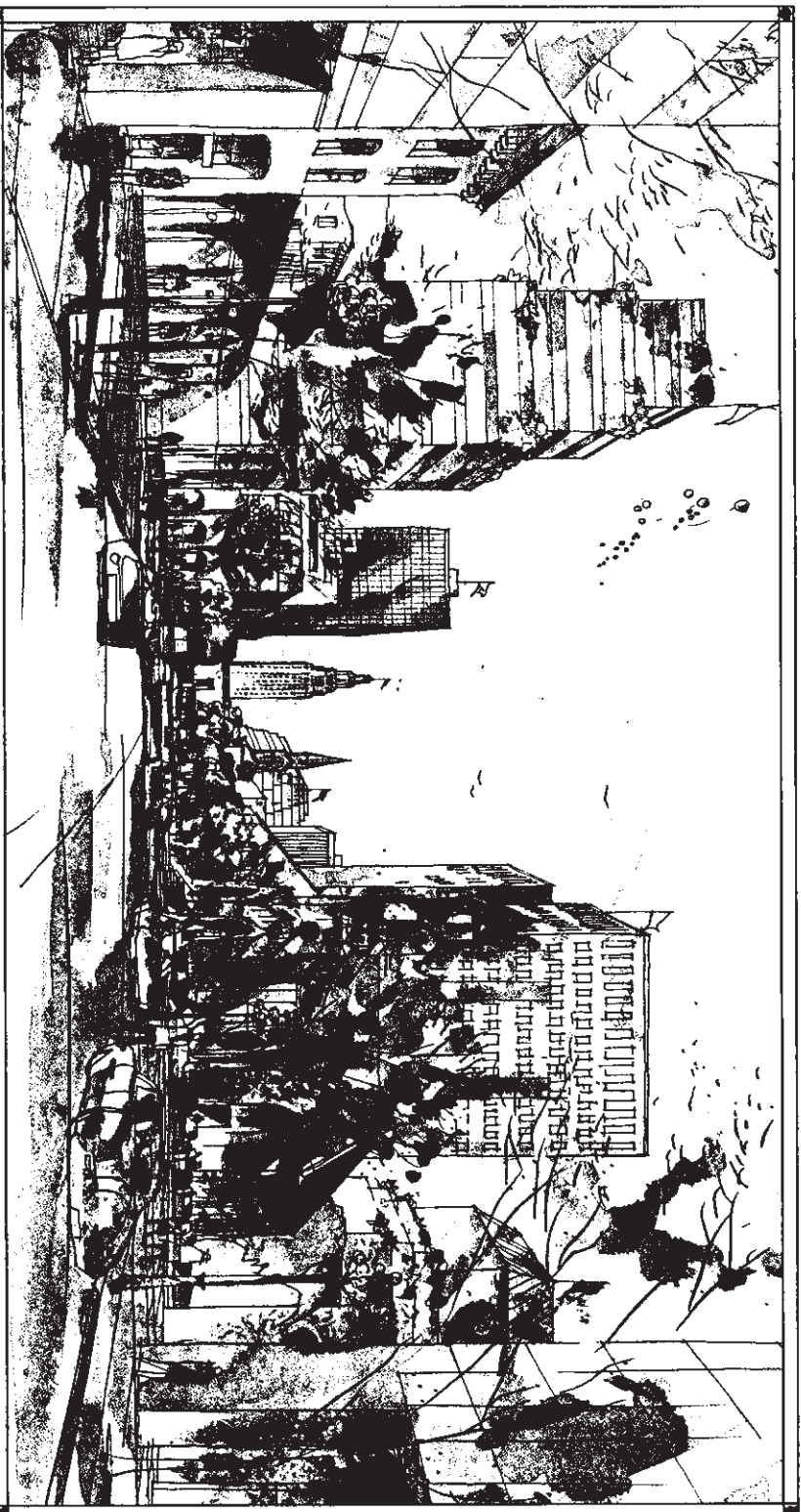


BATON ROUGE  
2000 UPDATE



APPROACHING THE CAPITOL

A DEVELOPMENT PROGRAM  
FOR THE  
DOWNTOWN DEVELOPMENT DISTRICT





## Office of the Mayor-President

City of Baton Rouge  
Parish of East Baton Rouge

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December 10, 1987

To my fellow Baton Rougeans:

The original *Baton Rouge 2000* report provided a blueprint for the economic revival of Downtown Baton Rouge. The foundation for that process was the recommended creation of the Downtown Development District. City-Parish government, with the support of downtown business interests, merchants, and residents have successfully created this special district through enabling state legislation which recognizes the unique importance of Downtown Baton Rouge to the economic well-being of our entire parish.

Working with and through the DDD, local government, the downtown business community, and residents of the district have other vital improvements to the economic, aesthetic and cultural life of the area "in the works" including: the restoration of the Old Parish Courthouse, the creation of the Louisiana State Museum of Politics in the Old State Capitol, the proposed construction of a riverfront landing, improvements to the traffic flow and public transit system in the downtown area, and numerous streetscape improvements throughout the district.

PAT SCREEN  
Mayor-President

All of these projects, hopefully, will continue to rejuvenate the "heart" of Louisiana's unique Capital City as an attractive area to work, hold community-wide celebrations and festivals, and provide an attractive focal point for all of our citizens to enjoy the rich and varied cultural life available in our community.

The *Baton Rouge 2000* report provided a broad vision of the possibilities available in the unique district that is Downtown Baton Rouge. We hope that the *Baton Rouge 2000 Update* brings that vision into clearer focus and further defines the exciting possibilities that this unique part of our community holds for all of our citizens.

Sincerely,

PAT SCREEN  
Mayor-President

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# FOREWORD

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**T**he *Baton Rouge 2000* report, completed in 1983, recommended the creation of a Downtown Development District: a special tax district charged with the management and promotion of the downtown area for the encouragement of development. The Screen Administration successfully sponsored the enabling legislation in the 1984 Louisiana Legislature to create the district. The voters within the district funded the DDD in 1986 through the passage of a dedicated property tax. One purpose of this report is to assist the DDD in establishing a clear direction, and to help assure that this organization functions in the most efficient manner.

A second purpose of this report is to assess the market conditions prevalent in the latter half of 1987, and to determine which areas hold the most promise for development given the existing market conditions. Much of the information and recommendations contained in the *Baton Rouge 2000* Report are still valid, and should be used to help guide the direction of the downtown area. The original *Baton Rouge 2000* Report has been reproduced and is included in this report as Appendix D. Other information, particularly the market demand components of several market sectors, have changed dramatically in the intervening years. This report provides a complete, current market analysis by Real Estate Research Corporation, a nationally-recognized market research specialist, as an appendix. An executive summary of their report is provided in the body of the report.

The third area examined in this report includes the tools and mechanisms which the DDD, or the City-Parish Government, could employ to direct and encourage development within the area. This section includes a review of existing tools, as well as tools which exist elsewhere that might find an application in Baton Rouge. The sections on financial mechanisms and zoning issues are working papers on file with the Office of Community and Economic Development.

Finally, the report contains recommended projects which should be supported by the DDD as additive to the downtown area. Some projects within the development concept are supported by the existing market conditions and should be pursued *immediately*. These projects require a commitment from both public and private sector interests to bring them to reality. Other elements of the development concept are farther in the future, and require a broad vision of downtown Baton Rouge's potential. While it may be years before these projects are realized, a clear vision of Baton Rouge's eventual development is essential if that development is to occur in a controlled, well-conceived manner. The DDD is the ideal forum for the public and private sector interests to act and interact for the betterment of the downtown area, and the entire City of Baton Rouge.



# EXECUTIVE SUMMARY

**D**owntown Baton Rouge, a unique place with unique assets, exhibits a diversity that few cities can match. **Paramount among these assets is the Mississippi River with its levee and batture.** Only recently, Baton Rouge has begun to recognize the river's incredible potential to draw people, activities, and development; yet much more needs to be done.

Another of Baton Rouge's unique assets is the presence of State, Federal and local governmental units, each of which is located in separate identifiable complexes. Downtown Baton Rouge is the center for virtually all governmental functions and services. **The downtown area must retain this position and capture a greater share of all governmental expansion.**

A third unique asset is the presence of two historic residential districts. These districts play an essential role by providing a cultural and urban context, a variety of land use and streetscape, and are a residential base for the downtown area. Until recently, these districts had been neglected. Ironically, in the current development market, residential projects stand the best chance of success. Baton Rouge must seize this opportunity to stabilize, improve, and protect these residential areas. **By improving the residential base, the downtown area can expand its retail, entertainment, cultural and recreational opportunities.** By making the residential districts a more attractive place in which to live, the downtown area will become a more attractive place in which to work.

The City of Baton Rouge, the Downtown Development District, and the citizens of Baton Rouge must support a program that accomplishes the following:

1. **Continue to develop the Mississippi River frontage, including the batture and levee.**
2. **Capture all governmental expansion within the downtown area.**

3. **Build the residential base through restoration and infill projects in the historic districts, as well as high-quality, new residential development in other parts of the downtown development district.**

The major recommendations of this report target the Downtown Development District. We believe that the DDD should function primarily as a coordinating and leveraging authority. The DDD has neither the financial nor the human resources to undertake significant projects on their own. However, the DDD is ideally situated to work with a wide variety of interests, both public and private, in the promotion of projects. Towards that goal, the DDD should:

- A. Become the catalyst of change.** As both the source of information and ideas, and the forum in which the information is debated and analyzed, the DDD can focus attention on the issues of greatest importance.
- B. Leverage their financial resources for maximum impact.** The DDD's relatively small budget precludes it from financing major projects on its own. Therefore the DDD must leverage its position and resources with other public and private groups in directing the course of development.
- C. Respond to changes in market conditions.** The economy of Baton Rouge is in a period of transition, and while the general real estate market will be soft in the short term, the DDD must position the downtown area to capture major projects when continued development is feasible. The DDD should assist projects that are supported by market indicators, and monitor the market for changes to recognize new opportunities.



**D. Act in a promotional and management capacity for the district.** Similar in concept to the unified management of large real estate developments, the DDD must fill this role for the downtown area. However, unlike large developments, the DDD has little control over the activities of the numerous interests in the district. Under these conditions, effective communication and cooperation is the DDD's primary tool for encouraging coordinated action.

Specific projects or areas which the DDD, as well as private sector interests, should pursue include:

#### 1. Hotel Development

Downtown needs a major hotel to serve the needs of the CBD, the Centroplex, and the governmental complexes. Of the numerous potential sites, a first-class restoration of the Capitol House or new construction on the Centroplex surface parking lot are the preferred alternatives. Ideally, this hotel facility should be in close proximity with a Riverfront dock/excursion facility, thereby "tying" the riverfront into the CBD and the Centroplex. Privatization of the Centroplex management should be considered in conjunction with either hotel project. Privatization potentially offers the benefit of nation-wide marketing for Baton Rouge's convention facilities by a large hotel chain, and could also provide for the needed expansion of the Centroplex Exhibition Hall.

#### 2. Courthouse Project(s)

The renovation of the old Courthouse for use by the Baton Rouge City Court is a valuable step in developing and upgrading the Court and governmental facilities necessary to keep employees downtown. The DDD should lobby with other interests for the construction of the new Federal Complex within the CBD.

#### 3. State of Louisiana

The DDD must establish a close working relationship with the State of Louisiana at all levels. The State is the largest single employer and consumer of office space in the downtown area. Additional state employees in leased space, and eventual construction of a new office structure(s) for consolidation of state employees is critical to the long-term success of downtown redevelopment. These additional employees will increase demand for services and expand the market in the downtown area.

#### 4. Residential Opportunities

The DDD should encourage and facilitate renovation and construction of projects for residential occupancy, particularly those with riverfront orientation. The DDD should additionally encourage "neighborhood" retail shops and services.

#### 5. Cultural Activities

The downtown area is recognized as the cultural center for all of Baton Rouge. This asset can be enhanced by additional programming of quality cultural activities. The DDD should encourage and support these efforts.

#### 6. Riverfront Development

The Riverfront area, from the State Capitol to Catfish Town, warrants special attention. This district has the greatest potential for change, and the greatest potential for creative projects that will add employment, residential, recreational, entertainment,

and cultural opportunities. The DDD should initiate a special effort, including an invitational design study, to develop the riverfront and tie the existing developments together. The levee and the river are the chief attractions of the downtown area.

#### 7. Fourth St. Corporate Corridor

Fourth St. is the ideal location for high-visibility corporate structures. The opportunities inherent in this street must be promoted. Efforts should be made to promote and attract major corporations to relocate downtown, particularly along the Fourth St. corridor. Changing Fourth St. to two-way traffic will enhance and highlight the symbolic importance of this corridor. Also, Fourth St. should be re-named to accent its importance. The City of Baton Rouge and the DDD should consider a "name that street" competition to solicit proposed names from residents and businesses within the DDD. The DDD could even hold a "vote" on the name to increase publicity and build public support for a name change.

#### 8. Catfish Town

New users of this development must be found as soon as practical. Locating an anchor retail tenant within Catfish Town should be thoroughly investigated. Additionally, residential development targeting the middle-income professionals in the vicinity of Catfish Town should be pursued.

#### 9. Old State Capitol Restoration

The restoration of the Old Louisiana State Capitol, and its reuse as the Louisiana State Museum of Politics should be targeted for increased community support and accelerated completion. Re-opening the Old State Capitol is *critical* to further develop-

ment of tourism and cultural activities in the downtown area.

#### 10. Linkages

Encourage the linkage of the downtown area to the riverfront, as well as improve the linkage of existing developments along the riverfront. More attractions and events, such as Fest-for-All, Freedom Fest, etc., should be promoted to bring Baton Rouge residents "back to the riverfront."



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# INTRODUCTION

The project study area is bounded on the east by I-110, on the south by I-10, on the west by the Mississippi River, and on the north by the State Capitol Complex. This area is synonymous with the legally-defined boundaries of the Downtown Development District which was created by the Louisiana Legislature in 1984 and funded by the voters within the district in a 1986 referendum. Within this 550 acre area are eight sub-districts: the Central Business District, the Federal Complex, the State Capitol Complex, the Centroplex, the Spanish Town Historic District, the Beauregard Town Historic District, Catfish Town and the Riverside Corridor.

Downtown Baton Rouge is the financial, governmental, and cultural center of the city, as well as a mixture of long-established residential neighborhoods. The role of the downtown area has shifted over the past several decades. The area no longer serves as a center of retail activity, and the residential population has dropped to slightly over 2,000 persons. The area has lost 15 percent of its population since the 1980 Census, and the household income is roughly half that of the parish as a whole. Although its share of the total office market has dropped from one-third to one-fourth of the total, Downtown Baton Rouge retains its position as the largest concentration of office space in the parish with roughly 2 million square feet of office space. Public and financial institutions are the primary consumers of office space. The downtown office market also has the lowest vacancy rate, and commands the highest rental rates.

Downtown Baton Rouge is uniquely identifiable, and also has well-identified components within that larger area. While recognizing that the entire area must move toward common goals in unison, this report will examine each of these sub-districts and recommend the creation of policy and implementation strategies that are appropriate for each subdistrict.

This report has four primary purposes: 1) assist the DDD

and City-Parish Government in establishing a clear direction for downtown development; 2) provide a current market analysis; 3) review existing and potential tools to encourage and guide growth; and 4) create an implementation/development strategy for the DDD. The complete market analysis, a review of the DDD, and the original *Baton Rouge 2000* Report are located in the appendix. A discussion of financial tools, and a review of zoning issues have been prepared and are on file with the Office of Community and Economic Development.

This report builds upon the *Baton Rouge 2000* Report, completed in 1983. That report relied heavily on citizen involvement and input to establish a course of action for the downtown area, the City of Baton Rouge, and downtown leadership. Extensive interviews with a broad cross section of the community resulted in a ranking of goals and objectives. The resultant rankings were as follows:

1. Develop a coordinated public/private development strategy and management program for downtown. (The DDD)
2. Revitalize/refurbish the downtown to create a viable 24-hour living, shopping, and working environment.
3. Create public incentives for private development (i.e. public-private partnerships).
4. Preserve and enhance the architectural character and qualities of the historic properties and districts in the downtown.
5. Further develop the financial, legal, and legislative nature of the downtown while promoting more diversified uses (retail, residential, cultural).
6. Realize long range economic returns by managing and improving the existing and proposed assets of downtown.

7. Maximize the impact and opportunity of the river by requiring optimum utilization/access/views for all public and private developments.
8. Stimulate, direct, guide, and lead downtown growth in directions consistent with good public policy.
9. Educate the citizens of Baton Rouge to the fiscal and physical opportunities inherent in downtown development.
10. Develop a coordinated CBD transit and parking plan in conjunction with City-Parish regional transit plans and policies.

The objective that ranked first was the creation of a managing entity to coordinate and carry out the remaining goals and objectives. Of the several forms this managing entity could take, Baton Rouge chose the type recommended in the *Baton Rouge 2000 Report*: a special taxing district created by state enabling legislation, and supported through a dedicated property tax within the district.

The Downtown Development District is now a reality, and is beginning a process which promises to benefit not only the downtown area, but the entire City of Baton Rouge. This report is essential at this time to help assure that the direction and purpose is clear and well conceived. This report examines the existing market and physical conditions, translates this information into ideas and projects that are consistent with publicly-expressed goals and objectives. The DDD's mission statement re-affirms, and expands the goals and objectives identified in 1983. This report will help the DDD reach those goals.



# EXISTING CONDITIONS



analysis of the existing conditions focuses on two major areas. The first section, **Physical Conditions**, describes each area, provides background information, and significant recent developments. The second section, **Market Conditions**, provides an overview of development opportunities for broad market sectors by Real Estate Research Corporation (RERC), a national market research firm. RERC's full market report is in Appendix A.

## A. PHYSICAL CONDITIONS

Within the DDD boundaries are eight subdistricts, each having its own identity. These subdistricts include the following: the Central Business District, the Federal Complex, the State Capitol Complex, the Centroplex, the Spanish Town Historic District, the Beauregard Town Historic District, Catfish Town, and Riverside (See Figure 1). The diversity of character available within the downtown area is a unique aspect of the area. The following sections briefly describe each of these sub-districts.

### AREA 1: CENTRAL BUSINESS DISTRICT

Downtown Baton Rouge had historically been the financial, governmental, retail, and residential center of the city. Downtown has retained its role as the premier financial and governmental center in the area, while retail and residential opportunities are less intense. The Central Business District (CBD) houses the main offices for five of Baton Rouge's major banks: LNB, Hibernia, AmBank, City National, and Baton Rouge Bank. The continued presence of the banking and governmental communities is a stabilizing force in the CBD.

In the mid 1960s, Louisiana National Bank's decision to

build their new building in the heart of downtown resulted in major improvements to the area's utilities, sewer, lighting, and street systems. These improvements were designed to permit considerable additional development. Subsequent development such as One American Place, and City National Bank Plaza were able to be built without major re-working of the infrastructure. Recently, LNB has re-affirmed its commitment to the CBD with the construction of a second major office tower adjacent to the original LNB building, both renamed as "The Premier Center".

### AREA 2: THE CENTROPLEX

Located just south of the Central Business District and immediately west of Beauregard Town, the Centroplex commands a spectacular view of the Mississippi River. The complex incorporates the elevational changes between the natural levee and the floodplain to create a plaza and park that overlooks the Mississippi River. The Centroplex is surrounded by some of Baton Rouge's most interesting and historic sites: the Old State Capitol, the LASC Riverside Museum, Riverfront Plaza, the U.S.S. Kidd and Nautical Museum, the CBD, Spanish Town and Beauregard Town Historic Districts, and Catfish Town.

The Centroplex consists of a 12,000 seat arena, a 35,000 sq. ft. exhibition hall, and a 2,000 seat performing arts theater, in addition to the new governmental building and the downtown Baton Rouge Public Library. The complex also includes public parking facilities for 1,400 automobiles in addition to parking for nearly 450 municipal automobiles. Slightly over 1,200 persons work in the Centroplex and the adjacent governmental buildings.

Recently, the Metro Council approved renovation of the Old Courthouse for use by the Baton Rouge City Court. Demolition/construction of this project is expected to begin early in 1988.



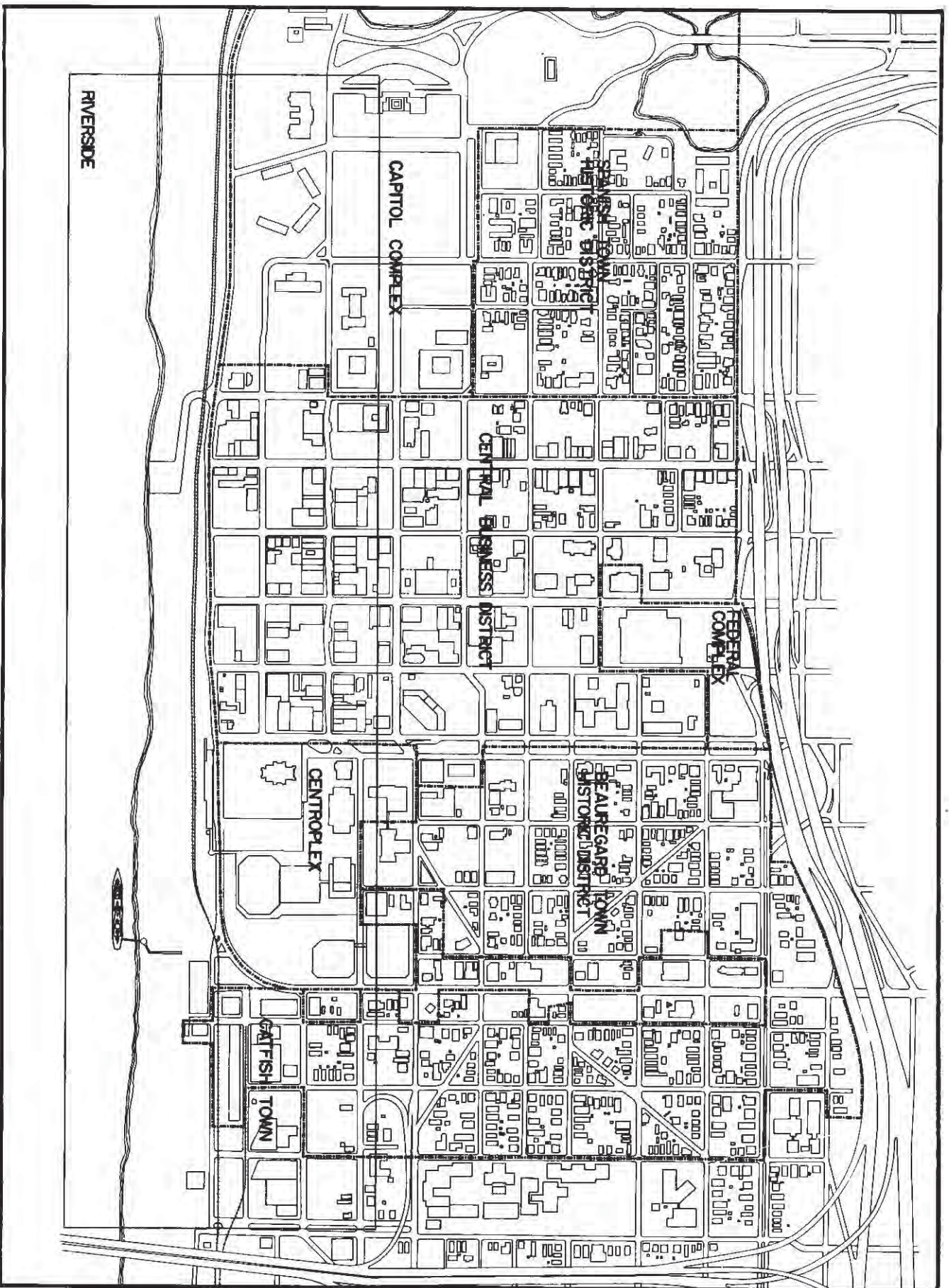


FIGURE 1: Area Designations



Other proposed or potential projects within the Centroplex area include renovation of the Old State Capitol into the Louisiana State Museum of Politics; development of the Centroplex surface parking lot; and redevelopment of the old Municipal Building on North Boulevard, possibly in conjunction with a new Criminal Justice Complex on the surface parking lot on North Blvd, in front of the old Municipal Building.

### AREA 3: CATFISH TOWN

Essentially a subdistrict of Beauregard Town, Catfish Town was historically the warehouse and rail freight-shipping area for Baton Rouge. Catfish Town is bounded by Government St. and Maritime Plaza to the north, the river to the west, South Boulevard to the south, and St. Philip St. to the east. Redevelopment of the area began in 1982 and continued through July 1984. The \$25 million project includes 70,000 gross square feet of office space and 100,000 gross square feet in what began as a "festival marketplace". Development of this abandoned and derelict area had not occurred sooner for a variety of reasons, principally the lack of adequate infrastructure. In addition, the project involved considerable financial risk to the developer. To encourage development the project received the benefit of several public-sector incentives including: a \$2.4 million Urban Development Action Grant (a grant from the federal government to the city to be loaned at favorable rates to a developer for a specific development), federal historic preservation tax credits, tax-exempt industrial development bonds, State restoration tax abatement, and infrastructure improvements through the use of Community Development Block Grant funds. Despite this assistance, the project was financially unsuccessful and is now in the hands of Allied Bank of Houston Texas, who took title to the project when the developer defaulted on the project loan. The initial failure of the project can be traced to a variety of sources including development costs of \$25 million rather than the \$15 million originally budgeted, higher than expected operating expenses, improper store selection and merchandise mix for the Baton Rouge market, poor marketing, and negative publicity from area media who were unfamiliar with public-private partnerships and their potential benefits in the economic development of high-risk, blighted areas.

Despite the initial financial failure of Catfish Town, the development is unquestionably a municipal asset. The city has realized a significant gain: the redevelopment of a blighted and underutilized area. This was absolutely essential to improving the image of downtown. More recently, that portion of Beauregard Town neighboring Catfish Town has seen several renovation and new construction projects. It is most unlikely that these projects would have occurred had the Catfish Town development not changed the image of the area.

### AREA 4: SPANISH TOWN HISTORIC DISTRICT

First laid out in 1805, Spanish Town is the oldest neighborhood in the City of Baton Rouge. Its narrow, intimate streets; irregular block layout; and high concentration of old buildings give it the special character of a neighborhood that developed before the automobile. Spanish Town has the oldest architectural history in the area, with a continuum of styles dating back to 1823. The area includes fine examples of Greek Revival Architecture, Queen Anne houses, shotgun houses and a large number of craftsman bungalows. The buildings are in high concentration with few intrusions. However, portions of the area suffer from severe neglect. Of the 775 total housing units, 20 percent were estimated as vacant in 1986, resulting in a total estimated population of 1180 persons.

The rectilinear street pattern has great irregularity in the size and shape of blocks. Many of the streets are quite narrow, and are consequently one-way. Typically, the sidewalks are narrow with buildings set back only 10 to 15 feet. The buildings are close together so that the average distance between the buildings is less than the average facade width. This gives the streetscape a strong definition, with a low-scaled, intimate quality. The effect of intimacy is increased by the intensive foliage and many front porches. This is in sharp contrast to the surrounding areas.

When Spanish Town became a dedicated historic district, the area gained some assurance that it would remain intact. The fabric of Spanish Town is threatened by further intrusion from the State Capitol Complex, owner neglect, and conversion to other uses. Spanish Town has the opportunity to become a unique, desirable residential area, particularly given the present market environment in which residential opportunities are the greatest.



## **AREA 5: BEAUREGARD TOWN HISTORIC DISTRICT**

In the late 18th century Elias Beaugard conceived the idea of developing a planned center for the town of Baton Rouge, then the center of government for Spanish West Florida. In 1806, a plan was designed by Beaugard and the French engineer Arsené LaCarré in the Grand European Manner. The 9x12 block planned town was to have tree-lined boulevards, radiating streets and a central Cathedral Square. On July 22, 1806, with the consent of Carlos de Grandpré, Governor of West Florida, Elias Beaugard held the first auction of lots in the new town. The land uses for Beaugard Town were partially fulfilled. The public plazas were urban open spaces until development pressures covered them with public structures in the early 1900's. After the Civil War the economy of Beaugard Town was stagnant, but the old economic base of the area (the cotton and lumber industries) remained and it slowly began to regenerate. By the late 19th Century prosperity had been restored. Lumber and cotton were shipped via the warehouses in the western end of the district, known as Catfish Town. It was this prosperity that generated the richest residential development boom which peaked in Beaugard Town around the turn of the century. Slowly development shifted away from Beaugard Town. In the 1960's, Government St. was redeveloped with large scale commercial properties that destroyed the core of the Beaugard Town neighborhood. The area has recently seen numerous restorations into both residential and office occupancies. The "Beaugard Block" restoration in the 600 block of Louisiana Ave. is an excellent example of the potential of Beaugard Town.

The greater part of Beaugard Town is a locally outstanding turn-of-the century middle class residential area, certainly the finest surviving example in East Baton Rouge Parish. The designated historic area has an intimate scale, an unusual purity and a high incidence of intact structures.

Over the past several years the area has lost numerous residential units to both removal and conversion to office uses. Many of the renovations have resulted in the loss of architectural character, while others have been of very high quality. Portions of the area suffer from severe neglect and abandonment. Of the roughly 500 housing units, 25 percent were estimated as vacant

in 1986, resulting in an estimated population of slightly over 600 persons.

Beaugard Town has seen significant construction and renovation over the past five years. There were approximately 53 renovations, most of which resulted in a change to office uses. Four new buildings have been constructed, all of which are attorney's offices. Of the 18 structures removed within the past five years, two were replaced with other structures, seven became parking lots and nine remain vacant.

## **AREA 6: THE FEDERAL COMPLEX**

The Federal Complex includes the Main Post Office, and the Federal Courts Building. The Federal Courthouse was constructed in 1932 and today houses about sixty employees. The Post Office Building, completed in 1968, houses the Internal Revenue Service, the Postal Credit Union, and legislative offices. The postal service alone employs over 250 persons in the main office. Later this year the Internal Revenue Service will relocate from the Post Office Building allowing the post office to expand. The location of the new IRS offices is not yet determined. The General Services Administration (GSA) is considering a 7,000 Sq. Ft. addition on the east end of the building. Also under consideration is a major expansion of the Federal Complex that would consolidate federal employees in a major new development adjacent to the existing structures along Florida Blvd.

## **AREA 7: THE STATE CAPITOL COMPLEX**

The new State Capitol Building was the dream of Huey Pierce Long, who first mentioned the need for more centralized state government while campaigning for governor in 1927. Elected the following year as Louisiana's 40<sup>th</sup> governor, Long made the Capitol project one of the top priorities for his administration. The structure brought all facets of Louisiana's government under one roof for the first time since Reconstruction. Sixty years later, the State is once again considering the consolidation of state employees within downtown Baton Rouge. Of the roughly 10,000 State employees in East Baton Rouge Parish, approximately half work in the downtown/Capitol Complex area.



For the parish as a whole, slightly less than half of the State employees are housed in leased space, and approximately 8 percent of all State employees are housed in leased space in the downtown area.

The State Capitol is listed on the National Register of Historic Places. It is a splendid example of the Art Moderne School of American Architecture, and one of the finest and last uses of that style on such a grand scale. The Capitol and grounds annually draw thousands of tourists into the area, as well as provide an intensely landscaped area to benefit of all of Baton Rouge's citizens.

#### **AREA 8: RIVERSIDE**

The area designated as Riverside overlaps and includes parts of the State Capitol Complex, the Central Business District, the Centroplex, Beauregard Town and Catfish Town. The most significant characteristic of this area is the Mississippi River and its levee. Riverside includes the bluff which forms the natural levee on which the original town was located. For many years Baton Rouge had "forgotten" about its river, with its economic and recreational potential. In recent years, several projects have been built or proposed in the Riverside area. Completed projects include the Centroplex, Catfish Town, Maritime Plaza, the U.S.S. Kidd and Nautical Museum, Riverfront Plaza, and the LASC Museum. Regular riverfront activities include the Samuel Clemens, a locally-based riverboat, and the U.S.S. Kidd, a restored WWII destroyer. The proposed municipal docking facility (Riverfront Landing), would make downtown Baton Rouge a regular port of call for the Mississippi Queen, Delta Queen, and other river excursion boats which presently pass Baton Rouge by. Other proposed projects include a levee/batture park, reuse of the Old State Capitol as the Louisiana State Museum of Politics (the exterior renovations of this project have been completed), and several multi-story residential and office projects. The riverside portion of the CBD is virtually vacant or abandoned. Some of the blocks are used entirely as surface parking lots, others are abandoned, or severely underutilized. Baton Rouge must capitalize on the tremendous economic potential these unique properties offer.

#### **B. MARKET CONDITIONS**

This executive summary of the Downtown Baton Rouge Market Assessment was prepared by Real Estate Research Corporation (RERC). Their entire market assessment is provided in this report as Appendix A.

Real Estate Research Corporation (RERC) has recently completed a market overview of existing development conditions in downtown Baton Rouge. The following summary capsulizes our primary findings and general recommendations to the Caplinger Group in their update of the *Baton Rouge 2000* report. Our conclusions reflect the economic difficulties that pervade the region and their impact on Baton Rouge.

1. The city is currently experiencing severe and unusual economic conditions that represent a transition period related to the energy function. How long the transition will be and to what extent the economy will return to its former strength are both debatable; but most experts see indications are that the worst is over.
2. As is always the case in economic hard times, government may have to stimulate the development process in order to maximize marginal market opportunities.
3. In addition, government should monitor conditions, identify emerging opportunities, and lay plans to maximize future development potential.

RERC examined the development situation in downtown Baton Rouge in general terms and with regard to specific development functions; based on our analysis we offer the following general observations and recommendations.

#### **GENERAL FINDINGS**

As stated, Baton Rouge has been mired in the same economic problems affecting the entire Gulf region. Unemployment is running about 11 percent to 12 percent, which is 4 percent higher than the national average but around 3 percent lower



than the state average. Both services and government functions in Baton Rouge remain healthy; however, the retail picture is uncertain and manufacturing continues to decline. Many of these issues are obviously outside of local control. The City's general economic goals should be to continue diversification, protect and expand government services, and watch for related opportunities. For each of the key downtown functions we examined, our specific economic goals are to:

1. Maximize existing opportunities.
2. Leverage public and private assets.
3. Make plans to capture future opportunities in downtown.

## OFFICE

The current office market situation in Baton Rouge is very weak as a result of a 30 percent increase in supply over the past three years in spite of weak economic conditions. Overbuilding has led to significant rent concessions and high vacancy rates (25 percent to 27 percent). Our forecast is for slow but steady absorption rates—250,000 to 350,000 square feet per year compared with an annual rate of 715,000 in 1985. Banking and government are the key downtown office functions, although 75 percent of the state office leases are outside of downtown.

While we see little short-term downtown office potential, the City should attempt to protect current and future office opportunities by encouraging support activities such as housing, retail, parking, restaurants, and so forth. We also recommend that existing holders of vacant space work together on an incubator project that will encourage new business start-ups to locate downtown, as well as helping them survive.

## HOTEL

In general, RERC generally found the hotel market in the Baton Rouge region overbuilt, especially in light of current economic conditions. However, hotel development provides many synergistic benefits to downtown revitalization in the form of rooms, restaurants, bars, meeting space, jobs, visitors, etc. These benefits can be stimulated by government actions. We

recommend that the City evaluate a strategy of leveraging the use and/or management of the Centroplex facility to attract a convention hotel—or that it attempt to stimulate revitalization of the Capital House through an Urban Development Action Grant.

## RESIDENTIAL

Residential development presents a bright but modest opportunity for downtown that should be explored because of its overall economic benefits. A recent survey of downtown employees revealed that 17 percent would consider living downtown and would prefer low-density units. We recommend that some of this market potential be attracted to Beauregard Town (where further office conversion should be discouraged) or to other suitable downtown infill locations.

## RETAIL

As in many other cities, downtown retail activity has been declining for many years. Today's primary retail customer is the downtown employee, 36 percent of which have only a half-hour lunch. Despite this short lunch hour and the current absence of significant retail, 32 percent of the downtown employees say they are out and about daily. New opportunities appear to exist for the specialty retail and restaurant activity and could be developed in existing inexpensive space or in Catfish Town.

## OTHER FUNCTIONS

RERC sees a market for entertainment activities, both public and private, in downtown Baton Rouge. Mid- to long-term planning should also consider the tourism situation, especially along the river.

Market conditions in downtown Baton Rouge are not great. Existing opportunities will have to be stimulated by appropriate government action, and related government efforts should be aimed at ensuring that downtown remains competitive for future opportunities.



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## DEVELOPMENT CONCEPTS:

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### PROPOSED LAND USE PLAN, POLICIES, AND PROJECTS

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**T**he Downtown Development District, together with the City of Baton Rouge and private developers, should take as a top priority the formulation of development and land use policies for each of the eight areas within the district. A clearly formulated policy for development within each of these areas is crucial to the evaluation of specific projects, and execution of a land use plan.

#### LAND USE PLAN

The Recommended Land Use Plan, Figure 2, depicts a pattern of land use that combines both the existing pattern of development and a recommended direction for future development. This brief description of the land use plan defines each of the sub-areas, and is followed by more specific information and recommendations for policy and projects.

#### AREA 1: THE CENTRAL BUSINESS DISTRICT

The **Traditional CBD**, defined as that area between Lafayette St., North 6th St., North Blvd., and North St. and excluding the Riverside Mall area, should permit the highest density development. This area focuses on Fourth St. as the premier office corridor and should include high density office developments within the existing pattern of development.

**Riverside Mall**, defined as that portion of Riverside Mall between North Blvd. and Main St., should be retained as a service retail, restaurant, and specialty commercial district of moderate density.

The **Upper CBD**, defined as that area between I-110, North St., North Blvd., and North 6th St, should be encouraged to

develop as a mixed-use zone of moderate density. This area can accommodate residential, office, commercial, and retail developments.

The **Riverside** area of the CBD, defined as that area between the Mississippi River, Lafayette St., North St., and North Blvd., should be developed as a high density office, financial, hotel, and residential area. However, special design considerations are required to maximize the opportunities to utilize the river and batture as a unique downtown amenity. Additionally, consideration should be given to view corridors and pedestrian amenities. The city should consider granting air rights over Front St. (which should be re-named River Rd.) in exchange for site planning controls and public amenities.

#### AREA 2: THE CENTROPLEX

The **Centroplex**, defined as that area bounded by the levee, North Blvd., St. Louis St., and Government St, should continue its role as the cultural and local governmental center of the community. Additional concentration of governmental and cultural activities should be encouraged, with the possible use of the surface parking lot for a major new downtown hotel.

#### AREA 3: CATFISH TOWN

**Catfish Town**, defined as that area between the levee, France St., St. Philip St., and the I-10 bridge, should be a moderate-density, mixed-use area containing residential, office, commercial, retail, recreational and cultural components.



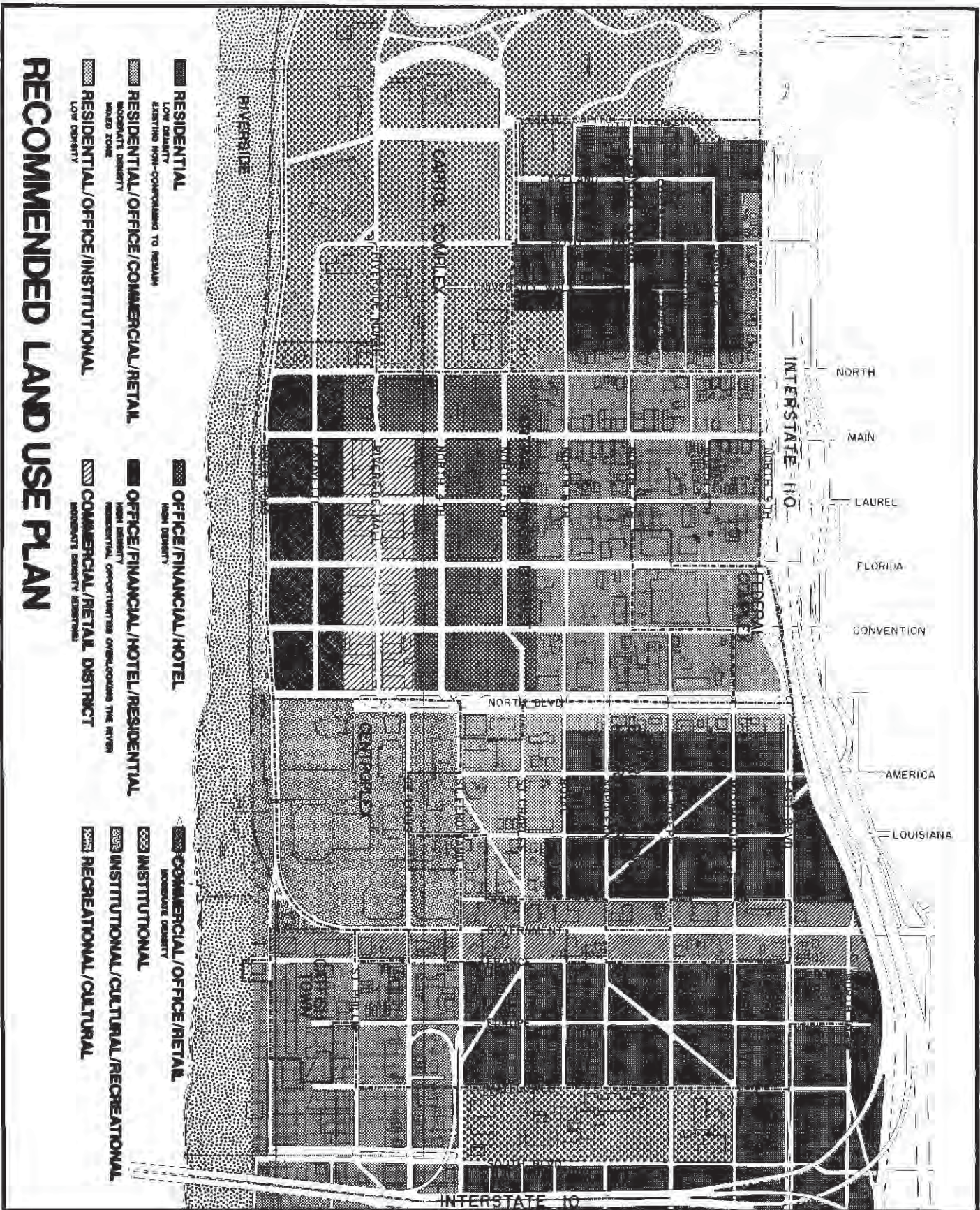


FIGURE 2: Recommended land use plan



#### **AREA 4: SPANISH TOWN**

Spanish Town, defined as bounded by the State Capitol Grounds, North St. and North 9th St., should be retained as a low-density, predominantly residential area. Existing non-conforming uses should remain. The east and south edges of Spanish Town, (i.e. North 9th St. and North St.), should be allowed to include a wider variety of uses, such as office and retail uses in structures compatible with the scale and character of Spanish Town.

#### **AREA 5: BEAUREGARD TOWN**

Beauregard Town, bounded by North Blvd., Interstates 10 and 110, and St. Ferdinand St., should be retained as a low-scale, predominantly residential district with existing non-conforming uses allowed to remain. Given the nature of existing developments in the vicinity of the Centroplex and along North Blvd., this portion of Beauregard Town should be developed with low-scale office, institutional and residential uses in keeping with the existing pattern of development. Government St. will continue to develop as a commercial, office, and retail corridor. Developments of moderate density in keeping with the scale of Beauregard Town and retail development which target both commuters and Beauregard Town residents should be encouraged. The balance of Beauregard Town should be retained as a residential neighborhood. Conversion of additional residential units to office functions should be considered only within certain areas, and with serious concern for the effect on neighboring properties.

#### **AREA 6: FEDERAL COMPLEX**

The Federal Complex is contained within the upper CBD, and should be encouraged to continue expanding its role as the center of Federal Government services for the Baton Rouge area.

#### **AREA 7: STATE CAPITOL COMPLEX**

The State Capitol Complex extends generally from North St., River Road, and North 5th St. to the northern limits of the study area. With the exception of some buildable sites in the vicinity of North St., the State Capitol Grounds are not expected to change. The State of Louisiana should be encouraged to pursue a master land use plan for expansion of their facilities in the downtown area. Such a plan would allow the City of Baton Rouge and the DDD to plan for this eventual development, and provide assistance for that development. This district also includes a privately-owned strip of land between the Capitol Lakes and River Road north of the Capitol. This area includes the Inn on the Lake Hotel, and a small residential area.

#### **AREA 8: RIVERSIDE**

The levee and Mississippi River batture should be developed as a recreational, cultural, and visual amenity along its entire length. Commercial operations along this portion of the riverfront should not be prohibited since many of these operations add vitality and interest. Commercial use of this area can make the downtown riverfront a more interesting place from which to enjoy the river if those commercial establishments, including a public dock, are additive to the experience. A development plan is needed to identify the scope of potential developments, as well the constraints under which those developments must operate.

#### **PROPOSED PROJECTS AND POLICIES**

In order for the DDD to maximize its impact, and to target appropriate projects, a clear development concept must be derived and agreed upon. Like zoning, development concepts are abstract ideas, but unlike zoning, development concepts are constantly changing. They are dependent on market conditions and the status of other developments. This section proposes a very general development framework which will enable the City and the DDD to make policy decisions and evaluate proposed



projects. These development concepts provide a vision of what the downtown area could become. This development concept will constantly evolve as new projects are created, old uses fade, and market conditions change.

The existing supply and absorption rates of office and retail developments indicate that new projects will not be required until local economic conditions change. Local developers are forced by economic concerns to pursue only those projects that are profitable within the developer's time horizon. The City and the DDD must encourage those development projects that are profitable today, as well as lay the groundwork for future development. In addition, today's projects should not preclude greater development possibilities at some future date. Thus, some of the ideas contained in the development concept are some years into the future. Especially during this period of transition, planning is needed to assure that development occurs in the manner that is most beneficial to the district, and to the entire city.

#### **AREA 1: THE CBD**

The area referred to as the CBD includes Riverside Mall, Fourth St., parts of Riverside, as well as the upper CBD east of 5th St.. The Riverside area within the CBD has perhaps the greatest potential for development. It is underutilized, largely vacant, has excellent vehicular access, and excellent view amenities. This area, and Fourth St., provide the best sites for major developments. Fourth St. should be encouraged as the corporate and financial corridor. The existing financial and religious institutions, in addition to the symbols of political strength create an excellent environment for high-identity corporate structures. Riverside Mall, the historic "Main St." sandwiched between Riverside and Fourth St. provides a contrasting, personal scale that is well suited to businesses offering goods and services to the larger developments. The area east of Fifth St. can provide lower density support functions including office, and residential developments.

In addition to the CBD's historic importance, the area remains the financial and governmental focus for the city. The image of the CBD as the center of Baton Rouge can be strengthened by: 1) **encouragement of high-density development along**

Fourth St.; 2) additional concentration of governmental functions and employees; 3) promotion of Riverside Mall as a the "Main St." for downtown retail activities; 4) encourage lower-scale, infill development at the periphery of the CBD and in the other subdistricts; and 5) develop a major downtown hotel to serve the needs of business and government, and to enhance the convention and tourism potential of the area.

The highest density development within the CBD should be concentrated along Fourth St.. Fourth St. already includes major banking and religious institutions on a five-block long street between the centers of state and local governmental activity. This concentration of financial, religious, and political strength is a unique aspect of Baton Rouge's urban environment. There are at least four prime development sites along Fourth St. which should be marketed as ideal sites for major corporate headquarters. This type of development can be encouraged through a recommended re-zoning of the entire study area, imposition of floor area ratio requirements, and design review. The current blanket zoning of C-5, which presents no height or area restrictions, is not conducive to the creation of special activity areas within the CBD.

Fourth St. should be re-designed to permit north-bound traffic in order to capture the image of the new State Capitol as the northern terminus of this avenue. Instituting a two-way traffic pattern on Fourth St. will greatly increase public perception of the importance of this corridor. Also, Fourth St. should be re-named to accent its importance. The City of Baton Rouge and the DDD should consider a "name that street" competition to solicit proposed names from residents and businesses within the DDD. The DDD could even hold a "vote" on the name to further increase publicity and build public support for a name change.

While present economic conditions indicate that the State will not pursue a major office building at this present time, private developers could secure commitments from the State of Louisiana to occupy a new office structure. When this project does move forward, the preferred location should be as close to Riverside Mall as possible. The block assembled for the previously-proposed Fidelity National Bank Building (i.e. that block bounded by Riverside Mall, Main St., North St., and Lafayette St.) would be a prime site for such a development.

Riverside Mall is the historic "Main St." shopping district. Although this role has faded, **Riverside Mall should be retained**



as the support retail district for a downtown office and residential community. The remaining retailer's efforts to fill this role is commendable and should be encouraged. While the DDD has and should assist these businesses, increased retail activity will generally follow office and residential development. Therefore, the area retailers would benefit most from increased employment and residential activities within the area. Additional restaurants and entertainment activities should also be encouraged.

Lower scale and infill development should be encouraged at the periphery of the CBD and in the other subdistricts. This will improve the image of the CBD as the center of a healthy downtown district, and provide a mix of residential, commercial, and office opportunities. We believe that improved residential opportunities are particularly important in promoting the area as a preferred environment in which to live and work.

The downtown area *must* develop and support a first-class hotel. In recent years downtown Baton Rouge has witnessed proposed development of a hotel on both the Centroplex surface parking lot and the restoration of the Capitol House Hotel. Additionally, RERC has recommended that a hotel be promoted in the downtown area despite relatively low hotel occupancies (51 percent to date in 1987). They state that a high-quality, new hotel is essential to downtown businesses; state government, the Centroplex, and the tourism and convention industry. They further state that this hotel is required even though it may be necessary to publicly subsidize the operation. Recently, the Baton Rouge Hotel/Motel Association recognized the necessity of a hotel in the downtown area. By a very slight degree, redevelopment of the existing Capitol House is preferred because the structure already exists; and if not a hotel, it poses the question of what else it could be. Although the Capitol House has good local recognition, it requires affiliation with a major national chain. The Capitol House is well located to serve the needs of the Centroplex Exhibition Hall, the downtown businesses, and State and local government as well. Additionally, this redevelopment should qualify for appropriate public assistance or amenities, as proposed in 1985. Redevelopment of the Capitol House will provide an incentive for the proposed Louisiana State Museum of Politics, additional development in the Riverside area of the CBD, and increase opportunities for cultural, entertainment, and restaurant activities.

The Caplinger Group recommends that the City investigate the potential of creating a public-private partnership involving the the restoration of the Capitol House or construction of a major new hotel on the Centroplex surface parking lot in conjunction with privatization of the Centroplex Exhibition Hall and Arena, and construction of a riverboat landing in the area of Riverfront Plaza. We believe that such a project would provide a variety of benefits. Privatization of Centroplex

management could perhaps save the City the operating deficit (presently about \$300,000). Although the deficit has decreased dramatically since 1982, privatization could eliminate the deficit altogether, and perhaps provide local government with some additional lease revenues. Additionally, by placing the Hotel and Centroplex Management under the same organization, a national hotel chain will be able to provide national market exposure beyond that which the Centroplex or Visitors and Convention Bureau can provide. This should result in a significantly greater number of convention bookings with the economic benefits being shared by the entire hotel/motel industry.

Construction of a riverboat landing could permit the hotel to be oriented towards the river. This will increase the opportunity for hotel and convention visitors to enjoy the river, and become a "front door" for downtown Baton Rouge. This project was proposed in the France St. Right of Way in 1985, south of the U.S.S. Kidd. However, we strongly recommend the project be constructed adjacent to Riverfront Plaza, north of the U.S.S. Kidd. This will not only serve the hotel and Centroplex as mentioned above, but also directly benefit the Louisiana Arts and Sciences Center (LASC) and the U.S.S. Kidd and Nautical Museum.

Although the Capitol House is presently in bankruptcy, the City should encourage the owners, perhaps through a partial subsidy, to perform a detailed architectural and engineering survey of the structure. This evaluation should determine whether or not the structure can be economically restored. Once this is established, and assuming the structure is economically salvageable, the City and owner(s) should entertain proposals for renovation in conjunction with privatization of the Centroplex. While the types and amount of public support cannot be estimated until the costs are accurately known, the public-private partnership can be structured for the benefit of both. Given the previous controversy regarding Catfish Town, it can



be expected that this proposed public-private partnership will also draw criticism if not properly understood in the context of the overall public benefit of such a project. The DDD can play a critical role by communicating the advantages of such a project performed in cooperation between public and private interests. Similar projects in other cities should be examined and compared in detail to demonstrate the potential public benefits of properly structured public-private partnerships.

## **AREA 2: THE CENTROPLEX**

The Centroplex, although just as controversial as Catfish Town at the time of its development, was well conceived and should continue to develop as originally envisioned. The continued concentration of governmental, judicial, cultural, and tourism functions within this district should be encouraged. With economic conditions dictating increased emphasis on public-private partnerships, the Centroplex should not be ruled out as a potential site for such a development. The recent decision to relocate the Baton Rouge City Court into the renovated Old Courthouse is a significant plus for this area.

As stated above, we favor additional concentration of local governmental functions at or near the Centroplex. Projects which would add to the existing facilities include the planned restoration of the old Courthouse for use by the Baton Rouge City Court, and the construction of a proposed Criminal Justice Complex adjacent to the old Municipal Building on North Blvd. These projects would create a dynamic addition to the Centroplex governmental complex. The adjacency of judicial functions would encourage other development, particularly use of CBD office space by attorneys and other governmental and court-related professionals.

The Old Louisiana State Capitol Building is being restored as the Louisiana State Museum of Politics, and will also house the Veterans Offices. When the renovations are complete, the Veteran's Offices will employ about 50 persons, and the museum about 15 persons. While the decision to create this museum resulted from extensive public debate and input, the continued funding of the project depends upon an appropriation from the State Legislature. This should be a top priority for City-Parish Government and the DDD in the 1988 Legislature. Once the

project is funded the interior construction activities are expected to last approximately two years. Thus, if the project is funded in the 1988 regular session of the legislature, the project would have an anticipated completion date of mid-1990. The use of this structure as a museum of politics is appropriate and the project deserves the strong support of the DDD and City-Parish Government.

## **AREA 3: CATFISH TOWN**

The Catfish Town project is a tremendous improvement over the previous "use" of this area. Despite its initial economic failure, the project is a plus to the urban fabric of the downtown area and provides the opportunity for creative and profitable reuse. Catfish Town's future could lie in several directions. First, it could be re-developed as a more modest version of the original project. Second, a portion of the area could be converted from retail and restaurant spaces into office space. Third, the project could take on a new direction. One possibility is being explored by the Arts & Humanities Council of Greater Baton Rouge. They envision a performing and visual arts center that could serve as the center of Baton Rouge's artistic community.

We do not propose a dramatic change to the intended function of Catfish Town. Rather, Catfish Town's highest and best use is most likely that use for which it was originally intended: a recreational market place on the river. After Catfish Town has undergone financial re-organization, its potential for success will be significantly improved. Since the property will very likely be sold at a cost significantly less than it was being carried at prior to its repossession, the write-down should make the project a potentially profitable one, particularly with the right professional management and promotion.

Additional projects should be encouraged to cluster near Catfish Town. Potential projects include: 1) a residential development similar in concept to the River House Project which was proposed in 1984; 2) a riverfront dock to encourage tourist and riverboat activity; 3) re-development of the old "Louie's on the Levee" as a premier restaurant, or nightclub; 4) development of the Centroplex surface lot; 5) addition of an anchor retail store at Catfish Town; and 6) landscape the levee/batture as a visual and recreational amenity. Individually, none of these projects would



add enough "mass" to the area to make Catfish Town a success. Collectively, they constitute a "new town in town" which should provide Catfish Town with the "critical mass" of activities to draw a sufficient number of local citizens and tourists to insure the economic success of the development.

If this approach is not undertaken, Catfish Town could conceivably be used as office space. However, the conversion of this high-cost retail space to office space not only discards much of the existing investment, but will in itself be an expensive project. Perhaps most importantly, the "office space approach" does not create the economic activity and jobs that the project originally envisioned, and succeeded at for a limited period of time.

An alternative concept is being explored by the Arts and Humanities Council of Greater Baton Rouge. They envision a permanent artist's community that would include both the visual and performing arts. If the Baton Rouge visual and performing arts community could occupy this space it would provide year-round cultural and artistic activities. Such a project would cement downtown's image as the cultural and artistic center of the city. Unresolved, however, is the question of how to finance such a project.

#### **AREA 4: SPANISH TOWN & AREA 5: BEAUREGARD TOWN**

The two registered historic districts are generally improved in recent years. There has been reduced pressure in recent years to convert residences into offices, and renovated residential structures have found excellent market reception. However, there are severely blighted pockets within both districts, and abandonment has increased. Assistance and encouragement is needed to help these areas become desirable residential districts once again. The contrast of these intimate, heavily landscaped areas with the highly ordered development of the CBD is a unique urban phenomenon which the DDD should work hard to retain. Further, these residential districts provide an opportunity for residential activities a short walk from the center of downtown employment.

Although distinct districts, with different characteristics, the two historic districts have similar problems and are therefore considered together. The Spanish Town and Beauregard Town Historic Districts should be protected from physical deteriora-

tion or destruction. Although not high-income neighborhoods, they are an asset to the study area. They provide badly needed relief from the numerous surface parking lots, provide a physical context of historical significance, and keep the area from being abandoned at night. Of particular importance to downtown merchants and property owners, preservation as primarily residential areas promotes a pleasant home-to-work environment for those choosing to live downtown. Additionally, if businesses are discouraged from locating in the historic districts, but still want to be downtown, they are more likely to locate within the CBD. The DDD needs healthy residential districts.

The old School for the Deaf and the South Blvd. Elementary School are likely to remain office and institutional uses. Within the past year, the Old School for the Deaf has been occupied by the State Department of Corrections. The Baton Rouge Police Department headquarters, and the administrative office of the Emergency Medical Services, are scheduled for relocation to this facility in early 1988. The departments located at this facility are office functions that do not negatively impact the Beauregard Town Historic District. In general, use of the Old School for the Deaf by law enforcement agencies appears to be a reasonable reuse of the facility, and actually increases the security for area residents.

RERC has stated that a "neighborhood grocery store" is essential to the development of these areas as desirable residential districts. Spanish Town has retained a small grocery store that marginally serves the needs of the Spanish Town residents. Beauregard Town needs a grocery/convenience store in order to continue its recovery as a desirable residential area. The preferred location for a grocery store is on Government St. between St. Joseph and Napoleon streets. This is the geographic center of Beauregard Town, and is well-sited to capture commuters along Government St. in addition to business from Beauregard Town Residents. A gourmet, up-scale grocery and deli should experience excellent market reception from both residents and the office community. A comparable project is the Whole Food Grocery Store in the Faubourg St. John area of New Orleans which was critical to the rapid pace of restoration of that area. A similar store located in Beauregard Town would encourage redevelopment of this area as well.

These districts should be re-developed as renovated residential and office communities. This redevelopment should be



publicly guided and protective measures created so that as development pressure increases, the neighborhood character can be preserved. We recommend that the historic district zonings of Historic Residential (HR) and Historic Business (HB) be written and applied to these areas as part of an overlay zoning and planned community district. These zoning classifications should be utilized to both protect the existing urban fabric, and encourage development compatible with the neighborhoods. Programs and policies which would assist these districts demand a clear statement by City-Parish Government that it intends to protect these areas. As well, provision of low interest loans, technical assistance, and promotion of these areas as desirable residential districts should be encouraged. Particularly in Beauregard Town, a program targeting in-fill housing should be created.

#### **AREA 6: THE FEDERAL COMPLEX & ENVIRONS**

The Postal Service has indicated a need to occupy the second and third floors of the Main Post Office Building, thus displacing the current tenants which include the IRS and Congressional offices. Temporary space should be be assembled immediately within the CBD for use by displaced federal employees. In the longer term, we recommend construction of a new Federal Building near the existing federal complex on Florida Blvd. The federal complex will require additional space within the next few years, and this development should logically occur adjacent to the existing facilities.

The blocks bounded by N. 6<sup>th</sup> St, North St, Laurel St., and N. 9<sup>th</sup> St. will probably not be needed for commercial development for at least a decade, and possibly much more. Although zoned commercial, the market conditions indicate that this property will not be needed for retail or office development for many years. Given this, we feel that this area could be redeveloped into a new residential area for middle-income households. Such a development would promote residential opportunities, and help create a 24-hour, living/working environment. We believe that townhome development would be well received by the downtown office employees, particularly in the two and three-bedroom, \$60,000.00 price range.

#### **AREA 7: THE STATE COMPLEX & ENVIRONS**

Consolidation of State governmental functions and employees should be encouraged within the traditional CBD. The preferred location is as close to Riverside Mall as possible. However, additional development could occur within the existing grounds in the vicinity of the the Health and Human Resources Building, Department of Natural Resources Building, or Department of Education Building. Expansion to other areas such as north to the old Our Lady of the Lake site, or further into the Spanish Town Historic District should be discouraged as destructive to the residential community and urban fabric. The placement of additional state employees in leased space within the CBD and the potential for private development of an office building for lease by the State should be considered. The Capitol Grounds themselves should remain unchanged, and will continue to provide the downtown area with an attractive, park-like setting for State government.

#### **AREA 8: RIVERSIDE**

The Mississippi River, the levee, and the batture provide the downtown area with tremendous opportunities for recreational and visual amenities. The city-side, levee crown, and river-side must each be developed with aesthetic and functional considerations. Riverfront Plaza is an ideal example of such a use. The public nature of the levee should be reinforced while retaining its safety function. This area could contain a variety of cultural and recreational activities. The Arts and Humanities Council envisions a series of sculptures/public art on the levee crown. The levee is a unique asset that remains available for these and other creative uses.

The river presents a major opportunity as a cultural, visual and recreational amenity. Existing developments (LASC Museum, Riverfront Plaza, USS Kidd and Nautical Museum, Maritime Plaza, and Catfish Town) have all been completed fairly recently. These projects have transformed the way the city relates to the river, but need to be "linked" together. Other projects which would build on these developments include levee improvements and beautification, pedestrianization and/or



jogging track on the levee crown, low water batture park, a sculpture promenade, and a riverfront dock. These projects would be of particular benefit in promoting economic and residential development adjacent to the levee and near the Riverside.

The levee is an essential flood control structure that is regulated by the Corps of Engineers and the City of Baton Rouge. Any proposed alterations to the levee must be with the approval of these agencies. Within the next few years, the Corps of Engineers plans to perform significant improvements to the levee in the downtown area. This work will include raising the levee to the new design elevation. The crown will be raised slightly to match the height of the levee at Riverfront Plaza and the U.S.S. Kidd. Additionally, the slopes will be reworked slightly, and a sloped concrete mat will protect the riverside of the levee. Since this project is still in the planning stages, the city and the DDD have the opportunity to effect the design of this project. Inclusion of public amenities such as stepped areas, or special paving should be planned in conjunction with the Corps of Engineers improvements.





## IMPLEMENTATION STRATEGIES

**T**here are two basic approaches which the DDD can utilize throughout the redevelopment process. First, they can pursue objectives on their own, using their own resources. This approach has the advantage of permitting the DDD to act relatively quickly, and with high recognition for their involvement. This would also allow the DDD to set its own agenda and create its own programs designed expressly for the conditions they want to address.

The second approach requires cooperation between the DDD and numerous other groups. While consensus-building and negotiation will be slower than unilateral action, this approach holds the promise of increased community support. Additionally, a cooperative approach between the DDD and other groups will build an information system that permits the DDD to become the transfer point of an information network that extends far beyond their own ability to gather and maintain information. Whenever possible, the DDD should act in concert with other groups in carrying out projects or gathering information. This approach will prove more effective in the long term.

The DDD must choose between being an organization that acts independently of others, or one that leverages its resources with other groups. If the DDD had significant financial resources, and sufficient staff, they could potentially act independently of other agencies. However, the DDD has limited resources, both financial and human, and requires the assistance of other agencies in carrying out desired projects. In order to be an effective organization, the DDD must leverage its resources and position with other groups.

The DDD Commission has recognized the problem of limited staff, and has established several subcommittees, each addressing a different area of involvement. These subcommittees provide a structure for voluntary participation in the DDD. This form of organization should serve the DDD well, but in

order to function efficiently, the subcommittees must be given clearly defined roles and responsibilities. The actions undertaken by these subcommittees constitute the general implementation strategy by which the DDD will carry out its goals and objectives. Therefore, the DDD must more clearly define the roles and responsibilities of each of these subcommittees. For the reasons cited above, these committees should function primarily to link the DDD with other groups and organizations. To date, these subcommittees have tended to act rather independently. Independent action should not be entirely discouraged since it can lead to creative, exciting projects. However, the DDD committee's primary purpose should be to link its activities with other groups. The relationship of these committees to both the DDD, and the general community is diagrammed in Figure 3.

The performance of these subcommittees has been mixed: some of them have been extremely active while others have been relatively inactive. The DDD should routinely examine the subcommittee structure and performance to determine if any changes are warranted. Recently, the Administrative Committee and the Coalition of Downtown Merchants were eliminated/combined with existing standing committees. The City Marketing Group and Cultural Alliance Committee were combined and the name changed to Programming and Marketing. These changes seem appropriate. At the present time, the DDD has established the following subcommittees:

- Riverside Association
- Programming and Marketing
- Downtown Residents Council
- Downtown Merchants Association
- Planning Consortium
- Downtown Development Foundation



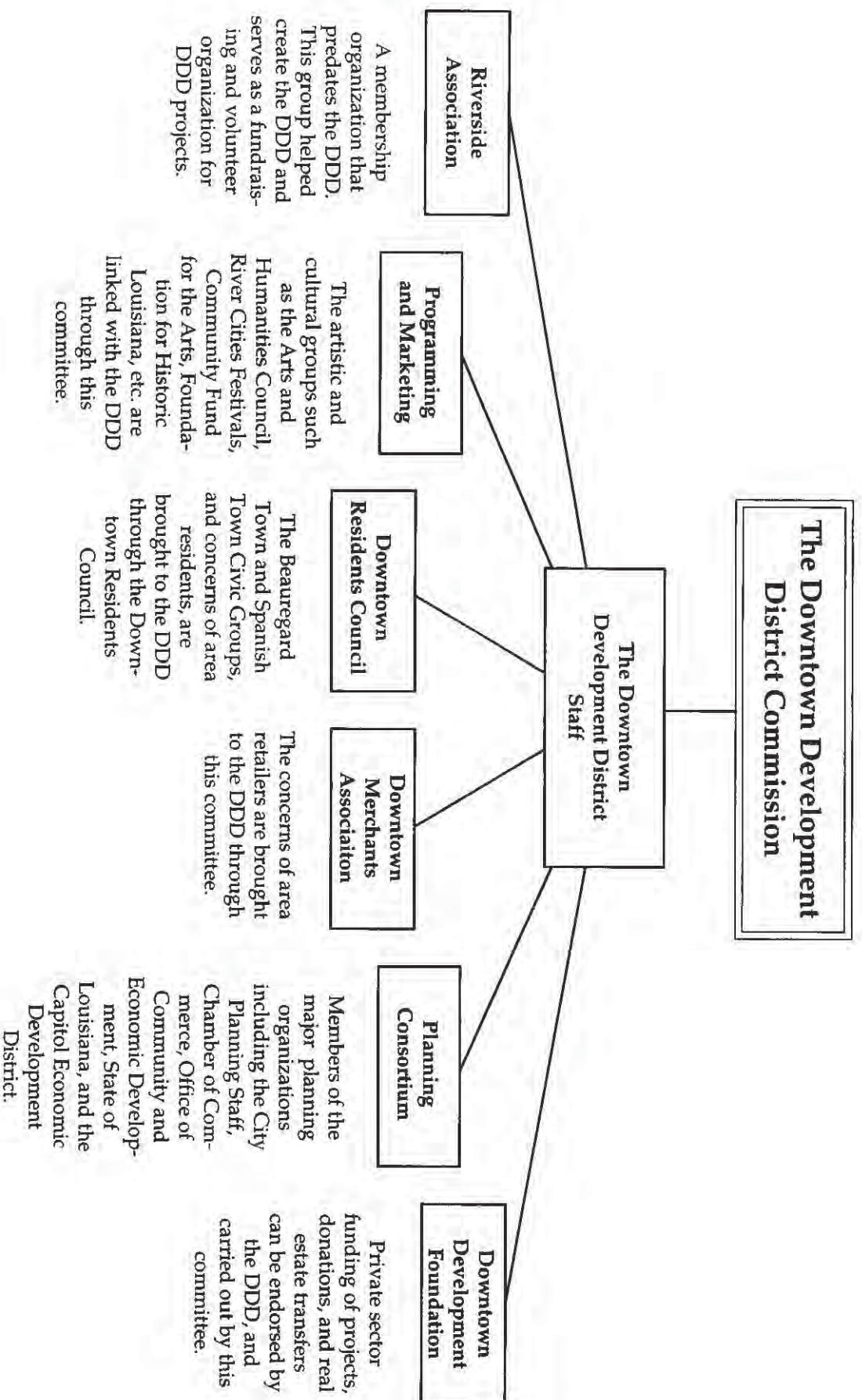


FIGURE 3: Organizational diagram of the Downtown Development District committees



As stated above, these committees should act primarily in a linkage capacity between the DDD and other organizations. The following briefly describes how each of these organizations could function in that capacity.

The Riverside Association is a 501(c)4, non-profit corporation. This association provides a membership function for businesses and individuals that wish to work with the DDD.

Ideally, this organization will function to link citizens, as well as existing and potential developers, with the activities of the DDD. This organization sponsors forums, and educational activities as well as provides the volunteer and fundraising arm of the DDD.

The Programming and Marketing Committee has been extremely active in programming events. While these efforts are to be encouraged, the DDD should encourage the Arts and Humanities Council/Community Fund for the Arts, and the River City Festivals Association to take a more active role in programming and funding events which benefit the entire city. The Programming and Marketing Committee should provide the link between the DDD and these other organizations. The marketing activities of this committee relate primarily to marketing of events to the local community. Other marketing activities in which the DDD will become involved include tourism and convention marketing activities with the Visitors and Convention Bureau, and marketing the downtown area to potential developers, a function which should probably be performed in conjunction with the Riverside Association.

The Downtown Residents Council functions to bring the needs of the area residents to the DDD. This organization links the DDD with Spanish Town and Beauregard Town neighborhood organizations. The downtown neighborhoods contain a diversity of peoples ranging from very low-income to affluent. The DDD will be challenged to balance the demands of these and other groups, particularly where a large portion of the downtown residents are not involved in neighborhood organizations. This committee should also work with the owners of rental property in Spanish Town and Beauregard Town to get them involved and supportive of the DDD's efforts to improve the residential districts. The downtown residents council should function within the local residential neighborhoods to communicate and build a consensus for actions undertaken by the DDD.

The Downtown Merchants Association provides a mechanism linking the downtown merchants with the DDD. This As-

sociation should monitor retail trends and activity in the area and report to the DDD on a regular basis. The downtown merchants association should be encouraged to participate with the Programming and Marketing Committee and City-Parish Government, among others, in promoting events to bring people back to the downtown area.

The Planning Consortium is perhaps the most important functional committee of the DDD. This committee must act to provide long-term direction for the DDD and develop long-term strategies for helping the DDD cope with a changing development climate and changing opportunities. The task facing this committee is both the least defined and most important activity of the DDD. The make-up of this committee is extremely critical to the ultimate success of the DDD. This committee should include members from the Chamber of Commerce, State of Louisiana Facility Planning & Control, the Capitol Regional Planning Commission, the City-Parish Planning Commission and/or staff, and City-Parish Office of Community and Economic Development. If the DDD can successfully bring effective members of each of these organizations together on a regular basis, they should also be successful in facilitating the transfer of planning information that would benefit not only the downtown area, but the entire City as well.

The Downtown Development Foundation has recently been created and applied for 501(c)3 tax-exempt status. This organization was created to become a recipient of private grants, provide for the purchase and re-sale of property, and other financial activities. This organization is intended to be a private non-profit foundation that parallels the activities of the DDD, but performs functions that are best accomplished by private financial sources.

The DDD Board and staff must define a program for each of the subcommittees. The Board, and the Director, cannot be expected to work with the committees on a daily basis. These subcommittees should be encouraged to function independently and provide regular, written progress reports. The committees should be encouraged to act independently and to link the DDD with other groups in the community.

The formation of subcommittees constitutes the general implementation strategy by which the DDD can carry out its obligations to the local community. The approach recommended is one of "linkages" and the creation of an information



network that will allow the DDD to act effectively with other organizations. Within this broad framework, the Downtown Development District also requires specific implementation strategies, some of them long range, some of them immediate. In general, short range strategies should address the existing problems with current resources, given the existing market conditions. Longer range strategies involve a broader range of goals and objectives. Specific Implementation strategies follow.

## 1. DDD TO PURSUE ADDITIONAL GOVERNMENT LEASES

Consolidation of governmental employees within the study area is essential to the image of downtown as the center of government, and one of the key elements of the area's redevelopment. The capture of additional governmental employees in leased space should be viewed as an intermediate step toward the ultimate goal of construction of new governmental facilities in the downtown area. In order for the downtown area to capture additional leases by the State or other governmental units, the area must be aggressively marketed. Efforts to acquire additional state leases must be directed at both the administration's divisions, and the heads of the various constitutional agencies. For example, the Governor's support for increased state leases in downtown Baton Rouge, or support for construction of a new state office building is essential. The State of Louisiana will continue to be the single largest employer in the study area, and a close working relationship between the DDD and the State must be established. The DDD should request that some member of the Division of Administration, or State Dept. of Facility Planning & Control, be appointed to the Planning Consortium.

Acquisition of additional State leases also depends on individual agencies and other constitutional offices. Agency heads are generally permitted to select the area in which they would like to be located. In order to be successful, the individual departments must want to relocate to the CBD, and the Administration must support additional leases in the area. Once a State department has decided to relocate into the CBD, they must request that the Real Estate Department issue specifications and requests for bids on space. The State Real Estate

Department handles all rentals and leases, and maintains the status of rentals and leases. Thus, they can determine which departments are considering lease renewals well ahead of time. The DDD, or the Riverside Association, should regularly check with the Real Estate Office to determine if there are any departments which could be located into the downtown area. A representative of the DDD should contact those department heads with expiring leases well ahead of the expiration date to communicate the advantages of a downtown location.

The DDD may wish to consider a program that helps downtown property owners be more price competitive by offering incentives for new leased space in the area. The DDD could consider assisting property owners prepare their property for occupancy, or act to lower the cost of leased space. The DDD could also promote use of renovation assistance programs, both those currently administered through the Office of Community and Economic Development, as well as programs that the DDD may be directly involved in.

Outline of steps necessary to acquire new state leases:

1. Obtain support from the Administration to work with State Agencies in encouraging additional leases in the CBD.
2. Determine from Real Estate Department data which departments are up for lease renewals that are good prospects for downtown and have cost/square foot rates that downtown can compete with.
3. Visit with the department head or other decision maker that determines which area of the city to take bids in, and determine whether the CBD can accommodate the needs of that department.
4. Work with property owners and their agents in assembling spaces suitable to the specifications. If appropriate, the DDD or the Office of Community and Economic Development could provide financial assistance.



5. After the bidding process is complete, provide whatever assistance is appropriate in facilitating the move.

The DDD should take similar steps to assure that state leases are not lost from the area. In this case the DDD should meet with those departments that have leases due to expire in the near future to be sure that they plan to remain. If they are planning to leave, the DDD should encourage them to stay. An approach similar to that outlined for State leases should be taken with Federal and local governmental leases.

## **2. REVOLVING LOAN PROGRAMS/ASSISTANCE**

The DDD should act as an intermediary in the promotion of the various assistance programs available for property rehabilitation, restoration, and business assistance. The City-Parish Office of Community and Economic Development has a variety of programs which can assist in the rehabilitation of both residential and commercial properties. In addition, the Small Business Administration offers assistance to small businesses for both capital and operating expenses. The DDD should work with local banks in securing loans at attractive rates to promote the purchase and renovation of property in the area. In general, the banks should be targeted for providing loans for purchase of property since the banks can receive the security of a first mortgage on the property. These loans could be made more attractive if the DDD entered into a loan guarantee program with the local banking industry.

The City-Parish Office of Community and Economic Development's programs should be used to provide funds for rehabilitation and restoration. The DDD should consider performing a limited number of "demonstration projects" of residential rehabilitation. Recent renovations have been very well received in the market place. If the DDD targeted abandoned properties, or those most in need of repairs a ripple effect of renovations could be induced. In both Spanish Town and Beauregard Town and the DDD should work with the owners of derelict property to encourage either renovating the structures or selling them to someone that will renovate them.

## **3. PLANNING AND ZONING**

Implementation and enforcement of a land use plan through zoning restrictions is the sole responsibility of Planning and Zoning officials for the City-Parish. The DDD cannot usurp this function, and must work closely with the Planning and Zoning Commission and staff. While the DDD cannot impose zoning-like restrictions on its own, the DDD can work with the Planning Commission staff for greater planning controls on development within the district. The DDD should be notified of all requests for zoning changes, variances, and conditional uses. The DDD should consult with the planning staff in the determination of the staff recommendation. Additionally, the DDD should encourage public participation by area residents in the planning process.

Similarly, a design review process is best accomplished through the City-Parish Planning Commission staff. Only the city-designated planning agency has the staff and responsibility that would make design review feasible. However, the DDD can and should be a "participant" in any design review process. The DDD should work with the Planning Commission staff in designating the downtown area as a "planned community district". Only after this is established can building and site design guidelines can be created and enforced.

As the DDD cannot impose zoning-like restrictions, and is discouraged from implementing a design review process outside of the Planning Commission, what can the DDD do to effect the quality of the built environment in the Downtown area? First, the DDD should establish a clear statement of policy for each area. Second, the DDD should seek and support projects which fit within the policy guidelines. Simultaneously, the DDD should work with the Planning and Zoning Commission and staff for support of the area policies and land use plan. Eventually, Planning and Zoning Commission involvement should be formalized through creation of a Planned District Community. Fourth, the DDD should build a political consensus within the Metro Council and administration for support of the DDD's plan of action.

The DDD should encourage protective zoning in the historic districts through utilization of the Historic Residential and Historic Business classifications. These classifications exist in the



present zoning classification, but have not been described or applied. The DDD should encourage that this text be written before broaching the re-zoning issue.

It is unlikely that these areas will be re-zoned to "historic" in the near future. In the interim however, the DDD should monitor all requests for building permits, zoning changes and zoning variances. The DDD should encourage the neighborhood groups to take an active role in the planning process. Speculative zoning changes must be discouraged. The DDD should demand that requests for zoning changes and zoning variances must be accompanied by a reason why the change is needed. Where ever possible the DDD should encourage that conditional use permits be granted in lieu of zoning variances.

#### 4. CULTURAL EVENTS/FESTIVALS

The role of the study area as the center of cultural events in the community is vital to maintaining its image and promoting the area. The DDD should encourage and support additional events that bring Baton Rougeans back to the area for recreational and cultural events. The DDD's Programming and Marketing Committee has been very active and creative in developing ideas. Many of the events cost very little money, and certainly deserve the financial and energetic support of the DDD. In the past, these cultural and artistic activities had been coordinated and funded by the Arts and Humanities Council of Greater Baton Rouge. The DDD should work with the Arts and Humanities Council/Community Fund for the Arts and River Cities Festival Association in programming and coordinating cultural events. If budgetary constraints require that the DDD provide financial assistance, funds should be made available. However, the DDD should not be asked to provide all of the funding for these events, and grants should be made in the form of matching or "challenge grants".

#### 5. CAPITOL HOUSE HOTEL RENOVATION

If the Capitol House is chosen as the best opportunity for hotel development in the CBD, the DDD should lobby for the project. The DDD could provide financial assistance by funding

a feasibility study, technical assistance in securing a UDAG for the project, promoting the project, and helping the developer determine the best market niche. The DDD may also be able to assist in providing market research information or other pre-development activities. Likewise, if the preferable site for a major new hotel is the Centroplex surface parking lot, the DDD should similarly be aggressive in providing technical, financial, and lobbying support in the planning stages.

#### 6. KIOSK AND SIGNAGE PROGRAM

The DDD with the Office of Community and Economic Development, and the Arts and Humanities Council has funded the design of a kiosk and signage program by Emerson-Ribas Associates. Portions of this program may be eligible for federal assistance through the Urban Mass Transportation Administration (UMTA). This project could help improve the "identity" of the area as well as create a more interesting streetscape. The DDD should pursue the application for UMTA, or other, funds for this project.

#### 7. DATA BASE DEVELOPMENT

The DDD can anticipate that they will receive requests for information from persons or companies interested in investing or working in the downtown area. The DDD should develop and maintain a data base that can provide the information these groups will desire. Since the design of this data base will directly effect its usefulness, the DDD should establish the goals and type of information that the data base will provide. The DDD should try to anticipate that the types of information they would like to provide. Once the program for the data base is established, the DDD must decide what information they want to provide in-house and which information should be maintained by other agencies. Given the limited financial resources of the DDD, every effort should be made to utilize the resources of other agencies. For example, a suggestion was made that the Multiple Listing Service create a new classification for the downtown area. This idea should be implemented. It is also likely that MLS can contract with the DDD to provide regular



reports on available space, lease rates, and other real estate data. Most likely, this will be more cost efficient than the DDD creating and maintaining this information. Other data subjects, such as population and income statistics, business growth, etc. are already maintained by other agencies such as the Planning and Zoning Commission, Capitol Economic Development District, Capitol Regional Planning Commission, and others. These agencies should be able to provide virtually all of the information that the DDD will want to provide. Where the information is not in the desired form, the DDD should consider contracting with these agencies to provide information in the desired form and with interpretive analysis. In addition to conserving the DDD's financial resources and management energies, establishment of on-going working relationship with other agencies also helps to build an information network.

## **8. DOWNTOWN TRANSIT STUDY**

Howard Needles, Tammen and Bergendorf (HNTB) will soon complete a transit and parking study for the downtown development district area. Their report will provide the DDD with a current assessment of this vital infrastructure and contain recommendations for improvements. This report is considering recommendations for two-way traffic on Fourth St. and Main St., as well as discouraging long-term, on-street parking and parking problems in Beauregard Town near the Centroplex.

## **9. LEVEE AND BATTURE DESIGN STUDY**

The DDD, with assistance from other agencies, should promote and fund an invitational design study that focuses on the potential of this portion of the downtown. This study could serve to increase public awareness of the development potential inherent in the Riverside area, provide ideas for linking the riverfront developments together, as well as linking the city to the riverfront, and generate new ideas for development. This study should target public improvements that can be performed in conjunction with Corps of Engineers planned improvements. The opportunities and constraints of the levee and batture area must be more fully understood if the downtown area can

capture the value inherent in this asset.

## **10. THE DEVELOPMENT PROCESS: WHERE THE DDD FITS**

The development process is generally divided into three phases: predevelopment, development, and postdevelopment. The DDD's responsibilities span these phases, and the strategy required for each phase is different. We believe the DDD should focus the majority of its energies in predevelopment activities. In the relatively weak development market that presently exists, cooperation between the public and private sectors is essential to the generation of new projects. Since the market forces on their own are not strong enough to attract developers, or encourage new development, public assistance during the predevelopment phase is especially critical.

### **1. Predevelopment:**

The predevelopment phase involves project conception, and those steps which bring a project from an idea to the beginning of implementation. It requires project analysis and preliminary design, as well as final project packaging and formalization of the agreements required to permit site acquisition and construction. When a strong market exists, private sector developers need no assistance or incentive to push a project from conception into implementation. However, where the market is weak, public sector leadership and political consensus is crucial in encouraging private investment. Public participation in and support of private development requires political consensus. If the public sector is to participate effectively as a partner in development, the political consensus must be established as a prelude to the development process. While public sector leadership is essential, private developers must be permitted and encouraged to participate in the predevelopment process. By involving a private sector developer in the predevelopment process, the public sector can draw upon available expertise in the private sector. Additionally, the private sector developer is better suited to recognize potential economic opportunities. The DDD is an intermediary between the public and private sectors,



and must create a climate that invites additional private development.

## 2. Development Phase

The development phase, or project implementation phase requires the execution of four principle tasks: financing, leasing, design, and construction. In the development phase, the DDD will function primarily as a facilitator to assure that the development phase proceeds smoothly. Except on public projects, the four tasks are almost exclusively private sector activities. An overview of these four tasks follows.

Financing can be private, public, or a combination of public and private. Increasingly, large projects rely upon the combined resources of the public and private sectors in bringing a project to reality. Financing includes predevelopment financing, long-term mortgages, equity funds, and short term construction loans, as well as public participation such as UDAGs, bond financing, tax abatement, etc.. The degree and types of public participation will depend on the nature of the project, and the strength of the local market. Generally, in a weak local market greater amounts of public assistance will be required.

The design of a project is influenced by the site, market studies, precommitted tenant requirements, cost, developer's preferences, and government regulation. Public sector participation in the development process almost always includes design review by the public sector.

The construction phase is the final activity of the development process. Construction management is a sophisticated process, particularly on large projects involving design-build and fast-track construction techniques. This phase is predominantly a private sector activity.

## 3. Postdevelopment

The postdevelopment, or project management, activities include maintenance of the physical facility, administering the financial accounts, and marketing and promoting the project. In the third area, marketing and promotion, the DDD can play a role in the promotion of downtown properties. By working with the private sector, the DDD can create and maintain an attractive living/working environment that will help attract additional development to the downtown area.

The DDD is charged with establishing the connection between public and private objectives to provide for the redevelopment of the downtown area. This will require special effort and skills, as well as involvement in all the phases of redevelopment process. The DDD must create and maintain an environment that attracts new development. They must assist in the development process, and they must help assure that postdevelopment activity keeps the downtown area attractive. As the managing entity for the downtown area, the DDD must fill all of these roles.



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## APPENDICES

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# APPENDIX A

## REAL ESTATE RESEARCH CORPORATION MARKET UPDATE

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### Chapter I

#### OVERVIEW OF BATON ROUGE

Baton Rouge is Louisiana's state capital and second largest city. Close to one-seventh of the state's population, 544,000 people, live in the four-parish Baton Rouge metropolitan area. At the center of this area, the city itself lies within the parish of East Baton Rouge. The two jurisdictions (i.e., City of Baton Rouge and Parish of East Baton Rouge) have a combined city-parish form of government and account for 72% of the metro population.

#### The Economy

Like many other southern Louisiana cities, Baton Rouge has been severely hurt by the decline of the oil and gas industry in the last three years. And like New Orleans, the port of Baton Rouge on the Mississippi River has been set back by a decline in exports from the Midwest--though it is still the fifth busiest port in the country.

The decline of the oil industry has had two serious implications for the state of Louisiana. In addition to the loss of oil-related jobs, the state will miss the considerable tax revenues it had received from the extraction of oil and gas--and upon which it had become very dependent. The presence of state government and two large public universities, Louisiana State University and Southern University, has tempered the economic downturn, but state budget cuts have slowed the growth of state employment and, in some divisions, resulted in layoffs.

The Baton Rouge unemployment rate has been in double digits for two years and was recently reported to be 11.9%. This is 4.6% points above the U.S. rate, but 2.8% points below the state's unemployment rate of 14.7%. Last month's decline in the unemployment rate has been attributed to a decrease in the number of people seeking employment and the departure from the area of some of the unemployed. Total employment of the nonagricultural labor force is shown in Figure 1. The effects of oil-price decline and resultant layoffs can be seen between 1984 and 1985. There was a further reduction in the workforce between 1985 and 1986, but it is important to note that this was less severe. Some economists believe that employment decline in the Baton Rouge metro area has abated.

Changes in the composition of the local economy over the last six years can be seen in Figure 2--employment by category and year. A reduction in manufacturing, including the local chemical industry, began in 1981. A list of major Baton Rouge manufacturing firms (Table 1) indicates the area's current industrial mix. The loss of employment in construction predates the decline of the oil industry. Transportation, generally

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Figure 1  
Greater Baton Rouge Labor Market Area  
Total Employment  
(in thousands)

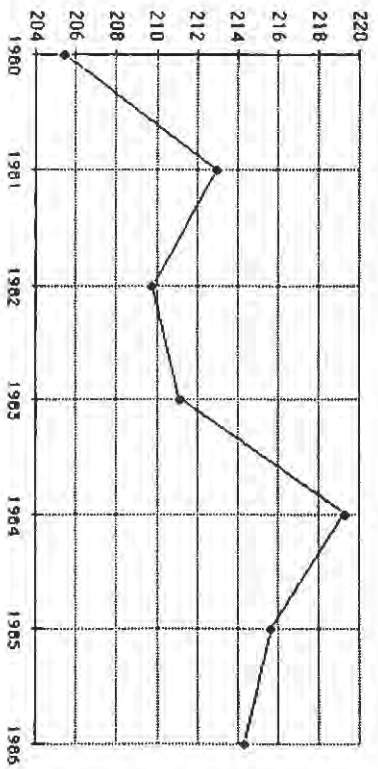
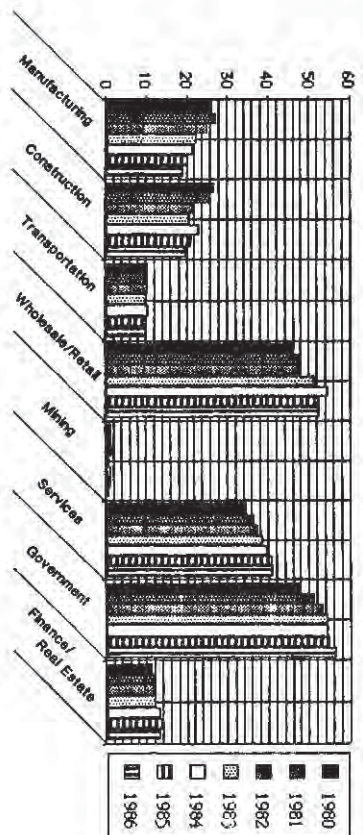


Figure 2  
Greater Baton Rouge Labor Market Area  
Non-Agricultural Employment by Category and Year  
(in thousands)



Greater Baton Rouge Labor Market Area Non Agricultural Employment (in thousands)							
	1980	1981	1982	1983	1984	1985	1986
Manufacturing	26.5	27.4	25.2	22.3	21.7	20.5	19.0
Construction	26.9	25.8	21.8	20.7	23.2	21.2	20.0
Transportation	10.8	10.6	10.5	10.3	10.7	10.2	10.4
Wholesale/retail	46.1	47.9	48.1	51.2	54.6	52.5	52.7
Mining	1.2	1.4	1.5	0.9	1.2	1.2	1.0
Services	34.5	36.6	37.5	38.7	39.9	41.2	41.3
Government	47.8	51.4	53.2	54.7	54.5	54.9	56.5
Finance/real est	11.6	11.9	12.0	12.4	13.5	14.0	13.4
Total Employment	205.4	213.0	209.8	211.2	219.3	215.7	214.3



having to do with the Port of Baton Rouge, has actually remained fairly constant. Wholesale and retail employment peaked in 1984, but has leveled off since. Steady growth in employment is seen in government and services. Finance, real estate, and insurance slipped in 1986, but the future of this sector is uncertain. Oil and shipping has and will continue to be important to the city's economy.

Compared with the economic profiles of 1980 and 1984, Baton Rouge in 1986 has a more diversified economy that more closely mirrors the industrial mix of the nation. Of particular note is the increase in office-prone employment.

The particular area of study for this report is downtown Baton Rouge, which is bounded on the north by the state capitol complex, on the south by the Mississippi River Bridge, and on the east and west by Interstate 10 and the Mississippi River. Except for the uncertain future of employment in finance, insurance, and real estate, the elements of the Baton Rouge's 1986 industrial mix are favorable for the downtown, since most employment in this area is related to services and government and is therefore office prone.

#### Population

The state and the metropolitan area gained population through the 1970s and 1980s but have lost population in the last year. The city of Baton Rouge lost 3,606 persons in 1986 (1%) during a period when it had been projected, before the decline of the oil industry, to grow by 2%-3%. Much of the loss was to other parts of the metropolitan area, but the fact is now clear that the moderately rapid annual population increases experienced during the 1970s and early 1980s (e.g., 1.6% a year since 1980) are over for a time.

The residential sections of the downtown are poorer than the parish as a whole, less well educated, and declining in population--possibly because a number of the houses have been turned into offices. The 1986 population of the downtown is estimated to be about 2,000, which is down 15% from the 1980 census figure for that area. There are two distinct residential areas in the downtown. The larger in terms of population, Spanish Town, tends to have smaller household sizes than the parish as a whole, but about the same percentage of families below the poverty line. Beauregard Town has at least twice the parish's percentage of minority households and households below the poverty line. In the 1980 census, the median household income for both areas was half that of the parish as a whole. In 1986 the parish's median household income is estimated to be \$27,490. Although it is believed that the residential mix in both areas of the downtown is becoming more gentrified, there is little recent data to document the speed or extent of this trend.

Table 1. Baton Rouge Area Manufacturers

Number of employees	Area of product distribution	Name of firm
2,500 or more	International	Dow Chemical, U.S.A.
	International	Ethyl Corporation
1,000 - 2,499	International	BAF Wyandotte
	International	Exxon Chemical Americas (Chemical Plant)
	National	Exxon Company U.S.A. Refinery
750 - 999	International	Corpolymers Rubber and Chemical Corporation
	International	Kaiser Aluminum and Chemical Corporation
500 - 749	National	Borden Chemical Company
	International	Ciba-Geigy Corporation
	International	Freeport Chemical Company
	International	Georgia-Pacific Corporation
	National	Georgia-Pacific Corporation (Port Hudson Division)
	International	Shell Chemical Company
	Statewide	Wm. Wolf Bakery, Inc.
250 - 499	International	Agrico-Chemical Company
	International	Allied Corporation (Agricultural Division)
	International	Allied Corporation (Fibers & Plastic Division)
	National	Bagwell Coatings
	Local	Baton Rouge Coca Cola Bottling Company, Ltd.
	Statewide	Cajun Electric Power Cooperative
	National	CF Industries, Inc.
	Regional	Champion Building Products
	International	Delta Southern Company
	International	Exxon Chemical Americas (Plastics Plant)
	International	Formosa Plastics Corporation
	International	Ormet Corporation
	International	Rubicon Chemicals, Inc.
	International	Stupp Corporation
	International	USC Chemicals
	International	Vulcan Materials Company
	National	Unifocal Chemicals

Source: Baton Rouge Chamber of Commerce.

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Figure 3  
OFFICE SUBMARKETS  
BATON ROUGE, LOUISIANA



Chapter II  
OFFICE MARKET

The Baton Rouge office market has just completed a period of intense growth. Over the last three years, 30% more space has been added, quoted rents have dropped by an estimated 4%, rental concessions are reported to be 25%-35% of the quoted rate, and the citywide vacancy rate has remained between 25% and 27%.

Annual net absorption of new space in the metropolitan Baton Rouge market peaked at 715,000 square feet in 1985, largely as the result of pent-up demand. Because of high interest rates, construction had not kept up with demand in the early '80s despite a rapidly growing economy. However, absorption dropped to 444,000 in 1986 and is expected to drop further in '87. Despite a widespread perception that office space absorption has tapered off completely, REHC estimates annual absorption at 250,000-350,000 square feet in 1987 and for the next three to five years. This rate is well below 1986 absorption, and with approximately two million square feet of space currently vacant, the market is not expected to reach a 6% vacancy rate for five to seven years.

Because of the slow leasing market, ownership of many office developments has reverted from developers to lenders. As a result, nearly every major lender in town now has a leasing division to lease the foreclosed properties.

The major users of rental office space in Baton Rouge are the state, petroleum and chemical concerns, and financial companies. To date, government employment has been rising by 2% annually, but banking employment, which accounts for approximately 16% of the office market, declined last year by 10%. Banking and government are particularly important to the downtown market. Half of the rental office space downtown is occupied by the city's five major banks and by government agencies, although close to 75% of the State's Baton Rouge office space is outside of the downtown. Much of the remaining downtown space is occupied by companies that need to be close to the banks and government offices.

The city can be divided into the six submarkets shown on Figure 3. Now that the dust has settled on the city's growth spurt, major trends affecting the downtown office market can be seen more clearly:

- o In Baton Rouge, as in many other southern cities that have grown in the last 10 years, the suburban submarkets have grown the most. Downtown's percentage of total market office space declined from 32% to 25% between 1984 and



1986. This can be seen in Figure 4, which shows the total market share of each submarket, and in Figure 5, which shows the total space in each submarket.

- o The downtown vacancy rate, estimated at 22% in the first quarter of 1987, is consistently lower than the suburban rates. This is partly because of the fact that as space is added and absorbed in the suburbs vacancies are frictionally high, while the downtown hasn't added much new product in three years. These relationships can be seen in Table 2.
- o Downtown office tenants prefer buildings over 25,000 square feet in size; suburban tenants do not. In the downtown submarket, office buildings over 25,000 square feet had a 1986 vacancy rate of 12%, compared with 28% citywide. In the building size category of 11,000 to 25,000 square feet the downtown vacancy rate was 42% in contrast to 29% citywide.
- o Average rents were highest in the downtown submarket.
- o Since 1984 the downtown has experienced a decline in the amount of office space occupied. One major law firm and other businesses that had rented downtown exclusively have moved to prestigious suburban office parks.
- o New financial institutions coming to Baton Rouge have, in almost every case, located their local headquarters outside of the downtown. However, the five institutions that dominate the city's financial landscape continue to keep their headquarters downtown. One, LNB, will soon complete construction on a 211,000-square-foot building.
- o The LNB Building and a small office building known as Grastown constitute the only office space added in the principal downtown office area within the last five years (with the exception of some conversion of retail space to office).
- o Conversions of houses to office space in the Beauregard Town residential district have added small user office space for lawyers near the courthouse, but the rate of these conversions has slowed to a trickle.

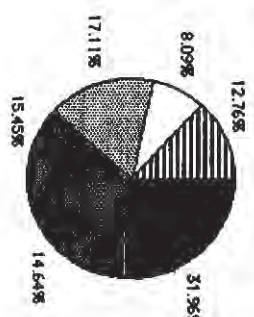
#### Recommendations

If the downtown office market is to grow, it must do so by emphasizing the strengths that it has and diversifying the employer base. The principal advantages are access to the financial community and government and proximity to the airport. The principal advantages of the suburban space are: less expensive rents, better parking facilities, proximate retail, and housing close by. Unless these advantages are matched through downtown housing, reduced rent in some properties, better parking facilities for visitors and employees, and service retail and restaurants, then additional downtown office development may be unsuccessful.

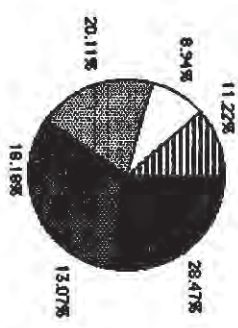
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Figure 4

1984 Total Space: Baton Rouge Office Market



1985 Total Space: Baton Rouge Office Market



1986 Total Space: Baton Rouge Office Market

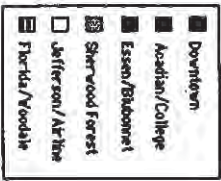
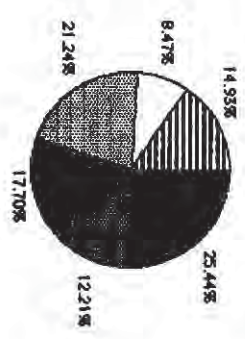




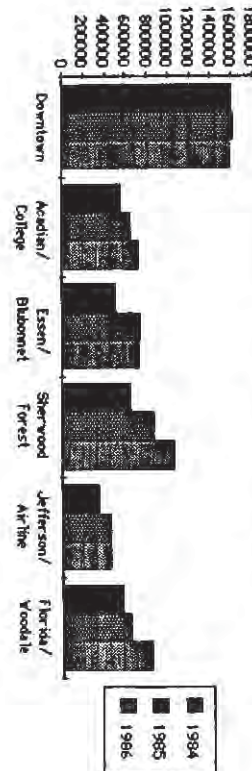
Table 2. Summary Characteristics of Office Market by Area and Year

Area and year	Total square feet	Change in total square feet	Total unoccupied square feet	Total occupied square feet	Change in occupied square feet	Average occupancy vacancy rate (%)	Average rent (\$)	Number of buildings
Downtown (A)								
1984	1,853,325		237,056	1,616,269		87.21	10.59	39
1985	1,900,325	47,000	267,763	1,632,562	16,293	85.91	10.89	44
1986	1,933,119	32,794	333,267	1,599,852	(32,710)	82.76	10.53	47
Acadian-College (B)								
1984	848,674		286,725	561,949		66.21	10.39	39
1985	872,063	23,389	207,823	664,240	92,291	75.02	10.14	40
1986	928,263	56,200	187,438	730,825	76,585	79.81	10.07	41
Essex-Bluebonnet (C)								
1984	895,928		385,413	510,515		56.98	10.64	41
1985	1,213,486	317,558	475,894	737,642	227,127	60.79	10.79	52
1986	1,345,047	131,561	489,715	722,962	(14,680)	53.39	10.50	54
Sherwood Forest (D)								
1984	991,824		280,201	646,623		65.20	10.97	44
1985	1,341,827	350,003	472,352	869,465	222,842	64.80	10.64	58
1986	1,614,538	272,711	556,160	1,058,378	188,913	65.55	9.93	65
Jefferson-Airline (E)								
1984	468,816		132,856	345,960		73.79	10.15	41
1985	596,930	128,114	161,557	453,373	107,413	72.94	10.31	49
1986	643,866	46,936	190,259	453,627	254	70.45	9.91	55
Florida-Wooddale (F)								
1984	739,560		164,553	575,007		77.75	7.81	30
1985	749,072	9,512	106,616	642,456	67,449	85.7	7.95	33
1986	1,134,982	385,910	285,019	849,971	207,515	74.89	8.24	43
Totals								
1984	5,798,127		1,476,804	4,256,323		74.53	10.19	233
1985	6,673,703	875,576	1,692,955	4,971,748	715,425	74.50	10.22	276
1986	7,608,835	935,132	2,041,615	5,415,615	443,867	73.17	9.92	299

Source: Louisiana State University Real Estate Research Institute.

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Figure 5  
Occupied Office Space: Baton Rouge Market





Given the current state of the local economy, we would recommend that local policymakers also consider the concept of a downtown office incubator. Based on our overview of the existing situation, such a program could function to:

1. Identify Space - Work with existing property owners, lenders, and public officials to identify potential downtown commercial space, its condition, and costs.
2. Establish a Space Pool - Assemble and offer a cross-section of inexpensive downtown space to potential start-up or new downtown businesses. A brochure incorporating a description of available downtown space could be provided.
3. Establish Incentives - Determine rent, decorating, parking, tax incentives to assist new businesses in surviving difficult start-up periods. Package public and private resources to provide necessary financial support.

4. Provide Technical Support - Establish a process to provide technical support to new downtown business development in areas such as marketing, finance, management, staffing, training, etc. Involve existing business support groups such as local academic institutions, chamber of commerce, etc.

The concept outlined above is similar to what municipalities have traditionally provided at a suburban industrial park (i.e., subsidized space, financing, and technical assistance). Given the reality that most new jobs will occur in office settings, the recommended process merely transfers the concept to downtown. By working with various owners of existing vacant space, a single entity could assist new businesses in finding a potential location in downtown. With a space pool, all owners would share both the risk--the likelihood of many new businesses failing--and the potential for an occasional success. A business that benefited from the incubator program (i.e., through lower rent and technical assistance) and selected a permanent downtown location would not be asked to reimburse the program for initial financial assistance.

### Chapter III THE HOTEL MARKET

The Baton Rouge hotel market, and that of the larger Gulf Coast area, is currently in a depressed condition. This is due to three factors:

1. Overbuilding of hotels in the region, as in the nation at large.
2. A surge in construction prior to the 1984 World's Fair in New Orleans.
3. The decline in the Gulf Coast economy caused by the depressed oil industry.

In response to attractive economic potential and readily available construction financing, the hospitality industry has created a tremendous amount of new product throughout the nation over the last few years. This has led to concern about overbuilding throughout the industry. In the Baton Rouge market, the recent addition of more than a thousand hotel rooms has brought the total to an estimated 5,600 rooms. While this has had the positive effect of giving Baton Rouge excellent hotels in nearly every segment of the market, overall occupancy rates in the market were a low 50% in 1985, down from 51% in 1984.

In any city, the hotel market is segmented by location, price, and service. Hotel facilities are located to intercept the traveler en route to other cities or are convenient to particular destinations in that city. Most of Baton Rouge's hotels are clustered around exits of Interstate Highways 10 and 12; others are close to the state capitol. The Hilton and the Embassy Suites, serving the high end of the market, have enjoyed above-average levels of occupancy, estimated to be 60%. Less expensive hotels have not fared as well and are engaged in a price-discounting competition.

Hotels in the subject downtown area would not be likely to capture many travelers en route to other cities: access from the interstates to the downtown is not as good as it is farther south and east along the interstates, at College Drive and similar exits. Hotel patronage in the downtown is more likely to comprise travelers visiting offices, the Centropolis convention center, and downtown tourist attractions. However, Baton Rouge is not so large a city that travelers can't stay in a hotel outside of the downtown and still visit sites or do business downtown with a minimum of travel time.

To date, the downtown has only one hotel--an older 137-room Travelodge with room access via exterior balconies. This facility competes with other inexpensive hotels in the city rather than convention-grade hotels. It is reportedly being

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converted into the General Lafayette residence hotel. There were plans for the construction of a 300-room Marriott Hotel adjacent to the Centroplex convention center, but they were shelved in response to vocal opposition and issues surrounding the transfer of the land from the City-Parish to the hotel developer. One other hotel, the Capitol House, closed a year ago. On the edges of the downtown are three other hotels: the Ramada-Prince Murat, The Inn on the Lake, and the Riverview Suite Hotel.

The idea of a convention center hotel may still be a good one. A hotel within a block or two of the convention center would certainly increase use of the center, particularly if the hotel included additional meeting and exhibition space. The experience with successful convention centers has shown that an attached Class-A hotel (probably 250 rooms or more) is a very desirable feature. People operating conventions prefer a facility to serve as the headquarters hotel and allow for easy access and amenities (i.e., bar, restaurant, etc.). However, the hotel would need more than convention center demand to be successful. A feasibility study for the Marriott indicated that just about a third of the hotel's business would come from convention center use.

The currently closed Capitol House is an 11-story building with 289 rooms in two wings, one built in 1907 and the other in 1958. Once one of the city's premier hotels, the hotel would now require substantial renovation to compete successfully. The structure occupies a full block facing the river. It is surrounded on three sides by parking lots and a largely vacant retail district. Reportedly, the failure of the hotel resulted from poor management and an outdated physical facility. There have been inquiries about reopening the hotel partially or entirely as some use other than a hotel, and several national hospitality organizations have shown interest. But nothing has passed the initial discussion stage.

The Ramada-Prince Murat, built in 1968, underwent a \$3.5 million renovation in 1984. The 306-room facility with convention facilities is half a mile south of the downtown and serves both the downtown and the nearby Louisiana State University. Occupancy at the Prince Murat, an estimated 54%, is better than the citywide average.

The Inn on the Lake was built in 1963 and underwent a \$5 million renovation in 1983. Containing 321 rooms and convention facilities, it is one quarter of a mile north of the State Capitol complex and serves downtown and government related business travelers. The Inn closed in June 1985 but reopened recently and in July will complete the renovation of a convention facility adjacent to the hotel.

Riverview Suites, with 144 four-room suites, is just over a quarter mile north of the State Capitol. The facility was originally built as a condominium complex and is not marketed very widely.

#### Recommendations

We conclude that there is sufficient demand for a major franchise, quality lodging facility in the downtown. However, such a facility would be economically marginal without public support. This conclusion was reached because of the following factors:

- o If further business development is planned for the downtown, a quality lodging facility would be needed to serve it.
- o Use of the Centroplex convention center would increase if such a facility were nearby.
- o The closing of the Capitol House has left an opening in the tourist and group travel trade.

A new downtown hotel should be located conveniently to the Centroplex and the business district. A riverside site would bring more activity to the waterfront.



## Chapter IV

### THE RESIDENTIAL MARKET

#### Recent Changes in the Baton Rouge Residential Market

As Baton Rouge grew steadily through the 1970s and early '80s, housing development shifted farther away from the downtown--moving along the interstates to areas southeast and directly east of the city. Multifamily housing in particular grew rapidly through 1984--when 3,483 permits were issued. However, this expansion slowed in the second half of 1985, and by December of that year multifamily permits totaled 1,040. In 1986 permits for only 76 units were issued, and the market has not improved thus far in 1987.

Through the expansionary decades of the 1970s and '80s, many changes took place in the downtown's two residential neighborhoods, Beaugard Town and Spanish Town. The principal results were a drop in population and shifts in demographic composition.

Population loss resulted largely from a reduction in the number of housing units without replacement, and partly from shrinking household size. Reduction of housing stock occurred in two ways: (1) the destruction of buildings--because of structural neglect or to make way for parking and open space; and (2) conversion to private office space. Conversion occurred primarily in Beaugard Town.

In Beaugard Town approximately 18 structures have been removed in the last five years. Of these 18, two were replaced with other structures, seven became parking lots, and the remaining nine are vacant. There have been approximately 53 renovations of houses in Beaugard Town, but most resulted in a change of use to office. Four new buildings have been built in the last five years--all small office buildings for lawyers. A large number of houses in Beaugard Town are for sale, and there has been some abandonment, primarily in the southeast quadrant. In Spanish Town the changes have been similar: some conversion to office space and approximately 17 buildings renovated. But there has been a net loss in the number of structures. Elsewhere in the downtown, five houses were removed and replaced by parking lots in the last five years.

Housing in the two downtown neighborhoods is the oldest in Baton Rouge. However, despite this fact and the comparatively low income levels of many of those that live in the neighborhoods, the housing stock is in good condition.

#### Downtown Housing Today

The declining population of the downtown neighborhoods and the conversion of houses into offices do not necessarily mean that there is no demand for housing. The types of housing offered in the downtown are limited to older structures with one or more units for sale or lease, elderly housing in multifamily structures, and some 1970s vintage apartments. There is no new housing--multifamily, townhouse, or single-family--offered for sale or lease. If this housing were available, the most logical residents would be downtown employees, the elderly, and possibly those involved in state government who spend considerable time in Baton Rouge.

Downtown workers were surveyed for their interest in living downtown. Seventeen percent, or 125 out of 733 respondents, indicated that they might consider living in downtown Baton Rouge. The type of residential unit they would consider is typically a two- or three-bedroom single-family home with a price tag of around \$60,000. Those who would consider a home in the downtown have a median household income of around \$30,000. Fifty-seven percent of them now own a home.

While 53% expressed interest in a single-family home, 22% mentioned a townhouse, and 19% would be interested in an apartment or multifamily condo. The unit size preferred was overwhelmingly two or more bedrooms. Approximately 46% would be interested in a two-bedroom unit and 43% in three bedrooms or more.

This leads to several conclusions:

- o There is interest in downtown housing among this area's employees. Seventeen percent of all downtown workers is a sizable figure considering the fact that the area does not have examples of new housing in place.
- o Those who would consider downtown housing are not interested in dense urban housing with small units. A majority would prefer a single-family home, with interest in townhouses and apartments a distant second and third. Forty-six percent would like a two-bedroom unit and 43% would prefer a unit of three bedrooms or more. Our experience with similar situations is that these aspirations would be modified based on price if downtown housing were developed.
- o The median household income of those who would consider downtown housing is about \$30,000. This is well above the median household income of the current downtown residents. The price they would like to pay for a unit, a median of approximately \$60,000, is very low.



## Recommendations

Steps that can be taken to strengthen the existing neighborhoods in the downtown are discussed below.

1. When the local economy in Baton Rouge was better than it is now, many houses in Beauregard Town were changed from residential to office use. While this is a good sign of economic growth it can dilute the identity of a residential neighborhood. If this problem is to be avoided in the future, efforts should be made to either control the process or divert the demand. Ways of redirecting demand would include: (1) offering a portion of the former retail space in Catfish Town for loft office uses; (2) developing the stretch of Riverfront Mall between the two retail nodes of Main and Riverfront and North Boulevard and Riverfront as space for small offices; (3) possibly developing some of the parking areas east of Riverfront Mall as office buildings for small space users.
2. Spanish Town needs to be assured that it is not threatened by the expansion of State office facilities. The uncertainty of State office development has been faulted by some as one of the reasons for the physical decline of that neighborhood.
3. The 10-acre campus of the former State School for the Deaf is now being used as office space for the Department of Corrections, and it may also house the Baton Rouge Police Department. While this may appear from a short-term perspective to be a good reuse of the 450,000 square feet of enclosed space, it may have a negative effect on Beauregard Town as a residential community by reinforcing the residential-to-office conversion that has taken place elsewhere in Beauregard Town and by moving employees away from the downtown retail nodes. From the perspective of longer-term benefits for both Beauregard Town and the downtown, this space provides a valuable opportunity to create new housing in a place that would strengthen a weakened neighborhood. Old structures could be renovated to new housing and new housing could be added on the grounds. Space needs for the departments moving to this location could be accommodated in vacant downtown office space closer to the other State offices, or in Catfish Town.
4. New single-family and townhouse residential development should be encouraged in the eastern part of the downtown a block or two away from the interstate, between Spanish Town and Beauregard Town. The blocks could be re-subdivided to permit townhouses and zero lot line sites. Existing structures on the blocks could be incorporated into new units if appropriate. It is recommended that this type of development begin at the Beauregard end of this area behind North Boulevard. A total of 100-150 units would be involved in this renewal effort over the next few years. While it may seem unconventional to recommend low-density units in the downtown, we believe these are the type of units that would receive the broadest acceptance and create a grassroots invigoration of the area's housing sector. It is likely that current owners of this land view it as too valuable for residential development. However, as we note elsewhere in this report, we expect minimal need for new office or commercial development in the downtown through the year 2000, and even then the development is likely to occur elsewhere in the area.
5. Additional opportunities exist for potential new infill housing, which should be encouraged provided it is compatible with existing residential development.
6. If a new hotel is developed downtown there may be a market for a penthouse apartment or condominium section at the top of the building--providing the same services available to the hotel rooms. We would envision a comparatively small development of up to 25 units, which would probably be the only downtown housing capable of relating to the river.
7. The residential potential in downtown indicated in our surveys deserves continued evaluation by local policymakers. Many U.S. cities are finding housing development to be one of their primary downtown activities (i.e., adaptive reuse, luxury, elderly, etc.). We recommend that downtown policy provide for this likely eventuality and assure suitable locations and maximum impact.



Chapter V  
THE RETAIL MARKET

Recent Changes in Baton Rouge Retailing

Over the last twenty years, the retailing core of Baton Rouge has shifted from downtown to the area around the intersection of Airline Highway and Florida Boulevard east of downtown.

All of the department stores once located downtown have moved to the Bon Marche and Cortana Malls, which are located closer to the population center of Baton Rouge, offer more parking, and provide easy access to the large new stores. Smaller stores have followed the department stores to this new retail core and many stores new to the city have also been added.

One department store, Goudchaux's, opened a new store in Cortana Mall but--unlike the other former downtown area department stores--kept its original store between Main Street and Florida Boulevard, just east of the downtown.

Downtown Retailing Today

Once the retailing exodus to the Airline-Florida area was complete, the downtown was left with excess retail space. A few of the stores that stayed downtown have a citywide clientele, but for the most part the remaining stores form a small retail core for downtown workers and residents of the two downtown neighborhoods, Beauregard Town and Spanish Town.

Today's downtown stores are clustered in three areas or nodes. From north to south they are (1) the intersection of Riverside Mall and North Street, which serves State, Bank, and other employees in that area; (2) the intersection of Riverside Mall and Laurel Street, which serves City-Parish employees and other employees in that area; (3) the stores in Catfish Town that held on after Catfish Town failed as a Festival Marketplace oriented to the entire city.

The Riverside Mall nodes are all that remain of the Riverside Mall retail district; as a whole, the district is approximately 50% vacant. None of the three nodes has a major anchor, but the northern node at Riverside Mall and North Street has a large furniture store, Chapmans, and a McCrory's variety store.

Profile of Downtown Shoppers

A survey was conducted to determine, among other things, what percentage of the downtown workers shop downtown, what type of goods workers buy downtown, what additional shops they would like to have downtown, and how they move around downtown.

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When asked "How often do you shop, except for meals, in downtown Baton Rouge?" downtown workers responded as follows: "rarely, never" (37%); "several times a month" (33%); "once a month" (29%); and "once a day" (2%).

For those that bought goods downtown, clothing led the list with 36%. This was followed by gifts and specialty items (20%); drugs and convenience goods (11%); and accessories (10%). As there are few clothing stores in the downtown, it is likely that some of the respondents included shopping at Goudchaux's department store in their response.

Gifts, with a response of 33%, led the list of types of stores downtown workers would like to see more of in the downtown. This was followed by clothing and shoes (20%); restaurants (19%); drugstores (10%); and bookstores (10%).

Most of the shopping occurs during the lunchtime hours and to a lesser extent at the end of the workday. Lunchtime shopping is virtually impossible for the 36% of the workers surveyed who have a lunch break of only half an hour. Despite this, 32% of the workers surveyed indicated that they move around the downtown daily. Another 37% say they do so once or twice a week. When they move around during the day, 69% walk and 30% use their cars. Fewer than 1% use the public trolley.

Those workers going to one of the Riverside Mall retail nodes will in most cases do it on foot, as the offices are within a short walk and parking can be a problem during the day. The few, on-street, short-term parking spaces that exist are always filled during peak shopping hours and their low number discourages those wishing to drive from coming to these nodes. Downtown workers going to the Catfish Town shops must drive, as it is too far to walk during the lunch hour.

Like the shops, restaurants in the downtown are busiest at lunchtime. The dinner activity is limited, with one primary restaurant (Simon P's) apparently doing well. Of the employees surveyed, almost half (49%) bought lunch at a downtown restaurant at least once a week. Four percent bought a dinner at a downtown restaurant at least once a week. Despite the apparent success of downtown restaurants in attracting lunch customers, the restaurants outside of the downtown are encroaching on their patronage. Seventeen percent of the downtown workers surveyed bought a lunch outside of the downtown at least once a week, and 28% bought a dinner outside of the downtown at least once weekly.

Recommendations

While downtown is no longer the dominant retailing district in Baton Rouge, several steps could be taken to help it serve the shopping population better.

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REIRC



It may be possible to encourage additional development within the existing concentrations. The combination of downtown employees and inexpensive space could serve as a catalyst for new retail activity, especially by local entrepreneurs. The focus of additional retail should be clothing, gift, or specialty stores. Given current market conditions, the Downtown Development District (DDD) may have to provide incentives to encourage new retail activity. These could include:

1. Working with the owners of existing vacant buildings to create attractive and economic space suitable for new young retailers. In this approach, the DDD would function as would a shopping center's management office--i.e., represent the owners, modernize the space, negotiate the deal, and assist in marketing, maintenance, etc.
2. Focusing on new business start-ups (i.e., incubator retail) and providing subsidized space in the downtown. The concept would be to encourage and assist new retail start-ups in the hope that they would succeed, grow, and help revitalize downtown.

In our opinion the concept of subsidizing new downtown retail should be considered by the DDD because it will improve the services offered to downtown employees and nearby residents, attract people back to downtown, improve the area's appearance, create service jobs, and generally strengthen the downtown real estate market.

While several low and moderately priced restaurants operate downtown, there is no high-quality restaurant open to the public. Given the work population during the day and the potential for expanded downtown dining in the evening, the downtown could support one and possibly two better-quality restaurants. The downtown would be less likely to lose the dinner customers it now loses to other areas of the city. The success of any restaurant is largely a function of the quality of food and service. Nonetheless, we believe that a downtown restaurant would be most successful if it took advantage of river views; to that end, the old restaurant district on the west side of the railroad tracks in Catfish Town would be a good location.

The North Boulevard and Riverside Mall node should be able to support another moderately priced restaurant that would serve the Beuregard neighborhood at night. In addition, a restaurant/bar facility could be considered in Catfish Town.

Catfish Town may have several redevelopment options--the most likely being office. If this area is successfully recycled into City-Parish office space, private sector loft style offices, or a combination of the two, some retail support will be needed. It probably would not require much more than a few gift and

convenience shops and eating establishments, some of which are there already. The target consumer of the gift shops would shift from tourist to native residents of Baton Rouge.

While we have not explored the concept in detail, we believe the link between Catfish Town restaurant space (or potential) and the expanding river boat business should also be considered. The attractive space in and around Catfish Town could further serve a variety of activities that would draw people to the downtown and reinforce the area as an attractive place to visit, work, or live. The activities could include:

- o Festivals
- o Art fairs
- o Music events
- o Swap meets
- o Auto or boat shows
- o Cultural events
- o Dances
- o School events

The majority of the people travel around the downtown by foot. Others use their cars, a very few use the trolley, and some don't move around at all. To facilitate and encourage intra-downtown retail activity during the day, REIRC has two suggestions. In the short run, make the trolley system more convenient and easier to use, with clearly marked routes and stops and a firm, well-publicized schedule. Run it only between the retail nodes and the office/employment centers, and run all of the equipment at maximum capacity during the peak retail period between 10:30 a.m. and 2:30 p.m. If the shuttle is unable to obtain reasonable ridership, either to link activity areas downtown or employees to parking, we suggest the program be terminated. We would urge close regulation of the parking on nearby cross streets to assure mall retailers available customer parking.

The residential areas downtown do not have adequate grocery shopping, but with only 2,000 people living downtown and most of them falling into lower-income categories it seems unlikely that a supermarket would locate here. A small convenience grocery store could be encouraged to locate in the Beuregard Town or Spanish Town areas. With incentives, an even more desirable upscale neighborhood grocery store, which would also serve downtown employees, might be feasible.

Altogether we expect the demand for retail space in the downtown will be entirely satisfied by existing supply of space. Over the next five years we expect this new demand to total between 15,000 and 25,000 square feet. This will still leave a substantial amount of unused retail space in the downtown, particularly along Main Street and along Riverside Mall between the two nodes located there.



### The Public Sector

The Federal Courts building in Baton Rouge is presently inadequate, and it is understood that a new facility may be built. Undoubtedly, the best location would be one closer to the other governmental functions in the City-Parish center. We believe there are two very good locations in that area: the best would be the southwest corner of North Boulevard and Ferdinand Street, a site currently occupied by an older City-Parish office building; a second choice would be a point along the west side of Riverside Mall between the two retail nodes.

If the courts move to the North Boulevard and Ferdinand site, City-Parish offices would have several relocation options, including occupying vacant space in Catfish Town and rehabilitating some of the older retail buildings along Riverside Mall for offices.

Several studies have been done for the expansion of State office space in Baton Rouge, but it now appears that because of the recent economic downturn such construction is not imminent. However, should there be any State office expansion in Baton Rouge, we believe it should be viewed as an opportunity to further bolster the downtown office market.

### Tourism and Recreation

Tourism is beneficial to the economy of cities like Baton Rouge in many ways: the service employment that comes from hotels, restaurants and convention facilities; the restaurants and recreational facilities that could not be supported by the local population alone but are possible because of the extra business brought by tourists; and the sense of identity provided by landmarks and tourist interest.

Baton Rouge is moderately attractive to the tourist market, but its features are overshadowed by nearby New Orleans, one of the country's largest tourist attractions. The failure of Catfish Town was due in part to its proximity and in some cases similarity to the expanding collection of New Orleans tourist attractions.

Baton Rouge tourism can benefit from closeness to New Orleans by better use of the cities' major link, the Mississippi River. All of the Baton Rouge tourist attractions are in the downtown within three blocks of the river. Every day, replicas of the old riverboats come up to Baton Rouge loaded with passengers from New Orleans. To date, this traffic has not benefited Baton

Rouge for a variety of real and perceived reasons. The potential afforded by the expanding river tourism activity should be further explored.

### Recommendations

We believe that consideration should be given to the construction of a suitable dock facility for river boats from New Orleans and for excursions that could start from Baton Rouge and go to New Orleans and back. Attention should be given to the current scale of these activities, the near-term potential, and what it is that Baton Rouge has to offer these potential customers.

Other improvements to the waters edge, principally a linear park stretching from Catfish Town to Capitol Lake, would encourage further development of all uses in the downtown by creating a comfortable, attractive amenity around which offices, a hotel, and housing could be developed. The linear park could include hiking and biking paths, a small band shell, and sufficient parking to make it easy for downtown workers and other residents of Baton Rouge to stop by in the evenings and weekends. Street improvements to those streets linking the riverfront park with the retail and office nodes of the downtown would encourage use of the park during the day.

As we mentioned earlier, a wide range of events or activities could be coordinated in and around Catfish Town to attract people to the area and entertain the local population. According to information we obtained, the levee between Catfish Town and the river is privately owned. The same owner also owns several blocks of property along River Street opposite the stretch of the levee between North Boulevard and North Street. Development of the linear park across from these properties is likely to increase their value; thus the City-Parish should negotiate for the right to continue the public access and linear park in along the levee between Catfish Town and the river.



# APPENDIX B

## REVIEW OF THE DDD

### BACKGROUND INFORMATION

The Baton Rouge 2000 Report recommended the creation of a managing entity for the study area. This recommendation was based on a review of mechanisms which other cities had used to encourage redevelopment of their central business districts. The preferred alternative was creation of a special taxing district which derived a stable revenue from dedicated property taxes.

The legal process began with the completion of the Baton Rouge 2000 Report in 1983. The enabling legislation, Act 437, was passed by the State Legislature in 1984. This Act created the DDD boundaries, the board of commissioners, the power to levy and collect ad valorem taxes, and provided for issuance of bonds and other indebtedness contingent upon approval by the voters. Mayor Pat Screen and the Metropolitan Council appointed a board of commissioners for the proposed Downtown Development District. The Board began meeting in late 1984 to discuss the projects they should undertake, and how to best present the advantages of a special taxing district to the voters for their approval. Beginning in the Spring of 1985, the DDD hosted a series of public meetings which presented current urban issues to the voters for both public education and public response purposes. Despite the success of these meetings, and a fairly intense voter education campaign, the special tax referendum in November 1985 was turned down. Rather than abandon the goal of a special taxing district, the DDD board decided that another attempt to pass the tax was warranted. In November 1986, the voters approved creation of the special taxing district. The five-year, 10 mill, dedicated property tax is presently estimated at \$220,000.00 annually.

With the election behind them the DDD Board began the tasks of hiring a staff, and carrying out projects. In late 1986 the Board began the search for an Executive Director. In December 1986, Mr. Davis Rhorer, an employee of the Office of Community

and Economic Development, was hired to provide technical assistance to the DDD. In September, 1987, Mr. Rhorer was hired as the permanent director. The DDD began occupancy of its own office space in July, 1987.

The mission statement recognizes the DDD as "the officially designated agency charged with generating funds and setting overall policy for the promotion and enhancement of Downtown Baton Rouge so as to benefit the entire community." Despite the lack of a full staff, the DDD Board has admirably begun several projects toward this goal. Among the first projects are improvements to street lighting and a security patrol by an off-duty policeman throughout the district. The DDD coordinated the 1987 July 4th Festival, renamed "Freedom Fest", which has been held each year since 1981 on the Riverfront. This popular activity brings thousands of Baton Rouge residents to the downtown riverfront to hear the Baton Rouge Symphony and watch the fireworks. This year the DDD added craftsmen, a parade, and increased musical attractions to the day's activities. Another program was designed to attract patrons to the retail stores in the CBD through a series of radio advertisements, and free tickets to a July 4th dance following the fireworks.

In addition to this Economic Development Strategy project, the DDD is involved in four other planning projects in cooperation with the City-Parish Office of Community and Economic Development: the Comprehensive Downtown Transportation Study currently being performed by HNTB's Baton Rouge office; a kiosk and signage project by Emerson-Ribas, Landscape Architects; the design of a comprehensive computer database with the LSU Computer Office; and has gone on record in support of the construction of a downtown riverfront dock adjacent to Riverfront Plaza.

The DDD has created seven committees: City Marketing, Cultural Alliance, Planning Consortium, Downtown Residents Council, Coalition of Downtown Merchants, Riverside Associa-



tion, and the Administrative Committee. At present, the DDD Board of Commissioners is as follows:

Brian Kendrick, Chairman  
*Chamber of Commerce Representative*  
 Gee Gee Hargon, Vice-Chairman  
*Banking Institution Representative*  
 W. J. "Dub" Noel, Treasurer  
*Banking Institution Representative*  
 Ben Taylor, Secretary  
*Riverside Association Representative*  
 Randal Beach  
*Mayor-President's Representative*  
 Thelma Parham  
*Beauregard Town Representative*  
 John Dutton  
*Spanish Town Representative*

#### EVALUATION OF THE DDD

One of the purposes of a special managing entity is to encourage public and private participation in pursuing agreed upon goals. Cooperation between the public and private sectors is essential if the Development District is to pursue a meaningful agenda. In this regard, Baton Rouge's DDD ranks very high. City-Parish government has provided technical staff assistance from the Office of Community and Economic Development. The private sector has provided technical assistance as well as donating time, money, and energy on projects approved by the Board. The continued cooperative efforts of all those involved is essential.

It is inappropriate to review the DDD's proposed and completed projects without first examining their budgetary constraints. The present DDD budget (1987) is estimated at \$205,000.00. The 1987, and 1988 Proposed Budgets for the Downtown Development District are:

	1987	1988 (Proposed)
Anticipated Property Tax:	\$200,000.00	\$220,000.00
Donations:	5,000.00	10,000.00
<b>Total Source Revenues:</b>	<b>\$205,000.00</b>	<b>\$230,000.00</b>
Programs:		
Crime Prevention:	30,000.00	20,000.00
Marketing/Newsletter	25,000.00	25,000.00
Promotions		17,000.00
Neighborhood Projects	20,000.00	20,000.00
Special Projects	5,000.00	30,000.00
Contingencies	5,000.00	
Operating:		
Salaries	65,000.00	75,000.00
Benefits	13,000.00	13,000.00
Rents	10,000.00	10,000.00
Other	13,000.00	10,000.00
Start up Costs	19,000.00	
Grant Expenditures		
<b>Total Application</b>	<b>\$205,000.00</b>	<b>\$220,000.00</b>

#### ADEQUACY OF THE DDD BUDGET

In August 1987, the East Baton Rouge Tax Assessor estimated that the proceeds from the property tax would be in the range of \$220,000.00. This represents an increase of \$20,000.00 over the original estimate. Additionally, the DDD is anticipating a significant surplus of funds in their first operating year. Thus, the DDD should have undedicated funds of approximately \$100,000.00 at the close of 1987. This sum of money will permit the DDD to begin operation with a reasonable degree of financial security. These funds should be leveraged to produce additional investment in the area. Revolving and/or guaranteed loans, similar to the CCDC in Memphis, Tenn., could provide an appropriate vehicle for the DDD to encourage additional development of both residential and commercial properties. Despite the undedicated funds for 1987, the DDD budget is barely adequate for hiring a full staff and still have some funds with which to pursue projects. A review of the projects currently funded by the DDD follows:



## **CRIME PREVENTION**

A footpatrol was begun in July by an off-duty policeman. The object of this program is to promote the image of downtown as a safe place to live and work. Prior to funding this program, the DDD worked with the Baton Rouge Police Department on a profile of crime in the district and police recommendations on what action should be taken. Although police statistics indicate that downtown does *not* have a crime problem, the public perceives downtown as a high crime area. The DDD should evaluate this program for its effectiveness for combating the perception of crime. Alternately, the DDD could consider increased sponsorship of neighborhood watch programs. The sodium street lights recently installed in these areas will both provide better illumination, and help improve the image of these areas. The DDD could also improve downtown's image through the media by requesting newspaper articles or television programming on crime patterns in Baton Rouge. It is hoped that downtown would be portrayed as a safe area to live and work ... because it is!

## **MARKETING/NEWSLETTER**

A strong marketing program and newsletter is essential to the operations of the DDD. Facilitating the collection and distribution of information is a prime function and deserves detailed attention. The DDD has entered into a contract for publishing its own monthly newsletter, but should also consider issuing a joint newsletter with other downtown agencies and civic groups. This could help defray the cost of the publication as well as fulfill the objective of tying the downtown community together with a web of information. The marketing/newsletter activities of the DDD could provide a very useful service by gathering and distributing information from as many groups as possible. A cooperative effort which includes information from the Visitors and Convention Bureau, the Foundation for Historical Louisiana, the Riverside Association, Beauregard and Spanish Town Civic Associations, real estate/rental information, the U.S.S. Kidd Commission, and others that could help the area move toward its common goals.

The DDD should investigate the possibility of matching funds from the CEDD "Act 455" funding program which provides matching grants for tourism and recreational promotion. To the extent that the DDD does this, matching funds may be available. Since the Visitors and Convention Bureau and the Foundation for Historical Louisiana have already received funds from this program, the DDD may wish to provide a match for grants through these agencies.

## **NEIGHBORHOOD PROJECTS**

The concept of dedicating funds to neighborhood projects decided upon by the Downtown Residents Council is excellent, however assuring these districts a dollar amount "at least equal to the amount of taxes paid" does not promote cooperation between all the downtown interests. In general, funds should be earmarked for agreed-upon programs, not allocated by geographic area. The prioritization of programs to be funded is the single most important function of the DDD Board of Commissioners. The amount of funds targeted at programs for the historic residential districts should be based primarily on the *merits* of the program.

The improved streetlighting program which is being paid for from this account is an excellent value for the money. This funding category could do much for the downtown neighborhoods particularly if it could be pooled or leveraged to create a revolving loan program to facilitate restoration of the area.

## **SPECIAL PROJECTS**

This program category will be used to fund special projects within the district by requests from the DDD Committee. The funding for this program category is much too low. If the DDD has excess funds, which they expect to have in 1987, they should consider placing them in this category. Programs funded from this category have included joint sponsorship with the Downtown Merchants Association to promote area retail businesses by offering free tickets to a July 4th party. Advertising downtown retailers as a group presents a positive image to the public. Improving Riverside Mall as a healthy retail and restaurant area



is an attraction to developers and potential occupants of downtown office space: the goods and services they desire are just a short walk away. The DDD should pursue additional projects within its resources to assist the downtown retailers. However, the DDD should also recognize that increased retail activity will follow office and residential development. Therefore, the best long term opportunity to assist downtown merchants is to increase both office and residential populations.

#### OTHER BUDGETARY CONSIDERATIONS

Lacking from the 1987 budget, or the proposed budgets through 1991 is an allocation for Capital Projects. Although the area has an excellent infrastructure, particularly in the CBD, the DDD should adopt a tangible, preferably high-visibility, capital project to provide a physical example of accomplishment. An excellent candidate is the signage/kiosk project because it benefits the entire district equitably. An application to the Urban Mass Transportation Administration (UMTA) is being considered for this project. The minimum required local match of 20 percent is estimated at \$25,000.00.

#### BUDGETING PROCESS

The DDD budgeting process should be designed to provide the Board of Commissioners with greater discretion in the expenditure of funds. At the present time, all budgetary expenditures must be approved by the Metro Council. This control mechanism could cause the DDD unnecessary effort and delay in committing funds to projects. Additionally, the DDD must be able to act with some autonomy from local government. We recommend that the DDD budget be submitted yearly for Council approval, and the Board of Commissioners granted greater autonomy over the day-to-day operations and program expenditures.

#### CLOSING COMMENTS

*Baton Rouge 2000* envisioned the DDD as the best alternative for achieving a coordinated public/private development strategy and management program for the study area. Given the constraints that the DDD has had during the first half of 1987, principally the lack of a properly designated Executive Director, the DDD Commission and assistant director have done a commendable job. Projects are moving forward and additional projects are being explored. The DDD needs to establish a clearly communicated policy for each of the areas within its boundaries. By formulating a policy direction, the DDD can better select projects that meet the stated policy. A stated policy will provide those involved with a clear picture of where the DDD is headed. However, the DDD cannot do the entire job alone and will require support and assistance from the Planning and Zoning Commission and its staff, as well as that of the City-Parish Office of Community and Economic Development. Cooperation with these departments is essential to the creation of a meaningful development program. The recommendations noted elsewhere in this report for the re-structuring of the Planning Commission, and the creation of a new comprehensive plan and zoning for the study area are essential to the success of the Downtown Development District.



# APPENDIX C

## ACKNOWLEDGEMENTS

The Caplinger Group would like to thank all of those who participated in this project, particularly the Office of Community and Economic Development, and the DDD Board of Commissioners and staff. Additionally, we would like to thank everyone that contributed information for this report.

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Gee Gee Hargon, Vice-Chairman - Banking Institution Representative  
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Ben Taylor, Secretary - Riverside Association Representative  
Randal Beach - Mayor-President's Representative  
Thelma Parham - Beauregard Town Representative  
John Dutton - Spanish Town Representative

Mr. Davis Rhorer, Director

### CITY OF BATON ROUGE

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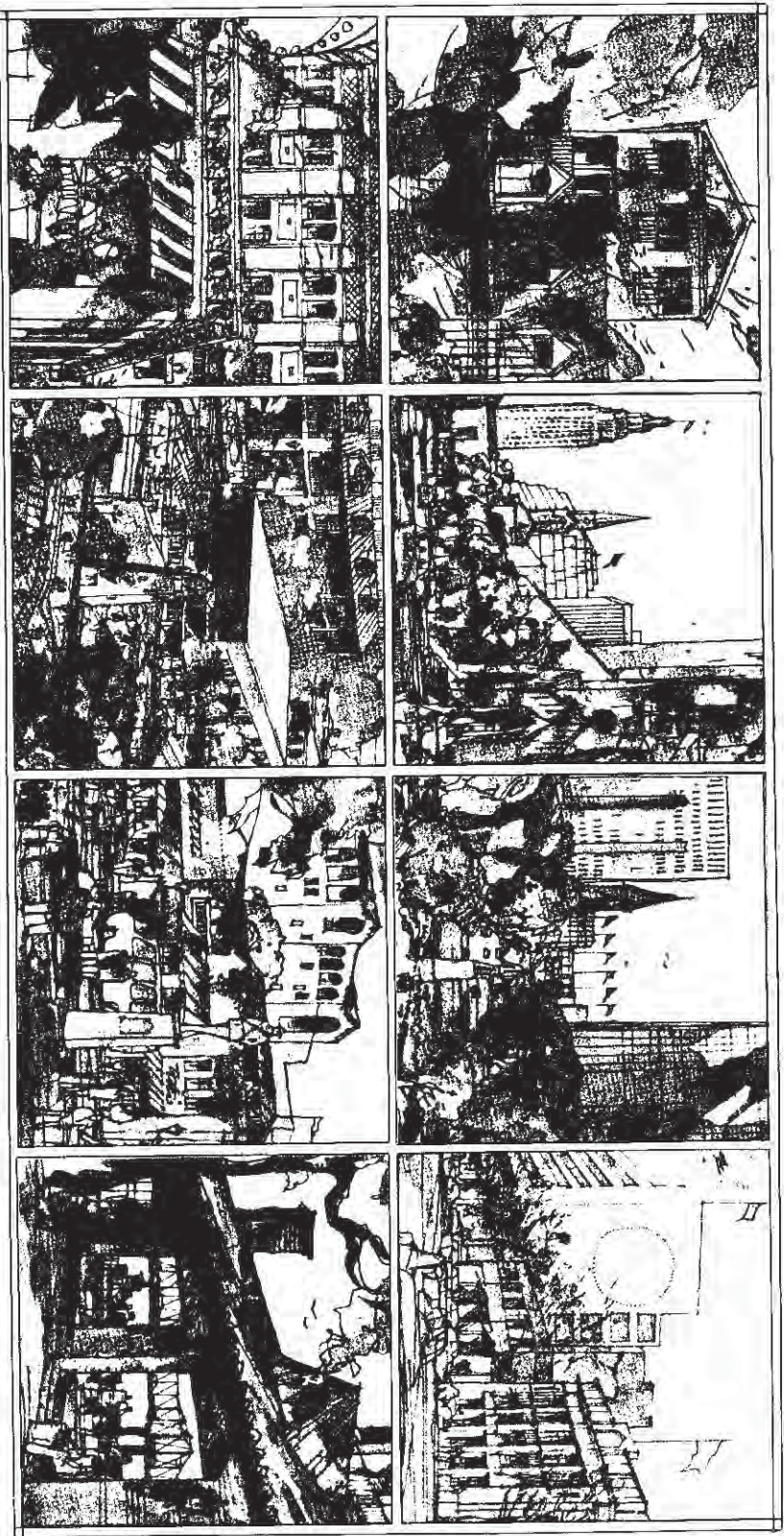
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# APPENDIX D

## BATON ROUGE

2000



### AN ECONOMIC DEVELOPMENT PROGRAM FOR THE CENTRAL BUSINESS DISTRICT



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Representative Tommy Hudson

Representative Joe Delpit

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State of Louisiana

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Chamber of Commerce

Downtown Businessmen's Association

Baton Rouge Central Trade and Labor Council

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Spanish Town Representative

La. Naval War Memorial Commission

Arts and Humanities Council of Baton Rouge

Louisiana Arts and Science Center

Foundation for Historic Louisiana

Catfish Town Properties

Capital Marine

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## Office of the Mayor-President

City of Baton Rouge  
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222 St. Louis Street  
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70821

504/389-3100

January 26, 1983

To my fellow Baton Rougeans,

After months of study and work by Caplinger Planners, members of my staff, representatives of diverse segments of our community, including business, labor, preservationists, neighborhood associations, tourism officials, and the leadership of the Arts and Humanities Council, Baton Rouge 2000 is presented as an action plan for the economic redevelopment of Downtown Baton Rouge.

Baton Rouge 2000 is a plan that not only offers a vision for the future, but also delineates the alternatives of action that can best be utilized to turn this vision into reality.

This is a plan that recognizes that one of our parish's greatest natural assets, the Mississippi River, can be blended with the historic structures and districts of our city into a dynamic design for economic growth and prosperity for the City-Parish and its citizens.

Baton Rouge 2000 presents all of us with an exciting challenge: an opportunity to make our community the most progressive innovative city not only in Louisiana, but also of the Deep South! Here is a challenge to begin the building of Baton Rouge of the 21st century... now, in the 1980's.

This action plan not only presents a vision and a challenge, but most importantly it provides an opportunity for our citizens to enhance their economic future and to guarantee that employment will be available in their hometown... so that it will not be necessary for our sons and daughters to leave Baton Rouge to realize their aspirations and to fulfill their potential.

It is estimated that the more than \$300 million in new investment envisioned by this plan by 1990 will mean more than 9,000 new jobs for our citizens! It is obvious that Baton Rouge 2000 is more than a plan for the economic redevelopment of Downtown Baton Rouge. It is a blueprint for economic opportunity for all of our citizens from Pride to Shenandoah!

With the successful completion of the 1983 International Summer Special Olympics, and the selection by the United States Olympic Committee of Baton Rouge to host the 1985 National Sports Festival, the citizens of the City-Parish have clearly demonstrated that with commitment and cooperation our potential is only limited by our lack of vision.

Baton Rouge 2000... a vision, a challenge, an unprecedented opportunity! I sincerely believe that through this spirit of commitment and cooperation we can make this vision become a reality, that we can convert this challenge into another success story, and that we can provide our citizens with the opportunity that they so richly deserve.



With kindest personal regards,  
I am very truly yours,

PAT SCREEN  
Mayor-President



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# FOREWORD

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**T**his technical report represents the cumulative efforts of a diverse group of concerned individuals representing both public and private sector interests. It is the result of a year long process aimed at defining and quantifying the development potential in the Baton Rouge Central Business District for a wide spectrum of land uses. It has involved a consultant team consisting of architects, planners, economists, engineers, market analysts, as well as the input from local property owners, businessmen, government officials, preservationists, and residents. The resultant Economic Development Plan for the Baton Rouge Central Business District is broad based representing the viewpoints of many divergent groups.

We believe this plan is just the start of an on-going process that will bring revitalization to Downtown, and economic prosperity and environmental quality to the citizens of Baton Rouge.

The thrust of the revitalization and rebirth of Downtown Baton Rouge lies in the continued development of office space for both the public and private sectors. Our research indicates that by the year 1990, the Downtown can absorb an additional 520,000 square feet of net usable area (NUA) in Class A office space and 1,034,000 square feet (NUA) of State office space by 1987. Given this development activity additional service retail and specialty retail can be supported: 22,500 square feet (NUA) of specialty retail above that currently programmed for Catfish Town and 90,600 square feet (NUA) of support retail. The hotel potential appears for a medium sized facility to be viable in the late 1980's. Residential development will become viable (320 units of rehab units and 260 units of infill) if sufficient incentives are developed so that Downtown property is competitive with suburban markets. As has been stated throughout the project, office development is the market leader. Once this is realized retail, hotel and residential development will follow.

The following Technical Report identifies the Development Concept which will realize these market opportunities, supports its potential, gives direction to its physical manifestation, and indicates what specified measures need to be taken to implement this plan. The future of Downtown is indicated. It is the commitment of local citizens, both public and private, to this plan and its implementation that will make this plan not a possibility, but a reality. The process has already begun.



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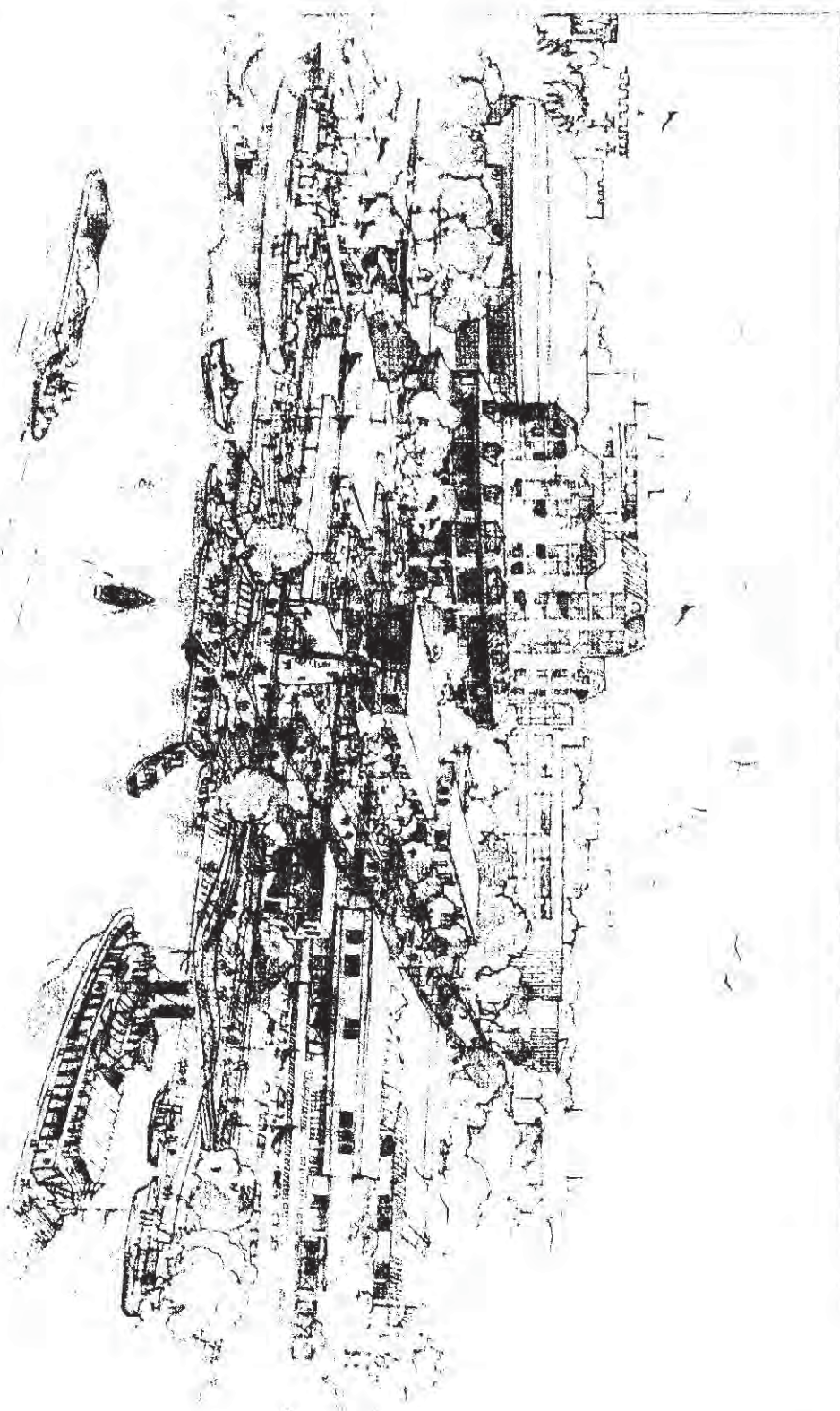
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# INTRODUCTION



MISSISSIPPI RIVER LANDING

1-22-4







**T**he Economic Development Study for Downtown Baton Rouge was first envisioned by various elements within the public and private sector when the issue of the best potential use of the Centroplex "surface" parking lot was raised by Mayor Screen in the late summer of 1982. Consequently, the Metro Council approved by resolution on Sept 22, 1982 that a study be commissioned to prepare both an architectural/engineering evaluation of the study area and to prepare an economic development strategy for its realization. On November 24, 1982 a contract was issued with notice to proceed being given on December 1, 1982. Since that time the multi-disciplinary Consultant Team has been involved in an intense effort to formulate and realize both a revitalization program and an implementation process.

The citizens of Baton Rouge have played an active role in this process. Throughout 1983, the Downtown Economic Development Task Force, assisted by the Citizens and Technical Advisory Committees, have regularly met to discuss the progress of the project with the Consultant Team and representatives of the City. In addition, an intense series of interviews and presentations has been made by the Consultant Team to individuals and groups concerned with the revitalization of Downtown Baton Rouge. By the continued involvement and participation of these civic leaders, public and private sector representatives, and state and local public officials the continued success of this project is assured.

## PROJECT AREA

The study area is bounded on the east and south by the I-10/I-110 expressway on the west by the Mississippi River, and on the north by the State Capitol. Within this 550 acre area are eight sub-districts: the Central Business District, the Federal Complex, the State Capitol Complex, the Centroplex, the Spanish Town Historic District, the Beauregard Town Historic District, Catfish Town, and the Riverside Corridor.

## **METHODOLOGY**

### A. GOALS FORMULATION

The methodology used in this project relied heavily on citizen involvement and input. Initial activities included extensive interviews with citizens representing a cross-section of the community, property owners, and users of downtown. Based on

these interviews, the initial Goals and Objectives were formulated. During Round 2, these were further refined and ranked by the client, the members of the Task Force, Citizens and Technical Advisory Committees. The resultant ranking is as follows.

1. Develop a coordinated public/private development strategy and management program for downtown.
2. Revitalize/refurbish the downtown to create a viable 24-hour living, shopping and working environment
3. Create public incentives for private development
4. Preserve and enhance the architectural character and qualities of the historic properties and districts in the downtown
5. Further develop the financial, legal, and legislative nature of the downtown while promoting more diversified uses (retail, residential, cultural)
6. Realize long range economic returns by managing and improving the existing and proposed assets of downtown.
7. Maximize the impact and opportunity of the river by requiring optimum utilization access views for all public and private developments
8. Stimulate, direct, guide and lead downtown growth in directions consistent with good public policy
9. Educate the citizens of Baton Rouge to the fiscal and physical opportunities inherent downtown
10. Develop a coordinated CBD transit and parking plan in conjunction with City-parish regional transit plans and policies.

### B. STATEMENT OF EXISTING CONDITIONS

Concurrent with the development and ranking of the Goals and Objectives, the Consultant Team assessed the 1983 Existing Conditions in the project area. Issues addressed included zoning, land use, property ownership, public sector utilization, historical significance, on-street and off-street parking, traffic and transportation, vehicular circulation, existing infrastructure, regulatory impacts (the levee, existing rail corridor, utility R O W), etc. These existing conditions have been documented by the Consultant Team and specific Working Papers are on file for each issue.



### C. MARKET PROFILE

The Baton Rouge macro and micro economic climate has been analyzed for its impact on the Downtown. Results of this analysis and the data obtained are presented in the "Analysis of Market Potential: Downtown Revitalization Program: Baton Rouge, LA", as prepared by Laventhol & Horwath.

### D. OPPORTUNITIES AND CONSTRAINTS

Both the existing physical conditions and emerging economic trends have been studied for their impact on potential development. Specific attention has been given to Urban Design Issues, both positive and negative, as well as Development Dynamics being experienced Downtown. Working papers and Illustrative Diagrams are on file describing each issue.

### E. THE DEVELOPMENT CONCEPT

Based on the accumulated data, research, and analysis of both physical and market conditions Downtown, the Consultant Team has prepared a Development Concept which identifies specific land uses, locations, urban design treatments, etc. while realizing the initial Goals and Objectives of the project.

### F. DEVELOPMENT OPTIONS/ALTERNATIVE FUTURES

In order to determine the most effective Development Program, various site-specific projects have been analyzed for both their physical and economic characteristics. Spread sheets have been developed for each project to show their impact on both market demand and absorption over time as well as their financial performance. Summaries describing the impact over time of each land use type have been prepared. The results have produced a series of alternative futures. Using this approach, the Consultant Team has tested the impact of the individual projects to determine the recommended Development Program.

### G. RECOMMENDED DEVELOPMENT PROGRAM AND STRATEGY

Short term and long term recommendations for both projects and policies comprise the Development Program. Based on current and proposed market demand, physical development opportunities, phasing, public improvement requirements, local incentive mechanisms, etc., are identified. Physical characteristics of the various components are defined in terms of land and building areas, use type, development costs, etc.

### H. FINAL MARKET AND FINANCIAL FEASIBILITY REPORT

In this phase, the Recommended Development Program has been evaluated for its performance in the following areas: market absorption per land use type; financial analysis to include project revenue generation, public sector participation, projected level of private sector investment; benefits accrued to the City and its citizens based on the implementation of the Development Program.





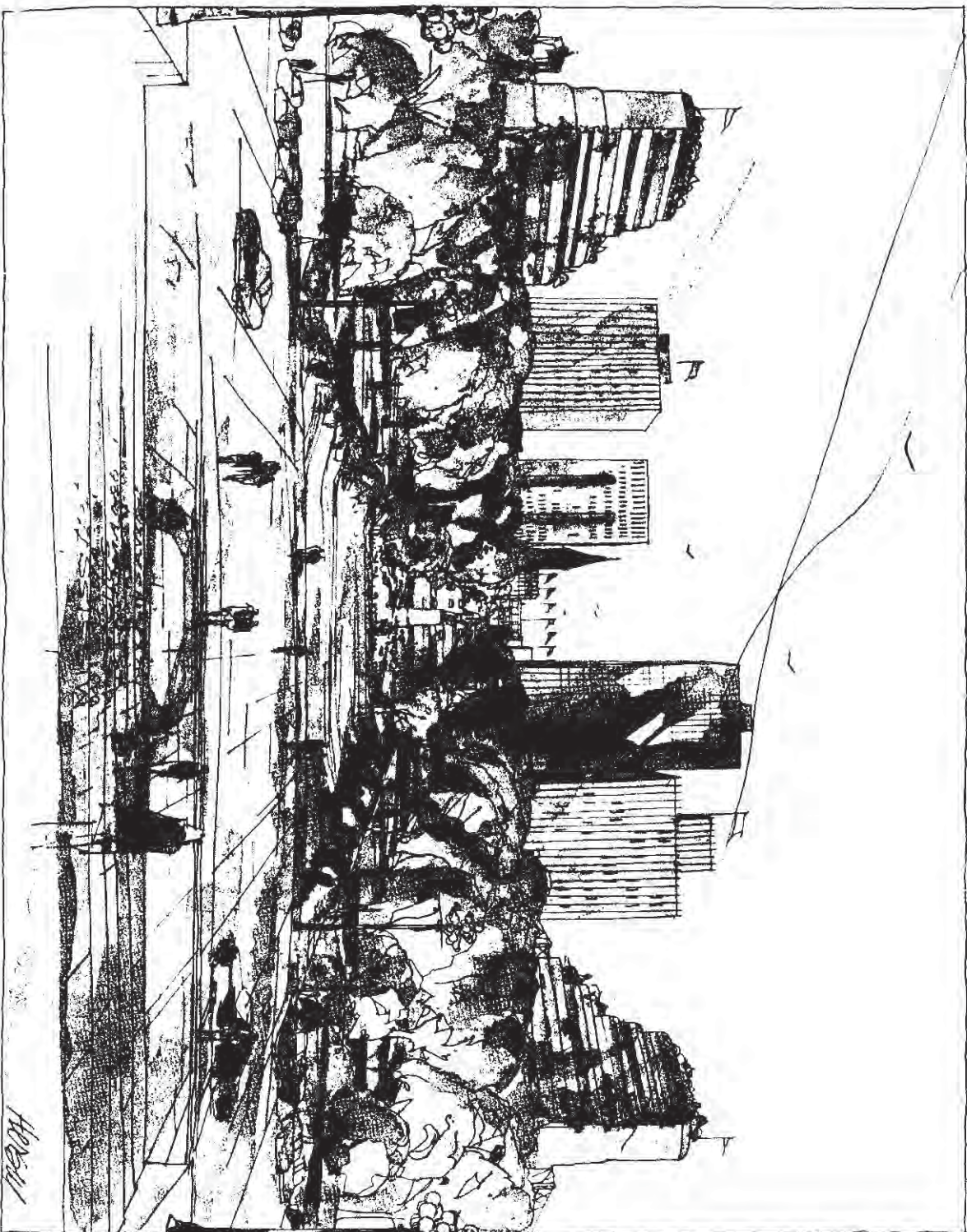
BATON ROUGE, LOUISIANA CENTRAL BUSINESS DISTRICT







# EXISTING CONDITIONS - 1984



STATE CAPITOL COMPLEX







**T**he boundaries of the area designated for the Baton Rouge CBD Economic Development Study are the Mississippi River to the west, the Interstate system to the south and east, and the State Capitol Complex to the north. This area has several distinct sub-districts including the following: the Central Business District, the State Capitol Complex, the Federal Complex, the Centroplex Municipal Complex, Beauregard Town and Spanish Town Historic Districts, Catfish Town, and an overlapping area along the river called Riverside. These areas represent the core of Downtown Baton Rouge. Each has its own identity as a district. The following sections briefly describe these sub-districts.

## 1. CENTRAL BUSINESS DISTRICT

Downtown Baton Rouge has historically been the center of the governmental, financial, mercantile and residential components of Baton Rouge. Today, downtown is a thriving governmental and financial center with less intense mercantile and residential activities. The Central Business District houses the main offices for five out of Baton Rouge's six major banks: LNB, Fidelity American, City National and Baton Rouge Bank. The banking community, by its continued presence, has been a stabilizing force downtown. By far, major construction by the private sector has been in banking and financial office construction.

In the early 1960's Baton Rouge began expanding rapidly to the east. The areas out Florida Blvd, Government St. and Goodwood Boulevard became the new retail, office and residential areas. Within a few years major retailers abandoned their downtown locations for the new shopping centers in the suburbs. With the loss of Sears, J.C. Penney's, Kress and Rubenstein's, the downtown was no longer the center of retail activity for the city. The loss of retailers from the inner city is not unique to Baton Rouge; many cities suffered the same problems as the population center shifted to the suburbs. The retail establishments naturally followed the people. Even the limited amount of retail activity which the state employees generated was reduced when the State allowed their employees to shift to a half-hour lunch break. In the midst of this evacuation from the inner city, Louisiana National Bank made a crucial commitment to the downtown. LNB decided to build their new building in the heart of downtown rather than in the suburbs. Locating a building the size of LNB required a complete reworking of the infrastructure of the downtown. At this time major improvements to the inner city's utilities, sewer, lighting and

street systems were implemented at a cost of \$5 million. The funding for these improvements was made available by the sale of municipal bonds which were repaid by levying a special property tax on the downtown properties. The work done at that time has allowed the construction of One American Place, the new City National Bank building, and the proposed new Fidelity National Bank Building to occur without a major reworking of the infrastructure.

On the periphery of the Central Business District lie the governmental complexes for the Federal, State, and Municipal governments. The Federal Complex lies near the eastern end of the Central Business District, the State Capitol to the north and the Centroplex to the south.

## 2. THE FEDERAL COMPLEX

The Federal Complex includes the Post Office Building, the Federal Building and U.S. Courthouse. The Federal Building and U.S. Courthouse were constructed in 1932. In addition to the sixty employees utilized in the Federal offices and courthouse functions, this building also housed the U.S. Post Office until 1968 when the U.S. Post Office Building was completed. The U.S. Post Office Building houses the Internal Revenue Service, the Dept. of Federal Highways, the Postal Credit Union and EEO Investigation, offices for Congressman Moore and Senator Long, as well as the Post Office. The Postal Service alone employs over 250 persons in the main office.

## 3. THE STATE CAPITOL COMPLEX

In the late 1920's the idea of a new State Capitol for Louisiana was one man's dream. Huey Pierce Long first mentioned the need for more centralized state government while campaigning for governor in 1927. Elected the following year as Louisiana's fortieth governor, Long made the Capitol project one of the top priorities for his administration. Although Long had little involvement in the project, his three requests were significant. He envisioned a capitol that would tower above the flat terrain surrounding Baton Rouge to be seen by all who entered the city from any direction. He also wanted the Capitol to stand as a monument to the State and her people. Finally, the governor requested that it be completed during his administration. From a



rectangular base; the Capitol rose 450 feet in 34 floors. The more than 20 floors of office space brought all facets of Louisiana's government under one roof for the first time since Reconstruction. The building was dedicated May 16, 1932, in elaborate ceremonies that coincided with the inauguration of O. K. Allen as the State's forty-first governor. Listed on the National Register of Historic Places, the Louisiana State Capitol is a splendid example of the Art Moderne school of American architecture and one of the last uses of that style on such a grand scale. Its wealth of decorative detail is unusually extensive.

Today the State is again facing the problem of consolidating state government. Recently the State hired Environments International, Inc. to evaluate the State's space needs and to make preliminary recommendations for the housing of those needs. As a result of that study the State is investigating the feasibility of constructing new space for 5000 employees who would be relocated from spaces now under lease. The study recommended development of state-owned land in the vicinity of the Education Building and the Land and Natural Resources Building for construction of 1.35 million square feet of office space; with provision for 5250 automobiles. Possibly located adjacent to the Dept. of Transportation Building. Other sites available to the State for expansion include the old Lady of the Lake hospital site to the north of the Capitol, and property around the Department of Transportation Building.

#### 4. THE CENTROPLEX

The Centroplex, located just south of the Central Business District and immediately to the west of Beauregard Town, commands a spectacular view of the Mississippi River. The complex incorporates the elevational changes between the natural batture and the floodplain to create a plaza and park that overlooks the river. Together with the Old State Capitol, the LASC Riverside Museum, the Old Governor's Mansion, the Central Business District, the Beauregard Town Historic District and the recent renovation/reuse of Catfish Town, the Centroplex is surrounded by unique and interesting areas.

The Riverside Centroplex project was financed by more than \$9 million in federal urban renewal funds, \$9.5 million of federal general assistance revenue sharing money and 1971 bond issue funds totaling \$18.2 million (city-parish sold \$30.1 million in sales tax backed bonds in 1971 — \$8.2 million was committed to the government building). The Centroplex consists of a 12,000 seat

arena, a 35,000 sq. ft. exhibition hall, and a 2600 seat performing arts theater, in addition to the new governmental building and the downtown Baton Rouge Public Library. The complex also includes public parking facilities for 1400 cars in addition to provision for parking 444 municipal related automobiles.

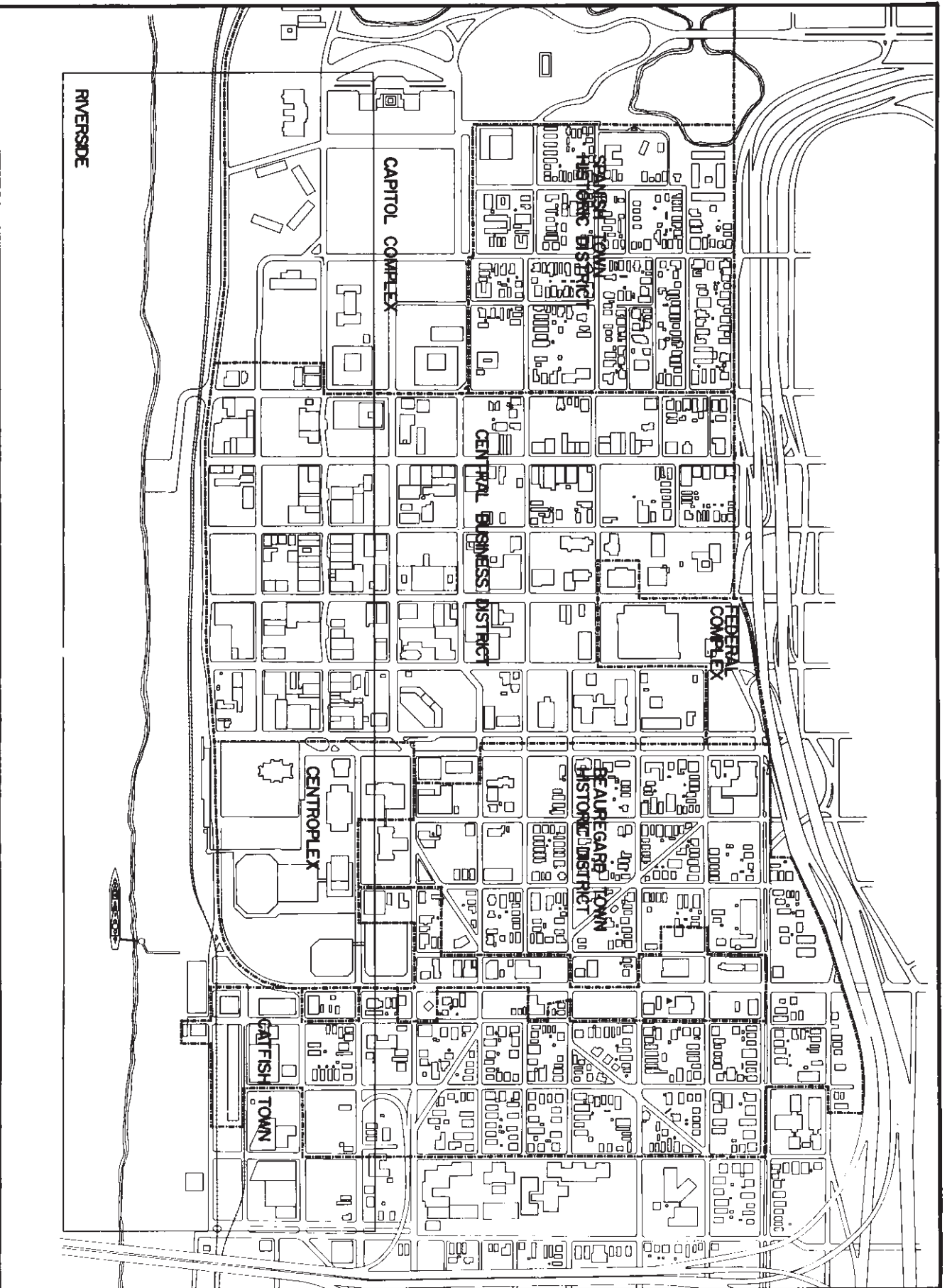
#### 5. SPANISH TOWN HISTORIC DISTRICT

Spanish Town was first laid out in 1805 and is consequently the oldest neighborhood in the City of Baton Rouge. Its narrow intimate streets, its irregular block layout, and its high concentration of old buildings give it the special character of a neighborhood which grew up before the age of the automobile. This is in sharp contrast to the surrounding city which strongly reflects the wide streets and parking lot autoscapes of the modern era. It is the old neighborhood in town, which many cities have, which constitutes a locally significant district. The vast majority of the buildings in Spanish Town were built during the period when Louisiana State University was located in the adjacent U.S. Garrison grounds. LSU was the economic and social force which generated the district's most important growth period. Spanish Town represents the history of LSU from 1885 to 1925.

Spanish Town has the oldest architectural history in the area, with a continuum of styles dating back to 1823. There are a number of fine examples of Greek Revival architecture (notably the Stewart-Dougherty House). There are a number of Queen Anne houses, shotgun houses, and a large number of craftsman bungalows. The buildings occur in an unusually high concentration, with only about 5% intrusions. The district is bounded by the State of Louisiana owned lands to the north and west (State Capitol Drive and Fifth St.), to the east by Interstate I-110, and to the south by North St. Spanish Town is an old back streets neighborhood pocket, a well defined entity of 14 large and small blocks comprising about 50 acres.

The boundaries separate Spanish Town from the surrounding areas, each of which differs widely in character from the Spanish Town district. The state-owned lands, which occur to the north and west of the district, are open and landscaped, with a few modern buildings, the State Capitol, and Capitol Lake. The commercial properties which occur to the south of the district, are almost invariably larger and more modern than the buildings in Spanish Town, more widely spaced, and interlaced with parking lots. The clearest boundary is I-110, a six-lane, dual highway which occurs to the east.







Spanish Town has a rectilinear street pattern but the blocks are highly irregular in their shapes and sizes. Some blocks are long and only about one lot deep, while others are nearly square. The streets are so narrow that two cars cannot pass, consequently all the streets are one way. Typically, the sidewalks are less than 5 feet wide and the average building is set back 10 to 15 feet. Approximately 65% of the buildings have only one story and approximately 32% have two stories. The buildings are placed so close together that the average distance between the buildings is less than the average facade. This gives the streetscape a strong definition. It also helps give the streetscape a low scaled, intimate quality, which is in sharp contrast to the surrounding areas. The effect of intimacy is increased by the foliage and many front porches.

When Spanish Town became a dedicated historic district the area gained some assurance that it would remain intact. The threat to the fabric of Spanish Town no longer comes from large scale development, but from individual owners who either alter or fail to maintain their properties. Spanish Town has the opportunity to become a unique, highly desirable residential area.

## **6. BEAUREGARD TOWN HISTORIC DISTRICT**

In the late 18th century Elias Beaufort conceived the idea of developing a planned center for the town of Baton Rouge. At this time Baton Rouge was the center of government for the Spanish province of West Florida. In 1806 a plan for the old town was designed by Beaufort and the French engineer Arsene LaCarrier LaFour, in the Grand European Manner. The 9x12 block planned town was to have tree-lined boulevards, radiating streets and a central Cathedral Square. A Grand Rue, now known as Government Street, was to be "immediately planted with trees", according to Beaufort. On July 22, 1806, with the consent of Carlos de Grandpre, Governor of West Florida, Elias Beaufort held the first auction of lots in the new town.

The land uses for Beaufort Town were partially fulfilled. The public plazas were open urban spaces until expansion pressures covered them with public structures in the early 1900's. After the Civil War, the economy of Beaufort Town was stagnant, but the old economic base of the area (the cotton and lumber industries) remained and it slowly began to regenerate. By the late 19th century prosperity had been restored. Lumber and cotton were shipped via the warehouses in the western end of the district.

now known as Catfish Town. It was probably this prosperity that generated the richest residential development boom which peaked in Beaufort Town about the turn of the century.

Standard Oil of New Jersey established a plant in northern Baton Rouge in 1909. Slowly, development shifted away from Beaufort Town. In the 1960's Government Street was redeveloped with large scale commercial properties which destroyed the core of old Beaufort Town. The area fell into a period of decline but has recently seen a revival of interest in the restoration and conversion of the structures for professional offices. The area has become a fashionable historic area in the city.

The greater part of Beaufort Town today is a locally outstanding turn-of-the-century middle class residential area, certainly the finest surviving example in East Baton Rouge Parish. The designated historic area has an intimate scale, an unusual purity and a high incidence of intact structures. Over the past several years a large number of structures have been renovated in Beaufort Town. Many of these renovations have resulted in loss or detrimental alterations to the architectural detailing.

## **7. CATFISH TOWN**

Essentially a subdistrict of Beaufort Town, Catfish Town is currently undergoing a major renovation. This area was historically the warehouse and rail freightshipping area for Baton Rouge. Catfish Town is bounded by Government St. to the north, the river to the west, South Blvd. to the south and St. Phillip St. to the east. Catfish Town Properties, through use of the federal UDAG grant program and in cooperation with the local government, has been able to transform a portion of the old warehouse district into prime office buildings. Construction of Phase I was completed in December, 1982 and consists of 70,000 gross square feet of office space. Construction of Catfish Town Phase II is currently underway and consists of 100,000 gross square feet of specialty shopping and recreational retailing, restaurants, a farmer's market and a proposed small luxury hotel. Catfish Town is bringing activity and amenities back to downtown Baton Rouge.

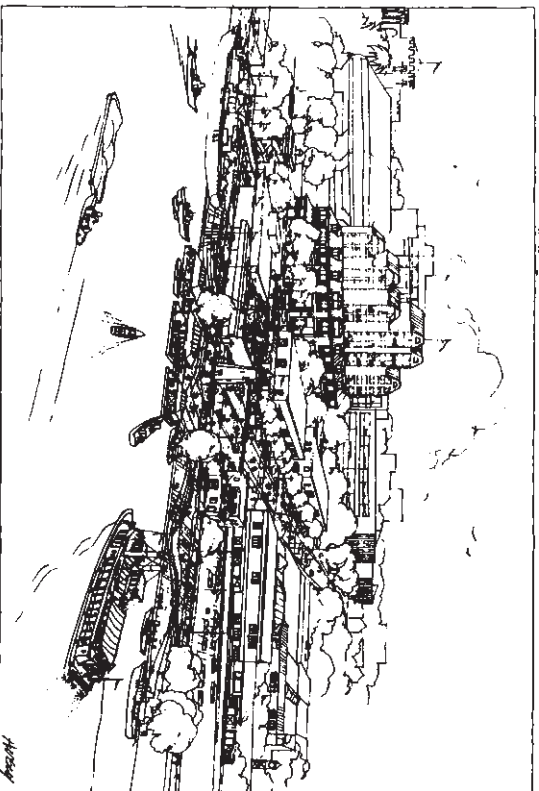






## 8. RIVERSIDE

The area designated as Riverside overlaps and includes parts of the State Capitol Complex, the Central Business District, the Centroplex, Beauregard Town and Catfish Town. The most significant characteristic of this area is the Mississippi River and its levee. In addition Riverside includes the bluff which forms the natural levee on which the original town was located. For many years Baton Rouge had "forgotten" about its river, with its economic and recreational potential. Recently several other projects have begun to change the face of Riverside. The Capitol House is undergoing major renovation. In concert with its listing on the National Register of Historic Places, The renovation of Catfish Town and numerous storefront and office rehabilitations along Riverside Mall indicate that economic vitality is returning to the river. Also now under construction are the U.S. Naval War Memorial Museum, the Riverfront Plaza, as well as the plaza to be built on the site of the now-demolished Fruit Exchange building. These projects are located adjacent to the levee between Catfish Town and the LASC Riverside Museum. The citizens of Baton Rouge will soon have more reasons than ever to return to their downtown and its riverfront.



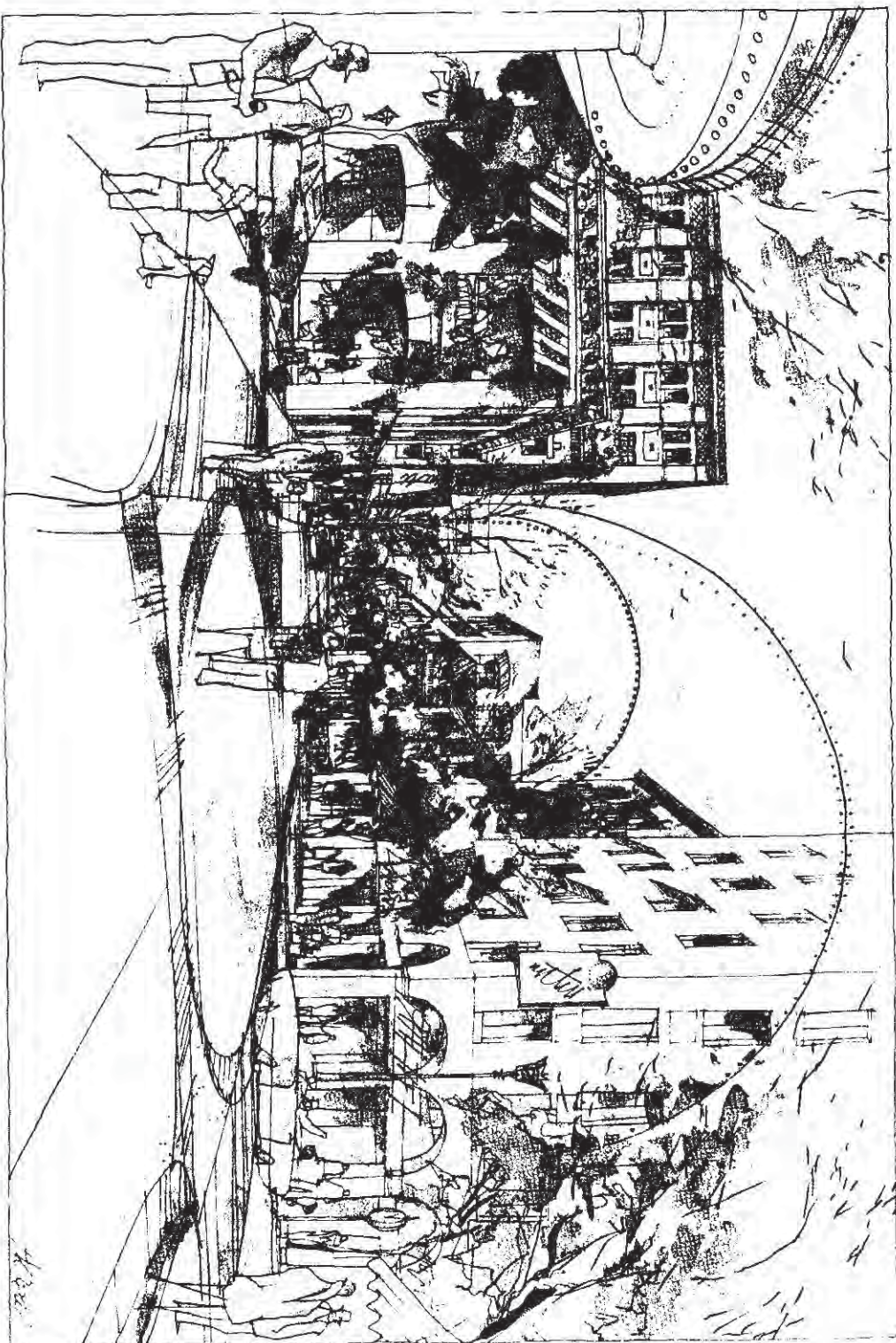
Mississippi River Landing

*This is a plan that recognizes that one of our parish's greatest natural assets, the Mississippi River, can be blended with the historic structures and districts of our city into a dynamic design for economic growth and prosperity for the City-Parish and its citizens.*

Pat Screen Mayor-President



# DEVELOPMENT CONCEPT



RIVERSIDE MALL AS "MAIN STREET"







**D**owntown Baton Rouge is an unrealized development opportunity. Situated adjacent to the Mississippi River, occupying a natural overlook, this area is currently undergoing significant development. However, in order to maximize the impact of these individual projects, a long-range Development Concept is needed for the Project Area. This concept has been formulated based on the Task Force Goals and Objectives, the existing data compiled by the Project Team, as well as comprehensive research concerning national downtown redevelopment trends.

## 1. THE LEVEE

The Project Area, approximately 550 acres in size, needs to realize the natural opportunities afforded it by the Mississippi River, existing governmental concentrations, financial institutions, cultural facilities, as well as significant historic resources. In this regard, the Development Concept first stresses the redevelopment of the levee. This significant structure serves as both the forecourt to the city from the river, as well as the forecourt to the river when viewed from the city. Its city-side, crown, and river-side each must be developed in concert with both aesthetic and functional considerations. The public nature of this structure must be reinforced while retaining its safety function. Specifically, we are recommending the reconstruction of the river-side apron as a concrete revetment. The crown should be utilized as a recreational amenity, providing cultural, commercial, and educational opportunities. A paved overlook to the river, with specialty lighting, seating, and surface treatment should be constructed. In addition, an interpretive signage system should be included to describe the historic link between the city and the river, as well as commentary on the nature of contemporary commerce as evidenced by the Port of Baton Rouge and its support industries. The Levee city-side can become a beautifully colored edge with the selective planting of native Louisiana wildflowers, treating this earthen plane as a monumental landscape canvas.

Long term development of a public boat terminal should also become public policy. Currently the Delta Queen, Mississippi Queen, and occasional excursion boats utilize the Capital Marine facility as their dock. The visiting passenger must gain access to the city by climbing the levee, mud and all, to then be greeted by the backslides of various buildings and surface lots.

Ultimately, a permanent facility should be located adjacent to the France Street right-of-way in close proximity to the LA Naval War Memorial building, the Kidd, the Riverfront Plaza, and

Catfish Town. This location would afford the numerous water borne passengers a first-class introduction to Downtown Baton Rouge, and would allow them numerous attractions within easy walking distance of the dock. Specific additional components to this facility should also be investigated: low-water park, floating pleasure craft marina, restaurant and lounge with overlook, pedestrian connection to Catfish Town, etc. Properly planned, this facility could significantly affect both the short-range and long-range futures of Catfish Town, the Louisiana Naval War Memorial, the LASC, and the Centroplex.

## 2. THE CENTROPLEX

The Centroplex represents a significant investment in a variety of public facilities downtown. Of the available lands within its boundaries, only one parcel remains to be developed. Serious study should be given to the ultimate use of this property, given its proximity to the existing cultural facilities, Catfish Town and other developments along the levee. One potential component could be an additional 30,000 gross square feet of contiguous exhibition space necessary to promote greater convention utilization at the Centroplex. Additional improvements to the internal circulation system between the Exhibition Hall and the Arena also need to be made.

Further attention should be given to the existing pedestrian spaces within the complex. Specifically, additional landscape treatment within and adjacent to the existing open spaces and plazas needs to occur. These improvements should also include providing additional seating areas, shading devices and signage. These additional improvements will reinforce the public's participation and enjoyment of this significant downtown resource.

## 3. MIXED-USE RESIDENTIAL ZONE

Immediately city-side of the levee, mixed use facilities, including potential residential condominiums or hotels should be promoted on existing underutilized, but prime development sites adjacent to the river. These sites lie between North Boulevard and North Street, Front Street and Lafayette Street. Within this zone the variety of existing uses ranges from the Baton Rouge Water Works on the south to the State Times & Morning Advocate on the north. All of the subject properties are situated atop the batture. This natural gradient affords these sites an excellent opportunity to capitalize on river views.



Mixed-use projects with a residential component are recommended for this zone. The residential/hotel/office use will further substantiate the continued retail redevelopment within the Riverside Mall core, while affording its residents and/or office workers a dramatic vista of the river and its passing commerce. Significant interest has been expressed by various segments of the population that "mid-rise or high-rise condominiums with a view of the river would be great downtown." This sentiment applies to both residential as well as office condominiums.

#### 4. RIVERSIDE MALL

Historically Third Street functioned as the retail center for the city of Baton Rouge. Due to suburban development during the Sixties and Seventies, its retail function has been severely affected. Today, Riverside Mall is being significantly impacted by renovations of former retail establishments into office space for both the State and private sector professionals. However, the retail establishments that remain on Riverside Mall are experiencing gross sales increases yearly, and would not leave their present location for any other suburban one.

To capitalize on the unique image along Riverside Mall, this street needs to be redeveloped with its existing "Main Street" character reinforced. Downtown promotion and cultural programming can help to revitalize this area. As well, continued redevelopment of its office functions can serve to reestablish it as a primary retail core. Underutilized upper floors should be developed with office or residential users. Prime sites, currently surface parking lots, should be used as infill development sites stressing retail activity on the ground floors with office or residential uses on upper floors.

The success of these projects, independent of use type, will depend on the availability and location of convenient parking. As was suggested in the 1980 study on parking conducted by Wilber Smith and Associates, downtown parking garages are a necessary component to any long-range development plan. (The marketing of existing Riverside property is highly impacted by the parking situation.)

#### 5. FOURTH STREET (AVENUE OF THE SEVEN FLAGS)

Fourth Street is the prime ceremonial avenue within the office core downtown. Functioning as a four-lane two-way street, with the New State Capitol as its northern terminus, Fourth Street

should become "the Downtown address". This high-rise office corridor needs to be reinforced with new buildings, potentially even renamed, as has been previously suggested, "Avenue of the Seven Flags", referring to its seven different governments: French, Spanish, English, West Florida, Louisiana, the Confederate States of America and American. To capitalize on this new image, ceremonial light standards, with flag brackets, and specialty street furniture should be installed along the avenue. Prime sites along its length should be marketed for infill projects of mixed uses.

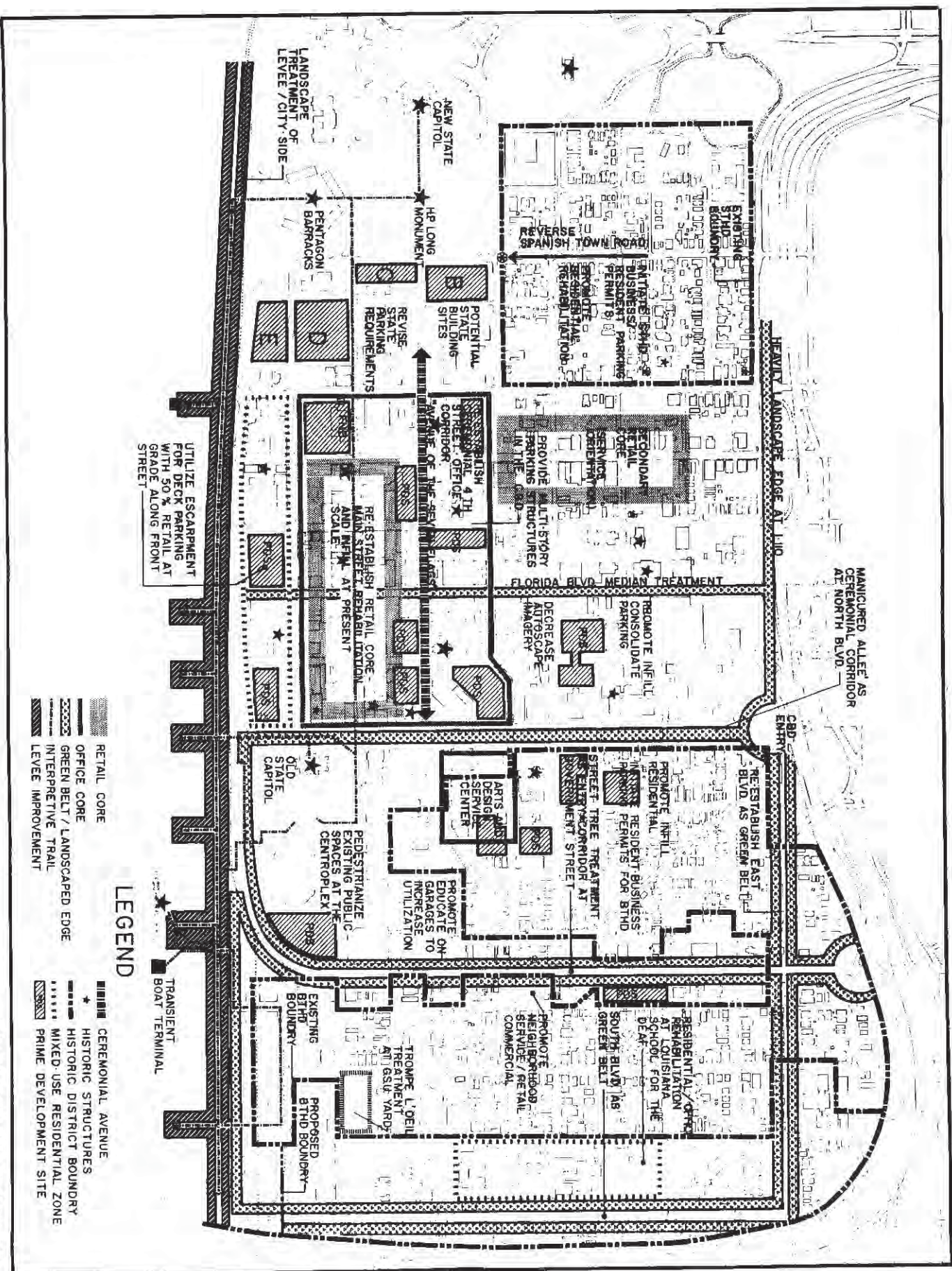
Restaurants, professional offices, support services can be used to occupy smaller sites. With City National Bank, the Louisiana National Bank, and the American Bank buildings already in place, the image already exists. It merely needs to be continued and reinforced. If any street in Baton Rouge has the potential of becoming a new "Class A" office corridor it is Fourth Street.

As has been suggested repeatedly over the years, Fourth Street needs to capitalize on the vista offered by the New State Capitol. Currently, this vista can only be seen in your rear view mirror as you drive away from the Capitol. By making Fourth Street a four-lane two-way avenue the existing traffic carrying capacity will not be impacted, nor will the existing one-way pair streets in the area. When Fourth Street is transformed into a major four-lane two-way avenue, a new opportunity presents itself. Marketing programs, advertising campaigns and other promotional programs can be designed around the new image and the renamed "Fourth Street". Proposed new high-rise construction with multi-story parking structures at the building base will further reinforce this prestigious location downtown.

#### 6. THE STATE CAPITOL COMPLEX

Significant study is currently underway concerning the centralization of State Office Facilities on existing property owned by the State. As stated by Environetics International, Inc. in their report "Louisiana State Capitol Complex Master Plan" dated June 16, 1982 the State currently owns a huge inventory of both underdeveloped and undeveloped sites for new construction within the Capitol Complex Area; consequently, the State would be ill advised to relocate elements of the Capitol Complex to any other area. The subject sites currently owned by the State are slated to receive 1.35 million gross sq. ft. of development, representing the concentration of 5000 additional office workers downtown. The State of Louisiana has the opportunity of creating a new Capitol Complex from existing owned buildings, existing leased facilities,





DEVELOPMENT CONCEPT



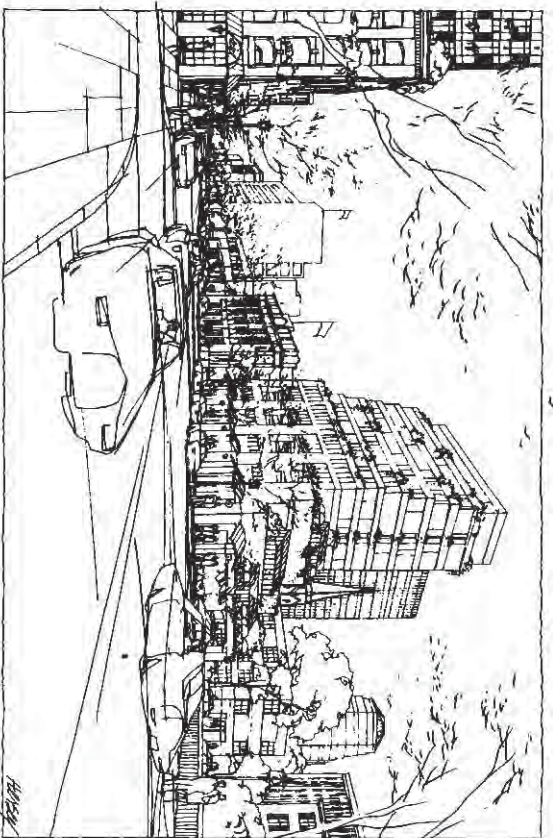
newly acquired leased facilities, and newly constructed buildings. These new office buildings can be constructed on State owned property within the downtown, however, the distribution of State office facilities downtown needs to be evaluated relative to the goals and objectives of this project, and the views expressed by members of the Task Force Advisory Committees, as well as the general public. The impact on off-street parking demand and availability, traffic volumes, and internal circulation will be significant and greatly affected by the specific location and magnitude of the State's building program.

This move, in conjunction with the continued redevelopment of office buildings along Fourth Street and Riverside Mall will have significant impact on the downtown. All efforts should be undertaken to promote the relocation of State Offices downtown, either in new construction, or existing office space within a priority zone as designated by the Project Team. To assure this concentration, a dialogue should be established between City-Parish government and the State on this particular issue.

It should be noted that the current fiscal condition of the State makes the new construction scenario and its time schedule uncertain. However, the demand exists for the centralization of State office functions downtown. As has been evidenced in other State Capitols, private sector developers may be interested in providing the required space within speculative office buildings, given the necessary incentives. Specific legislative changes must be enacted if this opportunity is to be realized.

## 7. MAIN STREET

Main Street retains the last remnants of the old Furniture District. Today, this area should be developed as a secondary retail core emphasizing a service orientation. There exists today few neighborhood convenience facilities downtown. This negatively impacts on the residential development downtown, specifically within Spanish Town and Beauregard Town. Main Street could positively address this condition, both within existing buildings and new infill projects.



North Fourth at Laurel

## 8. UPPER CBD

Within the CBD east of 5th Street, the existing condition is one of primarily single users and an autoscope imagery promoted by large surface parking lots. This area is probably going to be in transition for years to come. However the existing autoscope should be decreased. Specific auto-lot treatments/requirements mandated by the Zoning Ordinance should be enacted to minimize the existing image pervasive in the area. Structured parking garages should also be considered to accommodate the existing parking demand and simultaneously free-up land for development.

## 9. SPANISH TOWN

Spanish Town is recognized by many downtown property owners, developers, and residents as a real estate sleeper. With its wealth of historic properties, intact and basically untouched, this downtown neighborhood is an asset. Baton Rouge can not fail to utilize and realize. However, in order for its redevelopment, certain problems or conditions must be overcome. Through traffic along its narrow streets should be discouraged. Specifically, Spanish Town Road should be reversed, so it no longer serves as a



convenient, if congested, exit from the Capitol. On-street and off-street parking should be reserved for residents, business operators, and land owners. The initiation of Business and Resident Parking Permits could radically alter the use of its streets for State employee parking.

Measures should be taken to promote the rehabilitation of its residential building stock, as well as the upgrading of its infrastructure. Possible tools include seed monies from the National Trust Inner City Ventures Program, loan guarantees, a revolving loan fund, or appropriate Federal programs (See Federal Funding Programs).

## 10. BEAUREGARD TOWN

This intact 19th century residential neighborhood is undergoing major transformation. Within Zone 1, between North Boulevard and Government Street, office conversion is a recent and on-going trend. Its impact is both positive and negative. The redevelopment of historic property is conceptually very positive; however, the impacts this trend is having daily is not. The quality of the district is being negatively impacted by the parking requirements associated with the conversions. The impact of the auto is even worsened by the use of its streets for parking by employees of the City. A possible solution may be the initiation of a Resident-Business Parking Permit program.

The residential use of Beauregard Town should also be reinforced. Existing land values promote the office conversions. Infill residential development will only occur if comparable land values are established for residential development. Land write-downs may be used if suitable techniques are implemented.

Currently various properties within the downtown are available for lease. One of these buildings could become a Downtown Contemporary Arts Center, similar in location and service to the New Orleans Contemporary Arts Center. Given their prime locations, adjacent to the Centropolis, and existing LASC properties, these buildings could become the hub of local cultural activities. Serious study should be given to this facility becoming an Arts and Design Service Center. Federal tax laws authorize a gift tax deduction for the donation of partial interest in a historic building to a qualified recipient. Such a donation may result in a substantial gift tax deduction for the donor, and allow a unique potential to be realized downtown. Government Street currently bisects the district. This fact will not be altered over time. However, the image of this commer-

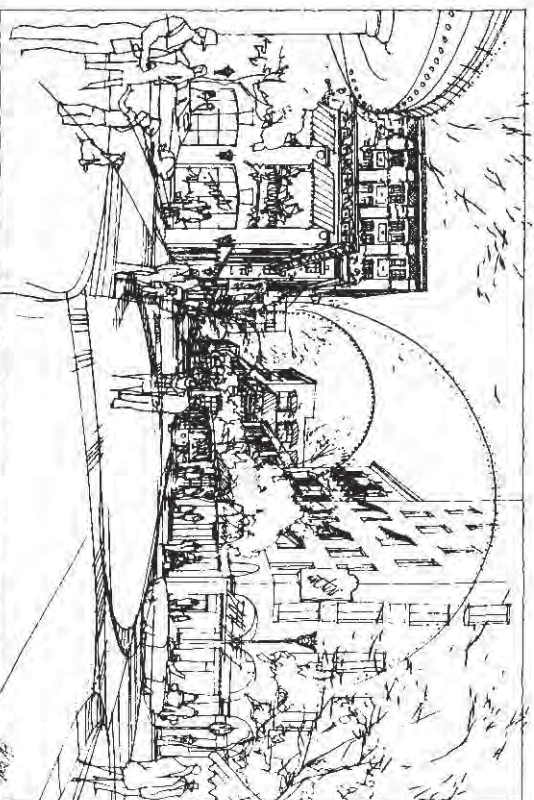
cial corridor could be enhanced to promote its function as a major entry experience to the downtown. Street tree programs, infill service commercial developments, as well as contextual treatment of existing properties could positively impact this corridor.

That portion of the district between Government Street and the I-10 bridge approach should be promoted for residential rehabilitation. As well, service commercial should be developed. Office conversions within this sub-district of Beauregard Town does not pose as serious a threat as in Zone 1.

The Louisiana School for the Deaf facility will be vacated by the fall of 1985. Every effort should be made to assure its re-use as a residential or commercial conversion. Various federal programs could be utilized to assure its rehab potential, while simultaneously providing its investors significant return.

The existing Historic District boundary should be extended to its natural edge at the I-10 right-of-way. This location guarantees that those buildings between South Boulevard and the bridge will enjoy all the tax advantages afforded the structures within the current district.

North Boulevard, East Boulevard, and South Boulevard should be either re-established or reinforced as green belts within the District. Their landscape treatment should depict their historic and current purpose. The existing treatment of North Boulevard should be continued.



Riverside Mall as "Main Street"







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# ECONOMIC PROFILE and FINANCIAL FEASIBILITY

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MAIN AT LAFAYETTE







## ECONOMIC AND MARKET PROFILE

### OVERALL DEMOGRAPHIC AND ECONOMIC TRENDS

The analysis considered overall demographics and economic trends for the metropolitan area, East Baton Rouge Parish, the City of Baton Rouge and the downtown study area.

#### POPULATION

Population growth in the SMSA (Standard Metropolitan Statistical Area), parish and city during the 1970 to 1980 period averaged approximately 2.7 percent per year. In 1980, population in the metropolitan area was approximately 500,000 persons. The city's population totaled 219,000 persons or 44 percent of the metropolitan area. Employment growth rates during the same period averaged 4.7 percent per year in the metropolitan area, reflecting increased labor force participation rates.

Population growth is projected at annual rates of between 1.9 and 2.2 percent for the SMSA, East Baton Rouge Parish, and the City of Baton Rouge between 1980 and 1990. These growth rates result in an average annual population increase of about 12,000 persons for the SMSA. The average annual increase projected for the city is approximately 5,300 persons.

The downtown study area has not reflected the historic growth trends of the Baton Rouge area. For the 1970 to 1980 period, population decreased at an annual rate of 3.3 percent. The downtown study area population base represented less than one percent of the total city population in 1980. Based on local population projections, new population growth within the downtown study area is not projected unless sufficient public/private sector incentives are initiated, specifically within Spanish Town and Beauregard Town and along the Riverfront corridor.

In 1980, the median population age within the SMSA and the parish was 26. In comparison, the median age of the downtown study area was 36 years. This is a result of a higher concentration of elderly persons in the downtown study area.

#### EMPLOYMENT

Nonagricultural employment in the Baton Rouge SMSA has been concentrated in two major categories—trade and government. In 1975, trade workers represented 20 percent of the total

workforce. By 1982, this same group represented about 23 percent of the total. In contrast, government workers comprised 28 percent of the total workforce in 1975. A slight decrease occurred between 1975 and 1982, dropping the percentage shown in this category to 25 percent in 1982.

Most recent nonagricultural employment projections for the SMSA show a projected annual increase of 3.9 percent during the 1980 to 1990 period. The growth rate in certain industries, namely trade, finance, insurance, and real estate, services and construction is expected to exceed the overall employment growth rate.

#### RETAIL SALES

Total retail sales between 1977 and 1981 have grown at annual rates of between 13 and 15 percent for the SMSA, parish and city, as illustrated in the following table:

Year	RETAIL SALES (\$ Millions)		
	Baton Rouge SMSA	East Baton Rouge Parish	City of Baton Rouge
1977	\$1,357	\$1,117	\$ 964
1978	1,534	1,267	1,103
1979	1,986	1,650	1,322
1980	2,194	1,839	1,457
1981	2,370	1,977	1,573

#### COMPOUND ANNUAL GROWTH RATE

1977-1981	15.0%	15.3%	13.0%
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Source: Sales and Marketing Management

Retail sales in the downtown area represented 1.8 percent of city retail sales in 1977. This is the most recent date for which retail data is available for the downtown area.



## HOUSING UNITS

The parish and city recorded compound annual growth rates of 4.3 percent in the number of occupied housing units during the 1970 to 1980 period. The total number of housing units in the downtown study area decreased by 190 units or 12 percent. This decrease was a result of residential conversions to small professional offices and demolition.

## DOWNTOWN AREA MARKET PROFILE

The analysis of market potential for specific uses within the downtown study area is summarized in this section of the report. The development categories analyzed include office, retail, housing and hotel use. Subsequent sections of this report review supply and demand characteristics for each of these categories.

## OFFICE DEVELOPMENT

In early 1983, there was an estimated 3.8 million square feet of leasable office space in the metropolitan area, with an occupancy rate of 92 percent. The downtown study area contained 1.3 million square feet of multi-tenant space (34 percent of total space).

In 1982, the State of Louisiana occupied a total of 2.2 million square feet of office space within the Baton Rouge area. In the downtown area, 817,000 square feet are owned by the state and 622,452 square feet are leased. The majority of the leased space is located in the Central Business District of the downtown area. State leaseholds average 15,000 square feet and are distributed along Main Street and Riverside Mall.

At present, 355,000 square feet (gross) of office space is under construction in the downtown study area. This includes the 177,000 square foot City National Bank, a 22,000 square foot office condominium conversion of the Elks Building, 130,000 square feet (gross) of additional office rehabilitations along Riverside Mall, and 25,000 square feet (gross) of additional office space in Catfish Town.

Major proposed projects include a new 403,000 square foot (gross) Fidelity National Bank Building in the Central Business District.

Overall office occupancy rates have remained strong in the downtown study area, averaging between 94 and 96 percent between 1980 and 1982. Since no new Class A office space was added to supply in the downtown area during this period,

historical absorption patterns are an inappropriate measure of demand for space. However, within the SMSA, an average of 663,000 square feet was absorbed between 1980 and 1982.

*Demand for additional multi-tenant office space in the downtown area should continue to remain strong based on current occupancy patterns and anticipated employment growth in finance, insurance, real estate and service sectors. In addition, based on projected state office needs and locational recommendations, a demand for an additional 1.0 million square feet of space (owned and/or leased) could be supported in the downtown study area over the next five years.*

*Based on our review of the office market, we conclude that demand for new multi-tenant office space should remain strong over short and long-term periods. Major factors which can further increase demand in the downtown area include an increased capture rate of anticipated metropolitan area office growth through the development of major new downtown office complexes and decisions by the state to implement facility recommendations which emphasize owning and/or leasing facilities in the downtown area proximate to the Capitol Complex.*

## RETAIL DEVELOPMENT

The traditional retail function of the downtown study area has continued to erode. In 1972, the downtown area represented 3.6 percent of total city retail sales. By 1977, the downtown area share declined to 1.8 percent of city sales. The major retail center, concentrated along Riverside Mall and abutting streets, contains approximately 260,000 square feet of ground floor space with a current vacancy rate of about 30%. Approximately 114,000 square feet are occupied by small retail and restaurant users.

At the metropolitan level, approximately 5.7 million square feet of gross leasable space is contained in 44 planned centers. Total retail sales in the metropolitan area increased at an annual rate of 15 percent between 1977 and 1981.

*Despite the decline of the downtown area as a traditional retail center, support for new and more specialized retail space is likely. This support is based on the assumption of an increasing employment base in the downtown area with its requirements for support retail and service uses and continued development of recreational, cultural and tourism related activities within the downtown study area.*







*A current proposal for new retail development is 100,000 square feet of specialty retail in Catfish Town. This proposal is part of an overall renovation and adaptive reuse program in the old warehouse area immediately south of the Centroplex.*

### HOTEL DEVELOPMENT

Current demand for hotel rooms in the downtown area is dependent upon business oriented travelers, government and Louisiana State University travelers and conventioners. The Baton Rouge competitive lodging market contains a total of 1,841 existing rooms with an overall occupancy rate of 55 percent. The downtown study area contains two competitive lodging facilities: the 300-room Capitol House, and the 333-room Inn on the Lake. Inn on the Lake is the former Royale Rouge located just outside of the downtown study area to the immediate northwest of the State Capitol Complex. It has been renovated and opened in July, 1983.

Recent Phase II plans for Catfish Town propose the development of a small 75-room luxury hotel along with specialty retail, restaurant and office development. While a development time frame for the hotel has not been established, it is this type of effort that helps to ensure future downtown vitality. In addition, the Phase III Catfish Town master plan may include a high-rise lodging facility on the riverfront.

*Future demand for hotel facilities will continue to be dependent upon business and convention groups, but it stands to be enhanced by long-term revitalization efforts aimed at the promotion of support retail and service use development as well as recreational, cultural and tourism related activities in the downtown area.*

### RESIDENTIAL DEVELOPMENT

The downtown area contained about 1,350 occupied housing units in 1980 with major concentrations in the historical districts of Spanish Town (804 occupied units) and Beauregard Town (439 occupied units). Eighty percent of the units were renter occupied. The median family income in these areas ranged from between \$8,000 and \$15,000 in 1979. There was a total decrease of 200 housing units in the downtown area between 1970 and 1980.

In the downtown study area, 1970 to 1980 vacancy rates declined from 21.8 percent to 13.3 percent. While there appears to be

some movement of young professionals to the historic districts, the total housing inventory has not been substantially affected. Additionally, professionals (architects, attorneys, etc.) are purchasing homes and converting them to offices.

To date, modest rehabilitation activities have occurred in the two historic districts. In addition, 50 rental units are being upgraded and a 144-unit condominium project has recently been completed north of the Capitol Complex. The development of a mid-rise or high-rise residential tower in Catfish Town may be included in future plans. However, the proposal and timing are indefinite.

*Increased demand for residential development will be most directly affected by the growth of employment in the downtown area and the ability to support residential development in areas of the downtown offering unique qualities or character (e.g. historic districts, riverfront).*

### SUMMARY

Downtown Baton Rouge remains the focal point of the city and metropolitan area. Despite the loss of traditional retail uses to the suburban market, downtown Baton Rouge continues to maintain its position as a major employment center. This base is secured with the State Capitol Complex, the Centroplex and its surrounding cultural amenities and the major financial and other established business institutions located in the downtown area.

Of major importance in realizing market potential is the ability of the downtown study area to capture a sufficient portion of anticipated market demand, particularly in the area of office space. This growth in the private market sector should be coordinated carefully with potential growth in state office space in the downtown study area. The ability to leverage this basic growth will be key in expanding a range of activities related to support and specialty retail, housing, hospitality and other desirable uses and amenities in the downtown area.

We recommend that private and public sector interest in downtown revitalization efforts continue to be enhanced through the implementation of incentive programs designed to attract and maintain new office (public and private sector), retail, residential and hotel development. The ability to realize market potential will be dependent upon a cohesive development strategy that considers the specific phasing of individual projects and their interrelationships as part of an overall development program.

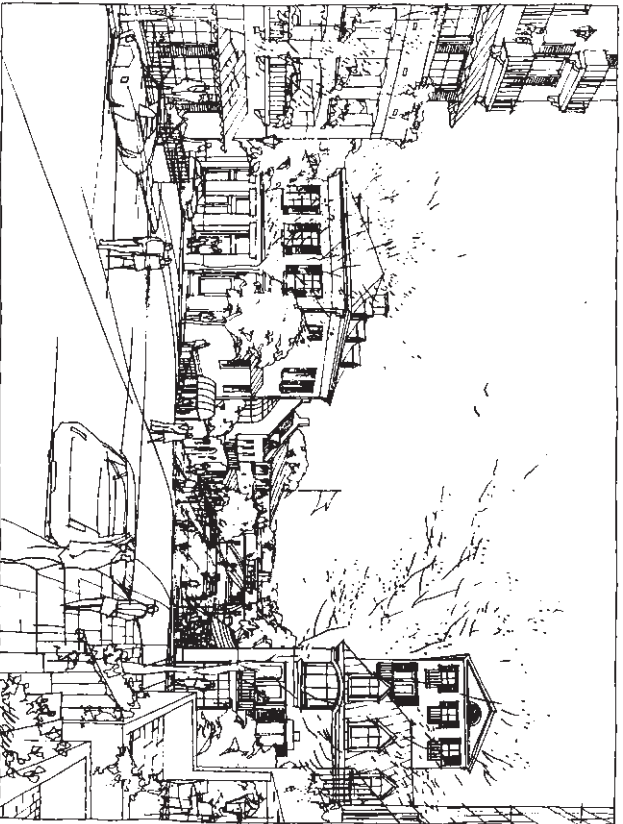






## MARKET SUPPORT FOR DEVELOPMENT

This portion of the report describes the overall market support for commercial office, hotel, retail, and residential development in Baton Rouge in general and the downtown area in particular. For each land use analyzed, estimates of market area demand have been projected.



Main at Lafayette

### COMMERCIAL OFFICE MARKET SUPPORT

The Baton Rouge metropolitan market currently supports a total of 3.8 million leasable square feet of multi-tenant office space with an occupancy rate of 92 percent. Of this total, 1.87 million square feet is Class A multi-tenant office space with an equal distribution between downtown Baton Rouge and suburban areas. Class A office space has an overall occupancy rate of 93 percent, slightly above the overall occupancy rate of the total commercial office market. In general, the downtown office

market experiences higher occupancy levels than the suburban office market. In addition to the multi-tenant office space in Baton Rouge, the State of Louisiana occupies an estimated 2.16 million square feet of office space throughout Baton Rouge. Of this total, approximately 1.13 million square feet of state-owned or leased space is located in the downtown area. Class A office space, however, is rarely occupied by the State.

The downtown study area contains 1.3 million square feet of multi-tenant space, of which approximately 923,000 square feet is classified as Class A office space. This space is operating at an occupancy level of approximately 97 percent, that is, 895,310 square feet are occupied. While the overall occupancy level of Class A office space in the downtown area has increased steadily since 1980, there has been only one project, the 177,000 square foot City National Bank Building which contains 60,000 square feet (gross) available for lease in the commercial market, added to the supply of Class A space during the last three years. As a result, historical absorption patterns do not represent an appropriate measure of the demand for space. *With the downtown Class A office market operating at a higher occupancy level than the 95 percent typically assumed for a market to be operating efficiently, it is likely that there exists latent or pent-up demand for Class A office space in the downtown area.*

Based on historical absorption patterns of the Baton Rouge area as a whole and the projected growth in employment in specific office-related occupations, it is estimated that the average annual demand for multi-tenant office space in Baton Rouge is approximately 316,800 square feet. Class A office space is expected to comprise 80 percent of annual demand, or approximately 253,400 square feet annually.

Based on interviews with various representatives of the commercial office market in Baton Rouge and our knowledge of the market, it is estimated that the downtown area can capture 35 percent of the demand for Class A office space or approximately 90,000 square feet annually. However, during the period 1983 to 1984, only one office building (City National Bank) will be completed. With an estimated 51,000 square feet (net usable) commercial space the building will not meet the pent-up demand for the downtown area. Therefore we adjusted our demand projections for these years to reflect the displacement of demand to the suburban areas. Achieving this capture rate after 1984 will require concerted private/public efforts to encourage consolidation of office development in the Downtown area.



Based on our analysis of the demand for downtown Class A office space, and taking into consideration the addition of the supply of the proposed Fidelity National Bank Building in 1985, (a 403,000 gross square foot building with an estimated 175,000 square feet of net usable area available for lease in the commercial office market), we believe there is potential to develop approximately 300,000 square feet of Class A office space in downtown Baton Rouge between late 1985 and 1988. During the period, 1983 to 1987 it is estimated that the State of Louisiana will require an additional 649,000 square feet of office space.

A recent study completed for the State recommended that the majority of the State's need for approximately 2.8 million square feet be located near the Capital Complex District. This could potentially create additional demand for approximately 385,000 square feet of office space to be built, or leased to, the state by 1987 in the downtown area.

## HOTEL DEVELOPMENT

The Baton Rouge lodging market is comprised of eight major existing hotels containing a total of 1,841 rooms at year-end 1983. Three of these properties are independently operated and are located proximate to the downtown study area, and the remaining five properties are chain-affiliated and are generally located southeast of downtown along Interstate-10 and Airline Highway.

Estimated market occupancy for the eight properties in 1983 was 55 percent, a three percentage point decrease from 1982. The decline in occupancy is a result of an increase in the rooms supply from 1982 to 1983. The actual demand for lodging accommodations increased by over three percent during this period.

The 1983 market average daily rate for lodging facilities in Baton Rouge was approximately \$45.75, representing an increase of approximately one percent over 1982.

The 1983 demand for hotel accommodations in Baton Rouge was estimated to be comprised of approximately 63 percent commercial travelers, 18 percent group and convention attendees, 10 percent government and university-oriented travelers and 9 percent tourists or other transients. This mix of demand has been relatively stable during the last three years. The three properties located downtown derive a significantly higher proportion of their demand from the government and university due to their locations proximate to these demand generators.

There are several hotel projects proposed for development in the Baton Rouge area in addition to existing hotel expansions and renovations. These projects include the following:

- The Prince Murat Inn was purchased during 1983 and closed in September for a complete renovation. Therefore during 1983, the effective available annualized rooms count was 200. The property will reopen in 1984 with 290 refurbished rooms, and the additional rooms were added to future supply.
- The Inn on the Lake, formerly the Royal Rouge, re-opened during July 1983 and comprises 321 rooms. During 1983 the annualized room count was 161, therefore 160 rooms are added to future supply during 1984.
- The Holiday Inn-South is undergoing an expansion of 141 rooms which should be completed during spring 1984.

Other properties which have been proposed for development include:

- a 142-room La Quinta Motor Inn
- an 80-room Brock Residence Inn
- a 222-room Granada Royale Homotel
- a 75-room Saint James Inn

Based on our discussions with representatives of local commerce and industry and our knowledge of the Baton Rouge lodging market and its primary demand generators, growth in annual demand for lodging accommodations is projected to increase at between 5 and 6.5 percent during the period 1984 and 1991, averaging approximately 6.2 percent. With this growth in demand, as offset by proposed future supply and expansions and renovations to existing properties, there is not support for new hotel development until the late 1980's. During the period 1989 to 1990 there exists potential to support a development of approximately 100 to 200 rooms.



## RETAIL MARKET SUPPORT

The downtown area's retail role is likely to change substantially based on the level of office development envisioned in the proposed development program. Major new office construction will promote the restructuring and expansion of the downtown's retail function.

Retail sales in East Baton Rouge Parish are projected to increase annually by approximately \$50 million (constant 1984 dollars) based on continued household growth in the Parish. Based on these projected sales, the estimated demand for additional retail space in the parish is estimated at 430,000 square feet in 1984 increasing to approximately 466,000 square feet in 1990.

Demand for increased retail development in the downtown area will be dependent on the following factors:

- Increases in the downtown employment base as a result of new commercial office development.
- Increases in the public sector employment base as a result of the development of new state office space in the downtown area.
- Expansion of specialty space which is currently underway in the Catfish Town area could establish a base for continued retail development focused on cultural, recreational and tourist-related activities.

*Based on the projected addition of public and private office space contained in the downtown development program, an estimated 7,500 to 9,200 employees would be added to the downtown area between 1984 and 1988. The increase in employment and business activity can be expected to increase demand for both retail goods and business services. Based on projected employment increases, an estimated 80,000 to 85,000 square feet of support retail development could be supported in the downtown area by 1988. It is likely that the retail space would be developed in part as a component of office developments, as well as accommodated in existing space in areas proximate to the new office developments.*

*Approximately 100,000 square feet of retail space (gross) is being developed as part of Phase II of the Catfish Town development to the south of the Centriplex. The space will be developed as part of the renovation of existing railroad and warehouse facilities, and consist of specialty retail space including*

*restaurants. The space is scheduled to open in 1984. Given good performance of this new specialty center, it is likely that subsequent additions to specialty space can be anticipated in several years.*

## RESIDENTIAL MARKET SUPPORT

The annual demand for additional housing in East Baton Rouge Parish is estimated based on household projections and estimated average household size. Demand for new housing based on growth is estimated at 3,700 units in 1984 increasing to approximately 4,000 units by 1990. By 1990, 59 percent of the housing demand is expected to be for owner-occupied units compared to 66 percent in 1980.

Within the downtown area, housing supply is expected to expand modestly as a result of the following actions:

- Continued rehabilitation of housing units within the two historic districts—Beauregard Town and Spanish Town. Such rehabilitation activity would be dependent upon the provision of below-market loan funds.
- New infill residential development on vacant blocks and parcels within the historic districts.

Demand for housing within the downtown area to a large extent will be dependent upon the increase in the office employment base anticipated as a result of the levels of private and public office development being considered as part of the downtown development program.

The development program has incorporated a rehabilitation program component directed toward encouraging continued housing improvement in the two historic districts. The program would be initiated in 1984 and reach an annual production level of approximately 50 units by 1985.

In addition to housing rehabilitation activities, the development program recommends the construction of approximately 25 units of new infill housing annually beginning in 1985. This housing would be located primarily within the historic districts and serve to reinforce their residential character. A larger residential project of 125 units programmed for 1987 is based on anticipated growth in downtown office employment which will have occurred between 1984 and 1986.



## SUMMARY OF DEVELOPMENT PROGRAM

The Development Program presented in the following exhibit summarizes proposed levels of development for major land uses in the 1984 to 1990 period. Strategically, emphasis is placed on achieving a substantial increase in the amount of private and public office space in the Downtown Area. Approximately 1 million square feet of "Class A" office space (both multi and single tenant space) and an additional 1 million square feet of State owned/leased space are included in the Development Program.

90,000 square feet of support retail space (NUA) is proposed to be developed in conjunction with new office development. An additional 102,000 square feet of specialty retail space is included to reflect Phase II development in Catfish Town (1984) and additional specialty retail space in the Downtown Area in 1987

Based on projected market potential, a 200 room hotel has been included in the Development Program in 1990, in addition to the proposed 75-room St. James Inn in Catfish Town. The Housing Development Program includes a rehabilitation and new construction component. An estimated 320 units of rehabilitated housing is proposed in the Historic Districts and an additional 260 units of new construction is proposed for the Downtown Area.

### EXHIBIT SUMMARY OF DEVELOPMENT PROGRAM BATON ROUGE CBD

LAND USE TYPE	EXISTING 1983	PROPOSED DEVELOPMENT PROGRAM									
		TOTAL PROPOSED	1984	1985	1986	1987	1988	1989	1990		
Commercial Office-- Class A (NUA-SF)	923000	746000	51000	175000	120000	100000	100000	90000	110000		
Single Tenant Office-- Class A (NUA-SF)	NA	277400	102400	175000							
State Office Space (NUA-SF)	1134800	1034000	129800	254800	234800	219800	194800				
Retail (NUA-SF) Specialty Retail Support Retail	445800	102500 90600	80000 12500	26600	15600	22500 14100	13000	4000	4800		
Hotel (rooms)	621	200							200		
Residential (units) New Construction Rehabilitation	1566	260 320	0 20	25 50	25 50	150 50	20 50	20 50	20 50	20 50	20 50



## FINANCIAL PERFORMANCE

This section of the report summarizes the projected financial performance of the recommended development program in terms of new investment and reinvestment in the downtown area and growth in downtown employment and property tax base.

## PROJECTED NEW INVESTMENT

The total projected level of investment in new construction and rehabilitation during the 1984 to 1990 period based on the recommended development program is approximately \$323 million. Of this total about \$220 million represents private investment in new and rehabilitation construction for commercial and residential development. The remaining \$103 million represents the value of new construction for state owned/leased office space in the downtown area. The rate of investment peaks during the 1985 to 1987 period reflecting the addition of substantial amounts of private and public office space.

## PROJECTED PROPERTY TAX LEVELS

Based on current property tax rates, the recommended development program would result in an annual increase of from \$1.2 to \$1.8 million in new property taxes by 1990 dependent on the form of state ownership/leasing for new space in the downtown area.

## PROJECTED EMPLOYMENT

Employment is projected to increase by approximately 9,000 persons in the downtown area based on the level of development incorporated in the recommended development program. The bulk of the employment is generated by the projected addition of approximately 2.0 million square feet of new office development in the downtown area.

Since the market and financial projections are based on estimates and assumptions which are inherently subject to variation depending upon evolving events, we do not represent them as results that will actually be achieved.

Our report and financial projections are intended solely for the information of the City of Baton Rouge in their continuing efforts in implementing a downtown development program. Neither the report nor its contents may be referred to or quoted in any registration statement, prospectus, loan or other agreement or document without the prior approval of Laventhol and Horwath.

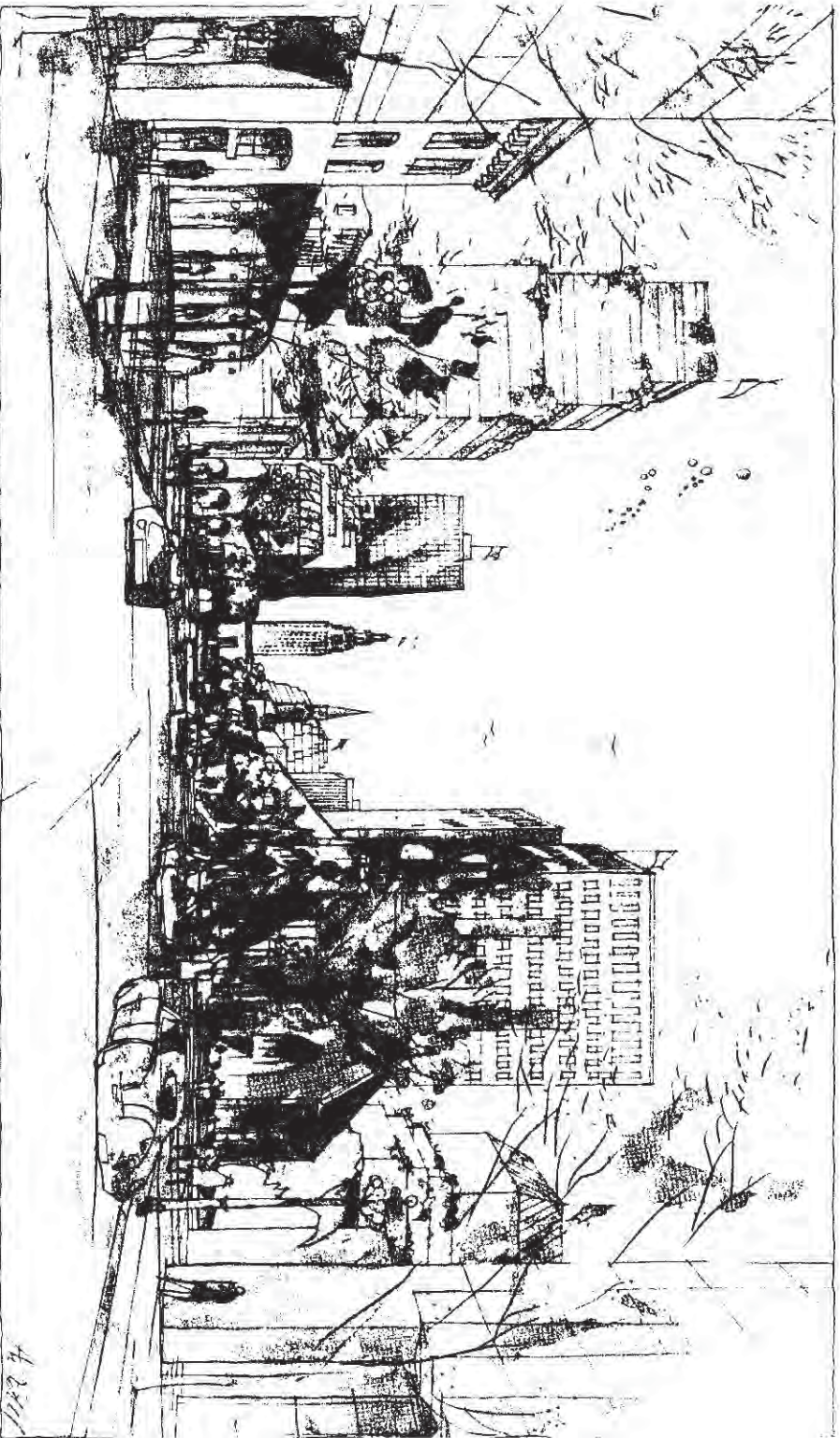


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# IMPLEMENTATION/ACTION PLAN

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## SHORT AND LONG TERM DIRECTIVES



FOURTH STREET AS "AVENUE OF THE SEVEN FLAGS"







**T**he physical and economic development of Downtown Baton Rouge depends on the continuing efforts of a diverse group of people: local property owners, retailers, residents, representatives of State and City-Parish government, developers, various regulatory agencies (Levee Board, Army Corps of Engineers), as well as professionals providing specific services. This report outlines a set of existing conditions, makes recommendations for realizing the optimum Development Concept, outlines various implementation strategies, defines the Development Program, describes short and long directives for revitalization, and offers specific courses of action to continue the process already begun by this project. The realization of any and all of these directives will depend upon a complex set of actions undertaken by a large number of individual and collective persons.

In this portion of the report, specific directives and futures are described for the subdistricts composing the Central Business District. In other portions of the report substantiating data is given describing the actual market demand and capture potential that the downtown currently has and will have over the next decade for a number of land uses. These projections have been made using overall demographic and economic trends, extensive field research, and computer runs for overall financial performance. Finally, the report offers alternative strategies for implementing the plan.

## 1. THE LEVEE:

**RIVERSIDE APRON:** Lines of communication need to be established between City-Parish, the State, and the Army Corps of Engineers so that a coordinated improvement program can be instituted that works in conjunction with the recommendations as detailed in this report. The existing asphalt apron needs to be reconstructed to include recreational and aesthetic opportunities while affording the city improved flood protection. A stepped concrete revetement is one obvious alternative which would provide needed safety, functional, aesthetic, and recreational improvements.

**CROWN:** A pedestrianized environment atop the levee should be provided when the height of the existing levee is raised, anticipated to occur in 1985. This would include the construction of a paved surface to replace the existing mud/dirt path, provision for light fixtures, benches, planters, and other appropriate improvements similar to those currently used on the New Orleans Moon Walk. The resultant space between the top of the apron and the surface of the crown should be planted with native

wildflowers to reflect city-side improvements. Interpretive signage should be provided within this project to explain and illustrate the various types of vessels, cargoes, and activities occurring within the River and the Port, as well as the historic link that has existed between the City and the River.

**CITYSIDE:** On the earthen berm facing the city, a unique design opportunity presents itself. This monumentally scaled plane should be extensively planted with native Louisiana wildflowers to create a floral extravaganza. Wildflowers have been successfully used in similar situations throughout the county. A program for wildflower planting along the levee is already in place and should be encouraged by the City and its citizens.

**RIGHT-OF-WAY IMPROVEMENTS:** In conjunction with on-going riverside improvements, the existing GSU high line is being relocated away from the levee. This is a very positive development and should eliminate a significant functional and visual constraint. The existing railbed should also be upgraded to assure maximum safety of persons and property abutting the rail lines. In certain areas within the project boundaries, the railroad cantilevers over the levee with little evident support.

*(Close coordination between the City and the Corps is essential in all matters relating to the levee.)*

## 2. RIVER TOWN LANDING

A floating public boat dock (similar to one in operation at Mud Island, Memphis, Tennessee) should be constructed within the France Street right-of-way. It should include a boarding platform to accommodate the Mississippi Queen, Delta Queen and other similar commercial craft. It should also accommodate other uses such as ticket sales, food and beverage sales, as well as a marina for recreational boats in transit. This location would complement existing improvement in this general area (USS Kidd, Catfish Town, Riverfront Plaza) and provide an exciting introduction to the City of Baton Rouge from the River. Existing property between the France Street right-of-way and the I-10 bridge could provide for a low-water park featuring recreational opportunities, as well as accommodating the required consolidation of existing marine operators. Tri-G and Midstream could operate out of one facility immediately upriver of the bridge. Additional barge fleet operations can be accommodated at the City Dock, in a reconstructed facility.



### 3. THE CENTROPLEX

The existing surface parking lot should be held in reserve by the City until the hotel market achieves sufficient strength to substantiate another major operator coming into the Baton Rouge market. It is our expectation that this should occur within the next few years. The market demand will be affected, as will the site's competitive advantage, by the success of Catfish Town, the USS Kidd, the LA Naval War Memorial, and other developments adjacent to the River. When the market improves, the site is a natural opportunity for the City to enter into a public-private partnership for its development.

The Arena and the Exhibition Hall should be upgraded to remain competitive with other facilities in the Baton Rouge area. Specific projects should include the installation of escalators connecting the arena and the exhibition hall levels. The landscape materials within the upper plaza levels should also receive increased maintenance to assure a healthy and vibrant image.

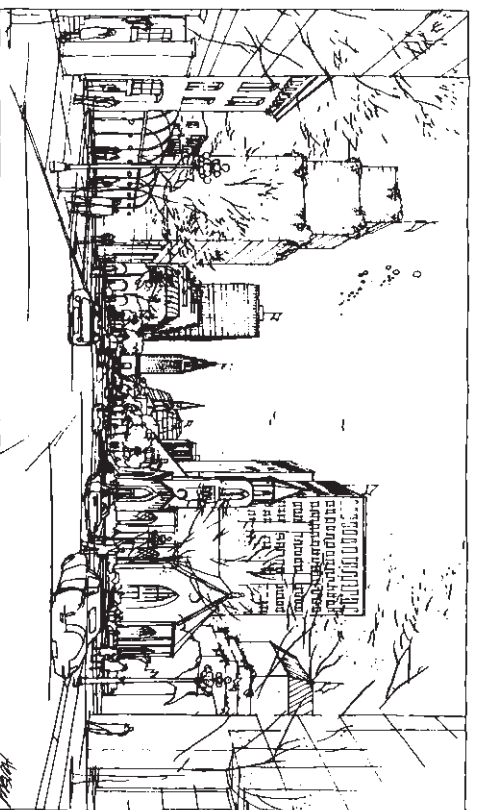
### 4. "AVENUE OF THE SEVEN FLAGS" (FOURTH STREET)

Fourth Street should be made into a two-way street having four moving lanes of traffic and no parking. This would permit two lanes to travel toward the Capitol yet permit two to travel in a southerly direction, thus not disrupting the traffic flow in the entire area. There is minimum cost to this action since it would simply require the removal of parking meters, the changing of certain signs, and the rephasing of the traffic signals.

Fourth Street should be renamed "Avenue of the Seven Flags" to reinforce its new image and ceremonial character. With its vista of the New State Capitol, this avenue should be promoted as the premier "Class A" multi-tenant speculative office location in Baton Rouge.

Specialty light fixtures with decorative brackets, flag standards, and bulbs should be utilized along its entire length (Spanish Town Road to North Boulevard) to reinforce the ceremonial nature of this emerging office corridor. Coordinated streetscape improvements within the existing right-of-way can enhance its image and marketing potential.

Efforts within the private sector should be made to assist the City in promoting the creation of a 'Priority Leasing' zone and the utilization of existing prime development sites for high-rise office buildings. Specific legislative actions need to be taken for this policy to be implemented. Structured parking should be encouraged for all new projects within this zone.



*Fourth Street as "Avenue of the Seven Flags"*

An investigation of financing alternatives using long-term lease agreements with the State, land-lease or other variations should be conducted. This will allow the private sector to assist the State in providing downtown office space.

Investigate the formation of a Central Business District Parking Authority to facilitate the financing of downtown multi-story parking garages. Powers vested with the Authority can include bonding, eminent domain, levy tax, etc. Specific locations of parking structures within the Central Business District have previously been analyzed by Wilbur Smith and Associates in their report "Parking Development Program, Central Business District, Baton Rouge, Louisiana" dated October 28, 1980.

### 5. MIXED-USE DEVELOPMENT CORRIDOR

Located between Lafayette Street, Front Street, North Boulevard and North Street is a Mixed Use Development (MXD) corridor which should be developed to maximize its locational potential. The natural overlook provided by the batture should be utilized for its obvious marketing implications. Specific viewing corridors within existing street R.O.W. should be maintained and mandated by Metro Council action. Rooftops of existing buildings should be investigated for additional viewing opportunities and real estate development (outdoor cafes, restaurants, bars, etc.).

Structured parking should be encouraged for all new projects within this zone, either on-site or adjacent. A careful review of



existing parking requirements (market demand) should be used to determine revisions to the existing code. Ground floor commercial should be encouraged for at least 25% of the first floor area of parking structures. Financing scenarios for City assisted UDAG participation in parking structure construction should be reviewed by all prospective investors.

Lafayette Park and adjacent property should be developed, managed and maintained as an open air market with cafes, foodstuffs and artisans. The public park should serve as a natural entrance to a mid-rise or high-rise mixed-use development atop the Baton Rouge Water Works property.

Long term redevelopment within this zone will probably require demolition or significant alteration of existing structures. Before demolition permits are issued, the historic significance of the affected structures should be reviewed by the local officials and the preservation community.

## 6. RIVERSIDE MALL

Downtown property owners and retailers should sponsor a "National Main Street Center" Workshop so that successful techniques for downtown revitalization and their applications can be described by recognized experts. The audience should include a wide spectrum ranging from preservationists to real estate developers. The general thrust of this workshop should be the crucial roles that public entities and private sector groups must play to successfully direct revitalization efforts downtown.

As has been demonstrated in numerous cities throughout the country preservation has been used as a legitimate approach to Main Street revival, environmentally and economically. Ada Louise Huxtable, noted critic for the New York Times, has stated that "the perceived self-interest of businessmen has marred the concerns of the preservationists and urban environmentalists. Their ends have been found to be mutually reinforcing rather than (sic) mutually exclusive." Additional comments by Frank Keefe, Massachusetts State Planning Director, reinforce this preservation mechanism. As he states in his book review of Main Street: The Face of Urban Area, found in the April-June 1978 issue of Historic Preservation, "Main Street must not become history, nor just the latest trend in historic preservation. America can no longer afford to have dead Main Streets within dead city and town centers, while nearby suburbs reel with pressures for more shopping centers and subdivisions. This (saving Main Street) is not a frivolous goal, springing only from a romantic attachment

to American past or an aesthetic appreciation of old buildings and places. The goal of revitalizing America's Main Streets and their adjacent residential and commercial blocks is a direct response to our most urgent national needs: preservation of farmland, protection of natural resources, reduction of local and state taxes due to sprawl, conservation of energy and the rehabilitation of vacant and underutilized housing."

Every effort should be extended to educate the public to the economic and environmental benefits of historic restoration and/or adaptive reuse. The existing federal tax credits available to historic properties should be promoted and supported. Currently, the Riverside Mall properties are not located in a designated Historic District and consequently to qualify for these tax credits individual properties would need to be listed on the National Register of Historic Places. In conversations with numerous members of the Division of Historic Preservation the potentials for a Central Business District Historic District seem questionable. However, a thematic listing of selected properties or building types could be prepared for listing on the National Register. This is an approach which should be carefully studied.

The existing streetscape should be re-evaluated for possible revisions. Light standards, fixtures, light levels, benches, street furnishings, and a wide variety of other elements should be carefully studied. Additional elements could include specialty light standards, flags, interpretive signage, storefront graphics, etc. The end result should create a festive atmosphere that reinforces the unique history and heritage of the downtown area.

Efforts should be made to promote additional ground floor retail that diversifies the existing complement of shops and offices. The day-life of the street should also be lengthened thru coordinated actions and events. Upper floor residential conversions, infill projects, and parking structures should be encouraged.

Additional outdoor cultural events should be programmed to promote "Riverside Mall" as a special downtown district (Brown Bag Concerts, Adopt-A-Building Parade, etc.). The Arts and Humanities Council of Greater Baton Rouge should be used as the managing coordinator for these activities.

The Metro Council should adopt a policy that surface parking lots are required to meet minimum standards for landscaping, lighting, signage, etc. The existing loud speakers prevalent among downtown parking lots should be prohibited.

There should be support for the recommendation that the Old State Capitol be converted into a Louisiana folk life museum. This would not only preserve the existing building but further develop the building as a unique facility featuring the folk lore



and craft traditions of the State. This would add another dimension to the function and focus of downtown, especially given the existing cultural and scientific facilities already in place downtown.

## 7. THE NEW STATE CAPITOL COMPLEX

The State should be encouraged to initiate Phase II of the State Capitol Complex Master Plan. Specific locations for office buildings, gross areas, structured parking, traffic carrying capacities of affected streets, etc. all need to be addressed in great detail. The existing Environmentics Report does not adequately address these issues. This Phase II Report needs to address the goals and objectives as outlined in this report. Specific

Establish a Task Force or similar organization to facilitate communication on downtown issues and opportunities including representatives of the State, City-Parish, and the private sector.

Carefully monitor the policy alternatives and determinations regarding the ultimate disposition and utilization of the School for the Deaf property.

## 8. SPANISH TOWN HISTORIC DISTRICT

Establish a revolving fund for rehabilitation of historic properties (Sources of funding should include local banks, local and national foundations, the Inner City Ventures Fund, etc.)

Reverse the direction of Spanish Town Road to eliminate its use as a outbound route for State office workers.

Initiate a Resident and Business Parking Permit Program to eliminate the streets being used as free parking for State office workers.

Investigate the creation of municipal parking lots to serve neighborhood residents and businesses. These lots would be provided with landscaped amenities, lighting, and signage to blend into the neighborhoods historic character

## 9. BEAUREGARD TOWN

Establish a revolving loan fund to assist in the renovation/rehabilitation of existing residential properties for residential uses.

Assist in land write-downs for residential infill projects to make them competitive with other units in suburban locations.

Promote the appropriate redevelopment of the School for the Deaf facility either as a legislative compound, state offices, etc.

Promote the development of neighborhood service retail on existing property or in existing buildings (former National Grocery site on Government St. as a 13,500 gsf neighborhood convenience center).

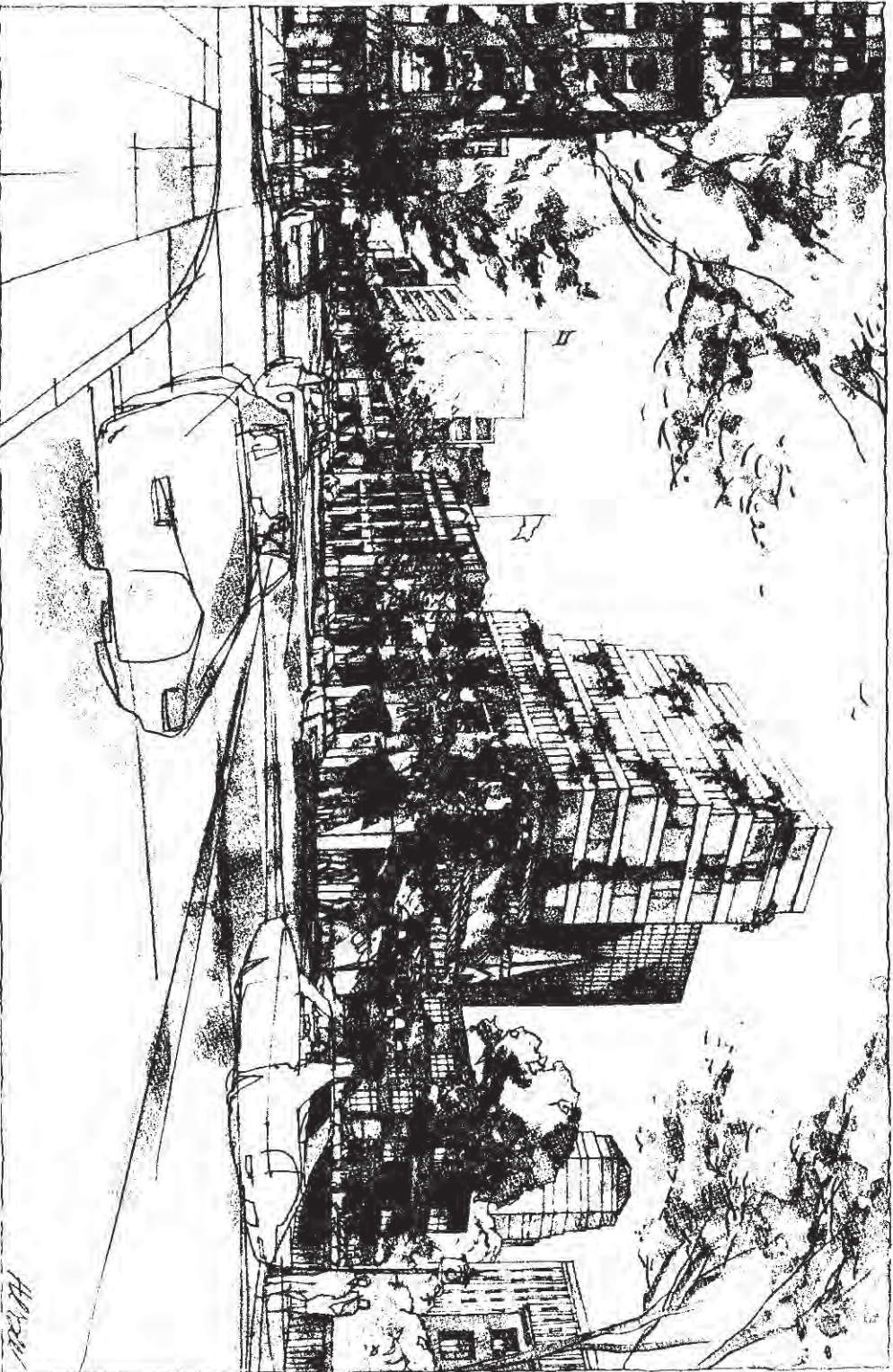


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# IMPLEMENTATION STRATEGIES

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## DOWNTOWN ECONOMIC DEVELOPMENT PROGRAM



NORTH FOURTH AT LAUREL







**T**he challenge facing the City of Baton Rouge and its citizens is to implement the actual recommendations for the redevelopment and revitalization of the Downtown. From the beginning of this project the Consultant Team has consistently stressed that the actions taken by the participants are part of a continuing process which will extend beyond the planning process immediately into the construction and management arena. Various options exist for the actual structure and funding of a designated body charged with the implementation of this plan. Various alternatives exist, but whichever is ultimately selected it is most important that a "coordinated public/private development strategy and management program be developed for the Downtown."

#### **ALTERNATIVE A.**

##### **BATON ROUGE DOWNTOWN DEVELOPMENT DISTRICT**

Created by legislative action, the Downtown Development District of the City of Baton Rouge would be a special taxing district with boundaries coinciding with those of this study. The purpose of the district would be to strengthen the Downtown by strategic planning, management, and promotion.

The District would levy and affect collection of a special ad valorem tax upon all taxable real property within the boundaries. The enabling legislation would provide the District with powers to issue bonds and would provide a financing vehicle for its yearly operation. The Metro Council of the City of Baton Rouge and Parish of East Baton Rouge would have power and control over the functions, affairs, and administration of the District. A Board of Commissioners would serve as its control for policy budget, and programs.

The Downtown Development District would be created by Legislative Act. Upon passage of the legislation, the Downtown Development District would become operational. The probable time frame for this program to begin functioning is probably 9 to 18 months. This is an obvious short-term disadvantage. The obvious advantage to this vehicle is operating monies are assured by its taxing authority. If this alternative is selected, an interim vehicle for implementing the Downtown Development Program needs to be created.

#### **ALTERNATIVE B:**

##### **PRIVATE SECTOR IMPROVEMENT ASSOCIATION**

Numerous cities faced with the redevelopment of their Downtowns have used a "membership-only not-for profit foundation/association," to provide the services of a Downtown Development Authority. This vehicle in Baton Rouge could take many forms but the purpose and intent of the organization would be to promote, direct, manage, and facilitate both policies and programs for Downtown revitalization. A key function would be to begin immediate implementation of the Development Strategy as outlined in this report.

The actual operation of this organization would be predicated upon raising the necessary monies required to function as a full-time organization for a minimum of one year. In previous discussions with the Task Force, Jerry Moumau, Executive Director of the New Orleans Downtown Development District, commented that this organization form has certain inherent drawbacks; the staff time needed to develop and manage the Downtown can be unduly compromised and curtailed if the staff is constantly trying to raise its operating monies; its relationship to the City must be clearly defined from its inception; its roles and responsibilities must be supportive to and not competitive with other organizations acting within the Downtown area; and their capabilities to implement long-term financing are limited. The existing Riverside Association, a not for profit businessmen's organization, is already chartered and could be reactivated with specific responsibilities to serve the goals of the Downtown. If additional monies are required for initial start-up activities, the first year budget could be composed of a 50/50 public private contribution. If City-Parish contributes 50% of the operating monies, it seems appropriate that they be given representation on the Board. This organizational alternative could be activated immediately acting as an interim solution to long range redevelopment Downtown. First year operating expenses would approximate \$250,000.



#### ALTERNATIVE C:

##### PRIVATE DEVELOPMENT CORPORATION

A limited dividend corporation can be established by private interests registered under specific State enabling legislation. Various powers can be empowered to this group. For example, a Local Development Corporation can offer low interest rates thru a revolving fund to stimulate residential rehabilitation. These corporations can be either For-Profit or Not-For-Profit. The For-Profit would raise funds by selling shares of stock to its members. Typical activities undertaken by the For-Profit corporations normally are limited to profit-generating projects such as the construction of new office buildings, housing, or retail space Downtown. Typically this corporation acts as "developer of last resort." Large scale sponsorship of public improvements would not be appropriate due to the lack of return to the corporation. However the corporation could be a vehicle to funnel public funds and implement specific public capital improvements.

A Not-For-Profit Corporation can engage in a wide variety of projects ranging from promotional activities to fostering private development. This type of corporation raises funds on the basis of non-returnable contributions from its members, rather than by issuing stocks. These donations however are tax deductible and consequently allow it to have a broad range of support.

#### ALTERNATIVE D:

##### OFFICE OF ECONOMIC DEVELOPMENT

The City of Baton Rouge and East Baton Rouge Parish could establish a special office mandated with economic development. Downtown redevelopment would be included within this office. It would work within existing City/Parish government to provide services for marketing and managing the Downtown, providing support services to facilitate developments Downtown, etc.

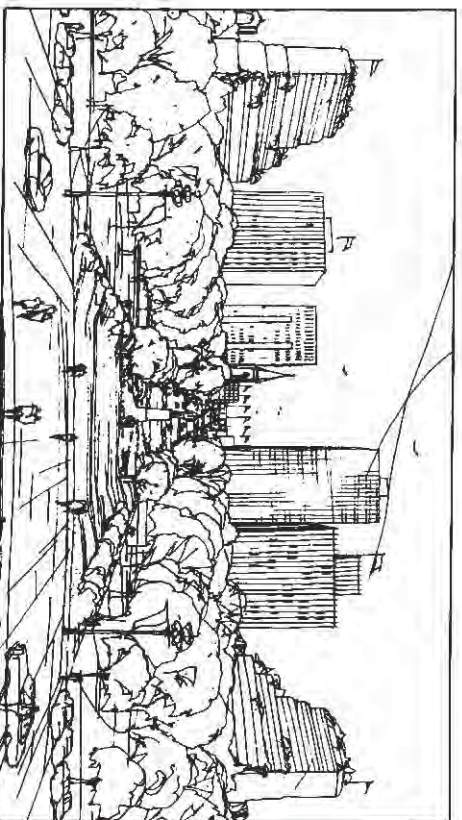
The obvious disadvantage to this alternative is that the issues of City/Parish economic development and Downtown economic development may become conflicting interests within the same office of government. Suburban interests (developers, property owners, etc.) already believe the Downtown is receiving too much attention. Conversely, the Downtown interests want their resources marketed and managed full-time. This inherent conflict must be resolved if the Office of Economic Development can be viewed as a viable alternative to service Downtown. Under this alternative, the Office of Economic Development could

not act as a narrow advocate of Downtown. Its focus would be a narrow one, and would not be able to address the management and service issues Downtown. This office could be subject to civil service constraints, political pressures, and certain state and local laws that might limit its ability to engage directly in real estate development. Another disadvantage with this option is its public-sector only perspective, with little or no private-sector direction or input.

#### ALTERNATIVE E:

##### A PROFESSIONAL SERVICE CONTRACT

To date, the activities and products generated by the Economic Development Project for Downtown have resulted through the combined efforts of the Mayor and Council, the Consultant Team, the Task Force, the Citizen's and Technical Advisory Committees, as well as numerous members of the private sector. Until a format for the Downtown Development District or other organization is determined, the City or other private interests could contract with Professional Consultants to provide the necessary leadership and services required for specific Phase II tasks. To date, the Consultant Team has achieved consensus among the participants, produced interim and final recommendations, and given direction for implementation of the project. Although Professional Consultants can be used as an interim vehicle, the long term development of Downtown Baton Rouge needs to be directed by a local designated body, either public, private, or a combination of the two.

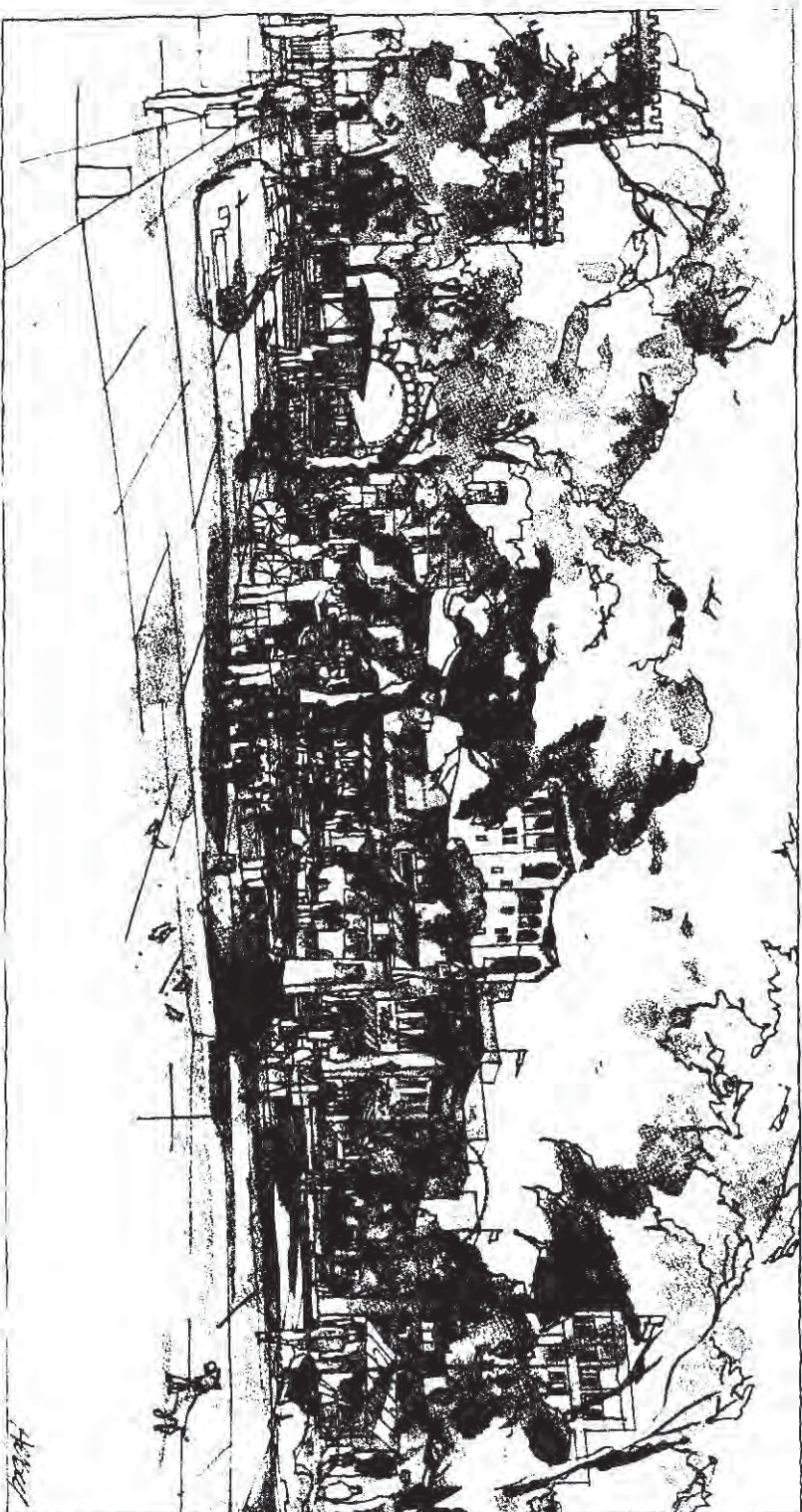




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## CIVIC PROGRAMS and POLICIES

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NORTH BOULEVARD AT RIVERSIDE MALL







## I. CIVIC PROGRAMS AND POLICIES

### The Role of Local Agencies in Downtown Revitalization

The citizens of Baton Rouge and the surrounding region are now being drawn back downtown through the efforts of several local agencies. A leader among them is the Arts and Humanities Council of Greater Baton Rouge. A Not-for-Profit corporation charged with the development and management of cultural activities throughout the City-Parish, the Arts and Humanities Council serves as a major vehicle in promoting and managing cultural and artistic events downtown. The various festivals staged downtown draw hundreds of thousands of people to enjoy arts and crafts, music, outdoor performances, brown bag concerts, etc. The results are impressive, and will continue to draw larger crowds. With this increased use of downtown, people are rediscovering the varied cultural and recreational opportunities available there. The role of the Arts and Humanities Council is significant today, and will take on even greater significance in the future. This impact can be seen in the increasing attendance at the FestForAll, Fall Crafts Festival, the River City Blues Fest, the Stomp, the outdoor Symphony and the Fourth of July Celebration. Less obvious but equally important facets of these activities are the economic spin-offs resulting. In 1983, the arts was a \$200 million industry for Baton Rouge. Its importance to economic development and community revitalization cannot be underestimated. The Arts and Humanities Council of Greater Baton Rouge should also serve as the focal point for long range cultural planning for the City-Parish through coordination and joint planning with other not-for-profit cultural corporations serving the community.

However, the single most important revitalization strategy involving a direct investment in arts programming may involve the sponsorship of outdoor arts events in downtown and neighboring public spaces. In its Downtown Promotion Handbook, the International Downtown Executives Association includes arts events among the promotional activities that can be used to "create an atmosphere that will attract people into the core of the city—to have fun, to see what downtown has to offer, and to build an enthusiasm within the city for a vital downtown." These promotions have the following objectives:

1. Retail sales promotions designed to provide a short-term increase in downtown sales by attracting people into downtown to purchase goods.

2. Festivals offering an atmosphere of escape and fun and intended to create a warm feeling toward downtown

3. Promotional programs intended to create investment downtown and growth downtown by building a "Downtown is on the move" attitude and expectancy

The Arts and Humanities Council should promote Baton Rouge as the "Culture Capital" of the State. Existing facilities, activities, festivals, and cultural resources should be marketed extensively. Regional aspects should also be included in this marketing effort. Baton Rouge should be promoted as the entrance to Acadiana and the River Road Plantation Country. The conversion of the Old State Capitol into a Louisiana Folklife Museum should be supported. This will add another cultural entity in an optimum location Downtown. The creation of a multi-disciplined Contemporary Arts Center should also be encouraged, hopefully in a converted building within close proximity to existing cultural facilities. The New Orleans Contemporary Arts Center is a similar facility located within the historic K&B warehouse. Art in public places should be a major effort undertaken by this organization. This would include not only significant pieces of art, but also public performances in existing open spaces downtown. The Arts have already played a major role in the revitalization occurring Downtown. In the years to come, its role will become more and more important as an indicator of civic pride and quality of life.

Extractions from "The Role of the Arts in Urban Economic Development" published by The Cultural Policy Institute, September 1980

Maynard Jackson, former mayor of Atlanta, stated that the arts can be "a key determinant in the equation governing the vitality of the city" and that "we are convinced that appropriations for the Arts represent a blue chip investment for our city's future." The issues of "quality of life" inherent in Baton Rouge are greatly enhanced through the efforts of this agency. Tourism is directly affected by the visitor draw of the festivals, as is the community's ability to draw businesses to relocate into the community. To date, these factors have not received enough attention. Other factors which need to be emphasized are the role the Arts may play and have played in:



- Changing the city's image
- Retaining the downtown retail trade that remains
- Encouraging the development of the city as a tourist and regional center
- Creating markets for new business
- Encouraging new private investment
- Channeling commercial development and private investment from suburban to city locations
- Developing community pride and spirit so that people have a stake in preserving an area's health and vitality
- Enhancing the city's tourist and industrial or business development projects (e.g. convention centers) that are important export earners.

"More generally, it has been suggested that the availability of artistic activities is treated by many persons as an indicator of a community's sophistication, wealth, human resources, and willingness to invest in itself and take risks. While they might not need the Arts directly, firms and households may use the Arts as an indicator of the availability in the community of resources they do need to be successful. These activities may be useful in projecting a community image to persons who have a preconceived image or none at all. This may enhance the success of various revitalization objectives.

Perhaps more important for community revitalization objectives is the recognition that arts activities and facilities can help to draw people to redeveloped (downtown) areas. Suburban and city residents brought back to the downtown area or other parts of the city to participate in arts events may see the city in a new light and be encouraged to think and act favorably toward particular city areas. Taken together with the City's efforts to upgrade other services and amenities, this may help create a climate in which the decision to relocate in the city is viewed not as a risk but as an investment. This climate may be reinforced if arts activities provide an opportunity for persons who have made a commitment to city living to meet and influence those who have not.

"The arts are routinely used by economic development agencies to create a favorable image for their area. Whether devoted to tourism, plant location, convention siting or executive recruitment, information on the variety and quality of arts activities is used to make an important statement about the community—to create a favorable impression."

## **2. HISTORIC PRESERVATION COMMISSION**

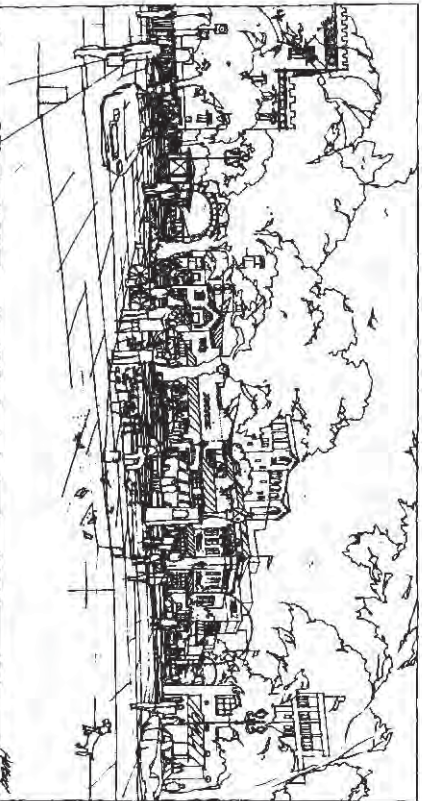
In order to protect and enhance the historic resources within the community, the City should establish a Historic Preservation Commission to review all renovation, rehabilitation and new construction occurring within the designated Historic Districts. Currently, the downtown area includes 2 designated Historic Districts: Spanish Town and Beauregard Town. Each district has its own identity and development dynamics. Studies have already been prepared by the Planning Commission on both districts, identifying the historic resources contained within their boundaries, a review of their historic development, existing land use, as well as mechanisms for implementing controls over their development. Proposed land use plans have been prepared, but as yet not implemented. Today, the construction and renovation activity occurring within the districts occur without control. Consequently, decisions on alteration, reconstruction, demolition and/or rehabilitation are made by the individual property owner. The net result is a mixture of successes and failures. The quality of rehabilitation ranges from excellent to poor. If the inherent character of these historic districts is to be realized some form of administrative review is needed.

It is the recommendation of the Consultant Team that the City establish a Historic District Commission. This Commission will be charged with the preservation and enhancement of the historic resources within the City-Parish. Its membership should reflect the active participation of local property owners, developers, preservationists, neighborhood associations and representatives of local government. Its function will be advisory to the planning Commission, the Metro Council, and the Mayor-President.

The Consultant Team feels it is imperative that such action be taken so that the historic resources within Spanish Town and Beauregard Town are maximized. Currently, development dynamics are eroding the very historic fabric that creates the physical characteristics and economic incentives so unique to these neighborhoods. Inappropriate rehabilitations strip the buildings of their historic details; demolitions and house movings result in more surface lots throughout the districts. If not properly controlled, the historic character in these neighborhoods will be lost forever. Demolition, inappropriate renovation, and rapid transformation of existing land use characterize existing conditions within the districts. Controls are needed and a mechanism for implementing long range improvements must be



established. The preservation of these districts' neighborhood character, residential scale and pre-auto streetscape is essential for their long term development. The creation of a Historic Preservation Commission will insure the continued enhancement of these viable historic and economic resources. Existing prototypes include the Vieux Carre Commission and the Historic District Landmarks Commission, both in New Orleans.



North Boulevard at Riverside Mall

### 3. CENTRAL BUSINESS DISTRICT PARKING AUTHORITY

The issues of parking management, both on-street and off-street, should be coordinated by one entity either within City-Parish government or as a not-for-profit association. This would provide Baton Rouge with a single entity charged with the responsibility for providing, managing, and coordinating off-street and on-street parking. Powers would include regulatory control, ticketing, management, financing, as well as special programs such as Resident Parking Permit Programs.

#### **BUSINESS/RESIDENTIAL PARKING PERMIT PROGRAM**

The streets of Beauregard Town and Spanish Town are constantly being used as free parking for office workers in both the State and the City-Parish complexes. A direct result is the lack of on-street parking for residents and businesses located within these two neighborhoods. This causes a number of specific problems; the lack of available on-street parking for residents and businesses; the pressure to create additional off-street lots

resulting in either demolition or paved side or front yards serving as off-street lots. An approach which is being successfully used in Minneapolis, Chicago, Baltimore, Washington, D.C. and New Orleans is a Resident Parking Permit Program. This program aims at limiting parking within defined areas to local residents. The creation of this program would be instituted by petition of the local neighborhood, with a minimum percentage required for adoption. Upon creation, the RPP would undertake an educational program. Annual parking stickers are issued at a fixed rate, with provision for visitor or guest passes. The success of a RPP depends on vigorous enforcement, a rigorous ticketing program, as well as a high level of publicity and education. The success will obviously be predicated on the individual response by members of the City-Parish Police.

#### **OFF-STREET PARKING LOT STANDARDS**

Under Section 6.6 of the Zoning Ordinance, "For any off street parking facility as required by the Ordinance a layout plan drawn to scale showing entrances, drive and parking stalls shall be presented to the Planning Director, the Traffic Engineer, and No design controls currently exist for surface parking lots. Consequently, the image of downtown is adversely affected by the lack of aesthetic treatment given these lots. Specific minimum standards should be adopted requiring landscape treatments, signage, exterior lighting, surface treatment, and buffers or screens. Standards could require 10% of the lot area devoted to landscaping. Specific landscape materials could also be required (street trees, vines, shrubs, hedges). Surface treatments can include provisions for pedestrian walkways (brick walks), curb materials, etc. Lighting should be provided by pole mounted fixtures providing 1.0 to 2.0 foot candles. Care should be taken to minimize the glare in the lot, on the street, and on adjacent property.

#### **PARKING GARAGE ASSISTANCE**

As originally planned, the Downtown reconstruction undertaken during the 60's and 70's provided for no on-street parking. Currently, the area designated as the Central Business District contains approximately 1000 on-street spaces. In the years to come, as more and more sites become developed, and the resultant traffic volumes on selected streets increase, major downtown parking garages will be required. The proposed Parking Authority can assist in their development through a number of mechanisms. Properly chartered, they can utilize various financing tools, general obligation bonds, parking revenue bonds, lease



rental revenue bonds, industrial development bonds, or special assessment bonds. Public-private joint ventures, UDAG (Urban Development Action Grant) loans, land assembly, and land write-downs are all additional vehicles that could be used by the Parking Authority and/or the City-Parish.

#### ZONING ORDINANCE REVISIONS

Under Section 6.301 of the Zoning Ordinance City of Baton Rouge, Parish of East Baton Rouge "No parking space need be provided in the C-5 District (Business District)." It is the recommendation of the Consultant that a minimum requirement be established to provide for off-street parking within this district. As development pressures increase it is imperative that off-street parking be mandated for all new projects. The Planning Commission should give this serious consideration.

#### 4. NEIGHBORHOOD HOUSING ASSISTANCE

The existing racial, economic, and demographic characteristics inherent in the residential neighborhoods within the Historic Districts downtown demonstrate great diversity. The total residential population downtown is 2379 persons according to the 1980 Census. This accounts for 1350 occupied housing units, down 190 from the 1970 Census. The intact housing units are 20% owner occupied with 80% rental property. The median age is 36, in comparison to 26 for the SMSA. Racially 35% of downtown residents are black, 65% white. The median family income in these areas ranged from \$8,000 to \$15,000. Obviously, these statistics indicate a substantial residential community downtown. In order to maintain this important residential community, to promote additional building rehabilitation, and to assure that low-income tenants not be evicted (restoration without gentrification) the City-Parish needs to establish various mechanisms which will assist residents, investors and developers in developing a wide range of residential units downtown. The result, hopefully, will be "neighborhoods integrated socially, economically, culturally, and racially."

In order to achieve this goal, numerous funding vehicles need to be established to provide loans, grants, or other housing related assistance to low-to-moderate income families within the project area. The City-Parish should establish a Comprehensive Housing Program. Elements of the program could include a revolving loan fund created from local sources, and emergency assistance loan program, low-interest rate rehabilitation loans to qualified applicants, urban homesteading of City acquired

properties (tax foreclosures, donation, FHA foreclosures), CDBG leveraging programs for rental rehabilitation, home recycling, etc. Seed monies can be obtained from existing CDBG funds, local financial institutions, the National Trust for Historic Preservation, various foundations (Ford, Mott, Gannett), coupled with additional incentives from the 1981 Economic Recovery Act. Recently Baton Rouge qualified as one of 21 U.S. cities eligible for a portion of the \$100 million in home loans available from the Federal National Mortgage Association (Fannie Mae) and the National Association of Real Estate Brokers.

Savannah, Georgia is realizing these objectives within their historic Victorian District. Using similar financial tools, the Savannah Landmark Rehabilitation Project has rehabilitated over 250 low income rental units. The result, as described by nationally syndicated columnist Neal Pierce, is impressive. "Savannah Landmark proves that housing rehabilitated for poor people, if done right, doesn't discourage higher income residents but draws them. Substantial private market rehabilitation has cropped up throughout the Victorian District. The Historic Savannah Foundation has cooperated by selling Victorian District houses to people willing to rehabilitate them for apartments for the upper to middle-income market. From the exteriors, it's virtually impossible to know the occupants' income status." "Six years ago no one could be sure if it was possible to renew neighborhoods without removing people. Now the evidence is in. The Savannah Landmark approach doesn't work perfectly. But it works better than any American housing program since World War II," states writer-urban critic Roberta Gratz.

The model for successful downtown neighborhood rehabilitation has been established. It now becomes the responsibility of the City-Parish and private interests to see that it is implemented in the downtown historic districts of Spanish Town and Beauregard Town.



## 5. HANDICAPPED ACCESSIBILITY

Every effort should be made to provide curb cuts, access ramps, and other elements of "barrier-free design" downtown so that it is useable by all citizens of the community. Existing sidewalks and curbs throughout the project area should be reconstructed for accessibility. Provisions should be made in any future redevelopment of the Levee to provide access to its crown by ramps and gradients. Future projects should be designed from their outset to provide for persons with disabilities. The goal of Downtown Redevelopment should include its use as a 24 hour people place for all the people.

As has been pointed out by the National Center for Barrier Free Environment, "America's 35 million disabled people are not the only beneficiaries of barrier free design. It is a common misconception that an accessible environment is of interest only to people with mobility impairments (specifically persons in wheelchairs). The fact is that accessible design benefits everyone. Most people experience some type of disability during their lifetimes. Examples include the use of crutches after an accident, decreased visual perception or stamina resulting from advancing age, or physical limitation imposed by surgery or pregnancy. Although the disability may be temporary, it can be just as much of a problem in an inaccessible environment as a permanent disability."

## 6. CTC TRANSIT SYSTEM

During the course of this study, various issues concerning the operation and facilities of the Capitol Transportation Corporation (CTC) were discussed. Currently, the downtown area is accessed by all routes operated by CTC. The main transfer point for all routes is located at North Boulevard and Riverside Mall. However, no facilities currently exist downtown at the transfer points for shelter and/or comfort. No terminal exists, sidewalk bus transfer points are congested, offer little or no conveniences, and the minimal bus shelters that do exist offer little protection from wind, rain, or sun. The existing situation is being studied for possible revisions to both service levels and transfer locations. Proposals have been submitted to CTC to relocate the main transfer station out of the downtown. Downtown could as easily be served by a shuttle system from a more central location in the City. This seems to reflect a possible improvement in routing and operational efficiency; this decision needs to be made in concert with a complete review of the system and its operation. Rather than relocate routes, transfer points, or make any other isolated decision concerning the CTC system, it is the recommendation of the Consultant Team that the entire system be re-evaluated. Efforts should be taken by representatives of both the public and private sector to assist CTC in obtaining the necessary funding to initiate a system-wide study on both operations and organization. The existing Downtown Trolley service should be retained. A public education and promotion program should be initiated to acquaint the public with this service. As development activity increases downtown the use and need for this additional transit system will become more and more evident. Today, the CBD Shuttle Routes operating in New Orleans offer an efficient and effective alternative for transportation within the congested downtown core. Its importance becomes more obvious by the day. The Baton Rouge trolley shuttle will soon offer the same benefits for office workers, residents, and visitors downtown in the near future.



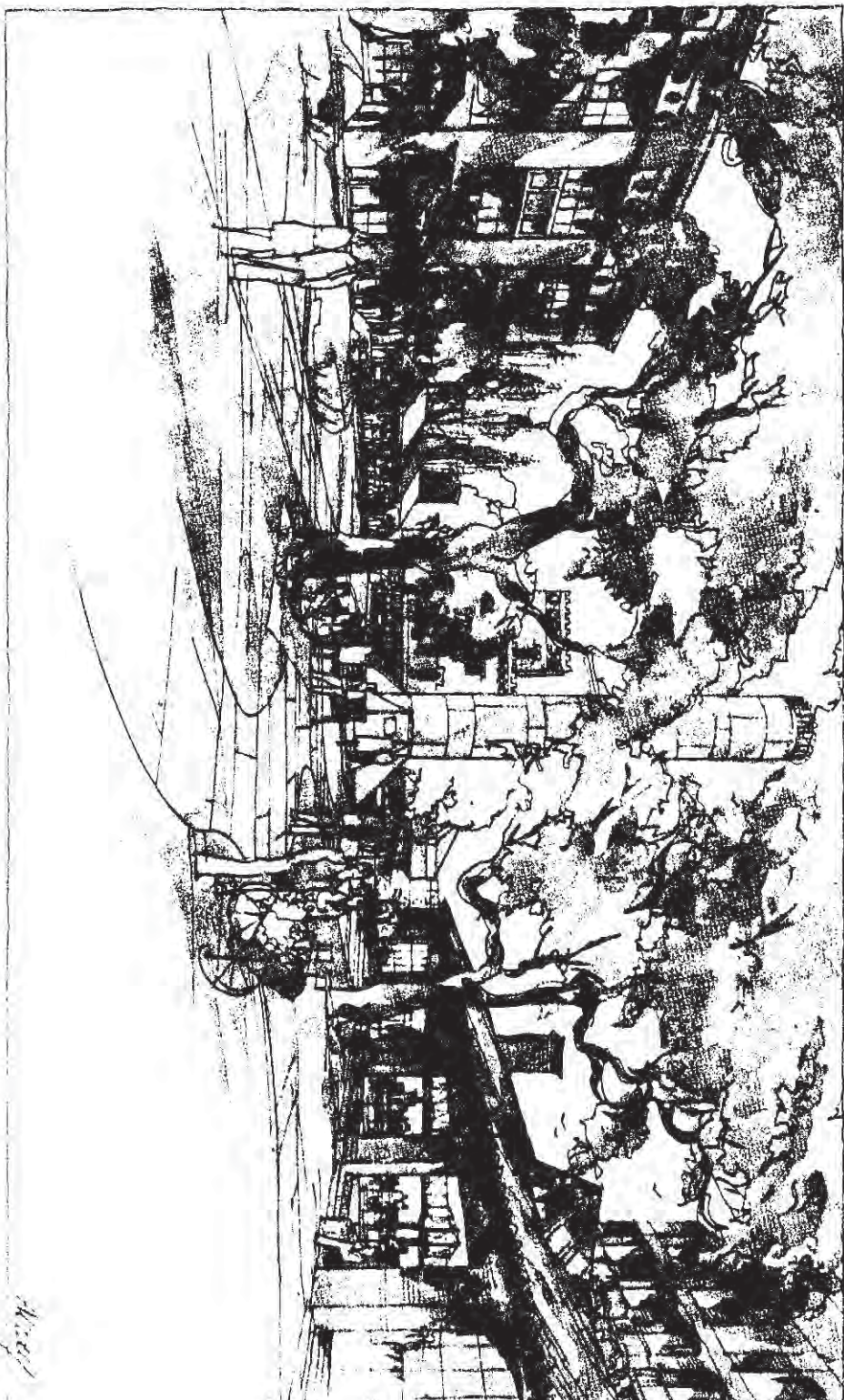




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## FINANCIAL TOOLS and INCENTIVES

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LAFAYETTE PARK

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## F

financial tools that will improve a project's rate of return, promote the ability to shelter income and attract investors to Downtown Baton Rouge include:

- UDAG Grant
- Industrial Revenue Bond Financing
- Economic Recovery Tax Act of 1981
- Facade Easement Donations
- Revolving Funds
- Taxation Policies

### 1. U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT- URBAN DEVELOPMENT ACTION GRANT PROGRAM

The purpose of the UDAG program is to revitalize distressed cities by providing public seed money to stimulate private development. Grants are available to distressed cities and urban counties for neighborhood, industrial, and commercial revitalization projects. The seed money from the public sector allows distressed cities to achieve a more competitive economic position.

UDAG funds can be used for a variety of purposes, including (1) the acquisition and development of land; (2) the acquisition, construction and rehabilitation of public works and facilities, residential property, and commercial and industrial buildings; and (3) the provision of direct financial assistance to firms and non-profit entities. For UDAG grant applications to be approved, the private sector must be committed to the project, and construction must realistically be possible within four years.

UDAG grants contain no mandatory local public-sector matching requirements but definitely require firm and significant financial participation from the private sector. By regulation, UDAG requires private-to-public leveraging ratios of 2.5 to 1.0 and averages 5.8 to 1.0. Federal funds cannot be drawn until the local recipient has secured legally binding commitments from private participants. Grants may be made to an initial grantee and then granted or loaned to others. Repayment can subsequently be used by the initial grantee for other economic-development purposes."

### 2. INDUSTRIAL REVENUE BONDS

IRB financing provides developers long-term, fixed asset, tax-exempt revenue bonds. Project financing generally ranges from \$500,000 to \$10,000,000. The bonds are backed exclusively by the projects themselves. Eligibility criteria include creating employment opportunities, strengthening the city's tax base and providing goods and services needed by the community. IRB financing provides the developer with several significant advantages:

- Significant savings in interest expense since the interest rate of the IRB's is 70% to 80% of the prevailing interest rate
- The ability to finance 100% of the purchase and renovation of the property including interim financing, legal and architectural fees.
- The avoidance of expensive registration fees since the IRB's are exempt from the Securities Exchange Commission registration proceedings.

IRB financing is available for a wide variety of projects with the exception of residential, restaurants and entertainment projects. However, a given project may have restaurants or entertainment facilities financed by IRB's provided these activities make up less than 25% of the project. Residential projects may use IRB financing but only in a limited number of circumstances.

The selling of the bonds, usually to a bank, is the key to successful IRB financing. The length of time the bank is willing to hold the bonds and the interest rate that they require is determined by the bank; a potential applicant should first investigate the bond market to determine the saleability of the bonds. Once "Official Action" is obtained for a given project, all expenses incurred after that point in time can be financed by IRB's. That is, the cost of land, depreciable property, legal fees, architectural fees, etc. can be financed provided that the contracts, acts of sale, etc. are passed after the date of approved "Official Action." On rehabilitation projects, 40% of the bond amount must be spent on rehab, i.e. IRB's cannot be used to purchase existing buildings which do not require substantial renovations. Any investments or expenditures which occur prior to "Official Action" cannot be financed.



An Industrial Bond Issue requires the approval of the Industrial Development Board of Baton Rouge, the Louisiana State Bond Commission, and the Board of Commerce and Industry. The entire process requires 60 to 90 days.

### 3. ECONOMIC RECOVERY TAX ACT OF 1981

The Economic Recovery Tax Act of 1981 (ERTA) includes several significant incentives that encourage the preservation and reuse of historic properties. More than any other mechanism, these tax incentives have made investment in historic properties one of the most active areas of real estate investment today. The ERTA includes many complex aspects and rules and an owner contemplating using these should consult professionals in the fields of preservation architecture, law and accounting if he wants to use this mechanism. However, in summary, the principal aspects of ERTA are as follows:

**INVESTMENT TAX CREDITS FOR QUALIFIED REHABILITATION**  
A three-tiered investment tax credit (ITC) of rehabilitation is allowed as follows:

- 25% ITC for certified historic structures. (If the building is located in a National Register Historic District or a federally certified local historic district and is certified as contributing to the District or is individually listed on the Register, it will only qualify for the 25% credit. If the building is not classified significant, it can qualify for either the 20% or the 15% credit. The determination of significance is made by the Department of the Interior.)
- 20% ITC for structures at least 40 years old.
- 15% ITC for structures at least 30 years old.

The tax credit is claimed against the US income tax in the first year the project is completed. The qualified rehabilitated building must be held for at least 5 years after the rehabilitation is complete and the building in use, otherwise there is a recapture of the ITC on a proportional basis.

#### **RESIDENTIAL OPPORTUNITIES**

ERTA has significant incentives for creating rental units in historic buildings. The 25% ITC for certified historic renovations includes both industrial and commercial users as well as residential users. (The 20% and 15% ITC apply only to commercial and industrial users.) If the owner lives in part of the certified historic

building, he still qualifies for a prorated share of the ITC for that part of the building that is income producing. Moreover, where there is a growing demand for rental units, the inclusion of residential use should include investors, developers and property owners to convert nonresidential certified historic structures to rental residential properties. There is also a provision in the ERTA to allow a developer to return the ITC to the individual owners of condominiums, thereby reducing the effective price of the units and increasing the sales. The developer cannot take the ITC for condo projects unless he operates the building for 5 years as a rental property.

#### **THE ADJUSTMENT TO BASIS RULE**

For a certified historic rehabilitation the depreciable basis is reduced by 50% of the ITC. For non-historic structures the depreciable basis is reduced by the full amount of the ITC.

#### **ACCELERATED COST RECOVERY SYSTEM**

ERTA's accelerated cost recovery system permits depreciation of real property over a fifteen year period rather than its useful life, which usually ranges from 35 to 40 years. The new accelerated cost recovery applies to property in use after December 31, 1980. Either straight line or accelerated depreciation may be used. However, to meet eligibility requirements for the ITC, the owner must use the straight-line method.

### 4. FACADE EASEMENT DONATION

A facade easement donation acts as an effective incentive for historic preservation by resulting in an immediate income tax savings for the donor. The value of the facade donation can be deducted by the donor against up to 50% of his "adjusted gross income in the year of donation with a 5 year carry forward of any value in excess of 50% of adjusted gross income."

Facade easement donations that qualify for income tax deductions include facade easements which deal with "the preservation of an historically important land area or a Certified Historic Structure."

The IRS values facade easements as the difference between the value of the property before and after the grant of the easement. The owner of the property should obtain an appraisal to determine the value of the property before and after the proposed donation. The appraisal should take into account both the potential development value of the site and any current zoning restrictions



in the area. The owner may request an IRS ruling on the value that has been set.

In addition, for cost recovery purposes, the owner's basis in the building and land is reduced by the amount of the easement. Depending upon the actual easement, the appraiser usually attributes part of the value of the easement to the land and part to the building.

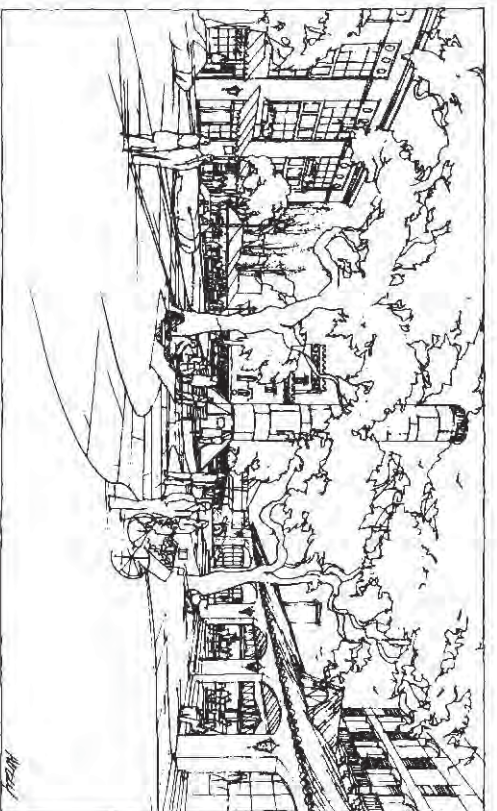
In Baton Rouge, the Division of Historic Preservation, Department of Culture, Recreation and Tourism acts as the qualified organization that accepts facade donations. Eligible facade easements must contribute to historic preservation. The donation process usually requires 60 to 90 days.

## **5. REVOLVING FUNDS**

Several cities throughout the country are currently using revolving funds as a facilitating agent to finance neighborhood revitalization. Sources for the revolving fund may come from local foundation or corporate support, conventional loans (Community Reinvestment Act), municipal monies (CDBG, NEA Challenge Grants, etc. The form of the revolving fund can also be varied, hard cash, readily negotiable securities, a line of credit, etc. This money is administered by a non-profit corporation and is typically not self-perpetuating.

Specific goals and actions taken by the non-profit corporation and supported by the fund may include the following: purchase properties for resale, with protective covenants ensuring exterior preservation and restoration; purchase properties in a few cases for rentals as apartments, offices, or shops; facade restoration; lend funds, secured by mortgages, to persons wishing to buy and/or restore property for which ordinary financing is unavailable. Additionally, the non-profit corporation can buy purchase options on desirable property, find suitable buyers, and process the sale to the buyers to include protective covenants.

As stated by noted real-estate entrepreneur Arthur Zeigler, Jr., "When the historic preservation movement expanded its horizons from saving the great monuments of our nation to revitalizing large urban areas, the revolving fund followed naturally as the best monetary tool for preservation groups to utilize. And as the goal for preserving districts broadened from simply restoring the buildings to using the buildings as a means to help people save themselves from urban decay, ways of deploying the funds multiplied. The revolving fund is an equity vehicle that enables the historic preservation organization to venture into the economic battlefield."



Lafayette Park

## **6. TAXATION POLICIES**

Tax abatement, in the form of tax stabilization, a tax freeze, or a tax exemption for a limited number of years, means that the city encourages private development in specific areas by not collecting the real estate taxes on these improvements for a specified number of years or by freezing the assessment at the predevelopment level. The developer gains by not having to pay real estate taxes during the first years of the project, and the city gains from the economic growth that development encourages.

A Restoration Tax Abatement program is now available in Louisiana. The RTA provides a five-year property tax freeze for renovated or restored commercial and residential structures located in historic downtown development districts of economic development districts. The Office of Commerce and Industry's Financial Incentives Division is administering the program.

Special taxation districts allow the city to levy a charge on the property within a specified area. The resultant funds are used to provide special services and public improvements. In Louisiana, this usually taxes the form of a special ad valorem tax assessed to all properties located within the designated district.

Tax increment financing, although currently not available in Louisiana, uses projected increases in property tax revenues in a development area over a specific period to back bonds that are



used to finance project costs within the area. Only the tax base, not the tax rate or the tax revenue, is frozen during the years when a tax increment program is in effect. The tax base is the assessed valuation of each property in the district at the time of the last equalized tax roll. Each taxing jurisdiction continues to receive its percentage of the taxes collected based on the level of assessed valuation at the time of the plan was adopted, but any increased taxes resulting from increased property value or new construction are allocated to pay for improvements in the project area.

The formula used to determine the amount of the tax increment is:

$$I = r(n - I)$$

where

I = the tax increment

r = the tax rate

n = the new assessed valuation produced by development

I = the assessed valuation at the time the plan was adopted

## 7. ADDITIONAL FEDERAL FUNDING PROGRAMS

Members of the City of Baton Rouge Community Development Department have identified numerous existing programs which can be used for funding projects within the Central Business District. These programs have been further defined to include the specific objective of the programs, the types of assistance, use and use restrictions.

- A. Public Facilities Grants
  - Business Development Assistance
  - Technical Assistance
  - Economic Development District Operational Assistance
  - Supplemental Grants to State (Section 304)
- B. Department of Housing and Urban Development
  - Mortgage Insurance—Construction or Substantial Rehabilitation of Condominium Projects
  - Community Development Block Grants/Entitlement Grants
  - Section 312 Rehabilitation Loans
  - Urban Development Action Grants
  - Secretary's Discretionary Fund/Innovative Grants Program
- C. Small Business Administration
  - Local Development Company Loans
  - Small Business Investment Companies

This material is contained in a working paper on file with the City Specific programs and grants should be discussed with representatives of the City and its Community Development Department.

*With the successful completion of the 1983 International Summer Special Olympics, and the selection by the United States Olympic Committee of Baton Rouge to host the 1985 National Sports Festival, the citizens of the City-Parish have clearly demonstrated that with commitment and cooperation, our potential is only limited by our lack of vision.*

Pat Screen  
Mayor-President



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## APPENDIX

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# **BATON ROUGE COMPETITIVE OFFICE SPACE MARKET OVERVIEW**

Type/Location	Occupancy Percent			Office Space (Net Usable Square Feet)						Total Office Space	
	1980	1981	1982	1980		1981		1982		Compound Annual Growth Rate (1980-1982)	Percent of Total Market 1982
				Total	Vacant	Total	Vacant	Total	Vacant		
Total Market	82%	92%	92%	2,679,116	491,539	3,103,244	248,886	3,845,630	291,426	19%	100%
CBD	94	95	96	1,146,227	64,100	1,372,494	58,975	1,315,227	46,880	7	34
Suburban	72	89	90	1,532,889	427,439	1,730,750	189,911	2,530,403	244,546	27	66
Class A Space											
Total	78%	90%	93%	1,660,156	370,056	1,868,556	185,570	1,868,556	135,704	6%	49%
CBD	95	96	97	923,000	46,600	923,000	37,645	923,000	23,145	No Change	24
Suburban	56	84	88	737,156	323,456	945,556	147,925	945,556	112,559	13	25

SOURCE: Comprehensive Realty Services, Inc.; Baton Rouge Chamber of Commerce; Laventhol & Horwath

## **NONAGRICULTURAL EMPLOYMENT BY INDUSTRY FOR THE BATON ROUGE SMSA 1975-1990**

Industry	Number of Employees					1975-1980		Projected 1980-1990		Percent Distribution				
	1975	1980	1981	1982	1990	Annual Change	Annual Growth Rate	Annual Change	Annual Growth Rate	1975	1980	1981	1982	1990
<b>Manufacturing</b>	22,625	25,900	26,400	25,700	32,250	655	2.7%	635	2.2%	14.0%	12.8%	12.9%	12.4%	10.9%
<b>Mining</b>	950	1,200	1,200	1,500	1,600	50	4.7	40	2.9	0.6	0.6	0.6	0.7	0.5
<b>Contract Construction</b>	19,775	25,800	25,200	22,100	40,700	1,205	5.4	1,490	4.7	12.3	12.8	12.3	10.7	13.8
<b>Transportation, Communication and Utilities</b>	7,775	10,600	10,800	10,400	14,600	565	6.4	400	3.3	4.8	5.3	5.2	5.1	4.9
<b>Trade</b>	32,675	44,100	46,200	46,700	67,380	2,285	6.1	2,328	4.3	20.3	21.9	22.5	22.6	22.8
<b>Finance, Insurance and Real Estate</b>	8,975	11,200	12,200	12,000	17,430	445	4.5	623	4.5	5.6	5.6	5.9	5.8	5.9
<b>Service and Misc</b>	22,750	33,700	35,400	37,100	50,760 <sup>2</sup>	2,190	8.1	1,706	4.2	14.1	16.7	17.2	18.0	17.2
<b>Government (including Hospital and Education)</b>	45,675	49,300	48,000	51,000	70,690 <sup>2</sup>	725	1.5	2,139	3.7	28.3	24.4	23.4	24.7	23.9
<b>TOTAL</b>	161,200	201,800	205,400	206,500	295,410	8,120	4.6%	9,361	3.9%	100.0%	100.0%	100.0%	100.0%	100.0%

NOTES: <sup>1</sup> 1990 employment projection by Louisiana State Department of Labor.

<sup>2</sup> Government related Hospital and Education employees have been transferred from the Service and Miscellaneous category, to the Government category to maintain consistency among industry categories.

SOURCES: U.S. Department of Labor Louisiana Department of Labor Laventhol & Horwath



**CLASS A OFFICE MARKET  
SUPPLY/DEMAND ANALYSIS  
(SQ. FT.)**

	1983	1984	1985	1986	1987	1988	1989	1990
<b>MARKET SUPPLY (NUA)</b>								
EXISTING SUPPLY	923000							
Total existing supply	895310							
Less: Occupied Sq. Ft.	27690							
<b>EXISTING AVAILABLE ADDITIONS TO SUPPLY</b>								
Under Construction	0	51000	0	0	0	0	0	0
Proposed	0	0	175000	0	0	0	0	0
Market Supportable	0	0	0	120000	100000	100000	90000	110000
<b>TOTAL ADDITIONS TO SUPPLY</b>	0	51000	175000	120000	100000	100000	90000	110000
LESS: Adjustment for Vacancy (a 5% EXCESS SUPPLY PRIOR YEAR	46150	2550	8750	6000	5000	5000	4500	5500
<b>TOTAL SUPPLY ADJUSTED</b>	<u>-18460</u>	<u>48450</u>	<u>166250</u>	<u>194590</u>	<u>200886</u>	<u>207182</u>	<u>203978</u>	<u>219774</u>
<b>MARKET DEMAND (NUA)</b>								
SUPPORTABLE ANNUAL NUA								
New Demand	13641	31046	70963	88704	88704	88704	88704	88704
Expansions	0	0	0	0	0	0	0	0
<b>TOTAL SUPPORTABLE NUA</b>	13641	31046	70968	88704	88704	88704	88704	88704
UNMET DEMAND PRIOR YEAR	0	32101	14697	0	0	0	0	0
<b>LATENT DEMAND</b>	0							
<b>TOTAL DEMAND</b>	<u>13641</u>	<u>63147</u>	<u>85660</u>	<u>88704</u>	<u>88704</u>	<u>88704</u>	<u>88704</u>	<u>88704</u>
<b>DEMAND LESS SUPPLY</b>	<u>32101</u>	<u>14697</u>	<u>-80590</u>	<u>-105886</u>	<u>-112182</u>	<u>-118478</u>	<u>-115274</u>	<u>-131070</u>

**OFFICE MARKET  
PROJECTED MARKET OCCUPANCY**

	1983	1984	1985	1986	1987	1988	1989	1990
Total NUA occupied-Jan. 1	895310	876850	925300	1010960	1099664	1188368	1277072	1365776
Add: Projected Absorption	-18460	48450	85660	88704	88704	88704	88704	88704
Total NUA Occupied-Dec. 31	876850	925300	1010960	1099664	1188368	1277072	1265776	1454480
Total NUA Available	923000	974000	1149000	1269000	1369000	1469000	1559000	1669000
Market Occupancy %	<u>95.00</u>	<u>95.00</u>	<u>87.99</u>	<u>86.66</u>	<u>86.81</u>	<u>86.93</u>	<u>87.61</u>	<u>87.15</u>

Source: Laventhol & Horwath  
The comments and assumptions contained in this report are an integral part of this projected statement.



**PROJECTED RETAIL SALES  
EAST BATON ROUGE PARISH  
1983-1995  
(\$ 1983)**

East Baton Rouge Parish	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
Households	135,769	139,491	143,267	147,065	150,919	154,830	158,800	162,828	166,775	170,783	174,852	178,984	183,180
Retail Sales per Household (\$ 1983)	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000
Total Retail Sales (in \$ millions)	1,765	1,813	1,862	1,912	1,962	2,013	2,064	2,117	2,168	2,220	2,273	2,327	2,381
Annual Increase in Total Retail Sales (in \$ millions)													
Food	10.08	10.16	10.31	10.37	10.52	10.68	10.84	11.00	10.78	10.94	11.11	11.28	11.46
Eating & Drinking	3.74	3.77	3.83	3.85	3.91	3.97	4.03	4.08	4.00	4.06	4.13	4.19	4.25
General Merchandise	7.01	7.06	7.17	7.21	7.31	7.42	7.54	7.65	7.49	7.61	7.72	7.84	7.96
Furniture & Appliance	2.50	2.52	2.55	2.57	2.61	2.64	2.68	2.72	2.67	2.71	2.75	2.79	2.84
Automotive	8.93	9.00	9.13	9.18	9.32	9.46	9.60	9.74	9.54	9.69	9.84	9.99	10.15
Drugs	1.06	1.06	1.08	1.09	1.10	1.12	1.14	1.15	1.13	1.15	1.16	1.18	1.20
Other Retail	14.69	14.81	15.02	15.11	15.33	15.56	15.79	16.02	15.70	15.94	16.19	16.44	16.69
Total	48.00	48.39	49.09	49.37	50.10	50.84	51.61	52.36	51.31	52.10	52.90	53.72	54.55

**PROJECTED SUPPORTABLE SQUARE FEET  
EAST BATON ROUGE PARISH  
1983-1995**

East Baton Rouge Parish	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
Supportable Retail Square Feet by Retail Category													
Food	300	33598	33870	34362	34562	35071	35990	36127	36655	35918	36473	37028	37601
Eating & Drinking	140	26741	26938	27349	27508	27914	28327	28754	29174	28588	29029	29471	29927
General Merchandise	95	73764	74362	75441	75880	76999	78138	79316	80475	78857	80076	81294	82553
Furniture & Appliance	95	26272	26485	26869	27026	27424	27830	28250	28662	28086	28520	28954	29402
Automotive	80	111593	112497	114130	114795	116487	118210	119993	121746	119298	121142	122986	124890
Drugs	130	8123	8188	8307	8376	8479	8604	8734	8862	8683	8818	8952	9090
Other Retail	100	146871	148061	150209	151084	153312	155580	157927	160234	157012	159438	161865	164371
Total		426961	430422	436666	439211	445687	452218	459101	465808	456441	463496	470550	477835
Average Supportable Retail Sales per Square Foot (\$1983)	112	112	112	112	112	112	112	112	112	112	112	112	112
Adjusted Annual Supportable Square Feet Less Automotive	315368	317924	322537	324416	329199	224068	339108	344062	337143	342354	347564	352945	358412

Source: Laventhol & Horwath

The comments and assumptions contained in this report are an integral part of this projected statement.



# SUMMARY OF SHOPPING CENTERS BY TYPE FOR BATON ROUGE

Type of Center	Number of Centers by Type	Square Feet of Gross Leasable Area	Number of Centers at 100 Percent Occupancy <sup>2</sup>
	5 9 30 <u>44</u>	3,460,000 806,678 1,469,413 <u>5,736,091</u>	1 2 18 <u>21</u>
Total Square Feet Located in Downtown		434,000 <sup>1</sup> <u>6,170,091</u>	
Downtown area as a Percent		70	

Notes: <sup>1</sup> Willbur Smith and Associates, "Parking Development Program for Downtown," October, 1980.

<sup>2</sup> 47 percent of the centers are 100 percent occupied

SOURCE: *Dollars and Centers of Shopping Centers*, 1982

*LaVerthol & Horwath*

## HOUSING STOCK CHARACTERISTICS FOR SELECTED AREAS IN 1970 AND 1980

All-Year Round Housing Units							
	Total Units	Owner Occupied		Renter Occupied		Total Occupied Units	Percent Vacant
		Number	Percent of Total Occupied	Number	Percent of Total Occupied		
East Baton Rouge Parish 1970 1980	88,936 133,489	54,049 77,574	66.4% 62.4	27,411 46,772	33.6% 37.6	81,460 124,346	8.4% 6.9
City of Baton Rouge 1970 1980	56,385 84,027	29,947 42,463	58.6 54.0	21,184 36,118	41.4 46.0	51,131 78,581	9.3 6.4
Downtown Study Area 1970 1980	1,756 1,566	336 258	24.5 19.0	1,037 1,099	75.5 81.0	1,373 1,357	21.8 13.3

SOURCE: U.S. Bureau of the Census



**POPULATION GROWTH TRENDS  
FOR SELECTED AREAS**

	Baton Rouge SMSA	East Baton Rouge Parish	City of Baton Rouge	Downtown Study Area
<b>Year</b>				
1970 <sup>1</sup>	375,628	285,167	165,963	3,338
1980 <sup>1</sup>	494,151	366,164	219,419	2,379
<b>Projected<sup>2</sup></b>				
1985	554,586	405,362	247,047	2,058
1990	616,721	444,076	272,950	1,498
<b>Compound Annual Growth Rate</b>				
1970-1980	2.8%	2.5%	2.8%	(3.3)%
1980-1985	2.3	2.1	2.4	(2.9)
1985-1990	2.1	1.8	2.0	(6.2)
1980-1990	2.2	1.9	2.2	(4.5)
<b>Average Annual Increase</b>				
1970-1980	11,852	8,100	5,346	(96)
1980-1990	12,257	7,791	5,353	(88)

Notes: <sup>1</sup> Population for 1970 and 1980 was derived using U.S. Bureau of the Census data.

<sup>2</sup> Population projections for 1985 and 1990 for the Baton Rouge SMSA and East Baton Rouge Parish were developed by the University of New Orleans for the Louisiana State Planning Office. Population projections for all other areas were obtained from the Planning Commission of the City of Baton Rouge and Parish of East Baton Rouge.

SOURCES: U.S. Bureau of the Census  
Planning Commission of the  
City of Baton Rouge and  
Parish of East Baton Rouge  
University of New Orleans  
Laventhol & Horwath



**TABLE**  
**ANNUAL HOUSING DEMAND**  
**EAST BATON ROUGE PARISH**  
**1982-1995**

EAST BATON ROUGE PARISH	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
Population	381,859	389,694	397,528	405,362	413,105	420,848	428,591	436,334	444,076	451,435	458,794	466,153	473,512	480,870
Population in Group Quarters	8019	8184	8349	8513	8675	8838	9000	9163	9326	9480	9635	9789	9944	10098
Population in Households	373,840	381,510	389,180	396,849	404,430	412,010	419,591	427,171	434,750	441,955	449,159	456,364	463,568	470,772
Average Household Size	2.83	2.81	2.79	2.77	2.75	2.73	2.71	2.69	2.67	2.65	2.63	2.61	2.59	2.57
Total Units Required before Vacancy and Replacement	132,099	135,769	139,491	143,267	147,065	150,919	154,830	158,800	162,828	166,775	170,783	174,852	178,984	183,180
Vacancy Factor(s)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replacement Factor(s)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replacement Units	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Units Required	132,099	135,769	139,491	143,267	147,065	150,919	154,830	158,800	162,828	166,775	170,783	174,852	178,984	183,180
Annual Units Required:														
Owner Occupied	78,599	22,577	22,788	23,000	23,302	23,224	23,477	23,700	23,933	23,333	23,566	23,800	24,055	24,229
Renter Occupied	53,500	14,133	14,444	14,766	14,977	15,300	15,644	16,000	16,355	16,155	16,511	16,899	17,227	17,666
Total	132,099	36,710	37,222	37,766	37,978	38,524	39,121	39,699	40,288	39,488	40,088	40,699	41,322	41,895

SOURCE: LAVENTHOL & HOWARTH

*The comments and assumptions contained in this report  
are an integral part of this projected statement.*



**MEDIAN HOME VALUES  
FOR SELECTED AREAS IN 1970 AND 1980**

Area	Median Home Values		Percent Change (1970-1980)
	1970	1980	
East Baton Rouge Parish	\$17,800	\$56,400	217%
City of Baton Rouge	17,400	52,800	203
Downtown Study Area	15,238	36,670	140

SOURCE: U.S. Bureau of the Census

**HOUSING AND HOUSEHOLD CHARACTERISTICS  
BY DOWNTOWN STUDY AREA DISTRICTS  
IN 1980**

	Total Housing Units	Total Occupied Units	Percent Vacant	Percent Owner Occupied	Median Value Owner Occupied Units	Median Family Income (1979)
Central Business District	145	114	21.4%	18.4%	\$47,500	\$10,625
Capitol Complex	—	—	—	—	—	—
Centroplex	—	—	—	—	—	—
Catfish Town	535	439	17.9	35.0	32,000	8,125
Beauregard Town	886	804	9.3	10.3	46,400	14,926
Spanish Town	—	—	—	—	—	—
TOTAL	1,566	1,357	13.3% <sup>1</sup>	19.0% <sup>1</sup>	36,640 <sup>1</sup>	—

SOURCE: U.S. Bureau of the Census  
Lavenhol & Howarth



POPULATION AGE DISTRIBUTION  
FOR SELECTED AREAS  
1980

Age Group	Baton Rouge SMA	East Baton Rouge Parish	Downtown Study Area
0-14 years	25.7%	24.6%	8.8%
15-24 years	2.2	23.1	22.5
25-44 years	29.2	29.4	34.0
45-64 years	15.9	16.0	13.3
65 years and older	7.0	6.9	21.4
	100.0%	100.0%	100.0%
Median Age	26	26	36

SOURCE: U.S. Bureau of the Census  
Laventhol & Horwath







FROM THE STEPS OF THE CAPITOL



H. H. H.