MEGA-PROJECT DEVELOPMENT FUND
AND
RAPID RESPONSE FUND
SEMI-ANNUAL PERFORMANCE REPORT
OCTOBER 2019 TO MARCH 2020

This report was prepared by Louisiana Economic Development to summarize the performance status of all active Mega-Project Development Fund and Rapid Response Fund incentive contracts. For each active contract, this report provides: project description; description of incentive funds provided; summary of performance requirements (minimum required payroll, capital investment, etc.); project status, including actual performance relative to requirements; and, where applicable, a summary of reimbursement obligations associated with any underperformance.

IMPORTANT NOTE: ***This report includes only business development projects with active Mega-Project Development Fund and Rapid Response Fund contracts. Because most LED-supported projects do not involve Mega-Project Development Fund or Rapid Response Fund incentives, the job and capital investment numbers included in this report represent only a portion of the totals for business development projects secured by LED.***

MEGA-PROJECT DEVELOPMENT FUND

MEGA-PROJECT DEVELOPMENT FUND EXPENDITURE REPORT
Reporting Period – 10/01/19 to 03/31/20

Private Sector Mega-Fund Projects

Company	Total MPDF Funding Encumbered as of 03/31/20	Expenditures (Prior Cumulative and Current Reporting Period $)			Job Commitments[1]			Average Salary[2] ($ per year)	New indirect jobs[3]	Total new jobs (direct and indirect)	Capex ($MM)	New annual state tax revenues ($MM/year)[4]
		Prior Cumulative	Current Period 10/01/19 - 03/31/20	Total	Retained	New	Total					
Benteler	20,000,000	20,000,000	-	20,000,000	-	675	675	50,000	1,540	2,215	900.0	8.6
CenturyLink[5]	3,300,000	3,252,698	-	3,252,698	1,500	796	2,296	55,000	655	1,451	20.0	3.6
ConAgra Foods	32,400,000	32,400,000	-	32,400,000	-	500	500	35,000	1,420	1,920	211.0	4.2
IBM-Baton Rouge	23,000,000	23,000,000	-	23,000,000	-	800	800	n/a	542	1,342	-	4.7
SNF Holding Company	26,550,000	26,550,000	-	26,550,000	-	512	512	57,400	900	1,412	350.0	6.7
Act 15 of 2014[6]	26,217,222	23,250,004	-	23,250,004	-	-	-	-	-	-	-	-
Act 16 of 2015[6]	16,538,157	9,878,667	3,507,404	13,386,071	-	-	-	-	-	-	-	-
Total	**148,005,379**	**138,331,369**	**3,507,404**	**141,838,773**	**1,500**	**3,283**	**4,783**	**-**	**5,057**	**8,340**	**1,481**	**27.8**

[1] Includes full time and full time equivalent positions.
[2] Average salary for new positions only; excludes benefits.
[3] Estimates for indirect jobs based on standard RIMS multipliers from the U.S. Bureau of Labor Statistics (BLS).
[4] Includes direct and indirect taxes generated by each project after completion (full employment); includes only impact of new project/employment (i.e., impact of any existing operations not included).
[5] This Mega-Project Development Fund (MPDF) project represents a second headquarters expansion by CenturyLink.
[6] During the legislative process, a means of financing substitution from General Fund to MPDF was enacted to pay for existing project commitments, which do not necessarily meet the criteria of a "Mega" project. The current period expenditures reflect payments for various project commitments.

IMPORTANT NOTE:

1. Above list of projects includes only those for which the MPDF was utilized – LED has secured many other project wins for which the MPDF was not utilized.
2. Announced projects without a fully executed CEA are not included in this report.

PRIVATE SECTOR MEGA-FUND PROJECTS

BENTELER STEEL/TUBE MANUFACTURING CORP.
Seamless steel tube and steel production facility
Project announced in 2012
Caddo Parish

Benteler Steel/Tube Manufacturing Corporation (Benteler) committed to build a seamless steel tube mill and a steel mill in Caddo Parish, Louisiana creating 675 new direct jobs with average salaries of $50,000, plus benefits, by 2022.

Benteler considered building this new project in a dozen other states, but chose Louisiana because the State is located in the heart of America's energy corridor, has one of the best business climates in the country, has a world-class transportation infrastructure, and possesses the best workers in the world.

To secure the project, LED offered Benteler a performance-based grant of up to $33.5 million for infrastructure construction, site preparation, training center construction and workforce development. Grant funds are to be provided on a reimbursement basis after expenditures are verified and approved by the State. As of the report date, $33.5 million in expenditures had been reimbursed by the State to Benteler Steel, Bossier Parish Community College, and Caddo-Bossier Port Commission.

The cooperative endeavor agreement (CEA) between the state of Louisiana/LED and Benteler commits the company to spend not less than $892 million in capital expenditures by June 30, 2024.

The company has committed to produce 675 total new direct jobs according to the following schedule: 271 new direct jobs by December 31, 2016; an additional 134 new direct jobs by December 31, 2018; an additional 135 new direct jobs by December 31, 2020; and an additional 135 new direct jobs by December 31, 2022.

The CEA includes clawback provisions that require Benteler to reimburse the State, with interest, proportionate to any nonperformance against critical commitments in the CEA (principally capital expenditures and payroll obligations). Specifically, the company must reimburse the State a one-time amount equal to 1.5 percent of any shortfall relative to capital expenditures and 18.32 percent of any shortfall relative to required payroll obligations. Lastly, the company shall reimburse the State 100 percent of the State's investment in the Training Center if the company fails to timely commence operations.

As of the report date, Benteler’s on-site construction of the steel tube facility was complete. Under the CEA, the company’s performance is assessed annually relative to payroll obligations. The most recent obligation included $20.9 million in payroll for the 12-month period ending December 31, 2019. Benteler generated $31.8 million in payroll during this period, exceeding the performance requirement. Benteler’s next obligation includes $28.1 million in payroll for the 12-month period ending December 31, 2020.

As of the report date, Benteler was meeting or exceeding all current performance requirements in the CEA.

CENTURYLINK, INC.
Corporate headquarters
Projects announced in 2009 and 2011
Ouachita Parish

CenturyLink, Inc. (formerly CenturyTel) committed to expand its corporate headquarters in Monroe, Louisiana adding 1,146 new direct jobs with average salaries of $55,000, plus benefits, by 2016.

The retention of CenturyLink keeps a third Fortune 500 Company and the nation's fourth-largest local exchange telephone company headquartered in Louisiana.

To secure the project, LED offered CenturyLink a revised performance-based grant comprised of up to $23.8 million from the Mega-Project Development Fund and Rapid Response Fund for facility expansion, personnel relocation costs, and integration expenses, and for offsetting air transportation expenses. Grant funds are to be provided over several years on a reimbursement basis after expenditures are verified and approved by the State. Additionally, with funding support from the State of $300,000 per year over seven years, Louisiana Tech University committed to establish the Clarke M. Williams Professorship in Telecommunications and to collaborate with CenturyLink to plan and design courses to serve the advanced education needs of the company's workforce. As of the report date, $8.5 million in expenditures had been reimbursed by the State to CenturyLink and Louisiana Tech University.

The cooperative endeavor agreement (CEA) between the State of Louisiana/LED, Louisiana Tech University and CenturyLink commits CenturyLink to maintain its headquarters in Louisiana through December 31, 2020.

The company has committed to produce 1,146 total new direct jobs according to the following schedule under the CEA: 148 new direct jobs by December 31, 2010; an additional 178 new direct jobs by December 31, 2011; an additional 227 new direct jobs by December 31, 2012; an additional 157 new direct jobs by December 31, 2013; an additional 170 new direct jobs by December 31, 2014; an additional 155 new direct jobs by December 31, 2015; and an additional 111 new direct jobs by December 31, 2016.

The CEA includes clawback provisions that will require CenturyLink to reimburse the State, with interest, proportionate to any nonperformance against critical commitments in the CEA (principally payroll obligations).

CenturyLink continues to maintain its corporate headquarters in Monroe and the construction of the headquarters facility expansion was completed as provided by the CEA. Under the CEA, CenturyLink's performance is assessed annually relative to payroll obligations. LED and CenturyLink agreed to amend the CEA effective January 1, 2019 to eliminate the existing payroll requirements and grants to be provided by the State. Instead, effective January 1, 2019 CenturyLink and the state of Louisiana agreed to a five-year extension of the retention of the company's corporate headquarters in Monroe through 2025. A retention payroll of at least $115 million must be met in order for the company to recover the first increment of an annual performance-based grant from the State of up to $2.5 million per year depending upon the amount of the Headquarters Payroll achieved by the company. The company's first significant obligation under the amended CEA will be required to maintain a minimum payroll of $57.5 million for the 12-month period ending December 31, 2019.

As of the report date, CenturyLink has not reported 2019 payroll performance but was preparing the information for submission to LED. An assessment of 2019 performance will take place upon submission of the required reporting data.

CONAGRA FOODS LAMB WESTON
Large-scale sweet potato processing facility
Project announced in 2009
Richland Parish

ConAgra Foods Lamb Weston (ConAgra) committed to construct a large-scale sweet potato processing facility, including capital investment of $211-256 million and employment ramping up to 500-600 with average salaries of about $35,000, plus benefits, by 2015.

Upon completion, the ConAgra facility is expected to become the largest private-sector employer in Richland Parish, as well as one of the 10 largest private-sector employers in Northeast Louisiana. The new facility also will become one of Louisiana's top 100 economic-driver firms (out of roughly 120,000 total current employers) based on direct and indirect job impact.

To secure the project, LED offered a performance-based grant of up to $37.4 million from the Mega-Project Development Fund to be utilized for land, buildings, structural improvements and land improvements, and then machinery and equipment (in that order). Grant funds are provided on a reimbursement basis after company expenditures are verified and approved by the State. As of the report date, $32.4 million in expenditures had been reimbursed by the State.

The cooperative endeavor agreement (CEA) between the state of Louisiana/LED and ConAgra specifies a two-phase development plan for the project, starting with Phase I of construction (at least $156 million) to be completed by June 30, 2011 and Phase II (an additional $55 million) by January 1, 2014.

Phase I will result in 275 new direct jobs by December 31, 2011 while Phase II will result in an additional 225-325 new direct jobs by December 31, 2015; therefore, the company has committed to produce 500-600 total new direct jobs.

The CEA includes clawback provisions that will require ConAgra to reimburse the State, with interest, proportionate to any nonperformance against critical commitments in the CEA (principally capital investment and payroll obligations). Specifically, the company must reimburse 2.5 percent of any shortfall relative to capital investment commitments, and 16.5 percent of any shortfall relative to payroll obligations.

Phase I of the facility officially opened in mid-September of 2010 and construction on Phase I has been completed. The company's investment in Phase II of operations has been completed.

Phase II of the operation was required to produce at least $19.0 million in new payroll for the 12-month period ending December 31, 2019. ConAgra generated $15.9 million in new payroll during this period, missing the performance requirement. ConAgra’s next obligation includes $19.4 million in new payroll for the 12-month period ending December 31, 2020.

As of the report date, ConAgra was meeting about 84 percent of the payroll obligation specified in the CEA. During the reporting period, LED received payment for the clawback resulting from the company’s underperformance in Project Year 2019.

IBM
Technology center
Project announced in 2013
East Baton Rouge Parish

IBM committed to establish a technology center in Baton Rouge, Louisiana creating 800 new jobs by 2017.

IBM's decision to locate in Baton Rouge will have a transformational impact on Baton Rouge and Louisiana. The technology center will employ a broad range of college graduates and experienced professionals with backgrounds in computer science and other quantitative-intense fields, such as, engineering, mathematics, and science.

The IBM project includes innovative, public-private partnerships to expand higher-education programs related to computer science and to construct a major new riverfront development that will accelerate the revitalization of downtown Baton Rouge. For the IBM project, the State will provide $14 million over 10 years to expand higher education programs designed primarily to increase the number of annual computer science graduates. At least 65 percent of those funds will be provided for expansion of the Computer Science Division of the School of Electrical Engineering and Computer Science at LSU. Another public-private partnership secured construction of the IBM center's permanent site, an approximately $30.5 million office building that will be owned by the Wilbur Marvin Foundation, an affiliate of the Baton Rouge Area Foundation (BRAF). The office building will be constructed with public funds and leased to IBM for a nominal rate for the life of the incentive contract, whereas BRAF's real-estate development arm (Commercial Properties Realty Trust) will secure private financing for the residential building that will be completed in 2016. LED offered IBM a performance-based incentive package that includes grants totaling $29.5 million over 12 years, including a $1.5 million contribution from the city of Baton Rouge/Parish of East Baton Rouge, to reimburse costs related to personnel recruitment, relocation, and other workforce-related costs; internal training; and facility operating expenses. As of the report date, $23.0 million in expenditures had been reimbursed by the State towards the project.

The cooperative endeavor agreement (CEA) between the state of Louisiana/LED, The Wilbur Marvin Foundation, city of Baton Rouge/Parish of East Baton Rouge, and IBM commits the company to establish a temporary facility and commence operations by July 1, 2013.

The company has committed to produce 800 total jobs according to the following schedule: 100 by June 30, 2014; an additional 200 by June 30, 2015; an additional 200 by June 30, 2016; and an additional 300 by June 30, 2017.

The CEA includes clawback provisions that require IBM to reimburse the State, with interest, proportionate to any nonperformance against critical commitments in the CEA (principally jobs). Specifically, the company must reimburse $6,495 multiplied by any shortfall in jobs each year.

As of the report date, IBM had commenced operations in its permanent facility. The most recent obligation of IBM was to produce 800 jobs for the 12-month period ending June 30, 2019. The company generated 656 jobs during this period missing the performance requirement. IBM's next obligation is to produce 800 jobs for the 12-month period ending June 30, 2020.

As of the report date, IBM was meeting about 82 percent of the job performance requirements in the CEA. Consequently, LED reduced reimbursement to the company commensurate with payroll underperformance as required by the CEA.

SNF HOLDING COMPANY
Water-soluble polymer manufacturing facility
Project announced in 2009
Iberville Parish

SNF Holding Company (SNF) committed to construct a new water-soluble polymers manufacturing facility, including capital investments of $350 million and employment ramping up to 512 with average salaries of $57,400, plus benefits, by 2016.

An economic impact analysis by LSU indicates that the more than 500 direct, new on-site jobs will create approximately 900 indirect jobs for a total of 1,400 permanent new jobs in Louisiana and rank SNF as one of Louisiana's top 150 economic-driver firms (out of roughly 120,000 total current employers) based on direct and indirect job impact.

To secure the project, LED offered SNF a performance-based grant of up to $39.4 million from the Mega-Project Development Fund, including performance-based financial assistance of $26.55 million for rail spur and other site infrastructure, as well as performance-based incentive payments of $1.28 million per year starting at the conclusion of project year one (June 30, 2012), for a ten-year period for capital costs related to the project. Grant funds are to be provided on a reimbursement basis after expenditures are verified and approved by the State. As of the report date, $26.55 million in expenditures had been reimbursed by the State.

The cooperative endeavor agreement (CEA) between the state of Louisiana/LED and SNF specifies a five-year development plan for the project, with SNF investing capital according to the following schedule: $92.2 million by June 30, 2011; an additional $69.1 million by June 30, 2012; an additional $69.1 million by June 30, 2013; an additional $46.1 million by June 30, 2014; and an additional $46.1 million by June 30, 2015.

The company has committed to produce 512 total new direct jobs according to the following schedule: 118 new direct jobs by June 30, 2012; an additional 123 new direct jobs by June 30, 2013; an additional 94 new direct jobs by June 30, 2014; an additional 67 new direct jobs by June 30, 2015; and an additional 110 new direct jobs by June 30, 2016.

The CEA includes clawback provisions that will require SNF to reimburse the State, with interest, proportionate to any nonperformance against critical commitments in the CEA (principally capital investment, payroll, and taxable purchases obligations). Specifically, the company must reimburse 0.90 percent of any shortfall relative to capital investment commitments, 12.3 percent of any shortfall relative to payroll obligations, and 1.2 percent of any shortfall relative to taxable purchases commitments.

As of the report date, SNF had commenced commercial operations at the new facility and satisfied the capital investment obligations of $322.6 million. SNF was required to produce $29.4 million in payroll for the 12-month period ending June 30, 2019. SNF generated over $32.5 million in payroll during this period, exceeding the performance requirement. SNF's next obligation includes $29.4 million in payroll for the 12-month period ending June 30, 2020.

As of the report date, SNF Holding Company was meeting or exceeding all current performance requirements in the CEA.

RAPID RESPONSE FUND PROJECTS

RAPID RESPONSE FUND EXPENDITURE REPORT[A]
Reporting Period – 10/01/19 to 3/31/20

Private Sector Rapid Response Fund Projects

		Expenditures (Prior Cumulative and Current Reporting Period $)			Job Commitments[1]							
Company	Total RRF Funding Encumbered as of 03/31/20	Prior Cumulative	Current Period 10/01/19 - 03/31/20	Total	Retained	New	Total	Average Salary[2] ($ per year)	New indirect jobs[3]	Total new jobs (direct and indirect)	Capex ($MM)	New annual state tax revenues ($MM/year)[4]
Benteler Steel[5]	13,525,000	13,525,000	-	13,525,000	-	675	675	50,000	1,540	2,215	900.0	8.6
Bercen[6]	450,000	450,000	-	450,000	36	20	56	90,000	92	112	6.0	0.4
Cameron International Corporation	2,000,000	2,000,000	-	2,000,000	475	110	585	49,000	171	281	49.0	0.7
CenturyLink, Inc.[7]	6,774,900	5,159,705	-	5,159,705	1,873	350	2,223	45,000	520	870	117.9	2.0
CGI Federal	6,191,620	2,458,510	508,975	2,967,485	-	400	400	52,000	405	805	13.1	-
Cyberspace Innovation Center	9,509,287	8,086,310	451,842	8,538,152	-	800	800	48,750	805	1,605	34.0	4.3
Dr. Reddy's Laboratories, LLC	2,100,000	2,100,000	-	2,100,000	161	73	234	37,000	184	257	16.5	0.6
DXC Technology	16,500,000	-	2,500,000	2,500,000	-	2,000	2,000	66,500	2,257	4,257	-	64.3
Gardner Denver Thomas	8,700,000	8,700,000	-	8,700,000	69	202	271	37,000	505	707	-	2.1
General Electric Capital Corp.	9,703,664	6,383,000	-	6,383,000	-	300	300	60,000	301	601	-	3.0
Globalstar, Inc.	6,954,446	6,781,895	-	6,781,895	30	564	594	72,000	842	1,406	2.5	2.8
Halliburton	2,000,000	2,000,000	-	2,000,000	-	150	150	58,600	357	507	63.0	1.6
HVS NOLA, LLC	150,000	97,140	-	97,140	-	80	80	50,000	116	196	-	-
IBM-Monroe	5,700,000	2,696,850	1,425,014	4,121,864	-	400	400	46,000	406	806	-	2.1
MECO	450,000	326,076	-	326,076	81	127	208	47,000	168	295	11.0	1.0
Methanex USA, LLC	1,500,000	1,500,000	-	1,500,000	-	130	130	56,250	996	1,126	550.0	2.8
Procter & Gamble Manufacturing Co.	3,400,000	3,400,000	-	3,400,000	461	50	511	61,000	270	320	28.0	0.8
Rain CII	1,600,000	1,600,000	-	1,600,000	156	71	227	102,700	70	141	65.0	1.0
Select Comfort	800,000	800,000	-	800,000	-	225	225	30,000	104	329	-	0.1
Shaw Group	1,500,000	1,500,000	-	1,500,000	1,968	1,420	3,388	50,000	634	2,054	100.0	11.0
The Folger Coffee Company	3,000,000	3,000,000	-	3,000,000	450	120	570	42,000	381	501	69.0	1.7
The Lighthouse for the Blind[8]	150,000	150,000	-	150,000	-	75	75	22,539	104	179	5.7	0.4
US Foods	1,500,000	-	-	-	198	45	243	46,000	38	83	52.0	0.9
Total	**104,158,917**	**72,714,486**	**4,885,831**	**77,600,317**	**5,958**	**8,387**	**14,345**	**-**	**11,266**	**19,653**	**2,082.7**	**112.2**

[A] A total of $12,347,072 was targeted to be paid from the General Fund, but in accordance with Executive Order BJ 2012-24 Expenditure Reduction and BJ 2012-25 Expenditure Freeze, a means of financing change was authorized to use funds available in the Statutory Dedicated-Rapid Response Fund in lieu of the General Fund. Amounts encumbered and spent as a result of the Executive Orders 2012-24 and 2012-25:

- Nucor $4,012,725 encumbered and spent
- Ronpak $459,941 encumbered and spent
- SNF $1,280,000 encumbered and spent
- CG Rail $1,632,731 encumbered and spent
- Union Tank $3,296,625 encumbered and spent
- Saint Gobain $1,200,000 encumbered and spent
- LSU/EA Sports $465,000 encumbered and spent

[1] Includes full time and full time equivalent positions.
[2] Average salary for new positions only; excludes benefits.
[3] Estimates for indirect jobs based on standard RIMS multipliers from the U.S. Bureau of Labor Statistics (BLS).
[4] Includes direct and indirect taxes generated by each project after completion (full employment); includes only impact of new project / employment (i.e., impact of any existing operations not included).
[5] Company received both MPDF dollars and Rapid Response Fund dollars. The semiannual contract performance will be reported in the Private Sector Mega Project section.
[6] CEA reduced to $450,000 from $500,000.
[7] The CenturyLink Rapid Response Fund (RRF) CEA was amended to provide MPDF dollars to support a significant enlargement of a previously announced corporate headquarters expansion project. RRF expenditures will continue to be reported on the RRF Expenditure Report until Rapid Response Fund dollars are exhausted but semiannual contract performance and the expenditure of MPDF dollars will be reported in the Private Mega Project section.
[8] Expenses paid with General Fund dollars.

IMPORTANT NOTE

1. List of projects on this page and the prior page includes only those for which the Rapid Response Fund (RRF) was utilized – LED has secured many other project wins for which the RRF was not utilized.

Public Sector Rapid Response Fund Projects

		Expenditures (Prior Cumulative and Current Reporting Period $)			Job Commitments[1]							
Company	Total RRF Funding Encumbered as of 03/31/20	Prior Cumulative	Current Period 10/01/19 - 03/31/20	Total	Retained	New	Total	Average Salary[2] ($ per year)	New indirect jobs[3]	Total new jobs (direct and indirect)	Capex ($MM)	New annual state tax revenues ($MM/year)[4]
LSU Transform, Technology and Cyber Research Center	2,225,038	1,253,135	971,903	2,225,038	-	-	-	-	-	-	-	-
Madison Parish Port Commission	1,800,000	-	-	-	-	-	-	-	-	-	-	-
Shreveport Airport Authority	1,000,000	-	-	-	-	170	170	45,200	308	478	3.0	1.2
Act 16 of 2015[5]	10,707,188	10,654,189	-	10,654,189	-	-	-	-	-	-	-	-
Act 17 of 2016[5]	10,060,000	5,951,518	3,092,596	9,044,114	-	-	-	-	-	-	-	-
Act 3 of 2017[5]	9,872,638	1,086,650	1,280,000	2,366,650	-	-	-	-	-	-	-	-
Act 2 of 2018[5]	3,151,534	-	-	-	-	-	-	-	-	-	-	-
Total	**38,816,398**	**18,945,492**	**5,344,499**	**24,289,991**	**-**	**170**	**170**	**-**	**308**	**478**	**3.0**	**1.2**

[1] Includes full time and full time equivalent positions.
[2] Average salary for new positions only; excludes benefits.
[3] Estimates for indirect jobs based on standard RIMS multipliers from the U.S. Bureau of Labor Statistics (BLS).

[4] Includes direct and indirect taxes generated by each project after completion (full employment); includes only impact of new project / employment (i.e., impact of any existing operations not included).

[5] During the legislative process, a means of financing substitution from General Fund to RRF was enacted to pay for existing project commitments. The current period expenditures reflect payments for a project commitment.

PRIVATE SECTOR RAPID RESPONSE FUND PROJECTS

BERCEN, INC.
Corporate headquarters and research-and-development and technical-services laboratories
Project announced in 2009
Livingston Parish

Bercen, Inc. (Bercen) committed to relocate corporate headquarters and research-and-development and technical-services laboratories, including capital investments of $5.0 million and the addition of 18 new direct jobs with average salaries of $90,000, plus benefits, by 2010.

The recruitment of Bercen's executive team to Louisiana from Rhode Island expands the economy while securing Bercen's existing operation in Denham Springs.

To secure the project, LED offered Bercen a performance-based grant of up to $0.45 million for relocation expenses and site infrastructure, including expansion of a rail spur to increase rail shipment capacity and services to paper mills. Grant funds are to be provided on a reimbursement basis after expenditures are verified and approved by the State. As of the report date, $0.45 million in expenditures had been reimbursed by the State.

The cooperative endeavor agreement (CEA) between the state of Louisiana/LED and Bercen commits Bercen to make $5.0 million in capital investments by June 30, 2010.

The company has committed to produce 18 total new direct jobs with a payroll of $1.6 million by December 31, 2010 with new payroll maintained through December 31, 2020.

The CEA includes clawback provisions that will require Bercen to reimburse the State, with interest, proportionate to any nonperformance against critical commitments in the CEA (principally payroll and taxable purchases obligations). Specifically, the company must reimburse 6.0 percent of any shortfall relative to payroll obligations.

As of the report date, Bercen had completed $5.2 million in capital investments, exceeding the required $5.0 million in capital investments.

As of the report date, Bercen had completed construction of their corporate headquarters, research-and-development laboratory, and technical-services laboratory. The facility is operational. Under the CEA, Bercen's performance is assessed annually relative to payroll obligations. The most recent obligation included $1.6 million in new payroll for the 12-month period ending December 31, 2019. Bercen generated $2.1 million in new payroll during this period, exceeding the performance requirement. The next obligation includes $1.6 million in new payroll for the 12-month period ending December 31, 2020.

As of the report date, Bercen was meeting or exceeding all current performance requirements in the CEA.

CAMERON INTERNATIONAL CORPORATION and EVANGELINE PARISH POLICE JURY
Valve manufacturing and assembly facility
Project announced in 2010
Evangeline Parish

Cameron International Corporation (Cameron) committed to expand its Ville Platte valve manufacturing facility, including capital investments of $49 million and employment ramping up to 585 (110 new direct jobs with average salaries of $49,000, plus benefits) by 2011.

The Cameron announcement represents a manufacturing win for Louisiana that allows the company to increase manufacturing processes while improving efficiency.

To secure the project, LED offered Cameron a performance-based grant of up to $2.0 million for the relocation of equipment and personnel, moving expenses, and employee training associated with the expansion of the Ville Platte facility and $2.5 million to the Evangeline Parish Police Jury to support the acquisition of a building and infrastructure for lease to Cameron. Grant funds are to be provided on a reimbursement basis after expenditures are verified and approved by the State. As of the report date, $4.5 million in Cameron and Evangeline Parish Police Jury expenditures had been reimbursed by the State.

The cooperative endeavor agreement (CEA) between the state of Louisiana/LED and Cameron commits the company to complete $49 million in capital expenditures by December 31, 2011. The company has committed to retain 475 jobs through June 30, 2021 and produce 110 total new direct jobs by June 30, 2011.

The CEA includes clawback provisions that will require Cameron to reimburse the State, with interest, proportionate to any nonperformance against critical commitments in the CEA (principally capital expenditures and payroll obligations). Specifically, the company must reimburse 3.0 percent of any shortfall relative to capital expenditure commitments and a proportionate percentage of any shortfall relative to payroll obligations.

As of the report date, building construction, acquisition, and leasing had been completed and Cameron continued to hire and train new employees. The company satisfied the capital investment obligation of $49.0 million. Cameron was required to produce $32.1 million in payroll for the 12-month period ending June 30, 2019. The company generated $29.6 million in payroll during this period. Cameron met the 2019 performance requirement by coupling $29.6 million in payroll with previously earned payroll credits. The company earned these payroll credits by exceeding performance requirements in previous years. Cameron’s next obligation includes $32.9 million in payroll for the 12-month period ending June 30, 2020.

As of the report date, Cameron was meeting or exceeding all current performance requirements in the CEA.

CGI FEDERAL, INC.
Technology center
Project announced in 2014
Lafayette Parish

CGI Federal, Inc. (CGI) committed to establish a technology center in Lafayette, Louisiana creating 400 new direct jobs by 2018. CGI will lease space for its technology center in a 50,000 square-foot space at the University of Louisiana at Lafayette Research Park. CGI will become an anchor tenant of the 143-acre research park.

To secure the project, LED offered CGI a competitive incentive package that includes a performance-based grant of $5.3 million to reimburse personnel relocation, recruitment, training, and building operating costs. Grant funds are to be provided on a reimbursement basis after expenditures are verified and approved by the State. As of the report date, $3.0 million in expenditures had been reimbursed by the State.

The company has committed to produce 400 total new direct jobs according to the following schedule: 100 new direct jobs by December 31, 2015; an additional 100 new direct jobs by December 31, 2016; an additional 100 new direct jobs by December 31, 2017; and an additional 100 new direct jobs by December 31, 2018.

The CEA includes clawback provisions that require CGI to reimburse the State, with interest, proportionate to any nonperformance against critical commitments in the CEA (principally payroll obligations). Specifically, the company must reimburse 9.0 percent of any shortfall relative to required payroll obligations.

As of the report date, construction of CGI's permanent facility has been completed. CGI moved into the facility in February 2016. Under the CEA, CGI’s performance is assessed annually relative to payroll obligations. The most recent obligation included $29.6 million in new payroll for the 12-month period ending December 31, 2019. CGI generated $33.7 million in new payroll during this period, exceeding the performance requirement. The next obligation includes $35.2 million in new payroll for the 12-month period ending December 31, 2020.

As of the report date, CGI was meeting or exceeding all current performance requirements in the CEA.

CYBERSPACE INNOVATION CENTER/COMPUTER SCIENCE CORP.
Technology center
Project announced in 2014
Bossier Parish

Computer Science Corporation (CSC) committed to establish a technology center in Bossier City, Louisiana creating 800 new direct jobs by 2018. CSC will lease space for its technology center in an 116,000 square-foot space at the National Cyber Research Park. The park is being developed by Cyberspace Innovation Center, a not-for-profit research corporation. CSC will become an anchor tenant of the 3,000-acre research park.

CSC chose this site because of the willingness of the state, city, and local educational community to fully partner on developing a next-generation information technology workforce.

To secure the project, LED offered CSC a competitive incentive package that includes a performance-based grant of $9.6 million to reimburse personnel relocation and recruitment expenses. Grant funds are to be provided on a reimbursement basis after expenditures are verified and approved by the State. As of the report date, $8.5 million in expenditures had been reimbursed by the State.

The company has committed to produce 800 total new direct jobs according to the following schedule: 192 new direct jobs by June 30, 2015; an additional 192 new direct jobs by June 30, 2016; an additional 192 new direct jobs by June 30, 2017; and an additional 224 new direct jobs by June 30, 2018.

The CEA includes clawback provisions that require CSC to reimburse the State, with interest, proportionate to any nonperformance against critical commitments in the CEA (principally payroll obligations). Specifically, the company must reimburse 12.48 percent of any shortfall relative to required payroll obligations.

As of the report date, CSC's permanent facility at the research park was completed. The company moved to the new facility in October 2016. CSC is required to produce $39.5 million in new payroll for the 12-month period ending June 30, 2019. The company generated $51.4 million in new payroll during this period exceeding the performance requirement. CSC’s next obligation includes $40.3 million in new payroll for the 12-month period ending June 30, 2020.

As of the report date, CSC was meeting or exceeding all current performance requirements in the CEA.

DR. REDDY'S LABORATORIES LOUISIANA, LLC
Pharmaceutical manufacturing facility
Project announced in 2009
Caddo Parish

Dr. Reddy's Laboratories Louisiana, LLC (Dr. Reddy's) committed to expand an existing pharmaceutical manufacturing facility, including capital investment of $16.5 million with employment ramping up to 243 (73 new direct jobs with average salaries of $37,000, plus benefits) by 2015.

The Dr. Reddy's expansion helps strengthen Northwest Louisiana's growing healthcare, biotech and pharmaceutical industries.

To secure the project, LED offered Dr. Reddy's a performance-based grant of up to $2.1 million to offset capital expenditures. Grant funds are to be provided on a reimbursement basis after expenditures are verified and approved by the State. As of the report date, $2.1 million in expenditures had been reimbursed by the State.

The cooperative endeavor agreement (CEA) between the state of Louisiana/LED and Dr. Reddy's specifies that the company complete its expansion by December 31, 2010 and continuously maintain operation of the facility through June 30, 2020.

The company has committed to produce 73 total new direct jobs according to the following schedule under the CEA: 44 new direct jobs by June 30, 2011 and an additional 29 new direct jobs by June 30, 2012. Under the CEA, Dr. Reddy's performance is assessed annually relative to payroll obligations.

The CEA includes clawback provisions that will require Dr. Reddy's to reimburse the State, with interest, proportionate to any nonperformance against critical commitments in the CEA (principally capital expenditures and payroll obligations). Specifically, Dr. Reddy's will reimburse the State 1.6 percent of any shortfall relative to capital expenditure commitments and 9.3 percent of any shortfall relative to payroll obligations.

As of the report date, Dr. Reddy's had completed construction and equipment purchases in support of the Shreveport expansion commitment. Dr. Reddy's was required to produce $13.6 million in payroll for the 12-month period ending June 30, 2019. The company generated over $12.9 million in payroll during this period. Dr. Reddy's met the 2019 performance requirement by coupling $12.9 million in payroll with previously earned payroll credits. The company earned these payroll credits by exceeding performance requirements in previous years. The next obligation includes $13.9 million in payroll for the 12-month period ending June 30, 2020.

As of the report date, Dr. Reddy's was meeting or exceeding all current performance requirements in the CEA.

DXC TECHNOLOGY
Digital transformation center
Project announced in 2017
Orleans Parish

DXC Technology (DXC) committed to establish the Digital Transformation Center in New Orleans, creating 2,000 new direct jobs by 2025. DXC will lease 10 floors of the 23-floor Freeport-McMoRan building, which will be renamed as the DXC Technology Building.

In Louisiana, DXC will pursue a highly integrated model of higher-education workforce solutions to prepare talent for its Digital Transformation Center in New Orleans. DXC will develop and deliver next generation technology services that support clients' digital transformations. Company officials identified New Orleans as a talent-laden, culturally diverse, high quality-of-life city that would appeal to the technology professionals it will hire for the Digital Transformation Center.

To secure the project, LED offered DXC a competitive incentive package with $18.7 million in performance-based grants payable over five years and to include a flexible performance-based grant ($15 million), a performance-based parking assistance grant ($2.2 million) and a performance-based demolition grant ($1.5 million). Grant funds are to be provided on a cost reimbursement basis after expenditures are verified and approved by the State. As of the report date, $2.5 million in expenditures had been reimbursed by the State.

The cooperative endeavor agreement (CEA) between the state of Louisiana/LED and DXC specifies that the company establish the Digital Transformation Center and commence operations by January 2, 2018.

The company has committed to produce 2,000 total new direct jobs according to the following schedule: 300 new direct jobs by March 31, 2019; an additional 300 new direct jobs by March 31, 2020; an additional 300 new direct jobs by March 31, 2021; an additional 300 new direct jobs by March 31, 2022; an additional 300 new direct jobs by March 31, 2023; an additional 300 new direct jobs by March 31, 2024; and an additional 200 new jobs by March 31, 2025.

The CEA includes clawback provisions that will require DXC to reimburse the State proportionate to any nonperformance against critical commitments in the CEA, principally payroll obligations. Specifically, DXC will reimburse the State 2.7 percent of any shortfall relative to payroll obligations. However, the company may recover previous reimbursed amounts by a factor of 2.7 percent of payroll overages in future years.

As of the report date, DXC began its operations in New Orleans. Under the CEA DXC's performance is assessed annually relative to payroll obligations. The company's first significant obligation included $38.2 million in new payroll by March 31, 2020. DXC generated $29.4 million in payroll during this period, missing the performance requirement. The next obligation includes $57.8 million in payroll for the 12-month period ending March 31, 2021.

As of the report date, DXC was meeting about 77 percent of the payroll obligation specified in the CEA. Consequently, LED will reduce reimbursement to the company commensurate with payroll underperformance as required by the CEA.

GARDNER DENVER THOMAS, INC.
Manufacturing facility
Project announced in 2009
Ouachita Parish

Gardner Denver Thomas (GDT) committed to consolidate Wisconsin manufacturing operations to Monroe, Louisiana with employment ramping up to 271 (202 new direct jobs with average salaries of $37,000, plus benefits) by 2011.

After the consolidation, GDT will become one of Louisiana's top 200 economic-driver firms (out of roughly 120,000 total employers statewide) as measured by direct and indirect job impact.

To secure the project, LED offered GDT a performance-based grant of up to $8.7 million for relocation costs and permitting costs. Grant funds are to be provided on a reimbursement basis after expenditures are verified and approved by the State. As of the report date, $8.7 million in expenditures had been reimbursed by the State.

The cooperative endeavor agreement (CEA) between the state of Louisiana/LED and GDT commits GDT to relocate equipment and begin expanded operations by June 30, 2010.

The company has committed to retain existing jobs and produce 202 total new direct jobs according to the following schedule under the CEA: 106 new direct jobs by December 31, 2010 and an additional 96 new direct jobs by December 31, 2011. Under the CEA, GDT's performance is assessed annually relative to payroll obligations.

The CEA includes clawback provisions that will require GDT to reimburse the State, with interest, proportionate to any nonperformance against critical commitments in the CEA (principally payroll obligations).

As of the report date, GDT commenced operations in the expanded facility and all major equipment and assembly moves were complete. Under the CEA, GDT's performance is assessed annually relative to payroll obligations. The company's most recent obligation included $12.7 million in payroll for the 12-month period ending December 31, 2019. GDT generated $13.3 million in payroll during this period, exceeding the performance requirement.

As of the report date, Gardner Denver Thomas was meeting or exceeding all current performance requirements in the CEA. The CEA with GDT terminated as of December 31, 2019. Consequently, this CEA will not appear in future Mega-Project Development and Rapid Response Fund Semi-Annual Performance Reports.

GENERAL ELECTRIC CAPITAL CORPORATION
Information Technology Center of Excellence
Project announced in 2012
Orleans Parish

General Electric Capital Corporation (GE Capital) committed to build and operate an information technology center in New Orleans creating 300 new direct jobs with average salaries of $60,000, plus benefits, by 2015.

GE Capital's new facility will perform software development and information technology infrastructure support for GE Capital's financial services business. GE Capital's selection of New Orleans was based on the city's rapidly growing technology sector and attractive quality of life, the state's strong business climate and customized recruitment services offered by LED FastStart.

To secure the project, LED offered GE Capital a performance-based grant of up to $12.7 million to offset relocation, recruitment, office refurbishment, lease expenses, and office equipment costs. Grant funds are to be provided on a reimbursement basis after expenditures are verified and approved by the State. Additionally, the State is providing funding of $500,000 per year for ten years to support the creation and or expansion of specialized software development–intensive degree programs. As of the report date, $6.4 million in expenditures had been reimbursed by the State.

The cooperative endeavor agreement (CEA) between the state of Louisiana/LED and GE Capital commits the company to establish and commence operations in the new facility by January 1, 2013.

The company has committed to produce 300 total new direct jobs according to the following schedule: 100 new direct jobs by December 31, 2013; an additional 100 new direct jobs by December 31, 2014; and an additional 100 new direct jobs by December 31, 2015. Under the CEA, GE Capital's performance is assessed annually relative to payroll obligations.

The CEA includes clawback provisions that require GE Capital to reimburse the State, with interest, proportionate to any nonperformance against critical commitments in the CEA (principally payroll obligations). Specifically, the company must reimburse 5.09 percent of any shortfall relative to payroll obligations.

As of the report date, GE Capital was operational in its renovated office space. Under the CEA, GE Capital's performance is assessed annually relative to new direct jobs payroll obligations. The most recent obligation included $32.2 million in payroll for the 12-month period ending December 31, 2019. GE Capital has not submitted required reports needed to evaluate the company's 2019 payroll performance. The next obligation includes $33.2 million in payroll for the 12-month period ending December 31, 2020.

As of the report date, GE Capital submitted documentation of the payroll obligation specified in the CEA that recent internal review of those submissions (as well as submissions for other years) are not in compliance with the requirements of the CEA. During the reporting period, GE Capital initiated discussions with LED to terminate the CEA early, but ultimately decided against it after being informed that it would owe LED and the State several millions of dollars in clawbacks. Consequently, LED will request reimbursement from GE Capital (in accordance with CEA provisions) due to the company's underperformance.

Subsequent to the reporting period, GE Capital announced in April 2020 that the company will close its New Orleans technology center and lay off all employees working at the New Orleans location when the office officially closes at the end of June. LED is completing the internal review, mentioned above, of submissions by GE of their compliance obligations

under the performance-based grant incentives program since inception of the CEA. LED will seek reimbursement for any performance shortfalls since the inception of the CEA as well as all amounts due resulting from GE's early termination of its CEA obligations.

GLOBALSTAR, INC.
Corporate headquarters
Project announced in 2010
St. Tammany Parish

Globalstar, Inc. (Globalstar) committed to relocate its corporate headquarters and other global business functions to Covington, Louisiana with employment ramping up to 593 jobs with average salaries of $72,000, plus benefits, by 2019.

The relocation of Globalstar to Louisiana represents a win in one of the top new target growth industries for Louisiana – digital media. At maturity, the relocation is expected to support roughly 1,300 new direct and indirect jobs in Louisiana.

To secure the project, LED offered Globalstar a performance-based grant of up to $8.1 million for relocation and facility costs. Grant funds are to be provided over a multi-year schedule on a reimbursement basis after expenditures are verified and approved by the State. As of the report date, $6.8 million in expenditures had been reimbursed by the State.

The cooperative endeavor agreement (CEA) between the state of Louisiana/LED and Globalstar commits Globalstar to commence corporate headquarters relocation by August 1, 2010, and maintain the corporate headquarters in Louisiana through December 31, 2019.

The company has committed to produce 593 total direct jobs according to the following schedule under the CEA: 98 direct jobs by December 31, 2010; an additional 87 direct jobs by December 31, 2011; an additional 39 direct jobs by December 31, 2012; an additional seven direct jobs by December 31, 2013; an additional seven direct jobs by December 31, 2014; an additional 48 direct jobs by December 31, 2015; an additional 57 direct jobs by December 31, 2016; an additional 68 direct jobs by December 31, 2017; an additional 82 direct jobs by December 31, 2018; and an additional 100 direct jobs by December 31, 2019.

The CEA includes clawback provisions that will require Globalstar to reimburse the State, with interest, proportionate to any nonperformance against critical commitments in the CEA (principally payroll obligations). Specifically, the company must reimburse 8.27 percent of any shortfall relative to payroll obligations.

As of the report date, Globalstar commenced operations in Covington and its relocation is complete. Under the CEA, Globalstar’s performance is assessed annually relative to payroll obligations. The most recent obligation included $21.2 million in payroll for the 12-month period ending December 31, 2019. Globalstar generated $17.1 million in payroll during this period, missing the performance requirement.

As of the report date, Globalstar was meeting about 81 percent of the payroll obligation specified in the CEA. LED reduced reimbursement to the company commensurate with payroll underperformance as required by the CEA. The CEA with Globalstar terminated as of December 31, 2019. Consequently, this CEA will not appear in future Mega-Project Development and Rapid Response Fund Semi-Annual Performance Reports.

HALLIBURTON ENERGY SERVICES, INC.
Manufacturing facility
Project announced in 2011
Lafayette Parish

Halliburton Energy Services, Inc. (Halliburton) committed to build and operate a manufacturing facility in Lafayette including capital expenditures of $63.0 million and the addition of 150 new direct jobs with average salaries of $58,600, plus benefits, by 2015.

Halliburton’s new facility will manufacture complex machined components for oilfield service operations with state-of-the-art manufacturing equipment, including numeric-controlled turning and milling equipment and additional value-added services such as heat treatment, coating and other specialty operations. Halliburton's investment will strengthen the manufacturing capabilities of the Acadiana area.

To secure the project, LED offered Halliburton a performance-based grant of up to $2.0 million to offset site acquisition and infrastructure costs. Grant funds are to be provided on a reimbursement basis after expenditures are verified and approved by the State. As of the report date, $2.0 million in expenditures had been reimbursed by the State.

The cooperative endeavor agreement (CEA) between the state of Louisiana/LED and Halliburton commits the company to begin operations in the new facility by December 31, 2012 and complete capital expenditures by December 31, 2013.

The company has committed to produce 150 total new direct jobs according to the following schedule: 122 new direct jobs by December 31, 2012; an additional 11 new direct jobs by December 31, 2013; an additional 10 new direct jobs by December 31, 2014; and an additional seven new direct jobs by December 31, 2015. Under the CEA, Halliburton’s performance is assessed annually relative to payroll obligations.

The CEA includes clawback provisions that require Halliburton to reimburse the State, with interest, proportionate to any nonperformance against critical commitments in the CEA (principally capital expenditures and payroll obligations). Specifically, the company must reimburse 3.3 percent of any shortfall relative to capital expenditure commitments and 3.1 percent of any shortfall relative to payroll obligations.

As of the report date, Halliburton’s facility is operational in Lafayette with the majority of hiring complete. The company’s most recent obligation included $9.5 million in new payroll for the 12-month period ending December 31, 2019. Halliburton generated $15.6 million in new payroll during this period, exceeding the performance requirement. The next obligation includes $9.7 million in new payroll for the 12-month period ending December 31, 2020.

As of the report date, Halliburton was meeting or exceeding all current performance requirements in the CEA.

HVS NOLA, LLC
Game development studio
Project announced in 2014
Orleans Parish

High Voltage Software (HVS) committed to establish a new video game development studio in New Orleans creating 80 new direct jobs with average salaries ranging from $50,000 to $120,000, plus benefits, by 2020. The company will develop original digital intellectual property for console and mobile platforms while expanding its research and development efforts.

HVS considered a number of metro markets in the U.S. as possible sites for its studio, but chose New Orleans because of the area's emerging technology community and potential of developing meaningful, long-term relationships with Louisiana's higher education institutions.

To secure the project, LED offered HVS a performance-based grant of $150,000 for relocation expenses. Grant funds are to be provided on a reimbursement basis after expenditures are verified and approved by the State. As of the report date, $97,140 in expenditures had been reimbursed by the State.

The cooperative endeavor agreement (CEA) between the state of Louisiana/LED and HVS commits the company to begin operations no later than December 31, 2015.

The company has committed to produce 80 total new direct jobs according to the following schedule: 10 new direct jobs by June 30, 2016; an additional 15 new direct jobs by June 30, 2017; an additional 15 new direct jobs by June 30, 2018; an additional 20 new direct jobs by June 30, 2019; and an additional 20 new direct jobs by June 30, 2020. Under the CEA, HVS's performance is assessed annually relative to payroll obligations.

The CEA includes clawback provisions that require HVS to reimburse the State, with interest, proportionate to any nonperformance against critical commitments in the CEA (principally payroll obligations). Specifically, the company must reimburse 0.72 percent of any shortfall relative to required payroll obligations. In addition, the company's percentage of out-of-state sales obligations can affect payroll obligation shortfalls.

As of the report date, HVS began its operations in New Orleans. HVS was required to produce $5.5 million in payroll for the 12-month period ending June 30, 2019. The company generated $1.1 million in payroll during this period, missing the performance requirement. The next obligation includes $7.4 million in payroll for the 12-month period ending June 30, 2020.

As of the report date, HVS was meeting about 20 percent of the payroll obligation specified in the CEA. LED has requested the company reimburse the State (in accordance with CEA clawback provisions) due to the company's underperformance in 2019.

IBM
Application development and innovation center
Project announced in 2015
Ouachita Parish

IBM committed to establish an application development and innovation center in Monroe, Louisiana creating 400 new direct jobs by 2021. The company will be an anchor tenant at an 88-acre CenturyLink affiliated technology park.

The IBM center in Monroe represents a multifaceted, transformational partnership that will include expanded higher education programs related to computer science, as well as a major new technology park and mixed-use, real estate development that will catalyze new economic growth opportunities in Monroe. The IBM center will employ a broad range of college graduates and experienced professionals with backgrounds in computer science and other quantitative intense fields, such as engineering, mathematics and science. For the IBM project, the State will provide $4.5 million in funding over 10 years for expanded higher education programs designed primarily to increase the number of annual computer science graduates in Northeast Louisiana. The University of Louisiana at Monroe will expand its computer science and computer information systems programs, while Louisiana Tech and Grambling State University will expand their technology programs in related areas, such as cyber engineering and data analytics. The State will provide $12 million for construction of new office space for use by IBM, which will become an anchor tenant of the privately developed mixed-use complex. A University of Louisiana at Monroe foundation will own the IBM space and lease the space to the company. LED offered IBM a performance-based incentive package of up to $7.7 million for the relocation, recruitment, training, and operating costs associated with the Monroe center. As of the report date, $4.1 million in expenditures had been reimbursed by the State.

The cooperative endeavor agreement (CEA) between the state of Louisiana/LED and IBM commits the company to begin operations no later than December 31, 2015.

The company has committed to produce 400 total new direct jobs according to the following schedule: 50 new direct jobs by March 31, 2016; an additional 50 new direct jobs by March 31, 2017; an additional 50 new direct jobs by March 31, 2018; an additional 50 new direct jobs by March 31, 2019; an additional 100 new direct jobs by March 31, 2020; and an additional 100 new direct jobs by March 31, 2021. Under the CEA, IBM's performance is assessed annually relative to its jobs obligations.

The CEA includes clawback provisions that require IBM to reimburse the State, with interest, proportionate to any nonperformance against critical commitments in the CEA (principally jobs). Specifically, the company must reimburse $5,000 multiplied by any shortfall in jobs each year.

As of the report date, IBM moved into its permanent facility. The access roads and the parking lot surrounding the facility had been completed. The company's most recent obligation was to produce 300 jobs for the 12-month period ending March 31, 2020. IBM has not submitted required reports needed to evaluate the company's 2020 payroll performance. IBM's next obligation is to produce 400 jobs for the 12-month period ending March 31, 2021.

As of the report date, IBM had not reported 2020 payroll performance but was preparing the information for submission to LED. An assessment of 2020 performance will take place upon submission of the required reporting data.

MECHANICAL EQUIPMENT COMPANY, INC.
Manufacturing and office facility
Project announced in 2012
St. Tammany Parish

Mechanical Equipment Company, Inc. (MECO) committed to build a new manufacturing and office facility in Mandeville, with employment ramping up to 208 (127 new direct jobs with average salaries of $47,000, plus benefits) by 2018.

MECO will expand production of technologically advanced water treatment equipment. The decision to invest in Louisiana was based on MECO’s strong ties to Louisiana and evidence of Louisiana’s strong business climate and world-class workforce.

To secure the project, LED offered MECO a performance-based grant of up to $450,000 to offset relocation costs. Grant funds are to be provided on a reimbursement basis after expenditures are verified and approved by the State. As of the report date, $0.3 million in expenditures had been reimbursed by the State.

The cooperative endeavor agreement (CEA) between the state of Louisiana/LED and MECO commits the company to retain 81 direct jobs and expend $8 million for capital expenditures by December 31, 2013.

MECO has committed to produce 127 total new direct jobs according to the following schedule: 21 new direct jobs by December 31, 2013; an additional 19 new direct jobs by December 31, 2014; an additional 24 new direct jobs by December 31, 2015; and an additional 13 new direct jobs by December 31, 2016; an additional 32 new direct jobs by December 31, 2017 and an additional 18 new direct jobs by December 31, 2018. Under the CEA, MECO’s performance is assessed annually relative to payroll obligations.

The CEA includes clawback provisions that require MECO to reimburse the State, with interest, proportionate to any nonperformance against critical commitments in the CEA (principally capital expenditures and payroll obligations). Specifically, the company must reimburse 2.25 percent of any shortfall relative to capital expenditures and 2.39 percent of any shortfall relative to new payroll obligations.

As of the report date, MECO's site construction has been completed and the facility is operational. MECO was required to produce at least $7.1 million of new payroll for the 12-month period ending December 31, 2019. MECO generated $3.3 million in new payroll during this period, missing the performance requirement. The next obligation includes $7.3 million in new payroll for the 12-month period ending December 31, 2020.

As of the report date, MECO was meeting about 47 percent of the payroll obligation specified in the CEA. LED will request reimbursement from the company (in accordance with CEA clawback provisions) due to the company's underperformance in 2019.

METHANEX USA, LLC
Methanol manufacturing plant
Project announced in 2012
Ascension Parish

Methanex will relocate a methanol production plant from Chile to a 225-acre site in Geismar, Louisiana. The company will invest $550 million on this project, which will give the company its first U.S. based methanol production facility in more than a decade. The new plant will create 130 new jobs, with an average salary of $56,250, plus benefits, by 2015.

Methanex's new facility will produce methanol. Methanex's selection of Geismar was based on the area's abundance of natural resources, a skilled workforce, easy access to barge, rail, and interstate transportation.

To secure the project, LED offered Methanex performance-based grants of $3.8 million to offset infrastructure costs related to the project and $1.5 million to reimburse relocation expenses. Grant funds are to be provided on a reimbursement basis after expenditures are verified and approved by the State. As of the report date, $1.5 million in expenditures had been reimbursed by the State.

The cooperative endeavor agreement (CEA) between the state of Louisiana/LED and Methanex commits the company to spend not less than $400 million in capital expenditures by December 31, 2014.

The company has committed to produce 130 total new direct jobs by December 31, 2015.

The CEA includes clawback provisions that require Methanex to reimburse the State, with interest, proportionate to any nonperformance against critical commitments in the CEA (principally capital expenditures and payroll obligations). Specifically, the company must reimburse 1.4 percent of any shortfall relative to capital expenditures and 10.8 percent of any shortfall relative to required payroll obligations.

As of the report date, Methanex had completed construction of the methanol plant and was operational. The company's capital investment in the plant was $558 million, exceeding the capital expenditure requirement. Under the CEA, Methanex's performance is assessed annually relative to payroll obligations. The most recent obligation included $7.6 million in payroll for the 12-month period ending December 31, 2019. Methanex generated $18.2 million in payroll during this period, exceeding the performance requirement. The next obligation includes $7.8 million in payroll for the 12-month period ending December 31, 2020.

As of the report date, Methanex was meeting or exceeding all current performance requirements in the CEA.

PROCTER & GAMBLE MANUFACTURING COMPANY
Expand fabric care product manufacturing facility
Project announced in 2012
Rapides Parish

The Procter & Gamble Manufacturing Company (P&G) committed to a $28 million expansion at the company's fabric care facility in Pineville, Louisiana creating 50 new direct jobs with average salaries of $61,000, plus benefits, by 2014.

In an effort to better align its fabric care divisions, P&G will consolidate some operations from Augusta, Georgia to its Pineville facility. P&G decided to reinvest in Louisiana because of the State's strong business climate, unparalleled quality of life, and outstanding workforce.

To secure the project, LED offered P&G a performance-based grant of $3.4 million to offset a portion of the costs for new training facilities, infrastructure, and equipment. Grant funds are to be provided on a reimbursement basis after expenditures are verified and approved by the State. As of the report date, $3.4 million in expenditures had been reimbursed by the State.

The cooperative endeavor agreement (CEA) between the state of Louisiana/LED and P&G commits the company to spend not less than $28 million in capital expenditures by December 31, 2014.

The company has committed to produce 50 new direct jobs according to the following schedule: 25 new direct jobs by December 31, 2013; and an additional 25 new direct jobs by December 31, 2014. Under the CEA, P&G's performance is assessed annually relative to payroll obligations.

The CEA includes clawback provisions that require P&G to reimburse the State, with interest, proportionate to any nonperformance against critical commitments in the CEA (principally capital expenditures and payroll obligations). Specifically, the company must reimburse 1.0 percent of any shortfall relative to capital expenditures and 13.49 percent of any shortfall relative to required payroll obligations.

As of the report date, P&G's expansion of the fabric care product manufacturing facility was completed. The company has met its capital investment obligation of $28.0 million required by the CEA. Under the CEA, P&G’s performance is assessed annually relative to payroll obligations. The most recent obligation included $46.6 million in payroll for the 12-month period ending December 31, 2019. P&G generated $43.0 million in payroll during this period. The company met the 2019 performance requirement by coupling $43.0 million in payroll with previously earned payroll credits. P&G earned these payroll credits by exceeding performance requirements in previous years. The next obligation includes $47.9 million in payroll for the 12-month period ending December 31, 2020.

As of the report date, P&G was meeting or exceeding all current performance requirements in the CEA.

RAIN CII CARBON, LLC
Corporate headquarters
Project announced in 2013
St. Tammany Parish

Rain CII Carbon, LLC (Rain CII) committed to relocating its corporate headquarters to Covington, Louisiana creating 71 new direct jobs with average salaries of $102,700, plus benefits, by 2019. Rain CII will construct its approximately 40,000 square-foot headquarters building in the Northpark Business Park.

Rain CII chose this site because of Louisiana's successful business climate and the quick recovery and revitalization of the Greater New Orleans area.

To secure the project, LED offered Rain CII a competitive incentive package that includes a performance-based grant of $3.6 million to offset headquarters relocation costs. Grant funds are to be provided on a reimbursement basis after expenditures are verified and approved by the State. As of the report date, $1.6 million in expenditures had been reimbursed by the State.

The cooperative endeavor agreement (CEA) between the state of Louisiana/LED and Rain CII commits the company to spend not less than $65.0 million in capital expenditures by December 31, 2019.

The company has committed to produce 71 total new direct jobs according to the following schedule: 62 new direct jobs by December 31, 2015; an additional two new direct jobs by December 31, 2016; an additional two new direct jobs by December 31, 2017; an additional two new direct jobs by December 31, 2018; and an additional three new direct jobs by December 31, 2019.

The CEA includes clawback provisions that require Rain CII to reimburse the State, with interest, proportionate to any nonperformance against critical commitments in the CEA (principally capital expenditures and payroll obligations). Specifically, the company must reimburse 2.49 percent of any shortfall relative to capital expenditures and 3.69 percent of any shortfall relative to required new payroll obligations.

As of the report date, the company has completed construction of its new corporate headquarters and has completed the relocation to the new building. Under the CEA, Rain CII's performance is assessed annually relative to new payroll obligations. The most recent obligation included $8.0 million in new payroll for the 12-month period ending December 31, 2019. Rain CII generated $8.1 million in new payroll during this period, exceeding the performance requirement. The next obligation includes $8.3 million in new payroll for the 12-month period ending December 31, 2020.

As of the report date, Rain CII was meeting or exceeding all current performance requirements in the CEA.

SELECT COMFORT CORPORATION
Technical support contact center
Project announced in 2017
Jefferson Parish

Select Comfort Corporation (Select Comfort) committed to establish a technical support contact center in Jefferson Parish creating 225 new direct jobs with average salaries of $30,000, plus benefits, by 2021.

Select Comfort will occupy an office building in the Elmwood business corridor, where employees will provide its sales and support services for customers of the company's Sleep Number® beds and accessory products.

To secure the project, LED offered Select Comfort a performance-based grant of $800,000 to reimburse the company for lease assistance, infrastructure costs, and relocation expenses. Grant funds are to be provided on a reimbursement basis after expenditures are verified and approved by the State. As of the report date, $0.8 in expenditures had been reimbursed by the State.

The cooperative endeavor agreement (CEA) between the state of Louisiana/LED and Select Comfort commits the company to begin operations no later than September 2017.

The company has committed to produce 225 total new direct jobs according to the following schedule: 100 new direct jobs by June 30, 2018; an additional 75 new direct jobs by June 30, 2019; an additional 25 new direct jobs by June 30, 2020; and an additional 25 new direct jobs by June 30, 2021. Under the CEA, Select Comfort's performance is assessed annually relative to payroll obligations.

The CEA includes clawback provisions that require Select Comfort to reimburse the State, with interest, proportionate to any nonperformance against critical commitments in the CEA (principally payroll obligations). Specifically, the company must reimburse 2.74 percent of any shortfall relative to required payroll obligations.

As of the report date, Select Comfort began its operations in Jefferson Parish. Under the CEA, Select Comforts' performance is assessed annually relative to payroll obligations. The most recent obligation included $5.4 million in payroll for the 12-month period ending June 30, 2019. The company generated over $6.2 million in payroll during this period, exceeding the performance requirement. The next obligation includes $6.2 million in payroll for the 12-month period ending June 30, 2020.

As of the report date, Select Comfort was meeting or exceeding all current performance requirements in the CEA.

SHAW GROUP
Manufacturing facility
Project announced in 2008
Calcasieu Parish

The Shaw Group (Shaw) committed to construct a modular nuclear component facility in Lake Charles, Louisiana creating 1,420 new direct jobs with average salaries of $50,000 by 2016.

The new facility is a first of its kind facility that will support construction of a new class of nuclear power plants as well as provide Shaw with the capability to manufacture modules for chemical sites and petrochemical plants.

To secure the project, LED offered Shaw and other parties a performance-based grant of up to $32.5 million to offset building and infrastructure costs. Grant funds are to be provided on a reimbursement basis after expenditures are verified and approved by the State. As of the report date, $1.5 million in expenditures had been reimbursed by the State to the Lake Charles Harbor and Terminal for the relocation of an office building.

The cooperative endeavor agreement (CEA) between the state of Louisiana/LED, the Calcasieu Parish Police Jury, the city of Lake Charles, the Lake Charles Harbor and Terminal District, Global Modular Solutions and Shaw commits Shaw to begin operations in the new facility by July 1, 2009 or as soon thereafter as practical.

The company has committed to produce 1,420 total new direct jobs according to the following schedule: 80 new direct jobs by December 31, 2009; an additional 280 new direct jobs by December 31, 2010; an additional 440 new direct jobs by December 31, 2011; an additional 400 new direct jobs by December 31, 2012; an additional 180 new direct jobs by December 31, 2013; an additional 20 new direct jobs by December 31, 2014 and an additional 20 new direct jobs by December 31, 2016. Under the CEA, Shaw’s performance is assessed annually relative to payroll obligations.

The CEA includes clawback provisions that require Shaw to reimburse the State, with interest, proportionate to any nonperformance against critical commitments in the CEA (principally payroll obligations).

As of the report date, Shaw had commenced operations in the new facility. The company had experienced a reduction in employment growth in recent years because the market for the construction of the new class of nuclear power plants had evaporated. The Lake Charles facility has been repurposed to produce prefabricated pipe assemblies for the petrochemical and liquid natural gas industries as market conditions warrant. Since the beginning of operations, the business and, thus, the obligations under the CEA, have been acquired by McDermott.

Under the CEA, Shaw’s performance is assessed annually relative to payroll obligations. The most recent obligation included $71.0 million in payroll for the 12-month period ending December 31, 2019. Shaw has not submitted required reports needed to evaluate the company’s 2019 payroll performance. The next obligation includes $71.0 million in payroll for the 12-month period ending December 31, 2020.

As of the report date, Shaw was meeting about 22 percent of the payroll obligation specified in the CEA. LED received clawback reimbursements for underperformance for Project Years 2012-2015 and has requested clawback reimbursements for additional Project Years.

Subsequent to the reporting period, LED placed the agreement with outside counsel for the collection of outstanding clawback reimbursements. The new owner, McDermott, thereafter,

filed for bankruptcy protection and a bankruptcy claim on behalf of LED has been filed for the outstanding reimbursement due from the company in accordance with the CEA.

THE FOLGER COFFEE COMPANY
Coffee roasting and distribution facility
Project announced in 2010
Orleans and St. Tammany Parishes

The Folger Coffee Company (Folgers) committed to expand its New Orleans coffee roasting facilities and St. Tammany Parish distribution center, including capital investment of $69 million and employment ramping up to 570 (120 new direct jobs with average salaries of $42,000, plus benefits) by 2012.

The Folgers announcement represents a consolidation of the company's operations into Louisiana and secures the company's long-term presence in Louisiana.

To secure the project, LED offered Folgers a performance-based grant of up to $3.0 million, for the relocation of equipment and personnel from other Folgers facilities and installation of new equipment at three Folgers Louisiana facilities. Grant funds are to be provided on a reimbursement basis after expenditures are verified and approved by the State. As of the report date, $3.0 million in expenditures had been reimbursed by the State.

The cooperative endeavor agreement (CEA) between the state of Louisiana/LED and Folgers commits the company to complete $69 million in capital investment by December 31, 2012.

The company has committed to retain 450 jobs through 2020 and produce 120 total new direct jobs according to the following schedule: 60 new direct jobs by December 31, 2011 and an additional 60 new direct jobs by December 31, 2012.

The CEA includes clawback provisions that will require Folgers to reimburse the State, with interest, proportionate to any nonperformance against critical commitments in the CEA (principally capital investment and payroll obligations). Specifically, the company must reimburse 3.5 percent of any shortfall relative to capital investment commitments and 6.7 percent of any shortfall relative to payroll obligations.

As of the report date, Folgers completed equipment and facility upgrades and consolidated all contemplated operations into Louisiana. Under the CEA, Folgers' performance is assessed annually relative to payroll obligations. The most recent obligation includes $36.5 million in payroll for the 12-month period ending December 31, 2019. The company generated over $58.2 million in payroll during this period, exceeding the performance requirement. The next obligation includes $37.2 million in payroll for the 12-month period ending December 31, 2020.

As of the report date, Folgers was meeting or exceeding all current performance requirements in the CEA.

THE LIGHTHOUSE FOR THE BLIND
Paper cup manufacturing facility
Project announced in 2010
East Baton Rouge Parish

The Lighthouse for the Blind (Lighthouse for the Blind) committed to open a paper cup manufacturing facility including capital investment of $5.7 million and employment ramping up to 75 with average salaries of $22,539, plus benefits, by 2013.

Lighthouse for the Blind is a nonprofit organization that serves the blind and visually impaired. The successful negotiation of this incentive award returns paper cup manufacturing operations to Louisiana after they were displaced because of the effects of Hurricane Katrina. At least 50 percent of the committed jobs are scheduled to go to legally blind individuals

To secure the project, LED offered Lighthouse for the Blind a performance-based grant of $1.5 million payable in equal installments to offset facility acquisition costs. Grant funds are to be provided on a reimbursement basis after expenditures are verified and approved by the State. As of the report date, $0.15 million in expenditures had been reimbursed by the State.

The cooperative endeavor agreement (CEA) between the state of Louisiana/LED and Lighthouse for the Blind commits the organization to complete $5.7 million in capital investment by November 15, 2012. The organization committed to produce 75 new direct jobs according to the following schedule: eight new direct jobs by December 31, 2011; an additional 40 new direct jobs by December 31, 2012; and an additional 27 new direct jobs by December 31, 2013.

The CEA includes clawback provisions that will require Lighthouse for the Blind to reimburse the State, with interest, proportionate to any nonperformance against critical commitments in the CEA (principally required capital investment and payroll obligations). Specifically, Lighthouse for the Blind will reimburse the State 0.72 percent of any shortfall relative to required capital investment commitments and 10.4 percent of any shortfall relative to payroll obligations.

As of the report date, Lighthouse for the Blind purchased a building in East Baton Rouge Parish and completed renovations and electrical upgrades. The relocation of equipment to the building is complete and six paper cup machines were operational. Under the CEA, Lighthouse for the Blind's performance is assessed annually relative to payroll obligations. The most recent obligation included $2.0 million in payroll for the 12-month period ending December 31, 2019. Lighthouse for the Blind generated $1.4 million in payroll during this period, missing the performance requirement. The next obligation includes $2.0 million in payroll for the 12-month period ending December 31, 2020.

As of the report date, Lighthouse for the Blind was meeting about 70 percent of the payroll obligation specified in the CEA. Accordingly, the company's annual performance-based incentive payment was proportionally reduced.

US FOODS, INC.
Distribution facility
Project announced in 2018
Jefferson Parish

US Foods, Inc. (US Foods) committed to expand the F. Christiana distribution facility in Marrero, retaining 140 existing jobs and creating 45 new direct jobs by 2027 with an annual salary of $46,000, plus benefits. The investment will triple the size of the facility to 200,000 square feet in support of expanding distribution opportunities across the region.

The company explored a wide variety of markets for the investment. US Foods chose this location because the expansion of the F. Christiana facility will allow the company to continue to grow and serve more customers throughout Louisiana.

To secure the project, LED offered US Foods a performance-based grant of up to $1.5 million to offset the cost of facility improvements and construction upgrades to the site and facility. As of the report date, no expenditures had been reimbursed by the State.

The cooperative endeavor agreement (CEA) between the state of Louisiana/LED and US Foods commits the company to complete $51.9 million in capital investments at the facility by December 31, 2021.

The company has committed to retain 198 existing jobs and produce 45 total new direct jobs according to the following schedule: 10 new direct jobs by June 30, 2024; an additional nine new direct jobs by June 30, 2025; an additional eight new direct jobs by June 30, 2026; an additional 13 new direct jobs by June 30, 2027; and an additional five new jobs by June 30, 2028.

The CEA includes clawback provisions that will require US Foods to reimburse the State proportionate to any nonperformance against critical commitments in the CEA, principally capital expenditures, retained jobs, and payroll obligations. Specifically, US Foods will not receive grant funds if they do not meet their capital expenditure obligation; suffer a reduction or forfeit grant funds for not meeting the retained jobs obligations; and reimburse the State 15.5 percent of any shortfall relative to new payroll obligations.

As of the report date, the expansion project had been delayed by a year but was still moving forward. The company's first significant obligation will be to produce $0.5 million in new payroll by June 30, 2023. New payroll obligations will increase each year thereafter.

As of the report date, US Foods was meeting or exceeding all current performance requirements in the CEA.

PUBLIC SECTOR RAPID RESPONSE FUND PROJECTS

LOUISIANA STATE UNIVERSITY
Transformational Technology and Cyber Research Center
Project announced in 2014
East Baton Rouge Parish

The State commitment of $3.0 million to Louisiana State University (LSU) provides for the creation and operation of the LSU Transformational Technology and Cyber Research Center (TTCRC).

The TTCRC project represents a higher education investment by the State to cultivate an accomplished workforce with in-demand technology skills and a robust private sector with rapid growth in jobs that will engage graduates who possess skills in computer science, software engineering, digital media applications, mathematics, and other quantitative-intense fields.

TTCRC will pursue major federal and commercial research projects in applied technology fields. The goals of the research partnership between the State and LSU are for TTCRC to reach at least $10 million in research contracts by January 1, 2016, and $30 million in research contracts by July 1, 2017.

The cooperative endeavor agreement (CEA) commits the State to pay LSU up to $3.0 million towards TTCRC's salary and administrative expenses over a three-year period. The State will make an initial payment of $350,000 to LSU. State funds are provided to LSU on a reimbursement basis after TTCRC revenues and expenditures are verified and approved. As of the report date, $3.0 million in expenditures had been reimbursed by the State, including $2.2 million in Rapid Response Fund expenditures.

The State will not make additional payments until LSU has established the TTCRC and has executed contracts with a total value of $3.5 million to satisfy the advance payment. Thereafter, LED will pay LSU $1 for every $10 of contracts executed by TTCRC. If revenue received by TTCRC, used to match LED grant payments, is less than the value asserted in the requests for grant payment, LSU will reimburse the State 10 percent of the amount of any shortfall within one year of termination of the agreement.

As of the report date, LSU has established the TTCRC. The center is engaged across multiple disciplines and fronts to secure research contracts. TTCRC has secured more than $45.2 million in U.S. Department of Defense (DoD) related grants and was awarded an additional $10.0 million DoD grant as established in the 2016 DoD appropriations bill.

As of the report date, TTCRC was meeting or exceeding all of its performance requirements in the CEA.

MADISON PARISH PORT COMMISSION
Natural gas pipeline
Project announced in 2019
Madison Parish

The State commitment of $3.65 million to the Madison Parish Port Commission (MPPC) will provide for the installation of an eight-inch natural gas pipeline to serve port facilities along the Mississippi River.

Upon completion of the project, the pipeline will provide the Madison Parish Port (Port) with the capacity of carrying up to 500MMBtu per hour of natural gas, available for attracting industrial tenants into its Mississippi River port. The cost-effective infrastructure investment will support future Port development and projects and expansion of local industry. Located near Tallulah, the Madison Parish Port is a leading port along the more than 500-mile section of the Mississippi River between Baton Rouge and Memphis, Tennessee. It handles about 750,000 tons of cargo annually, including aggregates, lime, dry and liquid fertilizer, cottonseed, grain, and steel.

The interagency cooperative endeavor agreement (CEA) commits the State to pay up to $3.65 million to MPPC as reimbursement of its expenses incurred in connection with the construction, installation, and provision of the pipeline for the Madison Parish Port. The MPCC has contracted with CenterPoint Energy Interstate Pipelines, LLC (CenterPoint) to construct the pipeline.

State funds are provided to MPPC on a reimbursement basis after CenterPoint expenditures have been verified and approved. As of the report date, no expenditures had been reimbursed by the State.

As of the report date, CenterPoint had performed a variety of functions associated with the pipeline project. These activities include, but are not limited to, surveying the new pipeline route and acquiring necessary easements required for the project. CenterPoint has also prepared engineering design documents and filed applications for required permits from the U.S. Army Corps of Engineers, Louisiana Department of Natural Resources, and Louisiana Department of Transportation. CenterPoint entered into an interconnect agreement with an upstream interstate pipeline company for the new transmission pipeline tap and arrangements required for this new system.

As of the report date, MPCC was meeting or exceeding all of its performance requirements in the CEA.

SHREVEPORT AIRPORT AUTHORITY
Aircraft maintenance facility
Project announced in 2018
Caddo Parish

Western Global Airlines (Western Global) committed to establish an aircraft maintenance facility in Shreveport, Louisiana including capital investments of $3.0 million for tooling and equipment and creating 170 new direct jobs with average salaries of $45,200, plus benefits, by 2027. Western Global will lease space for its maintenance facility in an 152,000-square-foot hanger at the Shreveport Regional Airport. The Shreveport Airport Authority will renovate the hangar and lease it to the company.

Western Global selected Shreveport as a conveniently located and well-qualified hub for maintaining its fleet of 16 Boeing 747 and McDonnel Douglas MD-114 wide-body freighter aircraft.

To secure the project, LED offered the Shreveport Airport Authority a performance-based grant of $1.0 million to offset the renovation costs associated with the Hangar. Grant funds are to be provided on a reimbursement basis after expenditures are verified and approved by the State. As of the report date, no expenditures had been reimbursed by the State.

The cooperative endeavor agreement (CEA) between the state of Louisiana/LED and the Shreveport Airport Authority commits Western Global to begin operations at the facility no later than December 2018.

Western Global has committed to produce 170 total new direct jobs according to the following schedule: 75 new direct jobs by December 31, 2019; an additional 25 new direct jobs by December 31, 2020; an additional 10 new direct jobs by December 31, 2021; an additional 10 new direct jobs by December 31, 2022; an additional 10 new direct jobs by December 31, 2023; an additional 10 new direct jobs by December 31, 2024; an additional 10 new direct jobs by December 31, 2025; an additional 10 new direct jobs by December 31, 2026; and an additional 10 new direct jobs by December 31, 2027.

The CEA includes clawback provisions that require the Shreveport Airport Authority to reimburse the State, with interest, proportionate to any nonperformance against critical commitments in the CEA (principally payroll obligations). Specifically, the authority must reimburse 3.93 percent of any shortfall relative to required payroll obligations.

As of the report date, Western Global began its operations in Caddo Parish. Under the CEA, the Shreveport Airport Authority's performance is assessed annually relative to payroll obligations. The most recent obligation included $5.0 million in payroll for the 12-month period ending December 31, 2019. The company generated $3.2 million in payroll during this period, missing the performance requirement. The next obligation includes $4.6 million in payroll for the 12-month period ending December 31, 2020.

As of the report date, Western Global Airlines was meeting about 64 percent of the payroll obligation specified in the CEA. Consequently, LED reduced reimbursement to the Shreveport Airport Authority commensurate with payroll underperformance as required by the CEA.