 1-Year Estimates

American Community Survey

NOTE. Although the American Community Survey (ACS) produces population, demographic and housing unit estimates, it is the Census Bureau's Population Estimates Program that produces and disseminates the [official estimates of the population for the nation, states, counties, cities and towns and estimates of housing units for states and counties](#).

For more information on confidentiality protection, sampling error, nonsampling error, and definitions, see Survey Methodology.

HOUSEHOLDS AND FAMILIES: In 2009 there were 27,000 households in Iberia Parish. The average household size was 2.7 people.

Families made up 67 percent of the households in Iberia Parish. This figure includes both married-couple families (48 percent) and other families (20 percent). Nonfamily households made up 33 percent of all households in Iberia Parish. Most of the nonfamily households were people living alone, but some were composed of people living in households in which no one was related to the householder.

NATIVITY AND LANGUAGE: Data for this section cannot be displayed because the number of sample cases is too small. Displaying the data would risk disclosing information for individuals.

GEOGRAPHIC MOBILITY: In 2009, 88 percent of the people at least one year old living in Iberia Parish were living in the same residence one year earlier; 10 percent had moved during the past year from another residence in the same county, 2 percent from another county in the same state, 1 percent from another state, and less than 0.5 percent from abroad.

EDUCATION: In 2009, 77 percent of people 25 years and over had at least graduated from high school and 10 percent had a bachelor's degree or higher. Twenty-three percent were dropouts; they were not enrolled in school and had not graduated from high school.

The total school enrollment in Iberia Parish was 20,000 in 2009. Nursery school and kindergarten enrollment was 3,300 and elementary or high school enrollment was 14,000 children. College or graduate school enrollment was 2,800.

DISABILITY: In Iberia Parish, among people at least five years old in 2009, 14 percent reported a disability. The likelihood of having a disability varied by age - from 3 percent of people 5 to 15 years old, to 14 percent of people 16 to 64 years old, and to 44 percent of those 65 and older.

INDUSTRIES: In 2009, for the employed population 16 years and older, the leading industries in Iberia Parish were Educational services, and health care, and social assistance, 24 percent, and Manufacturing, 13 percent.

OCCUPATIONS AND TYPE OF EMPLOYER: Among the most common occupations were: Management, professional, and related occupations, 27 percent; Sales and office occupations, 27 percent; Service occupations, 16 percent; Construction, extraction, maintenance, and repair

occupations, 15 percent; and Production, transportation, and material moving occupations, 14 percent. Eighty-one percent of the people employed were Private wage and salary workers; 14 percent was Federal, state, or local government workers; and 5 percent was Self-employed in own not incorporated business workers.

TRAVEL TO WORK: Eighty-three percent of Iberia Parish workers drove to work alone in 2009, 12 percent carpooled, less than 0.5 percent took public transportation, and 2 percent used other means. The remaining 3 percent worked at home. Among those who commuted to work, it took them on average 27.7 minutes to get to work.

INCOME: The median income of households in Iberia Parish was \$43,191. Seventy-seven percent of the households received earnings and 13 percent received retirement income other than Social Security. Thirty percent of the households received Social Security. The average income from Social Security was \$13,813. These income sources are not mutually exclusive; that is, some households received income from more than one source.

POVERTY AND PARTICIPATION IN GOVERNMENT PROGRAMS: In 2009, 18 percent of people were in poverty. Twenty-four percent of related children under 18 were below the poverty level, compared with 11 percent of people 65 years old and over. Fifteen percent of all families and 45 percent of families with a female householder and no husband present had incomes below the poverty level.

POPULATION OF Iberia Parish: In 2009, Iberia Parish had a total population of 75,000 - 39,000 (52 percent) females and 36,000 (48 percent) males. The median age was 34 years. Twenty-eight percent of the population was under 18 years and 12 percent was 65 years and older.

For people reporting one race alone, 64 percent was White; 31 percent was Black or African American; less than 0.5 percent was American Indian and Alaska Native; 3 percent was Asian; less than 0.5 percent was Native Hawaiian and Other Pacific Islander, and less than 0.5 percent was Some other race. Two percent reported Two or more races. Two percent of the people in Iberia Parish was Hispanic. Sixty-two percent of the people in Iberia Parish was White non-Hispanic. People of Hispanic origin may be of any race.

HOUSING CHARACTERISTICS: In 2009, Iberia Parish had a total of 30,000 housing units, 10 percent of which were vacant. Of the total housing units, 71 percent was in single-unit structures, 10 percent was in multi-unit structures, and 18 percent was mobile homes. Twenty-nine percent of the housing units were built since 1990.

OCCUPIED HOUSING UNIT CHARACTERISTICS: In 2009, Iberia Parish had 27,000 occupied housing units - 20,000 (71 percent) owner occupied and 7,800 (29 percent) renter occupied. Two percent of the households did not have telephone service and 8 percent of the households did not have access to a car, truck, or van for private use. Multi Vehicle households were not rare. Thirty-four percent had two vehicles and another 17 percent had three or more.

HOUSING COSTS: The median monthly housing costs for mortgaged owners was \$1,030, nonmortgaged owners \$309, and renters \$598. Twenty-three percent of owners with mortgages, 14 percent of owners without mortgages, and 50 percent of renters in Iberia Parish spent 30 percent or more of household income on housing.

Source: U.S. Census Bureau, 2009 American Community Survey

The U.S. Census Bureau's Population Estimates Program produces the [official population estimates for the nation, states, counties and places, and the official estimates of housing units for states and counties](#). The population and housing characteristics included above are derived from the American Community Survey.

Notes:

- Detail may not add to totals due to rounding.
- Percentages are based on unrounded numbers.