

LOUISIANA RECOVERY AUTHORITY

Economic Development CDBG Funding Resolution

June 12, 2006

Overview: Resolution to request the Louisiana Recovery Authority to provide preliminary approval of the programs listed below (with additional detail attached) and directing the LRA staff to prepare an Action Plan amendment to use dollars provided through the Supplemental Appropriations to the Community Development Block Grant program to fund these programs at the approved levels and send them out for public comment. The programs and amounts for which preliminary approval is being requested include \$38 million for a Sector Based Workforce Training Recovery Program and \$28.5 million for a Higher Education Recovery and Rebuilding Program.

EXECUTIVE SUMMARY

Sector Based Workforce Training Recovery Program (\$38 million) – Louisiana seeks to augment its current workforce training efforts by developing sector-based training programs tailored to the needs of the impacted regions. The six recovery sectors are: Construction, Healthcare, Transportation, Advanced Manufacturing, Oil & Gas, and Cultural Economy.

Louisiana will seek proposals from groups that form alliances to develop and implement sector-based workforce training strategies and associated services for one or more of the six industry sectors deemed critical to the physical and/or economic recovery of the impacted regions. Groups that seek to provide training services for another sector they consider critical may make the case for the need and propose a training plan for another sector.

Projects to be funded would be those located in the parishes in the southeast and southwest Louisiana most affected by Katrina and Rita, including but not limited to those with substantial infrastructure damage.

Preference will be given to regional alliances that include companies and/or industry associations for which the training will be done, community and/or technical colleges, Workforce Investment Boards, other training providers, other interested parties. These alliances are encouraged to also include groups that seek to reach underserved populations such as high school students not planning to go to college, out-of-school youth, soon to be released inmates, and adult literacy training.

Higher Education Rebuilding Program (\$28.5 million) – Louisiana seeks to rebuild higher education research capacity in the impacted areas, support entrepreneurial research scholars and the core resources they need to create world-class research in selected areas, build the support systems needed to move technology from the lab to the marketplace, and grow companies to commercialize these technologies. This organization is intended to grow new, high quality jobs (at all levels) and increase incomes and wealth in the impacted areas.

Current thoughts on the best way to accomplish these objectives are to form an alliance that would be a partnership of business, research universities, and state government that would invest federal and state monies into promising areas of research. These promising areas of research focus would be identified by a study to be performed by nationally renowned firm. This study would identify niche areas where pre-storms research strengths can be rebuilt and expanded to serve as the basis for research preeminence, technology commercialization, and company growth.

The initial and driving goal of this public/private alliance will be to retain and build the educational and research base needed to develop and commercialize technology in Louisiana, thereby creating jobs and increasing incomes and wealth for Louisiana citizens. Key components of this program would be:

- An Eminent Scholars program,
- Core resources needed by these Eminent Scholars,
- Resources needed to develop education and workforce training efforts in the sciences related to targeted research strengths, and
- Technology development and transfer.

RECOMMENDATION

It is recommended that the following resolution be adopted:

NOW, THEREFORE, BE IT RESOLVED, that the Louisiana Recovery Authority Board is requested to endorse the use of dollars provided through the Supplemental Appropriations to the Community Development Block Grant program for up to \$38 million for a Sector Based Workforce Training Recovery Program and \$28.5 million for a Higher Education Recovery and Rebuilding Program.