

GOVERNMENT AFFAIRS COMMITTEE

Meeting Notes

Wednesday, 26 June 2024, 3:00 pm

400 N. Peters Street, Suite 206, New Orleans, LA 70130

1. Call to Order, Reading of the Agenda, and Roll Call

The meeting was called to order at 3:12 pm.

COMMITTEE MEMBERS				VOTES
First Name	Last Name	Present	Absent	Approve meeting notes
Glade	Bilby	X		-
Christian	Pendleton		X	-
Heidi	Raines		X	-
David	Bilbe		X	-

INTRODUCTION OF ATTENDEES:

GUESTS		
First	Last	Role
Karley	Frankic	FQMD Executive Director
Shelby	Ursu	FQMD Coordinator
Jeffery	Schwartz	Director of Economic Development for the City of New Orleans
Joey	Difatta	FQ Resident and Business Owner

2. Public Comment:

No written public comment was received.

3. Motion – Consider a motion to approve the March and May meeting notes

No quorum was present to take the motion.

4. Committee Chair’s Comments

Chair Glade Bilby welcomed guest speaker Jeffery Schwartz, the Director of Economic Development for the City of New Orleans, to the meeting and thanked him for his attendance.

5. Discussion by Committee of a French Quarter Financial Impact Study with Guest Jeffery Schwartz, Director of Economic Development for the City of New Orleans

Mr. G. Bilby stated that the FQMD has discussed the idea of funding an economic impact study of the French Quarter in the past, and he would like the Government Affairs Committee to push this project forward with the help of Mr. Schwartz. He added that demonstrating the impact of the French Quarter on the City, region, State could greatly benefit the City and the French Quarter and lead to future funding opportunities. Karley Frankic added that this study would not only take into consideration property, sales, and hotel taxes, but data regarding the jobs that the French Quarter creates, the revenue that the French Quarter generates, and the supplies and resources that come into the neighborhood from businesses outside of the French Quarter. She reported that for the second year in a row, the State will be providing the FQMD with appropriation

French Quarter MANAGEMENT DISTRICT

funding to put towards public safety and quality of life programs. Ms. Frankic added that the FQMD is not aiming to supplant the City's responsibilities, but to supplement, and with an economic impact study focused solely on the impact of the French Quarter, improvements can be prioritized so that the neighborhood can develop to its' fullest potential. She asked Mr. Schwartz for his expertise in regard to local and regional economics, suggestions of what vendors are qualified to conduct the study, and the next steps to take.

Mr. Schwartz thanked the Committee for inviting him to today's meeting and stated that he is happy to brainstorm ideas and collaborate with the FQMD on this project. He stated that an economic impact study would be worth the investment and added that he would like to hear more of the Committee's strategic priorities for the study. Ms. Frankic replied that the main goal is to make the study as impactful as possible in order to show the State why they should continue to invest in the French Quarter. Mr. G. Bilby added that getting visitors to want to come back to New Orleans is important to the City and the FQMD, and the French Quarter is an important factor to consider for retaining tourism. Mr. Schwartz suggested that the Committee pay for an independent third-party professional consultant who would not only have expertise as an economic impact analysis firm, but who also understands urban design, planning, and implementation. Ms. Frankic agreed, adding that it would be beneficial to learn what the different economic sectors are in the French Quarter through this study. She noted that there are rollover funds for 2025 that could fund this project and suggested adding this to the French Quarter Economic Development District (FQEDD) 2025 budget wish list. Ms. Frankic pointed out that if the FQEDD budget is approved by City Council in November, then the planning and procurement can begin before the end of the year so that by January 2025 the study can begin. Mr. G. Bilby asked Mr. Schwartz if he could review the document that the Committee included in today's meeting packet to further refine the scope and provide feedback. Mr. Schwartz will review the document and refine the scope, provide feedback, and provide a list of prospective firms for the study after Independence Day.

6. New Business– To consider and take action upon any other matters that may properly come before the French Quarter Management District Government Affairs Committee

No new business was discussed.

7. Next meeting date:

The next scheduled meeting of the Committee is Wednesday, November 6th, 2024 at 3:00 PM.

8. Adjournment

The meeting adjourned at 3:45 pm.

French Quarter Economic Impact Study

8 May 2024

Preparing an economic impact study for the French Quarter in New Orleans involves several steps to gather and analyze data effectively. Here's a guide on the best way to approach it:

- 1. Define the Scope and Objectives:** Determine the purpose of the economic impact study. This should focus on tourism, local business in the French Quarter, hotel related impact, and the effect of special events in the French Quarter, as well as the region. Define the scope of the study to ensure it addresses key questions and provides relevant insights. It is important to establish what the State and City consider to be their economic drivers, so we address these when illustrating data.
- 2. Gather Data:** Collect data from various sources to assess the economic activity in the French Quarter. This may include:
 - Business data: Number of businesses, employment levels, revenue, and sales tax revenue generated by businesses in the French Quarter.
 - All related tourism statistics: visitor arrivals, spending patterns, hotel occupancy rates, and the related expenditures. To be more accurate we should also include: flights in - out and airport usage, transportation revenues, convention center revenues
 - Real estate data: Property values, rental rates, and commercial real estate transactions in the area.
 - Government statistics: Economic indicators such as GDP, employment rates, and tax revenues at the city or regional level, and all City and State taxes generated from the French Quarter itself.
 - Surveys and interviews: Conduct surveys or interviews with local businesses, residents, and tourists to gather qualitative insights. This last part may not be necessary due to the limited time frame that we have to put together this study.

NOTE: To this point of gathering data for analysis, we need to gain access to a lot of confidential information. In some ways, it might be easier to partner with a larger independent institution like GNO, who can certainly spearhead this, or in fact with the State Dept of economic development and/or Dept of Commerce. Under the current State government, there might be a real willingness to do the deep dive into this as they take on more of the City's issues.

- 3. Choose a Methodology:** Select the appropriate methodology for assessing economic impact. Common approaches include:
 - Input-output analysis: Quantify the direct, indirect, and induced economic effects of spending in the French Quarter using input-output models.
 - Cost-benefit analysis: Evaluate the costs and benefits of specific projects or initiatives in the French Quarter, such as infrastructure improvements or tourism promotion campaigns.

Assuming the enormous financial impact that the French Quarter has on the City of New

Orleans and the State budget in general, this may prove to be of the most beneficial to FQMD securing permanent funding for ongoing operations and infrastructure improvements.

- Surveys and interviews: Use surveys or interviews to gather data on spending patterns, employment, and other economic indicators directly from businesses, residents, and visitors. Again, may not be necessary due to the limited time frame that we have to put together this study.

4. **Calculate Economic Indicators:** Use the data collected to calculate key economic indicators for the French Quarter, such as:

- Total economic output (Gross Domestic Product)
- Employment levels and labor income
- Tax revenues generated
- Return on investment for tourism promotion or infrastructure projects

We may already have access to much of this information from studies currently published and existing financial data available.

5. **Interpret Results:** Analyze the findings of the economic impact study to understand the significance of the French Quarter to the local economy. This should help us identify the key drivers of economic activity, opportunities for growth, and potential challenges or risks. It is important to illustrate: total revenues, total spending which has different multipliers, total payrolls (used to be X7), and the total spending on supplies and materials. This last data is particularly necessary for FQMD as we seek funding for security and infrastructure improvements.

6. **Communicate Findings:** Present the results of the economic impact study in a clear and accessible format. Prepare a written report summarizing the methodology, findings, and conclusions of the study. We could create visual aids such as charts, graphs, and maps to illustrate key points effectively if necessary. A 2-page summary together with an ROI as to the importance of this data to our State and City should be the result.

7. **Engage Stakeholders:** Share the results of the economic impact study with relevant stakeholders, State and local government officials initially, as they are most impacted. Business owners, community organizations, news organizations and residents should also be made aware of the impact that the French Quarter has on the financial viability of our region. If we have time and feel it necessary, we could solicit feedback and input on potential strategies for supporting economic development in the French Quarter.

8. **Update and Review:** Periodically update the economic impact study to reflect changes in the local economy, policy initiatives, or other relevant factors. Review the methodology and assumptions to

ensure the study remains accurate and relevant over time. It seems as though our time constraints are focused on the upcoming Super Bowl in early 2025, therefore this impact study could form the basis of an ongoing process to maintain and upgrade our tourist experience dominated economy in the French Quarter.

The exercise is very much the production of all the verified data to underpin and prove what the French Quarter is worth, what services we are presently receiving, our taxable revenues to the State and City - how many jobs are provided etc. On this last point, a great many jobs are filled by daily workers commuting into the district so the impact study should take this into consideration.

By following these guidelines, we can prepare a comprehensive economic impact study for the French Quarter that provides valuable insights into its importance to the local and state economy, and potential strategies for promoting economic growth and sustainability.

Prepared by: Glade Bilby II
Chair Government Affairs
French Quarter Management District
5/9/24